

U.S. Department of
Transportation

**BUDGET
ESTIMATES
FISCAL YEAR 2018**

**OFFICE OF
THE SECRETARY
OF TRANSPORTATION**

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

**DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY**

FY 2018 OST CONGRESSIONAL BUDGET JUSTIFICATION

TABLE OF CONTENTS

	<u>Page</u>
SECTION 1: OVERVIEW	
Overview	Overview - 1
Organizational Chart (OST)	Overview - 3
SECTION 2: BUDGET SUMMARY TABLES	
Exhibit II-1 –Comparative Statement of New Budget Authority	Sec. 2 - 1
Exhibit II-2 –Budgetary Resources by Appropriation Account	Sec. 2 - 2
Exhibit II-4 – Budgetary Authority	Sec. 2 - 3
Exhibit II-5 – Outlays	Sec. 2 - 4
Exhibit II-6 – Analysis of Change Tables	Sec. 2 - 5
Exhibit II-7 – Working Capital Fund	Sec. 2 - 18
Exhibit II-8– Personnel Resource Summary – FTEs.....	Sec. 2 - 19
Exhibit II-9 - Personnel Resource Summary – Positions	Sec. 2 - 20
SECTION 3: BUDGET REQUEST BY APPROPRIATION	
Exhibit III-1 - Appropriation Language	Sec. 3 - 1
General Provisions	Sec. 3 - 31
Salaries and Expenses	
Program Funding Summary	S&E - 1
Detailed Justification	S&E - 2
Explanation of Funding Changes	S&E - 35
Budget Appendix Schedules	S&E - 36
Small Community Air Service Development Program	
Program Funding Summary	SCASDP - 1
Explanation of Funding Changes	SCASDP - 2
Supplemental Discretionary Grants for a National Surface Transportation System, Recovery Act	
Budget Appendix Schedules	SDGNSTS - 1
Financial Management Capital	
Program Funding Summary	FMC - 1
Detailed Justification	FMC - 2
Explanation of Funding Changes	FMC - 4
Budget Appendix Schedules	FMC - 5
Office of Civil Rights	
Program Funding Summary	OCR - 1
Detailed Justification	OCR - 2
Explanation of Funding Changes	OCR - 11
Budget Appendix Schedules	OCR - 12
Small and Disadvantaged Business Utilization and Outreach	
Program Funding Summary	SDBUO - 1

Detailed Justification	SDBUO - 2
Explanation of Funding Changes	SDBUO - 7
Budget Appendix Schedules	SDBUO - 8
 Transportation Planning, Research and Development	
Program Funding Summary	TPRD - 1
Detailed Justification	TPRD - 2
Explanation of Funding Changes	TPRD - 9
Budget Appendix Schedules	TPRD - 10
 TIGER Grants Program (National Infrastructure Investments)	
Program Funding Summary	TIGER - 1
Explanation of Funding Changes	TIGER - 2
Budget Appendix Schedules	TIGER - 3
 New Headquarters Building	
Budget Appendix Schedules	NHB - 1
 Minority Business Resource Center Program	
Program Funding Summary	MBRC - 1
Detailed Justification	MBRC - 2
Explanation of Funding Changes	MBRC - 7
Budget Appendix Schedules	MBRC - 8
 Cyber Security Initiatives	
Program Funding Summary	CSI - 1
Detailed Justification	CSI - 2
Explanation of Funding Changes	CSI - 6
Budget Appendix Schedules	CSI - 7
 National Surface Transportation and Innovative Finance Bureau	
Program Funding Summary	NSTIFB - 1
Detailed Justification	NSTIFB - 2
Explanation of Funding Changes	NSTIFB - 4
Budget Appendix Schedules	NSTIFB - 5
 Research and Technology	
Research and Technology Detailed Justification.....	R&T - 1
Explanation of Funding Changes	R&T - 6
Budget Appendix Schedules	R&T - 7
Bureau of Transportation Statistics	R&T - 10
Explanation of Funding Changes	R&T - 14
University Transportation Centers	R&T - 15
Explanation of Funding Changes	R&T - 18
Volpe Center.....	R&T - 19
Explanation of Funding Changes	R&T - 22
Budget Appendix Schedules.....	R&T - 23
 Transportation Aviation Assistance to Remote Areas	
Program Funding Summary	TAARA - 1
Detailed Justification	TAARA - 2
Explanation of Funding Changes	TAARA - 3
Budget Appendix Schedules	TAARA - 5

Working Capital Fund

FY 2018 Estimate.....	WCF - 1
Explanation of Funding Changes	WCF - 37
Budget Appendix Schedules	WCF - 38

SECTION 4: RESEARCH, DEVELOPMENT AND TECHNOLOGY

Summary (Exhibit IV-1).....	Sec. 4 - 1
Narrative.....	Sec. 4 - 2

SECTION 5: ADDITIONAL JUSTIFICATION

Transparency Paper: Total Program Resources for OASA & OCIO	Sec. 5 - 1
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GENERAL NOTES

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

OFFICE OF THE SECRETARY

OVERVIEW

The Office of the Secretary (OST) requests \$278 million in FY 2018 for the programs and activities of the OST, which is \$666 million below the FY 2017 estimated funding level. This request includes \$159 million of discretionary funding for OST programs, including funds to: improve cyber security; strengthen the Department's financial business processes; continue improving permitting review; and continue to administer DOT Credit programs through the newly established National Surface Transportation and Innovate Finance Bureau. This request also assumes \$119 million of mandatory funding for the Transportation Aviation Assistance to Remote Areas (TAARA) program.

The FY 2018 request includes:

- \$111.9 million for Salaries and Expenses for the Secretarial offices. This is \$3.4 million above the FY 2017 estimated level. That amount will fund changes from FY 2017 including: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) an estimated 1 percent inflation increase; and (4) adjustments to GSA Rent and Working Capital Fund.
- \$3 million for Financial Management Capital, \$2 million below the FY 2017 estimated level, to deploy eInvoicing capabilities.
- \$9.5 million for the Departmental Office of Civil Rights (DOCR), \$0.16 million below the FY 2017 estimated level, to continue to support and advance internal and external civil rights initiatives, administer Federal civil rights statutes, and investigate EEO complaints.
- \$4 million is requested for the activities of the Small and Disadvantaged Business Utilization and Outreach (formerly Minority Business Outreach). This reflects the merger of the Salaries and Expenses and the Minority Business Outreach appropriations, both of which are currently administered by the Office of Small and Disadvantaged Business Utilization (OSDBU).
- \$0.5 million is requested for the Minority Business Resource Center (MBRC), \$0.4 million below the FY 2017 estimated level, to continue to service the existing loans and begin a financial education outreach program. This program is also administered by OSDBU.
- \$8.5 million for the Department's Transportation Planning, Research and Development program, which is the same level as the FY 2017 estimated level, for activities and studies needed to support the Secretary's responsibilities in the formulation of national transportation policies which includes funding for the Infrastructure Permitting Improvement Center (IPIC) to focus on improving the efficiency of the Federal permitting process for major infrastructure investments.

- \$10 million for Cyber Security Initiatives, which is \$2 million above the FY 2017 estimated level, to continue to improve the compliance of DOT's cyber security posture, building on and continuing the accomplishments achieved with the FYs 2012-2017 appropriations.
- \$3 million for the National Surface Transportation and Innovate Finance Bureau (Bureau), which is \$3 million above the FY 2017 estimated level, to continue to provide technical assistance and expert advice to administer the DOT Credit programs.
- \$8.5 million for the Research and Technology activities to be administered by the Office of the Assistant Secretary for Research and Technology, \$4.5 million below the FY 2017 estimated level. A portion of the funding is for salaries and expenses supporting Research and Development activities, with the remainder of the funding for Alternative Fuels Research and Development, Research, Development and Technology Coordination, and Positioning, Navigation and Timing programs. In addition, the FY 2018 request for the Office of the Assistant Secretary for Research and Technology includes \$26 million for the Bureau of Transportation Statistics (BTS) transferred from the Federal Highway Administration as an allocation from the Federal-Aid Highways account.
- \$119 million for the Transportation Aviation Assistance to Remove Areas (TAARA) program. This funding is mandatory funding from Overflight Fees collected by the Federal Aviation Administration.

U.S. Department of Transportation

Office of the Secretary – Direct Positions/FTEs

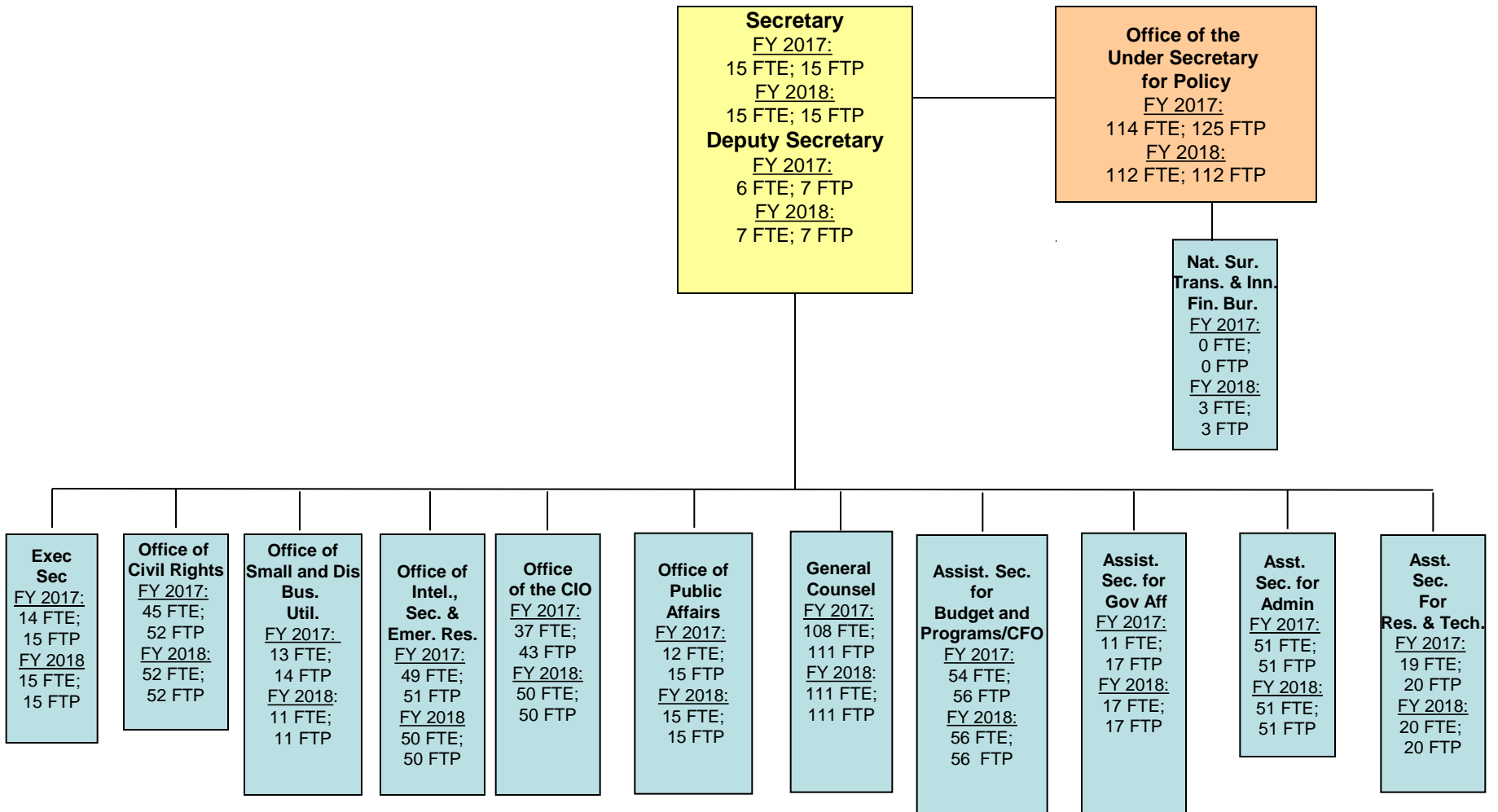


EXHIBIT II - 1
FY 2018 COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY
OFFICE OF THE SECRETARY OF TRANSPORTATION

(\$000)

ACCOUNTS	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2017 ENACTED	FY 2018 REQUEST
SALARIES & EXPENSES	108,750	108,543	114,000	111,898
SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)	[5,000]	[4,990]	[10,000]	[0]
FINANCIAL MANAGEMENT CAPITAL	5,000	4,990	4,000	3,000
OFFICE OF CIVIL RIGHTS	9,678	9,660	9,751	9,500
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	3,084	3,078	4,646	3,999
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	8,500	8,484	12,000	8,500
TIGER GRANTS PROGRAM (NII)	500,000	499,050	500,000	0
NATIONAL SURFACE TRANSPORTATION INNOVATIVE FINANCE BUREAU	0	0	3,000	3,000
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	933	931	941	500
Minority Business Resource Center Program - Discretionary				
Guaranteed Loan Subsidy	336	335	339	0
Administrative Expenses	597	596	602	500
(Limitation on guaranteed loans)	[18,367]	[18,367]	[18,367]	[0]
CYBER SECURITY INITIATIVES	8,000	7,985	15,000	10,000
RESEARCH AND TECHNOLOGY	13,000	12,975	13,000	8,465
WORKING CAPITAL FUND (Obligation Limitation)	[190,039]	[189,678]	[190,389]	[0] 1/
TRANSPORTATION AVIATION ACCESS TO REMOTE AREAS:	280,653	287,957	263,290	119,129
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	175,000	174,667	150,000	0
Essential Air Service - Mandatory	105,653	113,290	113,290	119,129
GRAND TOTAL	937,598	943,654	939,628	277,992
Appropriations - Budget Authority	937,598	943,654	939,628	0
Rescissions and Cancellations	0	0	0	0

1/ No obligation limitation is proposed.

EXHIBIT II - 2
FY 2018 TOTAL BUDGETARY RESOURCES BY APPROPRIATION ACCOUNT
OFFICE OF THE SECRETARY OF TRANSPORTATION
Appropriations, Obligation Limitations, Exempt Obligations, and Mandatory EAS

(\$000)

ACCOUNTS	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2017 ENACTED	FY 2018 REQUEST
SALARIES & EXPENSES	108,750	108,543	114,000	111,898
SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)	[5,000]	[4,990]	[10,000]	[0]
FINANCIAL MANAGEMENT CAPITAL	5,000	4,990	4,000	3,000
OFFICE OF CIVIL RIGHTS	9,678	9,660	9,751	9,500
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	3,084	3,078	4,646	3,999
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	8,500	8,484	12,000	8,500
TIGER GRANTS PROGRAM (NII)	500,000	499,050	500,000	0
NATIONAL SURFACE TRANSPORTATION INNOVATIVE FINANCE BUREAU	0	0	3,000	3,000
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	933	931	941	500
Minority Business Resource Center Program - Discretionary				
Guaranteed Loan Subsidy	336	335	339	0
Administrative Expenses	597	596	602	500
(Limitation on guaranteed loans)	[18,367]	[18,367]	[18,367]	[0]
CYBER SECURITY INITIATIVES	8,000	7,985	15,000	10,000
RESEARCH AND TECHNOLOGY	13,000	12,975	13,000	8,465
WORKING CAPITAL FUND (Obligation Limitation)	[190,039]	[189,678]	[190,389]	[0] ^{1/}
TRANSPORTATION AVIATION ACCESS TO REMOTE AREAS:	280,653	287,957	263,290	119,129
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	175,000	174,667	150,000	0
Essential Air Service - Mandatory	105,653	113,290	113,290	119,129
GRAND TOTAL	937,598	943,654	939,628	277,992

1/ No obligation limitation is proposed.

EXHIBIT II - 4
FY 2018 BUDGET AUTHORITY
OFFICE OF THE SECRETARY OF TRANSPORTATION
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ACCOUNTS	M / D	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2017 ENACTED	FY 2018 REQUEST
SALARIES & EXPENSES		108,750	108,543	114,000	111,898
SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)		[5,000]	[4,990]	[10,000]	[0]
FINANCIAL MANAGEMENT CAPITAL		5,000	4,990	4,000	3,000
OFFICE OF CIVIL RIGHTS		9,678	9,660	9,751	9,500
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH		3,084	3,078	4,646	3,999
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT		8,500	8,484	12,000	8,500
TIGER GRANTS PROGRAM (NII)	D	500,000	499,050	500,000	0
NATIONAL SURFACE TRANSPORTATION INNOVATIVE FINANCE BUREAU		0	0	3,000	3,000
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)		933	931	941	500
Minority Business Resource Center Program - Discretionary					
Guaranteed Loan Subsidy		336	335	339	0
Administrative Expenses		597	596	602	500
(Limitation on guaranteed loans)		[18,367]	[18,367]	[18,367]	[0]
CYBER SECURITY INITIATIVES		8,000	7,985	15,000	10,000
RESEARCH AND TECHNOLOGY		13,000	12,975	13,000	8,465
WORKING CAPITAL FUND (Obligation Limitation)		[190,039]	[189,678]	[190,389]	[0]
TRANSPORTATION AVIATION ACCESS TO REMOTE AREAS:		280,653	287,957	263,290	119,129
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>)	D	175,000	174,667	150,000	0
Essential Air Service 2/	M	105,653	113,290	113,290	119,129 1/
GRAND TOTAL		937,598	943,654	939,628	277,992
Mandatory		605,653	612,340	613,290	119,129
Discretionary		331,945	331,314	326,338	158,863

1/ This funding level does not reflect a mandatory sequester.

2/ Includes annual overflight fee collections and carry over balances from the prior year.

EXHIBIT II - 5
FY 2018 OUTLAYS
OFFICE OF THE SECRETARY OF TRANSPORTATION

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ACCOUNTS	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
SALARIES & EXPENSES	107,793	146,622	111,563
SURFACE TRANSPORTATION DISCRETIONARY GRANTS (ARRA)	112,189	0	0
FINANCIAL MANAGEMENT CAPITAL	9,352	4,992	3,398
OFFICE OF CIVIL RIGHTS	8,669	9,661	9,516
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	3,499	9,691	3,909
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	14,909	7,994	8,487
TIGER GRANTS PROGRAM (NII)	410,592	597,558	532,124
NATIONAL SURFACE TRANSPORTATION INNOVATIVE FINANCE BUREAU	0	0	2,700
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	385	1,312	500
CYBER SECURITY INITIATIVES	3,947	12,718	9,194
RESEARCH AND TECHNOLOGY	17,197	13,000	8,940
WORKING CAPITAL FUND (Obligation Limitation)	-2,750	15,716	10,474
TRANSPORTATION AVIATION ACCESS TO REMOTE AREAS: Payments to Air Carriers	168,678	165,801	70,346
NEW HEADQUARTERS BUILDING	45	654	0
VOLPE NATIONAL TRANSPORTATION CENTER	15,236	0	0
Discretionary, Subtotal	869,741	985,719	771,151
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)			
MBRC Guaranteed Loan Subsidy re-estimate- Mandatory	0	0	0
TRANSPORTATION AVIATION ACCESS TO REMOTE AREAS: Essential Air Service - Mandatory	88,631	110,236	116,793
Mandatory, Subtotal	88,631	110,236	116,793
GRAND TOTAL	958,372	1,095,955	887,944

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

SALARIES AND EXPENSES SUMMARY

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%			
PERSONNEL RESOURCES												
Direct												
Positions	530	452	0	0	0	0	0	0	0	452	-3	449
FTEs	405.00	422.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	422.25	27	449.00
Reimbursable												
Positions	31	30	0	0	0	0	0	0	0	30	0	30
FTEs	15.00	27.00	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27.00	-7.0	20.00
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
PERSONNEL COMPENSATION & BENEFITS												
PERSONNEL COMPENSATION & BENEFITS TOTAL	72,644.201	73,569.271	172.178	0.000	0.000	951.330	0.000	-16.335	0.000	74,676.444	-1,236.690	73,253.582
Salaries and Benefits	72,644.201	73,569.271	172.178	0.000	0.000	951.330	0.000	-16.335	0.000	74,676.444	-1,236.690	73,253.582
* WCF Non-Add (Transit Benefits)	(322.515)	(378.998)	0.000	0.000	0.000	0.000	0.000	16.335	0.000	(362.663)	(4.385)	(367.047)
Travel	1,312.607	1,325.733	0.000	0.000	0.000	0.000	0.000	0.000	13.257	1,338.990	-100.060	1,144.327
Transportation	3.075	3.106	0.000	0.000	0.000	0.000	0.000	0.000	0.031	3.137	-3.137	0.000
GSA Rent	9,310.810	9,471.845	0.000	0.000	0.000	0.000	111.362	0.000	94.718	9,677.925	0.000	9,677.925
Other Communication Services	134.654	135.999	0.000	0.000	0.000	0.000	0.000	0.000	1.360	137.359	40.842	112.458
Utilities & Misc., Charges-Rental-Furniture	5.156	5.208	0.000	0.000	0.000	0.000	0.000	0.000	0.052	5.260	0.000	5.260
Printing and Reproduction	306.307	309.370	0.000	0.000	0.000	0.000	0.000	0.000	3.094	312.464	0.000	297.306
Working Capital Fund	15,454.842	16,377.204	0.000	0.000	0.000	0.000	0.000	558.774	74.837	17,010.816	298.078	17,308.894
Contractual Services	9,293.245	7,086.348	0.000	0.000	0.000	0.000	0.000	0.000	70.863	7,157.211	2,319.069	9,875.524
Supplies and Materials	258.186	231.995	0.000	0.000	0.000	0.000	0.000	0.000	2.320	234.315	-0.605	201.312
Equipment	26.918	27.187	0.000	0.000	0.000	0.000	0.000	0.000	0.272	27.459	-0.091	21.908
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	108,750.000	108,543.266	172.178	0.000	0.000	951.330	111.362	542.439	260.805	110,581.380	1,317.407	111,898.496
PROGRAM EXPENSES												
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	108,750.000	108,543.266	172.178	0.000	0.000	951.330	111.362	542.439	260.805	110,581.380	1,317.407	111,898.496

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

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

SMALL COMMUNITIES AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%			
PERSONNEL RESOURCES												
Direct												
Positions	4	5	0	0	0	0	0	0	0	5	-5	0
FTEs	5.00	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	-5.00	0.00
Reimbursable	0	0										0
Positions	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
Salaries and Benefits	480.011	486.479	1.217	0.000	0.000	6.720	0.000	0.000	0.000	494.416	-494.416	0.000
* WCF Non-Add (Transit Benefits)	(2.500)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	4.000	4.000	0.000	0.000	0.000	0.000	0.000	0.000	0.040	4.040	-4.040	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Communication Services	25.250	25.503	0.000	0.000	0.000	0.000	0.000	0.000	0.255	25.758	-25.758	0.000
Utilities & Misc., Charges-Rental-Furniture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Working Capital Fund	84.815	84.228	0.000	0.000	0.000	0.000	0.000	0.000	0.842	85.071	-85.071	0.000
Contractual Services	405.924	390.283	0.000	0.000	0.000	0.000	0.000	0.000	3.903	394.185	-394.185	0.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PROGRAM EXPENSES												
Grants - SCASDP	4,000.000	4,000.000							40.000	4,040.000	-4,040.000	0.000
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
Program Subtotal	4,000.000	4,000.000	0.000	0.000	0.000	0.000	0.000	0.000	40.000	4,040.000	-4,040.000	0.000
TOTAL	5,000.000	4,990.493	1.217	0.000	0.000	6.720	0.000	0.000	45.040	5,043.470	-5,043.470	0.000

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

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

FINANCIAL MANAGEMENT CAPITAL

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%			
PERSONNEL RESOURCES												
Direct												
Positions	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursable												
Positions	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
Salaries and Benefits	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
* WCF Non-Add (Transit Benefits)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Communication Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Utilities & Misc., Charges-Rental-Furniture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Contractual Services	5,000.000	4,990.495	0.000	0.000	0.000	0.000	0.000	0.000	49.905	5,040.400	-2,040.400	3,000.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	5,000.000	4,990.495	0.000	0.000	0.000	0.000	0.000	0.000	49.905	5,040.400	-2,040.400	3,000.000
PROGRAM EXPENSES												
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	5,000.000	4,990.495	0.000	0.000	0.000	0.000	0.000	0.000	49.905	5,040.400	-2,040.400	3,000.000

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

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

OFFICE OF CIVIL RIGHTS

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%			
PERSONNEL RESOURCES												
Direct												
Positions	55	52	0	0	0	0	0	0	0	52	0	52
FTEs	43.00	45.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	45.00	7.00	52.00
Reimbursable	0	0										0
Positions	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
Salaries and Benefits	6,235.170	6,281.589	15.605	0.000	0.000	86.226	0.000	0.700	0.000	6,384.120	0.000	6,830.507
* WCF Non-Add (Transit Benefits)	(37.267)	(39.266)	0.000	0.000	0.000	0.000	0.000	(0.700)	0.000	(39.966)	0.000	(39.966)
Travel	48.278	48.761	0.000	0.000	0.000	0.000	0.000	0.000	0.488	49.249	0.000	49.249
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Communication Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Utilities & Misc., Charges-Rental-Furniture	29.313	29.606	0.000	0.000	0.000	0.000	0.000	0.000	0.296	29.902	0.000	29.902
Printing and Reproduction	10.819	10.927	0.000	0.000	0.000	0.000	0.000	0.000	0.109	11.036	0.000	11.036
Working Capital Fund	1,020.089	869.370	0.000	0.000	0.000	0.000	0.000	160.335	0.000	1,029.705	0.000	1,029.705
Contractual Services	2,283.325	2,367.833	0.000	0.000	0.000	0.000	0.000	0.000	23.678	2,391.511	-447.554	1,497.570
Supplies and Materials	51.006	51.516	0.000	0.000	0.000	0.000	0.000	0.000	0.515	52.031	0.000	52.031
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	9,678.000	9,659.602	15.605	0.000	0.000	86.226	0.000	161.035	25.086	9,947.554	-447.554	9,500.000
PROGRAM EXPENSES												
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	9,678.000	9,659.602	15.605	0.000	0.000	86.226	0.000	161.035	25.086	9,947.554	-447.554	9,500.000

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

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

SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Redirection of Resources	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%				
PERSONNEL RESOURCES													
Direct													
Positions	4	4	0	0	0	0	0	0	0	4	6		10
FTEs	3.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	6.00		10.00
Reimbursable	0	0											0
Positions	0	0	0	0	0	0	0	0	0	0	0		0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
FINANCIAL RESOURCES													
ADMINISTRATIVE EXPENSES													
Salaries and Benefits	592.578	601.650	1.493	0.000	0.000	8.243	0.000	-0.408	0.000	610.978	843.442		1,454.420
* WCF Non-Add (Transit Benefits)	0.000	(4.839)	0.000	0.000	0.000	0.000	0.000	0.408	0.000	(4.431)	0.000		(4.431)
Travel	19.000	19.190	0.000	0.000	0.000	0.000	0.000	0.000	0.192	19.382	0.000		19.382
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Other Communication Services	0.513	0.518	0.000	0.000	0.000	0.000	0.000	0.000	0.005	0.523	0.000		0.523
Utilities & Misc., Charges-Rental-Furniture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Printing and Reproduction	3.229	3.262	0.000	0.000	0.000	0.000	0.000	0.000	0.033	3.295	0.000		3.295
Working Capital Fund	59.635	183.574	0.000	0.000	0.000	0.000	0.000	-18.312	1.836	167.098	0.000		167.098
Contractual Services	458.164	318.845	0.000	0.000	0.000	0.000	0.000	0.000	3.188	322.033	61.733		383.766
Supplies and Materials	21.730	21.947	0.000	0.000	0.000	0.000	0.000	0.000	0.219	22.166	0.000		22.166
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
PROGRAM EXPENSES													
Cooperative Agreements	1,929.151	1,929.151							19.292	1,948.443			1,948.443
None		0.000							0.000	0.000			0.000
None		0.000							0.000	0.000			0.000
None		0.000							0.000	0.000			0.000
Program Subtotal	1,929.151	1,929.151	0.000	0.000	0.000	0.000	0.000	0.000	19.292	1,948.443	0.000		1,948.443
TOTAL	3,084.000	3,078.137	1.493	0.000	0.000	8.243	0.000	-18.720	24.765	3,093.918	905.175		3,999.093

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

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

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT (Grand Total)

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Redirection of Resources	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%				
PERSONNEL RESOURCES													
Direct													
Positions	40	37	0	0	0	0	0	0	0	37	0.00		37
FTEs	25.00	32.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	32.00	5.00		37.00
Reimbursable	0	0											0
Positions	0	0	0	0	0	0	0	0	0	0	0		0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
FINANCIAL RESOURCES													
ADMINISTRATIVE EXPENSES													
Salaries and Benefits	6,097.052	6,646.218	16.154	0.000	0.000	89.262	0.000	7.083	0.000	6,758.717	35.320	0.000	6,794.037
* WCF Non-Add (Transit Benefits)	(24.110)	(27.072)	0.000	0.000	0.000	0.000	0.000	(7.083)	0.000	(34.155)	0.000	0.000	(34.155)
Travel	181.357	131.968	0.000	0.000	0.000	0.000	0.000	0.000	1.320	133.288	39.212	0.000	172.500
Transportation	0.000	1.051	0.000	0.000	0.000	0.000	0.000	0.000	0.011	1.062	-1.062	0.000	0.000
GSA Rent	1.041	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Communication Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Utilities & Misc., Charges-Rental-Furniture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	20.137	20.338	0.000	0.000	0.000	0.000	0.000	0.000	0.203	20.541	-20.541	0.000	0.000
Working Capital Fund	630.396	594.999	0.000	0.000	0.000	0.000	0.000	122.941	5.950	723.890	184.188	0.000	908.078
Contractual Services	1,533.592	1,052.479	0.000	0.000	0.000	0.000	0.000	0.000	10.525	1,063.004	-477.617	0.000	585.387
Supplies and Materials	20.711	20.918	0.000	0.000	0.000	0.000	0.000	0.000	0.209	21.127	-0.127	0.000	21.000
Equipment	15.714	15.871	0.000	0.000	0.000	0.000	0.000	0.000	0.159	16.030	2.970	0.000	19.000
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PROGRAM EXPENSES													
Clean Energy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
None		0.000											
None		0.000											
None		0.000											
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	8,500.000	8,483.842	16.154	0.000	0.000	89.262	0.000	130.024	18.376	8,737.658	-237.657	0.000	8,500.001

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

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

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%			
PERSONNEL RESOURCES												
Direct												
Positions	12	7	0	0	0	0	0	0	0	7	-4	3
FTEs	7.00	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	-2.00	3.00
Reimbursable	0	0										0
Positions	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
Salaries and Benefits	6,521.669	6,659.234	16.632	0.000	0.000	91.898	0.000	3.170	0.000	6,770.934	-6,770.934	0.000
* WCF Non-Add (Transit Benefits)	(5.605)	(6.293)	0.000	0.000	0.000	0.000	0.000	(3.170)	0.000	(9.463)	9.463	0.000
Travel	800.000	808.000	0.000	0.000	0.000	0.000	0.000	0.000	8.080	816.080	-816.080	0.000
Transportation	0.400	0.404	0.000	0.000	0.000	0.000	0.000	0.000	0.004	0.408	-0.408	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Communication Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Utilities & Misc., Charges-Rental-Furniture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	10.500	10.605	0.000	0.000	0.000	0.000	0.000	0.000	0.106	10.711	-10.711	0.000
Working Capital Fund	187.504	181.338	0.000	0.000	0.000	0.000	0.000	34.840	0.000	216.178	-216.178	0.000
Contractual Services	12,458.918	12,282.054	0.000	0.000	0.000	0.000	0.000	0.000	122.821	12,404.875	-12,404.875	0.000
Supplies and Materials	21.009	21.210	0.000	0.000	0.000	0.000	0.000	0.000	0.212	21.422	-21.422	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	20,000.000	19,962.845	16.632	0.000	0.000	91.898	0.000	38.010	131.223	20,240.608	-20,240.608	0.000
PROGRAM EXPENSES												
NII Infrasructure Grants	480,000.000	479,087.520								479,087.520	-479,087.520	0.000
NII Planning Grants		0.000								0.000		0.000
None		0.000								0.000		0.000
None		0.000								0.000		0.000
Program Subtotal	480,000.000	479,087.520	0.000	0.000	0.000	0.000	0.000	0.000	0.000	479,087.520	-479,087.520	0.000
TOTAL	500,000.000	499,050.365	16.632	0.000	0.000	91.898	0.000	38.010	131.223	499,328.128	-499,328.128	0.000

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

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

MINORITY BUSINESS RESOURCE CENTER

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Redirection of Resources	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%				
PERSONNEL RESOURCES													
Direct													
Positions	1	1	0	0	0	0	0	0	0	1	0		1
FTEs	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00		1.00
Reimbursable	0	0											0
Positions	0	0	0	0	0	0	0	0	0	0	0		0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
FINANCIAL RESOURCES													
ADMINISTRATIVE EXPENSES													
Salaries and Benefits	180.646	181.937	0.455	0.000	0.000	2.513	0.000	0.000	0.000	184.905	0.000		184.905
* WCF Non-Add (Transit Benefits)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Travel	4.000	4.040	0.000	0.000	0.000	0.000	0.000	0.000	0.040	4.080	0.000		4.080
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Other Communication Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Utilities & Misc., Charges-Rental-Furniture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Working Capital Fund	14.902	14.232	0.000	0.000	0.000	0.000	0.000	3.589	0.000	17.821	0.000		17.821
Contractual Services	190.930	187.069	0.000	0.000	0.000	0.000	0.000	0.000	1.871	188.940	104.163		293.103
Supplies and Materials	0.384	0.388	0.000	0.000	0.000	0.000	0.000	0.000	0.004	0.392	0.000		0.392
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Administrative Loan Fees	206.138	208.199	0.000	0.000	0.000	0.000	0.000	0.000	2.082	210.281	-210.281		0.000
Grants, Subsidies, & Contributions	336.000	335.361	0.000	0.000	0.000	0.000	0.000	0.000	3.354	338.715	-338.715		0.000
PROGRAM EXPENSES													
<u>Guaranteed Loan Subsidy Reestimate - Mandatory</u>		0.000							0.000	0.000			0.000
None		0.000							0.000	0.000			0.000
None		0.000							0.000	0.000			0.000
None		0.000							0.000	0.000			0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
TOTAL	933.000	931.226	0.455	0.000	0.000	2.513	0.000	3.589	7.351	945.134	-444.833		500.301

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

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

CYBER SECURITY INITIATIVES

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%			
PERSONNEL RESOURCES												
Direct												
Positions	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursable												
Positions	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
PERSONNEL COMPENSATION & BENEFITS												
Salaries and Benefits	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
* WCF Non-Add (Transit Benefits)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Communication Services	1,023.273	2,933.164	0.000	0.000	0.000	0.000	0.000	0.000	29.332	2,962.496	740.624	3,703.120
Utilities & Misc., Charges-Rental-Furniture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Contractual Services	1,864.258	611.836	0.000	0.000	0.000	0.000	0.000	0.000	6.118	617.954	179.489	797.443
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	5,112.469	4,439.792	0.000	0.000	0.000	0.000	0.000	0.000	44.398	4,484.190	1,015.247	5,499.437
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	8,000.000	7,984.792	0.000	0.000	0.000	0.000	0.000	0.000	79.848	8,064.640	1,935.360	10,000.000
PROGRAM EXPENSES												
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	8,000.000	7,984.792	0.000	0.000	0.000	0.000	0.000	0.000	79.848	8,064.640	1,935.360	10,000.000

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

EXHIBIT II-6
SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE
OFFICE OF THE SECRETARY OF TRANSPORTATION
Appropriations, Obligation Limitations, and Exempt Obligations
NATIONAL SURFACE TRANSPORTATION INNOVATIVE FINANCE BUREAU
(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Redirection of Resources	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%				
PERSONNEL RESOURCES													
Direct													
Positions	0	0	0	0	0	0	0	0	0	0	3		3
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00		3.00
Reimbursable	0	0											0
Positions	0	0	0	0	0	0	0	0	0	0	0		0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
FINANCIAL RESOURCES													
ADMINISTRATIVE EXPENSES													
Salaries and Benefits	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	457.145		457.145
* WCF Non-Add (Transit Benefits)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	19.889		19.889
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Other Communication Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Utilities & Misc., Charges-Rental-Furniture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Contractual Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2,512.966		2,512.966
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10.000		10.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
PROGRAM EXPENSES													
BATIC Technical Assistance Grants	0.000	0.000							0.000	0.000	0.000		0.000
None		0.000							0.000	0.000			0.000
None		0.000							0.000	0.000			0.000
None		0.000							0.000	0.000			0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		0.000
TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3,000.000		3,000.000

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

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

RESEARCH & TECHNOLOGY

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%			
PERSONNEL RESOURCES												
Direct												
Positions	30	20	0	0	0	0	0	0	0	20	0	20
FTEs	18.00	19.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19.00	1.00	20.00
Reimbursable	0	0										0
Positions	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
Salaries and Benefits	3,610.714	3,640.686	7.998	0.000	0.000	44.187	0.000	0.000	0.000	3,692.871	0.000	3,692.871
* WCF Non-Add (Transit Benefits)	(20.955)	(20.955)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(20.955)	0.000	(20.955)
Travel	90.000	70.900	0.000	0.000	0.000	0.000	0.000	0.000	0.709	71.609	-0.909	70.700
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	375.480	379.235	0.000	0.000	0.000	0.000	0.000	0.000	3.792	383.027	241.414	624.441
Other Communication Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Utilities & Misc., Charges-Rental-Furniture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	1.000	1.020	0.000	0.000	0.000	0.000	0.000	0.000	0.010	1.030	-0.030	1.000
Working Capital Fund	385.160	430.875	0.000	0.000	0.000	0.000	0.000	0.000	0.000	430.875	599.525	1,030.400
Contractual Services	204.646	134.193	0.000	0.000	0.000	0.000	0.000	0.000	1.342	135.535	175.152	310.687
Supplies and Materials	15.000	15.000	0.000	0.000	0.000	0.000	0.000	0.000	0.150	15.150	-0.150	15.000
Equipment	100.000	101.000	0.000	0.000	0.000	0.000	0.000	0.000	1.010	102.010	0.000	102.010
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PROGRAM EXPENSES												
Research & Technology Programs	0.000	0.000							0.000	0.000	2,618.000	2,618.000
Alternative Energy (previously Alternative Fuels)	499.000	498.051							4.981	503.032	-503.032	0.000
RD&T Coordination	509.000	508.032							5.080	513.113	-513.113	0.000
NDGPS	5,600.000	5,589.354							55.894	5,645.248	-5,645.248	0.000
PNT	1,610.000	1,606.939							16.069	1,623.009	-1,623.009	0.000
Program Subtotal	8,218.000	8,202.378	0.000	0.000	0.000	0.000	0.000	0.000	82.024	8,284.401	-5,666.402	2,617.999
TOTAL	13,000.000	12,975.286	7.998	0.000	0.000	44.187	0.000	0.000	89.037	13,116.509	-4,651.400	8,465.109

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

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

PAYMENTS TO AIR CARRIERS

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%			
PERSONNEL RESOURCES												
Direct												
Positions	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursable	0	0										
Positions	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
PERSONNEL COMPENSATION & BENEFITS TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Salaries and Benefits	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
* WCF Non-Add (Transit Benefits)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Communication Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Utilities & Misc., Charges-Rental-Furniture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Contractual Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PROGRAM EXPENSES												
Transportation Aviation Assistance to Remote Areas	175,000.000	174,667.325							1,746.673	176,413.998	-176,413.998	0.000
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
Program Subtotal	175,000.000	174,667.325	0.000	0.000	0.000	0.000	0.000	0.000	1,746.673	176,413.998	-176,413.998	0.000
TOTAL	175,000.000	174,667.325	0.000	0.000	0.000	0.000	0.000	0.000	1,746.673	176,413.998	-176,413.998	0.000

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

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

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	Baseline Changes							FY 2018 Baseline Estimate	Program Increases/ Decreases	FY 2018 Request
			3 Months Jan. 2017 Pay Raise	Annualization of New FY 2017 Positions	No Change In Compensable Days 260 vs. 260	9 Months Jan. 2018 Pay Raise 1.90%	GSA Rent	WCF and FECA Changes	Inflation Increase 1.00%			
PERSONNEL RESOURCES												
Direct												
Positions	14	14	0	0	0	0	0	0	0	14	-7	7
FTEs	12.00	14.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.00	-7.00	7.00
Reimbursable	0	0										0
Positions	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
PERSONNEL COMPENSATION & BENEFITS												
Salaries and Benefits	2,106.604	2,123.052	5.274	0.000	0.000	29.138	0.000	-0.782	0.000	2,156.682	0.000	2,156.682
* WCF Non-Add (Transit Benefits)	(12.118)	(13.606)	0.000	0.000	0.000	0.000	0.000	0.782	0.000	(12.824)	0.000	(12.824)
Travel	1.428	7.000	0.000	0.000	0.000	0.000	0.000	0.000	0.070	7.070	0.000	7.070
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Communication Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Utilities & Misc., Charges-Rental-Furniture	0.046	0.046	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.046	0.000	0.046
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Working Capital Fund	229.108	221.734	0.000	0.000	0.000	0.000	0.000	43.595	0.000	265.329	0.000	265.329
Contractual Services	12.572	265.506	0.000	0.000	0.000	0.000	0.000	0.000	2.655	268.161	0.000	268.161
Supplies and Materials	3.075	3.108	0.000	0.000	0.000	0.000	0.000	0.000	0.031	3.139	0.000	3.139
Equipment	62.006	150.000	0.000	0.000	0.000	0.000	0.000	0.000	1.500	151.500	0.000	151.500
Administrative Loan Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grants, Subsidies, & Contributions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	2,414.839	2,770.446	5.274	0.000	0.000	29.138	0.000	42.813	4.257	2,851.928	0.000	2,851.927
PROGRAM EXPENSES												
Transportation Aviation Assistance to Remote Areas	103,238.244	110,519.640							1,105.196	111,624.836	4,652.643	116,277.479
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
None		0.000							0.000	0.000		0.000
Program Subtotal	103,238.244	110,519.640	0.000	0.000	0.000	0.000	0.000	0.000	1,105.196	111,624.836	4,652.643	116,277.479
TOTAL	105,653.083	113,290.086	5.274	0.000	0.000	29.138	0.000	42.813	1,109.453	114,476.764	4,652.643	119,129.406

Notes:

* This is a "Non-Add" number; the Transit Benefits figure is added under the category Personnel Benefits

EXHIBIT II - 7
WORKING CAPITAL FUND
OFFICE OF THE SECRETARY OF TRANSPORTATION
Appropriations, Obligation Limitations, Exempt Obligations, and Reimbursable Obligations

(\$000)

DIRECT ACCOUNTS	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
SALARIES & EXPENSES	15,777	16,756	17,676
SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)	87	84	0
FINANCIAL MANAGEMENT CAPITAL	0	0	0
OFFICE OF CIVIL RIGHTS	1,057	909	1,070
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	60	188	172
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	655	622	942
TIGER GRANTS PROGRAM (NII)	193	188	0
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	15	14	18
NATIONAL SURFACE TRANSPORTATION INNOVATIVE FINANCE BUREAU	0	0	0
RESEARCH AND TECHNOLOGY	406	452	1,051
TRANSPORTATION AVIATION ACCESS TO REMOTE AREAS:	241	235	278
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	0	0	0
Essential Air Service - Mandatory	241	235	278
Direct Accounts, Subtotal	18,477	19,434	21,189
REIMBURSABLE ACCOUNTS			
SALARIES & EXPENSES	308	311	372
VOLPE	1,722	1,001	836
Reimbursable Accounts, Subtotal	2,030	1,312	1,208
ALLOCATION/OTHER ACCOUNTS			
BUREAU OF TRANSPORTATION STATISTICS (Direct)	5,151	4,122	3,686
BUREAU OF TRANSPORTATION STATISTICS (Reimbursable)	830	830	838
UNIVERSITY TRANSPORTATION CENTERS	295	295	295
Allocation/Other Accounts, Subtotal	6,276	5,247	4,820
GRAND TOTAL	26,783	25,994	27,217

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

DIRECT ACCOUNTS	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
SALARIES & EXPENSES	410 ^{1/}	427 ^{1/}	449
OFFICE OF CIVIL RIGHTS	43	45	52
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	3	4	10
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	25	32	37
TIGER GRANTS PROGRAM (NII)	7	5	3
NATIONAL SURFACE TRANSPORTATION INNOVATIVE FINANCE BUREAU	0	0	3
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	1	1	1
RESEARCH AND TECHNOLOGY	18	19	20
TRANSPORTATION AVIATION ACCESS TO REMOTE AREAS:	12	14	7
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	0	0	0
Essential Air Service - Mandatory	12	14	7
Direct Accounts, Subtotal	519	547	582
REIMBURSABLE & COLLECTIONS ACCOUNTS			
SALARIES & EXPENSES	15	27	20
RESEARCH AND TECHNOLOGY	30	31	35
VOLPE WORKING CAPITAL FUND	559	570	570
WORKING CAPITAL FUND	217	234	271
Reimbursable & Collections Accounts, Subtotal	575	598	594
ALLOCATION/OTHER ACCOUNTS			
BUREAU OF TRANSPORTATION STATISTICS (Direct)	55	53	55
BUREAU OF TRANSPORTATION STATISTICS (Reimbursable)	11	15	20
UNIVERSITY TRANSPORTATION CENTERS	5	5	5
Allocation/Other Accounts, Subtotal	71	73	80
GRAND TOTAL	1,165	1,218	1,256

1/ Includes SCASDP

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

DIRECT ACCOUNTS	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
SALARIES & EXPENSES	<u>534</u> ^{1/}	<u>457</u> ^{1/}	<u>449</u>
OFFICE OF CIVIL RIGHTS	<u>55</u>	<u>52</u>	<u>52</u>
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	<u>4</u>	<u>4</u>	<u>10</u>
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	<u>40</u>	<u>37</u>	<u>37</u>
TIGER GRANTS PROGRAM (NII)	<u>12</u>	<u>7</u>	<u>3</u>
NATIONAL SURFACE TRANSPORTATION INNOVATIVE FINANCE BUREAU	<u>0</u>	<u>0</u>	<u>3</u>
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	<u>1</u>	<u>1</u>	<u>1</u>
RESEARCH AND TECHNOLOGY	<u>30</u>	<u>20</u>	<u>20</u>
TRANSPORTATION AVIATION ACCESS TO REMOTE AREAS:	<u>14</u>	<u>14</u>	<u>7</u>
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	0	0	0
Essential Air Service - Mandatory	14	14	7
Direct Accounts, Subtotal	690	592	582
REIMBURSABLE & COLLECTIONS ACCOUNTS			
SALARIES & EXPENSES	<u>31</u>	<u>30</u>	<u>30</u>
RESEARCH AND TECHNOLOGY	<u>51</u>	<u>31</u>	<u>35</u>
VOLPE WORKING CAPITAL FUND	<u>550</u>	<u>633</u>	<u>633</u>
WORKING CAPITAL FUND	<u>385</u>	<u>261</u>	<u>293</u>
Reimbursable & Collections Accounts, Subtotal	582	664	667
ALLOCATION/OTHER ACCOUNTS			
BUREAU OF TRANSPORTATION STATISTICS (Direct)	<u>117</u>	<u>53</u>	<u>55</u>
BUREAU OF TRANSPORTATION STATISTICS (Reimbursable)	<u>19</u>	<u>15</u>	<u>20</u>
UNIVERSITY TRANSPORTATION CENTERS	<u>5</u>	<u>5</u>	<u>5</u>
Allocation/Other Accounts, Subtotal	141	73	80
GRAND TOTAL	<u>1,413</u>	<u>1,329</u>	<u>1,329</u>

1/ Includes SCASDP

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary, [\$108,750,000, of which not to exceed \$2,734,000 shall be available for the immediate Office of the Secretary; not to exceed \$1,025,000 shall be available for the immediate Office of the Deputy Secretary; not to exceed \$20,609,000 shall be available for the Office of the General Counsel; not to exceed \$9,941,000 shall be available for the Office of the Under Secretary of Transportation for Policy; not to exceed \$13,697,000 shall be available for the Office of the Assistant Secretary for Budget and Programs; not to exceed \$2,546,000 shall be available for the Office of the Assistant Secretary for Governmental Affairs; not to exceed \$25,925,000 shall be available for the Office of the Assistant Secretary for Administration; not to exceed \$2,029,000 shall be available for the Office of Public Affairs; not to exceed \$1,737,000 shall be available for the Office of the Executive Secretariat; not to exceed \$1,434,000 shall be available for the Office of Small and Disadvantaged Business Utilization; not to exceed \$10,793,000 shall be available for the Office of Intelligence, Security, and Emergency Response; and not to exceed \$16,280,000 shall be available for the Office of the Chief Information Officer: *Provided*, That the Secretary of Transportation is authorized to transfer funds appropriated for any office of the Office of the Secretary to any other office of the Office of the Secretary: *Provided further*, That no appropriation for any office shall be increased or decreased by more than 5 percent by all such transfers: *Provided further*, That notice of any change in funding greater than 5 percent shall be submitted for approval to the House and Senate Committees on Appropriations] \$111,898,496: *Provided [further]*, That not to exceed \$60,000 shall be for allocation within the Department for official reception and representation expenses as the Secretary may determine: *Provided further*, That notwithstanding any other provision of law, excluding fees authorized in Public Law 107–71, there may be credited to this appropriation up to \$2,500,000 in funds received in user fees.[: *Provided further*, That none of the funds provided in this Act shall be available for the position of Assistant Secretary for Public Affairs: *Provided further*, That not later than 60 days after the date of enactment of this Act, the Secretary of Transportation shall transmit to Congress the final Comprehensive Truck Size and Weight Limits Study, as required by section 32801 of Public Law 112–141.] *Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY (In thousands of dollars)

	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
Total	108,750	108,543	111,898	3,355
FTEs				
Direct Funded	410 ^{1/}	427 ^{1/}	449	22
Reimbursable, allocated, other	15	27	20	-7

1/ Includes SCASDP

Program and Performance Statement

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

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

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

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY (In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
NSTS ARRA	0	0	0	0
	0	0	0	0
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

This American Recovery and Reinvestment Act of 2009 program provided funding for grant awards to State and local governments or transit agencies on a competitive basis for capital investments in surface transportation infrastructure resulting in a significant impact on the Nation, a metropolitan area or a region. Of the amount appropriated, not to exceed \$200,000,000 could be used to pay the subsidy and administrative costs of projects eligible for federal credit assistance under U.S.C. 23 Chapter 6, the Transportation Infrastructure Finance and Innovation Act. No funding is requested for this program in 2018.

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

For necessary expenses for [upgrading and] enhancing the Department of Transportation's financial systems and re-engineering business processes, [\$5,000,000] \$3,000,000, to remain available through September 30, [2017] 2019. *Note. – A full year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
Financial Management Capital	5,000	4,990	3,000	-1,990
Total	5,000	4,990	3,000	-1,990
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

This appropriation provides funds to enhance DOT's financial systems and to re-engineer business processes. These funds will assist DOT in automating manual processes, improve reporting capabilities and comply with required mandates.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, [\$9,678,000] \$9,500,000. *Note. – A full year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
Office of Civil Rights	9,678	9,660	9,500	-160
	9,678	9,660	9,500	-160
FTEs				
Direct Funded	43	45	52	7
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

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

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH

For necessary expenses [of Minority Business Resource Center] *for small and disadvantaged business utilization and outreach activities, [\$3,084,000] \$3,999,093, to remain available until September 30, [2017] 2019: Provided, That notwithstanding 49 U.S.C. 332, these funds may be used for business opportunities related to any mode of transportation. Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114–254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY (In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
Minority Business Outreach	3,084	3,078	0	-3,078
Small and Disadvantaged Business Utilization and Outreach	0	0	3,999	3,999
Total	3,084	3,078	3,999	921
FTEs				
Direct Funded	3	4	10	6
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

This appropriation includes funding for the Office of Small and Disadvantaged Business Utilization, formerly funded in the Salaries and Expenses appropriation, and for outreach activities, formerly funded in the Minority Business Outreach appropriation. Funding is used to ensure that: (1) the small and disadvantaged business policies and programs of the Secretary of Transportation are developed and implemented throughout the Department in a fair, efficient, and effective manner, and (2) effective outreach activities are in place to assist Small Businesses, Disadvantaged Business Enterprises, the Small Business Administration's 8(a) certified and HubZone businesses, Women-Owned, Service Disabled Veteran-Owned, Native American, and other disadvantaged business firms in securing contracts and subcontracts resulting from transportation-related Federal support.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For necessary expenses for conducting transportation planning, research, systems development, development activities, and making grants, to remain available until expended, [\$8,500,000]\$8,500,001: *Provided*, That of such amount, [\$2,500,000]\$1,500,000 shall be for necessary expenses [to establish an] *for the* Interagency Infrastructure Permitting Improvement Center (IIPIC) [that will implement] *to continue* reforms to improve interagency coordination and the expediting of projects related to the permitting and environmental review of major transportation infrastructure projects including [one-time] expenses to develop and deploy information technology tools to track project schedules and metrics and improve the transparency and accountability of the permitting process: *Provided further*, That there may be transferred to this appropriation, to remain available until expended, amounts *transferred* from other Federal agencies for expenses incurred under this heading for IIPIC activities not related to transportation infrastructure: *Provided further*, That the tools and analysis developed by the IIPIC shall be available to other Federal agencies for the permitting and review of major infrastructure projects not related to transportation only to the extent that other Federal agencies provide funding to the Department as provided for under the previous proviso.

Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114–254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY (In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
Transportation Planning, Research and Development	6,000	6,000	7,000	1,000
Interagency Infrastructure Permitting Improvement Center (IIPIC)	2,500	2,500	1,500	-1,000
Total	8,500	8,500	8,500	0
FTEs				
Direct Funded	25	32	37	5
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

This appropriation finances research and studies concerned with planning, analysis, and information development needed to support the Secretary's responsibilities in the formulation of national transportation policies and the coordination of national-level transportation planning. Funding also supports departmental leadership in areas such as regulatory modernization, and safety impacts of transportation, aviation economic policy and international transportation issues. The program activities include contracts with other Federal agencies, educational institutions, non-profit research organizations, and private firms. This appropriation also finances the Infrastructure Permitting Improvement Center, including an online database Permitting Dashboard, to support permitting/environmental review reforms to improve interagency coordination and make the process for Federal approval for major infrastructure projects more efficient.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NATIONAL INFRASTRUCTURE INVESTMENTS (Discretionary)

[For capital investments in surface transportation infrastructure, \$500,000,000, to remain available through September 30, 2019: *Provided*, That the Secretary of Transportation shall distribute funds provided under this heading as discretionary grants to be awarded to a State, local government, transit agency, or a collaboration among such entities on a competitive basis for projects that will have a significant impact on the Nation, a metropolitan area, or a region: *Provided further*, That projects eligible for funding provided under this heading shall include, but not be limited to, highway or bridge projects eligible under title 23, United States Code; public transportation projects eligible under chapter 53 of title 49, United States Code; passenger and freight rail transportation projects; and port infrastructure investments (including inland port infrastructure and land ports of entry): *Provided further*, That the Secretary may use up to 20 percent of the funds made available under this heading for the purpose of paying the subsidy and administrative costs of projects eligible for Federal credit assistance under chapter 6 of title 23, United States Code, if the Secretary finds that such use of the funds would advance the purposes of this paragraph: *Provided further*, That in distributing funds provided under this heading, the Secretary shall take such measures so as to ensure an equitable geographic distribution of funds, an appropriate balance in addressing the needs of urban and rural areas, and the investment in a variety of transportation modes: *Provided further*, That a grant funded under this heading shall be not less than \$5,000,000 and not greater than \$100,000,000: *Provided further*, That not more than 20 percent of the funds made available under this heading may be awarded to projects in a single State: *Provided further*, That the Federal share of the costs for which an expenditure is made under this heading shall be, at the option of the recipient, up to 80 percent: *Provided further*, That the Secretary shall give priority to projects that require a contribution of Federal funds in order to complete an overall financing package: *Provided further*, That not less than 20 percent of the funds provided under this heading shall be for projects located in rural areas: *Provided further*, That for projects located in rural areas, the minimum grant size shall be \$1,000,000 and the Secretary may increase the Federal share of costs above 80 percent: *Provided further*, That projects conducted using funds provided under this heading must comply with the requirements of subchapter IV of chapter 31 of title 40, United States Code: *Provided further*, That the Secretary shall conduct a new competition to select the grants and credit assistance awarded under this heading: *Provided further*, That the Secretary may retain up to \$20,000,000 of the funds provided under this heading, and may transfer portions of those funds to the Administrators of the Federal Highway Administration, the Federal Transit Administration, the Federal Railroad Administration and the Maritime Administration, to fund the award and oversight of grants and credit assistance made under the National Infrastructure Investments program.] *Note.*—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

NATIONAL INFRASTRUCTURE INVESTMENTS (Discretionary)

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY (In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
National Infrastructure Investments: Discretionary	500,000	499,050	0	-499,050
Total	500,000	499,050	0	-499,050
FTEs				
Direct Funded	7	5	3	-2
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

The Office of the Secretary's (OST) National Infrastructure Investments program, also known as the Transportation Investment Generating Economic Recovery (TIGER) program, provides funding for grant awards or credit assistance on a competitive basis for capital investments in surface transportation infrastructure that will have a significant impact on the Nation, a metropolitan area or a region. No funds are requested in this account for FY 2018.

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
NEW HEADQUARTERS BUILDING	0	0	0	0
	0	0	0	0
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

This appropriation financed the costs for the new Department of Transportation headquarters, which consolidated all operating administrations headquarters functions (except FAA) from various locations into a single state-of-the-art, efficient leased building in the District of Columbia. No funding is requested for this program in 2018.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER PROGRAM

[For the cost of guaranteed loans, \$336,000, as authorized by 49 U.S.C. 332: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$18,367,000.]

[In addition, for administrative expenses to carry out the guaranteed loan program, \$597,000.]

For necessary expenses of the Minority Business Resource Center, the provision of financial education outreach activities to eligible transportation-related small businesses, the monitoring of existing loans in the guaranteed loan program, and the modification of such loans of the Minority Business Resource Center, \$500,301, as authorized by 49 U.S.C. 332; Provided, That notwithstanding that section, these funds may be used for business opportunities related to any mode of transportation.

Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114–254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER PROGRAM

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017 - 2018
Minority Business Resource Center Program	933	931	500	-431
Total	933	931	500	-431
FTEs				
Direct Funded	1	1	1	0
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

This program provides a thoughtful workforce program that partners with the transportation industry and financial stakeholders with a focus on empowering transportation-related disadvantaged businesses (minority, women-owned, and the Small Business Administration's 8(a) and HUBZone firms). This program provides the opportunity for small, emerging, and disadvantaged business enterprise to access government and private financing programs and learn tools to become risk adverse, build profitable and sustainable businesses, increase access to contracting opportunities, and create pathways to job creation and retention.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

For necessary expenses for cyber security initiatives, including necessary upgrades to wide area network and information technology infrastructure, improvement of network perimeter controls and identity management, testing and assessment of information technology against business, security, and other requirements, implementation of Federal cyber security initiatives and information infrastructure enhancements, implementation of enhanced security controls on network devices, and enhancement of cyber security workforce training tools, [\$8,000,000]\$10,000,000, to remain available through September 30, [2017] 2019.

Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
Cyber Security Initiatives	8,000	7,985	10,000	2,015
Total	8,000	7,985	10,000	2,015
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

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

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NATIONAL SURFACE TRANSPORTATION AND INNOVATIVE FINANCE BUREAU

For necessary expenses of the National Surface Transportation and Innovative Finance Bureau authorized by 49 U.S.C. 116, to remain available until expended, \$3,000,000.

Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114–254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NATIONAL SURFACE TRANSPORTATION AND INNOVATIVE FINANCE BUREAU
APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017- 2018
National Surface Transportation and Innovative Finance Bureau	0	0	3,000	3,000
	0	0	3,000	3,000
FTEs				
Direct Funded	0	0	3	3
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

The Fixing America's Surface Transportation (FAST) Act (Public Law 114–94) was enacted on December 4, 2015. Among the new provisions included in this Act, is the establishment of a new National Surface Transportation and Innovative Finance Bureau (the Bureau) within the Office of the Secretary of Transportation that will align, coordinate, and consolidate aspects of the U.S. Department of Transportation's (USDOT) existing surface transportation innovative finance programs within the new Bureau.

The FAST Act calls for the Bureau to fulfill a number of specific responsibilities, including the following: Provide assistance and communicate best practices and financing and funding opportunities to entities eligible under USDOT infrastructure finance programs; Administer the application process for USDOT infrastructure finance programs; Administer the application process for a new Nationally Significant Freight and Highway Projects program; Reduce uncertainty and delays related to environmental reviews and permitting, as well as project delivery and procurement risks and costs for projects financed by the USDOT infrastructure finance programs and the new Nationally Significant Freight and Highways Projects program; Increase transparency and the public availability of information regarding projects financed by the USDOT infrastructure finance programs and the new Nationally Significant Freight and Highway Projects program; and Promote best practices in procurement for projects financed by the USDOT infrastructure finance programs and the new Nationally Significant Freight and Highway Projects program by developing benchmarks related to procurement.

The Bureau will build on a number of actions that USDOT has taken to advance these goals, including the establishment of USDOT's Build America Transportation Investment Center

in 2014 as a single point of contact and coordination for states, municipalities and project sponsors looking to utilize federal transportation expertise, apply for federal transportation credit programs, and explore ways to access private capital through public private partnerships. Notably, in their explanatory statement of the FAST Act, Congressional conferees explicitly recognized the accomplishments of the Administration's Build America Investment Initiative to increase infrastructure investment and economic growth.

To assist with establishing the Bureau, the FAST Act provides the Secretary with certain authorities to redirect personnel and budgetary resources, if necessary, to support the establishment and effectiveness of the Bureau. These authorities are available for two years, expiring in December 2017. The Administration is proposing extending these authorities to allow full implementation of the Bureau. The FAST Act requires that, within 90 days of enactment and in 90-day intervals thereafter, USDOT report to Congress on how these authorities are being implemented, and any additional legislative actions that may be needed. The Bureau is managed by an Executive Director reporting to the Under Secretary of Transportation for Policy. The FAST Act also established a new Council on Credit and Finance (the Council) chaired by the Deputy Secretary, which is charged with the review and approval of innovative finance applications, making recommendations to the Secretary, and reviewing approved projects on a regular basis. The Council builds on the Credit Council that USDOT had previously established through administrative measures.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

RESEARCH AND TECHNOLOGY

For necessary expenses related to the Office of the Assistant Secretary for Research and Technology, [\$13,000,000] \$8,465,109, of which [\$8,218,000] \$2,618,000 shall remain available until September 30, [2018] 2020: *Provided*, That there may be credited to this appropriation, to be available until expended, funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training: *Provided further*, That any reference in law, regulation, judicial proceedings, or elsewhere to the Research and Innovative Technology Administration shall continue to be deemed to be a reference to the Office of the Assistant Secretary for Research and Technology of the Department of Transportation. *Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

RESEARCH AND TECHNOLOGY

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY (In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ESTIMATE	FY 2018 REQUEST	CHANGE FY 2017- 2018
Office of the Asst. Sec. for Research and Technology	4,782	4,773	5,847	1,074
Research & Technology Programs	-	-	2,618	2,618
Alternative Energy (previously Alternative Fuels)	499	498	(0)	-498
RD&T Coordination	509	508	(0)	-508
NDGPS	5,600	5,589	(0)	-5,589
PNT	1,610	1,607	(0)	-1,607
TOTAL	13,000	12,975	8,465	-4,510
FTEs				
Direct Funded	18	19	20	1
Reimbursable, allocated, other	30	31	35	4

Program and Performance Statement

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

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

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

The University Transportation Centers (UTC) advance U.S. technology and expertise in many transportation-related disciplines through grants for transportation education, research, and technology transfer at university-based centers of excellence. The UTC Program funding is

Section 3 – FY 2018 Budget Request by Appropriations

provided to the Office of the Assistant Secretary for Research and Technology through an allocation from the Federal Highway Administration.

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

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

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

PAYMENTS TO AIR CARRIERS
(AIRPORT AND AIRWAY TRUST FUND)

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

[In addition to funds made available from any other source to carry out the essential air service program under 49 U.S.C. 41731 through 41742, \$175,000,000, to be derived from the Airport and Airway Trust Fund, to remain available until expended: *Provided*, That in determining between or among carriers competing to provide service to a community, the Secretary may consider the relative subsidy requirements of the carriers: *Provided further*, That basic essential air service minimum requirements shall not include the 15-passenger capacity requirement under subsection 41732(b)(3) of title 49, United States Code: *Provided further*, That none of the funds in this Act or any other Act shall be used to enter into a new contract with a community located less than 40 miles from the nearest small hub airport before the Secretary has negotiated with the community over a local cost share: *Provided further*, That amounts authorized to be distributed for the essential air service program under subsection 41742(b) of title 49, United States Code, shall be made available immediately from amounts otherwise provided to the Administrator of the Federal Aviation Administration: *Provided further*, That the Administrator may reimburse such amounts from fees credited to the account established under section 45303 of title 49, United States Code.] *Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

PAYMENTS TO AIR CARRIERS (AIRPORT AND AIRWAY TRUST FUND)

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY (In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
Payments to Air Carriers	175,000	174,667	0	-174,667
Total	175,000	174,667	0	-174,667
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

Through 1997, the Essential Air Service program was funded from the Airport and Airway Trust Fund. Starting in 1998, the Federal Aviation Administration reauthorization funded it as a mandatory program supported by overflight fees under the Essential Air Service and Rural Airport Improvement Fund. In addition to mandatory funding supported by overflight fees, direct appropriations from the Airport and Airway Trust Fund to Payments to Air Carriers have been enacted every year beginning in 2002 to meet the needs of the essential air service program. The 2018 Budget proposes to reform the EAS Program; no discretionary funding is requested for this program in 2018.

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE AND RURAL AIRPORT IMPROVEMENT FUND

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY (In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017- 2018
Transportation Aviation Assistance to Remote Areas (TAARA) [Mandatory]	105,653	113,290	119,129	5,839
Total	105,653	113,290	119,129	5,839
FTEs				
Direct Funded	12	14	7	0
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

The Federal Aviation Reauthorization Act of 1996 (P.L. 104-264) authorized the collection of user fees for services provided by the Federal Aviation Administration (FAA) to aircraft that neither take off nor land in the United States, commonly known as overflight fees. The Act permanently appropriated the first \$50 million of such fees for the Essential Air Service program and rural airport improvements. In addition, the FAA Modernization and Reauthorization Act (P.L. 112-95) requires that, in any fiscal year, overflight fees collected in excess of \$50 million will be available to carry out the EAS program. The 2018 Budget proposes to reform the EAS program and rely on mandatory funding.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

[For necessary expenses for operating costs and capital outlays of the Working Capital Fund, not to exceed \$190,039,000 shall be paid from appropriations made available to the Department of Transportation: *Provided*, That such services shall be provided on a competitive basis to entities within the Department of Transportation: *Provided further*, That the above limitation on operating expenses shall not apply to non-DOT entities: *Provided further*, That no funds appropriated in this Act to an agency of the Department shall be transferred to the Working Capital Fund without majority approval of the Working Capital Fund Steering Committee and approval of the Secretary: *Provided further*, That no assessments may be levied against any program, budget activity, subactivity or project funded by this Act unless notice of such assessments and the basis thereof are presented to the House and Senate Committees on Appropriations and are approved by such Committees.] *Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114–254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND
(In thousands of dollars)

PROGRAM	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
WCF DOT Activities	190,039	189,678	202,245	12,567
WCF Non-DOT Activities	362,788	363,295	321,022	-42,273
TOTAL	552,827	552,973	523,267	-29,706
FTEs:				
Reimbursable FTE	217	234	271	37

Program and Performance Statement

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

Section 3 – FY 2018 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST	CHANGE FY 2017-2018
<u>Account</u>				
Volpe National Transportation Systems Center	[325,000]	[330,000]	[335,000]	[5,000]
Total	[325,000]	[330,000]	[335,000]	[5,000]
FTEs				
Reimbursable, allocated, other	559	570	570	0

Program and Performance Statement

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

**DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY**

ADMINISTRATIVE PROVISIONS

Sec. 101. None of the funds made available in this Act to the Department of Transportation may be obligated for the Office of the Secretary of Transportation to approve assessments or reimbursable agreements pertaining to funds appropriated to the modal administrations in this Act, except for activities underway on the date of enactment of this Act, unless such assessments or agreements have completed the normal reprogramming process for Congressional notification.

❖ Section 101 proposes a provision that will retain the language under the Working Capital Fund heading in the FY 2015 Omnibus, Consolidated and Further Continuing Appropriations Act (P.L. 113-235) whereby no funds appropriated in the Act to an agency of the Department can be transferred to the Working Capital Fund without majority approval of the Working Capital Fund Steering Committee and approval of the Secretary.

Sec. 102. Notwithstanding section 3324 of title 31, United States Code, in addition to authority provided by section 327 of title 49, United States Code, the Department's Working Capital Fund is hereby authorized to provide payments in advance to vendors that are necessary to carry out the Federal transit pass transportation fringe benefit program under Executive Order 13150 and section 3049 of Public Law 109–59: *Provided*, That the Department shall include adequate safeguards in the contract with the vendors to ensure timely and high-quality performance under the contract.

❖ Section 102 retains the provision authorizing the Department's Working Capital Fund to provide payments in advance to vendors that are necessary to carry out the Federal transit pass transportation fringe benefit program.

Sec. 103. The Secretary shall post on the Web site of the Department of Transportation a schedule of all meetings of the Credit Council, including the agenda for each meeting, and require the Credit Council to record the decisions and actions of each meeting.

❖ Section 103 retains the provision that the Secretary post on the Web site of the Department of Transportation a schedule of all meeting of the Credit Council, including the agenda for each meeting, and require the Credit Council to record the decisions and actions of each meeting.

Sec. 104. In addition to authority provided by section 327 of title 49, United States Code, the Department's Working Capital Fund is hereby authorized to provide partial or full payments in advance and accept subsequent reimbursements from all Federal agencies for transit benefit distribution services that are necessary to carry out the Federal transit pass transportation fringe

benefit program under Executive Order 13150 and section 3049 of Public Law 109–59:

Provided, That the Department shall maintain a reasonable operating reserve in the Working Capital Fund, to be expended in advance to provide uninterrupted transit benefits to Government employees, provided that such reserve will not exceed one month of benefits payable; *Provided further*, that such reserve may be used only for the purpose of providing for the continuation of transit benefits, provided that the Working Capital Fund will be fully reimbursed by each customer agency for the actual cost of the transit benefit.

❖ Section 104 proposes permanent authority for the Working Capital Fund (WCF) to provide advance payment to carry out the Federal transit pass transportation fringe benefit program, both within the Department, and to other Federal agencies, and provides explicit authority for the WCF to provide transit benefit services to non-DOT agencies. Such authority would be used instead of the Economy Act (31 U.S.C. 1535). The proposed language provides flexibility and continuity to the WCF in providing transit benefits and will enable real-time reconciliation of payments from Federal customer agencies by streamlining the current funding process.

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

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

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

Sec. 105. Hereafter, the Secretary may transfer to the National Surface Transportation and Innovative Finance Bureau, for the purposes of the Bureau, funds allocated to the administrative costs of processing applications for the programs referred to in 49 U.S.C. 116(d)(1) and funds

allocated to any office or office function that the Secretary determines has duties, responsibilities, resources, or expertise that support the purposes of the Bureau: Provided, That any such funds, or portions thereof, transferred to the Bureau may be transferred back to and merged with the original account.

- ❖ Section 105 proposes to extend transfer authority originally provided in the FAST Act for the National Surface Transportation and Innovative Finance Bureau, which expires in December 2017. The language would also allow the Bureau to transfer funds back to any applicable entity who had funds transferred to the Bureau.

Sec. 106. Section 503(l)(4) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 823(l)(4)) is amended—(1) by striking the heading “Safety and Operations Account” and inserting the heading “National Surface Transportation and Innovative Finance Bureau Account, Office of the Secretary”; and (2) in subparagraph (A) by striking “the Safety and Operations Account of the Federal Railroad Administration” and inserting “the National Surface Transportation and Innovative Finance Bureau Account.”

- ❖ Section 106 proposes to allow fees collected through the RRIF program to be deposited directly into an Office of the Secretary account so it can be used by the Bureau once fully consolidated. Currently, the fees can only be deposited into a Federal Railroad Administration Account.

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

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

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

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

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

Sec. 182.

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

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

- ❖ Section 182 retains the provision that prohibits recipients of funds made available in this Act from releasing certain personal information and photographs from a driver's license or motor vehicle record, without express consent of the person to whom such information pertains; and prohibits the withholding of funds provided in this Act for any grantee if a State is in noncompliance with this provision.

Sec. 183. Funds received by the Federal Highway Administration, Federal Transit Administration, and Federal Railroad Administration from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training may be credited respectively to the Federal Highway Administration's "Federal-Aid Highways" account and to the Federal Railroad Administration's "Safety and Operations" account, except for State rail safety inspectors participating in training pursuant to 49 U.S.C. 20105.

- ❖ Section 183 retains the provision that permits funds received by specified DOT agencies from States or other private or public sources for expenses incurred for training to be credited to certain specified agency accounts.

Sec 184. None of the funds *made available* in this Act to Department of Transportation may be used to make a loan, loan guarantee, line of credit, or grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations not less than 3 full business days before any project competitively selected to receive a discretionary grant award, any discretionary grant award, letter of intent, loan commitment, loan guarantee commitment, line of credit commitment, or full funding grant agreement totaling [\$750,000] *\$1,000,000* or more is announced by the department or its modal administrations from:

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

❖ Section 184 retains the provision that prohibits funds from being used to make a grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations no less than three days in advance of any discretionary grant award, letter of intent, or full funding grant agreement totaling \$1,000,000 or more.

Sec. 185. Rebates, refunds, incentive payments, minor fees and other funds received by the Department of Transportation from travel management centers, charge card programs, the subleasing of building space, and miscellaneous sources are to be credited to appropriations of the Department of Transportation and allocated to elements of the Department of Transportation using fair and equitable criteria and such funds shall be available until expended.

❖ Section 185 retains the provision that allows funds received from rebates, refunds, and similar sources to be credited to appropriations of the Department of Transportation.

Sec. 186. Amounts made available in this or any other Act that the Secretary determines represent improper payments by the Department of Transportation to a third party contractor under a financial assistance award, which are recovered pursuant to law, shall be available--

- (1) to reimburse the actual expense incurred by the Department of Transportation in recovering improper payments: *Provided, That such amounts shall be available until expended*; and
- (2) to pay contractors for services provided in recovering improper payments or contractor support in the implementation of the Improper Payments Information Act of 2002: *Provided*, That amounts in excess of that required for paragraphs (1) and (2)--

(A) shall be credited to and merged with the appropriation from which the improper payments were made, and shall be available for the purposes and period for which such appropriations are available: *Provided further*, That where specific project or accounting information associated with the improper payment or payments is not readily available the Secretary may credit an appropriate account, which shall be available for the purposes and period associated with the account so credited; or

(B) if no such appropriation remains available, shall be deposited in the Treasury as miscellaneous receipts: *Provided further*, That prior to the transfer of any such recovery to an appropriations account, the Secretary shall notify to the House and Senate Committees on Appropriations of the amount and reasons for such transfer: *Provided further*, That for purposes of this section, the term “improper payments”, has the same meaning as that provided in section 2(d)(2) of Public Law 107-300.

❖ Section 186 retains the provision that allows amounts from improper payments to a third party contractor that are lawfully recovered by the DOT to be available to cover expenses incurred in the recovery of such payments.

Sec. 187. Notwithstanding any other provision of law, if any funds provided in or limited by this Act are subject to a reprogramming action that requires notice to be provided to the House and Senate Committees on Appropriations, transmission of notice of said reprogramming action shall be provided solely to the Committees on Appropriations[, and said reprogramming action shall be approved or denied solely by the Committee on Appropriations]: *Provided*, That the Secretary may provide notice to other congressional committees of the action of the Committees on Appropriations on such reprogramming but not sooner than 30 days following the date on which the reprogramming action has been [approved or denied by] *transmitted to* the House and Senate Committees on Appropriations.

❖ Section 187 proposes a provision that allows the Secretary to provide notice to other Congressional Committees of the approval or denial of a reprogramming action of the Committees on Appropriations not sooner than 30 days following the date of approval or denial.

Section 188. Funds appropriated in this Act to the modal administrations may be obligated for the Office of the Secretary for the costs related to assessments or reimbursable agreements only when such amounts are for the costs of goods and services that are purchased to provide a direct benefit to the applicable modal administration or administrations.

❖ Section 188 proposes a provision that would allow the Office of the Secretary of Transportation to assess or enter into reimbursable agreements with the modal administrations only to the degree that such amounts are for the costs of goods and services that are purchased to provide a direct benefit to the applicable modal administration or administrations.

Sec. 189. The Secretary of Transportation is authorized to carry out a program that establishes uniform standards for developing and supporting agency transit pass and transit benefits

authorized under section 7905 of title 5, United States Code, including distribution of transit benefits by various paper and electronic media.

❖ Section 189 would explicitly designate the Department of Transportation as the Government-wide executive agency for the Federal transportation transit benefit program. While the Department of Transportation currently acts as the *de facto* executive agent, the lack of an official designation creates confusion with coordinating with the Office of Management and Budget and other agencies as to the Federal agency with the policy role for the program. In an April 2007 report, the Government Accountability Office (GAO) identified weaknesses in the design of program controls for transit benefit program at numerous Federal agencies; noted the lack of Government-wide policies or standards for establishing internal controls for the Federal transit benefits program; and concluded that weak program controls at each agency is a factor in fraud and abuse. The Department of Transportation has taken many of the corrective actions identified in the GAO report, but a formal designation as the Government-wide executive agent would enable the Department to lead more effectively the effort against transit benefit subsidy fraud and abuse.

GENERAL PROVISIONS—THIS ACT

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

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

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

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

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

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

Sec. 404. Except as otherwise provided in this Act, none of the funds provided in this Act, provided by previous appropriations Acts to the agencies or entities funded in this Act that remain available for obligation or expenditure in fiscal year [2017] 2018, or provided from any accounts in the Treasury derived by the collection of fees and available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds that:

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

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

(7) creates, reorganizes, or restructures a branch, division, office, bureau, board, commission, agency, administration, or department different from the budget justifications submitted to the Committees on Appropriations or the table accompanying the explanatory statement accompanying this Act, whichever is more detailed, unless [prior approval is received from] *notice is transmitted to* the House and Senate Committees on Appropriations: *Provided*, That not later than 60 days after the date of enactment of this Act each agency funded by this Act shall submit a report to the Committees on Appropriations of the Senate and of the House of Representatives to establish the baseline for application of reprogramming and transfer authorities for the current fiscal year: *Provided further*, That the report shall include:

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

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

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

❖ Section 405 continues the provision that each Department provide a report to the Committees on Appropriations that establishes the baseline for application of reprogramming and transfer authorities for the current fiscal year not later than 60 days after enactment.

Sec. 405. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year [2017] 2018 from appropriations made available for salaries and expenses for fiscal year [2017] 2018 in this Act, shall remain available through September 30, [2018] 2019, for each such account for the purposes authorized: *Provided*, That a [request] *notification* shall be submitted to the House and Senate Committees on Appropriations prior to the expenditure of such funds: *Provided further*, That these [request] *notifications* shall be made in compliance with reprogramming guidelines under section [405] 404 of this Act.

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 411 None of the funds made available in this Act may be used to send or otherwise pay for the attendance of more than 50 employees of a single agency or department of the United States Government, who are stationed in the United States, at any single international conference unless the relevant Secretary reports to the House and Senate Committees on Appropriations at least 5 days in advance that such attendance is important to the national interest: Provided, That for purposes of this section the term "international conference" shall mean a conference

occurring outside of the United States attended by representatives of the United States Government and of foreign governments, international organizations, or nongovernmental organizations.

- ❖ Section 411 Retains language prohibiting funding to people or entity that has been convicted of violating the Buy American Act.

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

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

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

	<u>FY 2009</u> <u>Actual</u>	<u>FY 2010</u> <u>Actual</u>	<u>FY 2011</u> <u>Actual</u>	<u>FY 2012</u> <u>Actual</u>	<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>	<u>FY 2015</u> <u>Actual</u>	<u>FY 2016</u> <u>Actual</u>	<u>FY 2017</u> <u>Enacted</u>	<u>FY 2018</u> <u>Request</u>
Salaries & Expenses	98,248	102,686	102,481	102,481	97,121	107,000	105,000	108,750	114,000	111,898
ARRA - National Surface Transportation System	1,500,000	0	0	0	0	0	0	0	0	0
Financial Management Capital	5,000	5,000	4,990	4,990	4,729	7,000	5,000	5,000	4,000	3,000
Office of Civil Rights	9,384	9,667	9,648	9,384	8,893	9,551	9,600	9,678	9,751	9,500
Small and Dis. Bus. Util. & Outreach (Min. Bus. Outreach)	3,056	3,074	3,068	3,068	2,908	3,088	3,099	3,084	4,646 ^{4/}	3,999
Trans., Plng., Res. & Dev. (TPR&D)	18,300	18,168 ^{2/}	9,799	9,000	8,529	7,000	6,000	8,500	12,000	8,500
TPR&D Cancellation of Unobligated Balances	0	0	0	0	0	-2,750	0	0	0	0
National Infrastructure Investments	0	600,000	526,944	500,000	473,847	600,000	500,000	500,000	500,000	0
New Headquarters Building	0	0	0	0	0	0	0	0	0	0
Minority Business Resource Center	912	923	921	922	874	925	925	933	941	500
Cyber Security/IT Infrastructure	0	0	0	10,000	9,477	4,455	5,000	8,000	15,000	10,000
National Surface Transportation & Innovative Finance Bureau	0	0	0	0	0	0	0	0	3,000	3,000
Research & Technology	12,900	13,007	12,981	15,981	15,145	14,765	13,000	13,000	13,000	8,465
Essential Air Service	[12,286] ^{1/}	[50,000] ^{3/}	[50,000] ^{3/}	[50,000] ^{3/}	[97,697] ^{3/}	[118,906] ^{3/}	[110,164] ^{3/}	[105,653] ^{3/}	[113,290] ^{3/}	[119,129] ^{3/}
Payments to Air Carriers	86,213	150,000	149,700	143,000	135,520	149,000	155,000	175,000	150,000	0
Bureau of Transportation Statistics	27,000	27,000	27,000	25,206	25,948	26,000	29,000	26,000	26,000	26,000
Compensation to Air Carriers	-848	0	0	0	0	0	0	0	0	0
Compensation for General Aviation Operations	0	0	0	-3,254	0	0	0	0	0	0

^{1/} A total of \$50 million of overflight fees was available to the EAS program during FY 2009. \$23 million was transferred by FAA as an unobligated balance at the start of FY 2009, and an additional \$27 million of overflight fees was transferred during FY 2009. In addition, \$15 million of collections from the sale of spectrum was transferred from the Department of Commerce into the EAS account in FY 2009. The \$15 million was used to pay back funds that were borrowed in FY 2008, pursuant to P.L. 109-171; however, for the purpose of budgetary presentation, the \$15 million offsets the \$27 million of overflight fees, resulting in a net amount of new budgetary authority of \$12 million.

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

^{3/} Overflight fees collected by FAA

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

^{4/} Disadvantaged Business Utilization and Outreach.

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

	TASC/ Working <u>Capital Fund</u> ^{1/}	Direct <u>Loans</u>	Guaranteed <u>Loans</u>
FY 2009 Actual	128,094		18,367
FY 2010 Actual	147,596		18,367
FY 2011 Actual	147,596		18,367
FY 2012 Actual	172,000		18,367
FY 2013 Actual	171,656		18,367
FY 2014 Actual	178,000		18,367
FY 2015 Actual	181,500		18,367
FY 2016 Actual	190,039		18,367
FY 2017 Enacted	190,389		18,367
FY 2018 Request	2/		2/

Notes:

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

^{2/} No limitation is proposed.

OFFICE OF THE SECRETARY OF TRANSPORTATION

SALARIES AND EXPENSES

What Is The Request And What Funds Are Currently Spent on the Program?

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
FUNDING LEVELS				
Personnel Compensation and Benefits	72,644	73,569	73,254	-316
Travel	1,313	1,326	1,144	-181
Other Costs	34,793	33,648	37,501	3,852
Programs	0	0	0	0
TOTAL	108,750	108,543	111,898	3,355
STAFFING				
Direct Positions	530	452	449	-3
Reimbursable Positions	31	30	30	0
Direct FTE	405.00	422.25	449.00	27
Reimbursable FTE	15.00	27.00	20.00	-7

The Office of the Secretary is requesting \$111.898 million and an estimated 449 FTEs in FY 2018 to accomplish the mission outlined on the pages that follow. FTE, while increasing, reflect a backlog in hiring that will be made up for in FY 2018 to match position levels.

Detailed Justification for the Immediate Office of the Secretary

What Is This Program And Why Is It Necessary?

The Immediate Office of the Secretary provides leadership for the Department and developing a shared understanding of the Department's vision, mission, and strategic goals. The Office is responsible for overall planning, direction, and control of the Department's agenda.

What Does This Funding Level Support?

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1 percent inflation as well as an estimated 15 FTEs and associated costs.

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

The Immediate Office of the Secretary is necessary to provide executive leadership essential to responding to the American Public about transportation issues affecting the Nation. By understanding the challenges faced by the transportation sector, this senior office sets the agenda of the administration as it relates to the transportation sector.

Detailed Justification for the Office of the Deputy Secretary

What Is This Program And Why Is It Necessary?

The Office of the Deputy Secretary assists the Secretary in the overall planning, direction and control of the Department's agenda.

What Does This Funding Level Support?

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1 percent inflation as well as an estimated 7 FTEs and associated costs.

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

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

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

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

The Under Secretary of Transportation for Policy (S-3) serves as a principal policy advisor to the Secretary and provides leadership in the development and implementation of policies for the Department, generating proposals and strategic planning, and providing advice regarding legislative and regulatory initiatives across all modes of transportation. By statute, the Under Secretary is third in the Department's order of succession. The Under Secretary oversees the Assistant Secretary for Aviation and International Affairs, the Assistant Secretary for Transportation Policy, and the National Surface Transportation and Innovative Finance Bureau (Bureau), coordinating transportation policy development with the goal of making the Nation's transportation resources function as an integrated national system.

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

The **Office of Policy Development, Strategic Planning and Performance** manages long-term research, analysis, and initiatives on issues including permitting and project delivery, safety, energy, opportunity, and the impact of transportation investments on the human and natural environment, and quality of life. The Office leads efforts to promote reform to speed the development of infrastructure projects and use taxpayer funds more efficiently. The Office leads strategic initiatives to ensure improvements in performance management, transportation planning, and project delivery that will improve safety, reduce energy use, and create better environmental outcomes while improving the accessibility and connectivity of the transportation system. Also, this Office serves as the lead office on the development and implementation of the Departmental Strategic Plan.

The **Office of Infrastructure Finance and Innovation** focuses on the implementation of priority initiatives through the development of Departmental-wide policies to improve transportation infrastructure financing and initiatives on freight, innovative finance, various competitive grants programs, and technology. These efforts attempt to ensure that federal funding can be leveraged. This

office also leads the Department's efforts to adopt innovative advancements in multi-modal automated transportation solutions, including management and oversight of the federal advisory committee on automation.

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

The **Office of International Aviation (OIA)** develops, coordinates, and executes Departmental international aviation transportation policy. Specifically, this includes negotiating liberalized bilateral and multilateral aviation agreements to provide increased commercial opportunities for U.S. airlines and better service at lower fares for consumers. It also includes awarding regulatory authority to airlines, whether for scheduled or charter operations, own-aircraft or codeshare, so that, consistent with Department policies and regulations, they can use the opportunities available and enhance service to the public, thereby contributing to U.S. economic growth. The OIA also conducts regulatory review of international general rules tariffs filed by U.S. and foreign air carriers, for consistency with public interest standards, Department rules and policy, and applicable international agreements. In addition, the OIA also manages the relationships with several multinational organizations with respect to aviation economic matters, provides a subject-matter expert to serve as the U.S. Member on various Panels at the International Civil Aviation Organization (ICAO), and systematically maintains contact with the U.S. aviation community to determine liberalization priorities and develop new initiatives to enhance the usability of aviation rights. The office also engages in ongoing monitoring of all U.S. international aviation relationships to ensure that U.S. rights are honored and that where U.S. carriers suffer foreign discriminatory or unfair practices, appropriate diplomatic and/or regulatory steps can be taken to achieve redress.

The **Office of International Transportation and Trade (OITT)** provides Departmental leadership, direction, and coordination on international inter-modal transportation and trade policies and programs, including trade facilitation, technical assistance and cooperation programs, trade promotion and advocacy, multimodal transportation issues, and international diplomatic and protocol activities. OITT also leads and coordinates Departmental participation in global transportation and trade organizations. OITT engages in transportation dialogues with emerging markets such as Brazil, China and India and Africa. In addition, OITT develops DOT policies to facilitate cross-border trade with Canada and Mexico. Through these activities, OITT seeks to enhance U.S. competitiveness, and to learn from the best practices of our international partners. OITT also develops DOT positions on transportation-related aspects of free trade agreements that the United States is negotiating, representing, advancing and defending U.S. interests abroad.

The **National Surface Transportation and Innovative Finance Bureau** develops DOT-wide policies to improve transportation infrastructure financing and project delivery, administers Departmental transportation investment credit and tax programs, develops new initiatives to facilitate public and private financing mechanisms and analyzes the cost effectiveness of new and alternative approaches. The Office serves as the Secretary’s advisor on project finance policy issues that require expertise in areas such as public-private partnerships, concession agreements and accelerating large transportation projects between public and private organizations.

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

FY 2017 Anticipated Program Accomplishments:

The Office of the Under Secretary will develop and coordinate agency initiatives in the areas of safety, public and intergovernmental outreach, freight policy, and international transportation policy. The Office will also continue to support White House-led efforts that complement Departmental goals. For example, the Office is already supporting Vice President Pence’s initiative to create a U.S.-Japan Economic Dialogue and has supported the White House’s China engagement, contributing transportation elements to broader bilateral cooperative frameworks.) The Office’s outreach with major transport ministers will continue to develop policy positions on transport and transport-related trade matters (for example in developing programs to acquire best transportation practices overseas, or promoting U.S. transportation standards in support of U.S. exports and jobs at home). The Office will continue to participate in the negotiation of liberalized aviation agreements between the United States and other countries, as well as other trade agreements, such as the renegotiation of the North American Free Trade Agreement, the upcoming trade negotiations with the United Kingdom, and any other bilateral or multilateral trade negotiations.

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

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) an increase for an estimated 1 percent inflation; (4) as well as an estimated 63 FTEs and associated costs.

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

The Under Secretary serves as a principal policy advisor to the Secretary and provides leadership in the development of policies for the Department, generating proposals and the strategic plan, and providing

advice regarding legislative and regulatory initiatives across all modes of transportation. Specifically, the Salaries and Expenses account within S-3 acts as the main funding source for the policy experts, trade negotiators, economists, financial specialists and administrative support vital to the policy-making operations of S-3. The Office of the Under Secretary continues to lead the implementation of the FAST Act, which codified streamlining efforts for the environmental permitting process, provided new safety tools, and established new programs to advance critical freight projects. As part of this effort, S-3 is responsible for facilitating the awards of the freight and highway grant program and worked closely with other DOT offices to maintain the Bureau to continue to provide a one-stop-shop for project sponsors interested in DOT credit programs.

Detailed Justification for the Office of the Executive Secretariat

What Is This Program And Why Is It Necessary?

The Office of the Executive Secretariat provides organized staff services to the Secretary and Deputy Secretary, including the editing and vetting of correspondence, congressional reports, travel requests, and other documents for their signatures, Federal advisory committee management oversight, and directives management.

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

What Does This Funding Level Support?

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1 percent inflation as well as an estimated 15 FTEs and associated costs.

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

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

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

What Is This Program And Why Is It Necessary?

The Office of Intelligence, Security, and Emergency Response (S-60) ensures the development, coordination and execution of plans and procedures for the Department of Transportation (DOT) to

balance transportation security requirements with the safety, mobility, and economic needs of the nation through effective intelligence, security, preparedness and emergency response programs. These programs are mandated and governed by statutes, Executive Orders (E.O.), and Presidential Policy Directives (PPD).

S-60 is comprised of five primary areas of responsibility: Intelligence, Security Policy and Plans, Preparedness, Operations, and Protective Services. Currently, the office has assigned one staff member as the liaison officer to the North American Aerospace Defense /U.S. Northern Command (NORAD/NORTHCOM) at Peterson Air Force Base, Colorado. Additionally, an intelligence staff officer is assigned to the National Counterterrorism Center to coordinate the flow of national intelligence.

Intelligence Division - The Intelligence Division serves a critical role in meeting the requirements of PPD-21, PDD-8, Public Law 108-458, the Intelligence Reform and Terrorism Prevention Act, E.O. 12333, and Intelligence Community Directive (ICD) 404 for the Department to coordinate, collaborate and cooperate with the Department of Homeland Security, the Intelligence Community, and other Interagency Partners to help establish, maintain, and update current threats and vulnerabilities to the national transportation systems and critical infrastructure in order to conduct mitigation, response, and recovery activities to those threats as well as support other critical national security interest. Additionally, E.O. 13587, Structural Reforms to Improve the Security of Classified Networks and the Responsible Sharing and Safeguarding of Classified Information, requires all Departments and Agencies to develop comprehensive Insider Threat Programs that rely on counterintelligence based principles and practices to identify and defeat foreign intelligence threats to DOT personnel, systems, and facilities.

The Intelligence Division meets these policy driven requirements through the execution of four mission focused areas: Intelligence Analysis and Production, Intelligence Engagement and Information Sharing, Defensive Counterintelligence and Insider Threat, and Cyber Intelligence Support. The ability to execute all four mission areas is equally critical to DOT's ability to establish and maintain situational awareness of threats to U.S. and international transportation systems and infrastructure, develop DOT international engagement strategies, and identify and mitigate threats to DOT from foreign intelligence services, insiders, and cyber threats. The Intelligence Division's 2018 planned mission activities for each area are as follows:

Analysis and Production:

- Analyze and assess all intelligence community concerning known or developing threats to domestic and foreign transportation systems and infrastructures in order to provide tailored intelligence products that develop situational awareness and support decision making for the Secretary, his principal staff, and other key DOT officials;
- Identify, review, assess, and disseminate relevant Intelligence and Law Enforcement Community products to Operating Administration senior leaders, security personnel, and emergency response staff through web-based sites and direct coordination;
- Coordinate with Intelligence and Law Enforcement Community, Department of Defense, and other U.S. Departments and Agencies to identify potential areas for DOT collaborative and coordinated intelligence analysis and production regarding DOT mission equities; and
- Assist in identifying and developing areas for enhancing geospatial product access and production, when possible, to the DOT National Response Program.

Intelligence Engagement and Information Sharing:

- Represent DOT and its interests on the Information Sharing Enterprise (ISE) Committee and sub-committees, the Federal Partners Forum, the National Counterintelligence Working Group, the FBI's National Joint Terrorism Task Force, the National Insider Threat Task Force, and other forums addressing information sharing, law enforcement, and intelligence-related topics at the national level;
- Work closely with the Director of National Intelligence Federal Partner Forum Office on a range of topics, as required;
- Establish procedures and processes to leverage existing National Suspicious Activity Reporting (SARs) systems and protocols for the submission and identify suspicious activities and nationally reported SARs related to US transportation systems and infrastructure;
- Work in conjunction with the National Counterterrorism Center to identify DOT components that have counterterrorism-related programs and projects contributing to the National Counterterrorism budget;
- Support Intelligence Community (IC) efforts to leverage all DOT's unique access to critical and difficult sources of information to enhance analysis and assessments;
- Serve as liaison to intelligence community members in support of on-going initiatives by identifying and coordinating DOT assistance through subject matter experts; and
- Respond, in accordance with existing DOT authorities and policies, to external requests for support by other US Departments and Agencies.

Defensive Counterintelligence and Insider Threat:

- Coordinate with the National Counterintelligence and Security Center (NCSC) and the National Insider Threat Task Force (NITTF) to develop an effective and efficient Insider Threat Program in accordance with E.O. 13587 (Structural Reforms to Improve the Security of Classified Networks and the Responsible Sharing and Safeguarding of Classified Information);
- Assist in providing counterintelligence-related briefings to DOT personnel traveling overseas in an effort to improve their situational awareness and help prevent the exploitation of travelers by unfriendly or hostile intelligence organizations;
- Assist in providing screening support of foreign visitors to DOT facilities and engagement meetings;
- Manage and execute the DOT CI/Insider Threat Program policies, procedures and HUB operations with a focus on training and oversight; and
- Identify, evaluate and implement, as required, information-sharing and analytical software tools to aid in the identification, assessment, and response to insider threats.

Cyber Intelligence Support:

- Identify, assess, and share all cyber-threat reporting with the DOT Chief Information Office in order to mitigate all known or developing cyber threats to DOT personnel, systems, or infrastructure in accordance with the intent and requirements under E.O. 13587, E.O. 13636, and the Comprehensive National Cyber Security Strategy; and
- Evaluate and implement, as required, processes and procedures for the collection and sharing of cyber-based elicitation of DOT employees for the purposes of collecting DOT sensitive information, gaining unique access to DOT personnel, or targeting of DOT networks.

Security Policy and Plans Division - The Security Policy and Plans Division leads many efforts related to the DOT strategic objective focused on meeting transportation needs for national security through interagency cooperation. In particular, the Division supports DOT's interests on national security policy issues by coordinating DOT representation on various interagency groups, as convened by the National Security Council (NSC) staff. The Security Policy and Plans Division serves as the DOT representative on many of these NSC and interagency groups that formulate national security policy. The Division makes national security policy recommendations to senior Departmental officials. These activities are in direct support of various Presidential Directives, E.O.s, National Strategies and Frameworks, and Congressional mandates.

In addition, the Division produces or coordinates in-depth studies, reports, analysis, and Federal and Departmental plans.

During FY 2017, the Security Policy and Plans Division will accomplish the following:

- Support the Secretary and Deputy Secretary in their respective roles as part of the NSC-led Principals and Deputies Committees, responding to the structure outlined in National Security Presidential Memorandum 4, "Organization of the National Security Council, the Homeland Security Council, and Subcommittees;"
- Participate in NSC-led and interagency efforts to develop and implement national security policy issues that include, but are not limited to:
 - Biological threats (e.g., PPD-2, "Implementation of the National Strategy for Countering Biological Threats;" E.O. 13527, "Medical Countermeasures Following a Biological Attack;" and EO 13546, "Optimizing the Security of Biological Select Agents and Toxins in the United States");
 - Climate change and adaptation (e.g., E.O. 13653, "Preparing the United States for the Impacts of Climate Change;" E.O. 13690, "Establishing a Federal Flood Risk Management Standard and a Process for Further Soliciting and Considering Stakeholder Input;" and Presidential Memorandum, "Building National Capabilities for Long-Term Drought Resilience");
 - Critical infrastructure (e.g., PPD-21, "Critical Infrastructure Security and Resilience;" E.O. 13717, "Establishing a Federal Earthquake Risk Management Standard;" and E.O. 13728, "Wildland-Urban Interface Federal Risk Mitigation");
 - Cybersecurity (e.g., E.O. 13636, "Improving Critical Infrastructure Cybersecurity;" E.O. 13691, "Promoting Private Sector Cybersecurity Information Sharing;" and PPD-41, "United States Cyber Incident Coordination");
- Represent DOT and its interests in analyzing and setting transportation security policy in Federal, State, local, tribal, territorial, and international arenas, and make policy recommendations to key Departmental officials (e.g., interagency efforts tied to PPD-8, "National Preparedness");
- Represent DOT as the co-Sector-Specific Agency for the Transportation Systems Sector (as directed by PPD-21), working with the Department of Homeland Security (DHS) to ensure unity of effort while coordinating the development of policy and strategy documents, interagency communications, and outreach to stakeholders;
- Coordinate with DHS to identify and prioritize critical infrastructure, as discussed in the Homeland Security Act, helping stakeholders to focus their resilience efforts and steer their resources effectively;

- Collaborate with DHS and others through a public-private partnership model to address physical and cyber critical infrastructure in an all-hazards environment;
- Provide public health consultation and medical expertise for actual and potential events that disrupt transportation systems or cause catastrophic health effects;
- Carry out the authorities delegated to the Secretary for Defense Production Act activities (e.g., Defense Production Act and E.O. 13603, “National Defense Resources Preparedness”); and
- Serve as the Planning Section for the Secretary’s Emergency Response Team (ERT).

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

1. The National Security Continuity Program is responsible for the continuity of essential DOT and other governmental functions. The program develops and maintains the Office of the Secretary of Transportation’s Continuity of Operations Plan and maintains alternate secure facilities in a high state of readiness for use by DOT. The program develops and updates departmental devolution plans and procedures, and ensures DOT support to Federal continuity of government programs.

During FY 2017, the National Security Continuity Program will accomplish the following:

- Utilize the “OneDOT” alternate continuity site, for Departmental and Operating Administration senior leadership, Emergency Coordinators, Planning Team members, Intelligence staff and the Crisis Management Center Watch which replaced the temporary DOT site in 2016. Expand the capabilities based upon the interagency exercise after action report;
 - Maintain operational continuity of operations sites and improve facility configuration and communications/IT capabilities – incorporating all requirements of Presidential Policy Directive 40, Minimum Requirements for Federal Executive Branch Continuity Communications Capabilities (OSTP/OMB Directive D-16-1) and other applicable directives and requirements;
 - Complete mandated refresh of classified computer and communication equipment to include replacement of a communication capability that is quickly reaching end of life and will require upgrading in FY 2018;
 - Manage and coordinate training of personnel supporting continuity programs; and
 - Identify alternative continuity of operations sites as possible additional locations, with the goal of providing enhanced command and control at multiple locations.
2. The International Preparedness Program represents the U.S. and DOT in international organizations and groups engaged in the development of civil emergency preparedness and response plans in the interest of National security and disaster preparedness. Program staff works in coordination with DOT and other Federal entities in planning and technical policy development concerning international civil transportation emergency preparedness, response and recovery initiatives as stated in E.O. 12656.

The Order’s General Provisions speaks to being prepared to respond adequately to all National security emergencies, including those that are international in scope.

During FY 2017, the International Civil Transportation Emergency Preparedness Program will accomplish the following:

- Coordinate with Transport Canada in planning for mutual support in cross border operations during security incidents and other disasters;
- Represent the United States in North Atlantic Treaty Organization (NATO) transportation-related civil emergency planning matters related to civil aviation resources, acquisition, and deployment to support NATO operations, or support to other nations during disasters;
- Provide expert consultation, guidance and input in the development and conduct of training and training support programs for the NATO civil aviation experts and national planners;
- Continue to support the Safety and Disaster Assistance Working Group of the U.S./China Transportation Forum by conducting steering committee meetings and multi-modal workshops, seminars and expos with the Chinese Ministry of Transport;
- Support the US/Brazil Transportation Partnership by conducting video teleconferences, steering committee meetings and multi-modal workshops as part of the Disaster Preparedness & Response Working Group
- Continue to work with the Asian Pacific Economic Cooperation (APEC) on Global Supply Chain Resilience; and
- Represent DOT at international forums on transportation-related civil emergency preparedness, response and recovery and training exercises.

3. The Training and Exercise Program staff is key members of the National Exercise Program (NEP) interagency team. Under the Post-Katrina Emergency Management Reform Act, Title 6, United States Code, Section 748, the NEP is the principal mechanism for examining the preparedness of the United States across the entire homeland security enterprise by designing, coordinating, conducting, and evaluating a progressive cycle of exercises that rigorously tests the nation's ability to perform functions that prevent, mitigate, protect against, respond to, and recover from all hazards. Training and exercises conducted by S-60 directly supports White House directives. In support of PPD-8 training and exercises coordinated and/or designed by the S-60 Training and Exercise Program increase preparedness and prevention, and improve response, mitigation and recovery. Further, training and exercises further enhance interagency coordination, to include supporting DOT's role under PPD-21 as the Transportation Systems Sector co-lead agency.

During FY 2017, the Training and Exercise Program will accomplish the following:

- Conduct exercises mandated by the National Exercise Program including one national-level Capstone full-scale exercise, tabletop exercises in support of the Capstone, an annual Continuity of Operations exercise (Eagle Horizon), senior level (Cabinet) tabletop exercises, and Department-wide senior leader exercises;
- Ensure appropriate DOT support in the design, development, and conduct of DOD exercises, including but not limited to Ardent Sentry and Vibrant Response;
- Support regional Emergency Support Function–1 (ESF–1) transportation training programs and provide exercise support for S-60, and Emergency Response training;
- Support exercise development and execution for the Operating Administration's internal exercises and preparedness seminars; and
- Participate in support of other Federal-level interagency exercises

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

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

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

During FY 2017, the CMC will accomplish the following:

- Provide program management and operation of "DOT Alerts", a Department-wide Emergency Notification System;
 - Improve preparedness in the use of the CMC alternate operating facilities by training and conducting drills and perform operational communications testing in support of Federal continuity programs per National Communications System Directive 3-10;
 - Provide ongoing secure and other vital communications links for the Secretary and other senior officials; and
 - Conduct internal DOT Emergency Response Team Operations Section meetings and training.
2. The National Response Program is responsible for coordinating departmental preparedness, response, and recovery activities in all-hazards crises for the Office of the Secretary, and supports the Secretary's responsibilities under the NRF, Emergency Support Function #1 (ESF-1) Transportation. ESF-1 is designed to provide transportation support to assist in domestic incident management, including reporting status of damage to transportation infrastructure, identifying temporary alternative transportation solutions to be performed by others, coordinating the restoration and recovery of the transportation infrastructure, performing activities conducted under the direct authority of DOT, and coordinating and supporting prevention/preparedness/mitigation among transportation infrastructure stakeholders at all levels.

Presidential Policy Directive 8 mandates the US Government establish a National Preparedness System, focusing on National planning frameworks covering prevention, protection, mitigation, response, and recovery. FEMA's National Response Framework (NRF) identifies 14 Emergency Support Functions as the primary coordinating structures for building, sustaining, and delivering core response capabilities. The National Response Program (NRP) is the office within the Department of Transportation (DOT) that has been designated as the lead for ESF-1 activities. The NRP is mandated by the NRF ESF-1 Annex to perform the following activities:

- Monitor and report status of and damage to the transportation system and infrastructure;
- Identify temporary alternative transportation solutions that can be implemented by others when systems or infrastructure are damaged, unavailable, or overwhelmed;

- Perform activities conducted under the direct authority of DOT elements; and
- Coordinating and supporting prevention, protection, mitigation, response, and recovery activities among transportation stakeholders within the authorities and resource limitations of ESF-1 agencies.

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

During FY 2017, the NRP Program will accomplish the following:

- Carry out ESF-1 preparedness, response, and recovery operations and serve as a supporting agency to other ESFs as identified in the NRF and other Recovery Support Functions (RSFs) in the National Disaster Recovery Framework (NDRF);
- Participate in planning, preparedness, operations, exercises, training and outreach activities related to disaster response, to include annual training for NRP personnel, partner agencies and leadership, regional OneDOT meetings, participation in the National Hurricane Conference, and the continued development and presentation of a comprehensive training program for NRP personnel;
- Coordinate DOT's regional preparedness, response, and recovery activities for all-hazards incidents and events;
- Assist in the development of national policy and procedures related to transportation elements of emergency management, critical infrastructure security, resilience, and recovery;
- Assist FSLTT partners through application of our technical expertise in preparedness, response, and recovery activities in all-hazards crises;
- Support other S-60 Program initiatives including, but not limited to, the Emergency Preparedness Committee for Civil Transportation (EPCCT) and the Safety and Disaster Assistance Working Group of the U.S./China Transportation Forum;
- Continue to develop DOTMap, an interactive Geographic Information System (GIS) for emergency response operations;
- Maintain and update Departmental and program emergency response plans, procedures, and checklists; and
- Work with leadership to hire qualified personnel to fill significant staffing gaps (including, but not limited to: National Response Program Manager; Region III RETREP; Region VII RETREP; Region IX-N RETREP).

Protective Service Division - The Protective Service Division (PSD) provides the Secretary and Deputy Secretary highly-trained and experienced Special Agents who are deputized U.S. Marshals. The Special Agents provide protection for the Secretary and conduct security advance work in the U.S. and overseas. The Special Agents provide the Secretary daily personal protection and protect the Secretary on all local, domestic, and international travel. This protective service support is required to ensure the Secretary's security and safety and continuity of the Presidential Successor Program.

During FY 2017, the Protective Services Division will accomplish the following:

- Provide protection for the Secretary;
- Conduct security advance work for all official and public events and any planned travel by the Secretary in the U.S. and overseas; and
- Ensure the Secretary is briefed and has the protective service support to meet the planned/unplanned demands of the Presidential Successor Program.

NORAD/NORTHCOM (N/NC) Liaison Officer - N/NC civil support mission includes domestic disaster relief operations which may arise from incidents including, but not limited to, fires, hurricanes, floods, earthquakes, and management of consequences of a terrorist incident employing a weapon of mass destruction.

The N/NC Interagency Directorate's mission is to facilitate the integration and synchronization of interagency activities to ensure mutual understanding, unity of effort, and full spectrum support to and from N/NC during emergencies.

During FY 2017, the NORAD/NORTHCOM Liaison Officer will accomplish the following:

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

Senior Department of Transportation Liaison to USTRANSCOM

The USTRANSCOM is a unified, functional combatant command which provides support to the eight other U.S. combatant commands, the military services, defense agencies, and other government organizations in peace and war.

S-60 has a full-time senior DOT liaison stationed at USTRANSCOM to coordinate the smooth integration of shared responsibilities between this important U.S. military command and the mission of DOT through input and support to the strategic national security programs that reside in USTRANSCOM and its component commands. As the Secretary's representative, the Senior DOT Liaison represents DOT interests during day-to-day operations and significant incidents, events, and exercises and communicates DOT equities while supporting USTRANSCOM and its elements in the execution of their mission. The Senior DOT Liaison coordinates with all DOT components to support the strategic partnership between DOT and USTRANSCOM.

This strategic partnership is critical as it supports military movements that use commercial resources and assets represented by the National Defense Reserve Fleet, National Port Readiness Network, Strategic Highway Network, Strategic Rail Corridor Network, Voluntary Intermodal Sealift Agreement,

Voluntary Tanker Agreement, and the Civilian Reserve Airlift Fleet to deploy military forces, equipment and supplies. The military relies heavily on the commercial transportation industry including commercial rail, trucking companies and U.S.-flag aviation and maritime operators to meet its transportation requirements.

Additionally, the Senior DOT Liaison works collaboratively with all other U.S. Department and Agency Liaison Officers assigned to USTRANSCOM to facilitate the accomplishment of the U.S. Government strategic homeland defense mission.

The Senior DOT Liaison also coordinates with USTRANSCOM senior military and civilian leadership on all transportation matters concerning national security policy issues; transportation cyber threats and vulnerabilities; domestic and international intelligence; operational plans; continuity of operations/government planning; international responsibilities; and national level interagency training and exercises.

During FY 2017, the USTRANSCOM Liaison will accomplish the following:

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

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

What does this funding level support?

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3)

adjustments to Working Capital Fund; and (4) an increase for an estimated 1 percent inflation as well as an estimated 50 full-time equivalents (FTEs) and associated costs.

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

In support of DOT's mission, which is to develop and coordinate policies that will provide an efficient and economical national transportation system, with due regard for need, the environment, and the national defense, S-60 ensures the development, coordination, and execution of plans and procedures for DOT to balance transportation security requirements with the safety, mobility, and economic needs of the Nation.

Benefits to the American public include:

- Providing a security policy framework that will ensure preparedness, mitigate the consequences of transportation sector emergencies, and support DOT's mission;
- Assuring continuity of operations, support continuity of government, and maintain emergency operations capabilities to respond effectively to incidents and fulfill our commitments under Presidential Directives and the NRF;
- Ensuring plans, procedures, training, and exercises will prepare DOT to meet federal emergency preparedness, response and recovery policies, strategies, and other requirements;
- Delivering timely, relevant, and expert intelligence analysis on preparedness efforts, operational response, and fulfilling technical requests from the intelligence and law enforcement communities;
- Staying abreast of and responding to behavior that may be indicative of intelligence gathering or pre-operational planning related to terrorism, criminal, or other illicit intention;
- Providing immediate or urgent information on time sensitive threats or situations that may impact local security environments and may require responsive activity;
- Fulfilling DOT's commitments to NATO and other agreements; and
- Ensuring security for the Secretary by using best practices, standards, and assessments.

Detailed Justification for the Office of the Chief Information Officer

What Is This Program And Why Is It Necessary?

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

The OCIO programs are needed to address the steady increase in the number, timing, depth, and complexity of IT infrastructure and services, and steer agency efforts to identify and eliminate duplicative spending, increase DOT's capacity to end troubled IT programs/projects, and strengthen accountability for IT costs, scheduling and performance. The OCIO must create and maintain agile, reliable, innovative and scalable IT environment and business services that enable the mission of DOT to align IT requests with overall strategic goals. The OCIO focuses on ensuring projects and investments are planned, processed and delivered in a standardized manner across the Department. The OCIO continues to refine processes and procedures to reduce inefficiencies and ineffectiveness, and standardize business processes to improve compliance with Federal mandates.

The Salaries & Expenses (S&E) appropriation funds the following¹:

IT Governance and Alignment – The OCIO ensures updated processes and policies are implemented while managing risks and adopting a systematic and professional approach to the management of IT services at the enterprise level. IT Governance is a critical component in the Department's effort to effectively and efficiently procure and provide lifecycle management and oversight of its Information Technology resources.

The OCIO manages a Capital Planning and Investment Control (CPIC) program to track the DOT IT portfolio using program performance metrics, outlines requirements for the enterprise-wide Records Management Program based on the Managing Government Records Directive, and maintains the enterprise architecture roadmap to focus on business-outcome-driven delivery.

The OCIO is responsible for managing the Investment Review Board (IRB) process. The governance structure includes the Investment Review Board (IRB), the CIO Council, and the Enterprise Architecture (EA) Board.

Technology Modernization – Business and IT portfolios are interconnected, and the OCIO is accelerating business transformation driven by technology shifts, and identifying opportunities for digitization of across the enterprise and leveraging cloud-enabled environments for security and scalability.

Information and Data Management– The OCIO leads efforts for the Nation Information Exchange Model (NIEM) Surface Transportation Domain and the Transportation Theme of the National Spatial Data Infrastructure. The OCIO oversees Department data decision-making bodies, enforces policies and ensures compliance with standards to improve data quality and utility.

Cybersecurity Information Assurance and Privacy –The OCIO enforces the business strategy to make targeted investments in policy, people, processes, and technology that will strengthen the Department's

¹ In addition to S&E, the CIO executes two other sources of funds. Each funding stream is maintained and reported independently. The three funding sources track to the CIO's areas of responsibility: the annually appropriated S&E for carrying out IT security, strategy, and policy (which includes monitoring, reporting and guidance); the Working Capital Fund (WCF) cost reimbursements for providing Department-wide core IT operational support functions and enterprise shared services (email services, help desk support, etc.); and Cyber Security initiatives focused on implementing security-related improvements.

ability to ensure the confidentiality, integrity, and availability of its vital data and assets. Priority Information Assurance and Privacy activities include: Education, Training, and Awareness (ETA); requirements, standards, policies, and directives; situational awareness and incident response; Independent Verification and Validation (IV&V) and Certification and Accreditation (C&A).

The OCIO is responsible for reporting and tracking compliance with the Administration priorities for cybersecurity which include:

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

The OCIO leads the Department's privacy risk management program through awareness of its personally identifiable information (PII) footprint and the implementation of established best practices. The OCIO's efforts to lessen the Department's privacy risk have been achieved through the issuance of policy and guidance, standards, and training. The OCIO's privacy program provides leadership across the Department in the following privacy disciplines; accountability, redress & breach response, PII reduction, and compliance.

Records Management – The OCIO develops policies and plans to assist with the implementation of the Federal Records Act and the Presidential Directive on Managing Government Records. The Department's strategy focuses on the continued migration and evolution of its systems of our "born digital/live digital" approach to records and information management. Specific areas of focus include email management and electronic information systems.

Anticipated FY 2017 Accomplishments:

In FY 2017, the OCIO will continue to strengthen collaboration within DOT and the IT Governance structure through FITARA. The OCIO will continue to build upon the strategies in providing IT and related services to match customer demands and advancements in technology, and using IT as a key enabler of new strategies and services. Efforts to enhance the overall technology strategy and policy at DOT are described below by focus area.

IT Workforce. The OCIO will continue to implement a workforce realignment to better balance contract and Federal resources. As part of this multi-year initiative, the OCIO is converting contract positions into Federal positions to realize cost avoidance and better manage inherently governmental programs. OCIO will also focus on workforce development to ensure the DOT IT workforce competencies are aligned to effectively manage the existing business, while also exploring and adopting new, innovative business capabilities.

Implementing FITARA and Expanded Governance. The OCIO will continue to reform IT management within the Department by implementing an effective, efficient, outcome-oriented governance structure for IT infrastructure, business support and mission systems. With the implementation of the FITARA the OCIO plans to strengthen its governance workforce and skillsets to fully support all aspects of the law as follows:

- Establish and implement Department-wide IT management controls that meet the FITARA requirements and enable effective planning, budgeting, and execution for IT investments;
- Improve Capital Planning and Investment Control (CPIC) oversight of the Department's \$3.5B IT portfolio through an enterprise DOT Investment Review Board (IRB), in accordance with applicable laws, regulations and policies;
- Strengthen accountability for information technology cost, schedule, and performance to meet FITARA requirements through both capital planning activities and integrated program reviews with stakeholders, such as Office of the Senior Procurement Executive, Budget and Operating Administrations across the Department;
- Advance DOT IT governance through continuous process improvements that result in the delivery of comprehensive, disciplined, and integrated investment management guidance; and
- Serve as the Secretary's advisor and liaison to the White House's Office of Management and Budget and Congress as requested and for regular reporting on IT assets and initiatives, such as the IT Dashboard, Integrated Data Collection, E-Government Reports, Portfolio Stat, Budget Data Requests, and applicable benchmarking efforts.

Information Assurance. The CIO's office will make progress in planning and tracking compliance with priorities for cybersecurity and meeting the new and evolving cyber threats.

Privacy. The OCIO will fine tune the planning and tracking of its compliance program and reducing the Department's exposure across all Components.

Records Management. The OCIO will continue to work with NARA recommendations to develop and implement policies for records schedule, ascensions, and the review of records collection.

Data Management. The OCIO will lead efforts for the National Information Exchange Model (NIEM) Surface Transportation domain to enhance the safety and accessibility of our nation's transportation systems by improving decision-making through increased data quality, improved secure data exchange, and accelerated adoption of data standards.

Geospatial. The OCIO will continue to manage the Transportation Theme of the National Spatial Data Infrastructure. The OCIO will continue to develop and support the All Roads Dataset National Geospatial Digital Archive (NGDA) and its related Address Range-Feature Name Relationship File and the Address Ranges Relationship File NGDAs. Additionally, the OCIO will evaluate recent pilot work in developing address files to enhance its web feature services for the NGDA data sets. This includes working with the stakeholder community and forming partnerships.

What Does This Funding Level Support?

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3)

adjustments to Working Capital Fund; and (4) an increase for an estimated 1 percent inflation as well as an estimated 50 FTEs and associated costs.

In FY 2018, the OCIO will focus on expanding the capabilities in these areas:

- Enterprise Architecture and Governance – The OCIO will take a targeted approach in reinvigorating the enterprise architecture (EA) program in conjunction with ongoing enhancements in the areas of Capital Planning & Investment Control (CPIC), and IT Governance. These improvements will enhance the reporting, tracking, and categorization of the DOT IT Investments and departmental capabilities.
- IT Workforce – The OCIO will continue to develop the DOT IT workforce to ensure professional skills and competencies are realigned to accommodate new business requests. The OCIO must balance the workforce skills between the ability to effectively manage the existing business while also exploring and adopting new, innovative business capabilities.
- Digital Communications – The Department will continue to consolidate DOT websites into the Departmental enterprise web environment. The OCIO will focus on consolidating application development and using SharePoint and other enterprise resources.
- Data Management – The OCIO will continue to mature Data Management across the department, including integrating safety data across the departmental modes and addressing gaps in existing safety data programs. The OCIO will continue to lead and coordinate efforts around the standardization of data, data collection methods, and data management and storage techniques for data collected by DOT, and various public and private sector entities; define data interfaces and flows, and collect data in support of a myriad of functions across the department.
- Geospatial Information Systems – The OCIO will continue to develop and support of single data sets for transit, rail, airport and runway, intermodal, waterway and all-roads. DOT will provide leadership in development and coordination of transportation geospatial standards and policies, to promote greater utilization of standards for enhanced interoperability of geospatial data, services, and systems.
- Cyber Security – The OCIO will focus on a cyber risk management program to improve security practices across the Department. The OCIO will put in place processes that continually adapt to changing threats, vulnerabilities, and assets. The OCIO will enhance compliance with federal cybersecurity mandates through a focused compliance and performance program. Records Management – The OCIO will focus on addressing policies and procedures related to records management and retention. The OCIO will also implement a process to improve the tracking and efficiency of records collection reviews. The program will improve tracking IT investment activities, provide recommendations for corrective action plans, and analyze future IT investments at the modes.
- Privacy – The DOT Chief Privacy Officer (CPO) will focus on reducing the Department's exposure to breaches of its public commitments to protect the PII entrusted to it. The DOT CPO will implement processes integrated with mission and technology decision-making to ensure that

PII collected, used, and maintained by the Department is consistent with its authorities, minimized, and protected appropriately. The CPO will enhance compliance with Federal privacy statute by bolstering its audit and compliance management program. The program will leverage technical capabilities implemented by the cybersecurity and IT shared services programs.

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

IT investment management and oversight are necessary to ensure that the Department is making good business decisions for agency-wide budgeting, planning and execution of IT resources. An enterprise approach facilitates an effective IT focus on business-outcome-driven delivery to prioritize and balance operational demands with longer-term strategy. The programs and activities funded through the OCIO are mission enablers that drive enhanced decision-making and risk management, and align investments to the Department's strategy.

The OCIO is responsible for enforcing strategies and solutions that strengthen the Department's ability to ensure the confidentiality, integrity, and availability of its vital data resources and other assets. The OCIO's Cybersecurity and Privacy programs address urgent and immediate threats to critical transportation related business operations, and missions systems, facilitate adaptation to continually changing threats and vulnerabilities, and enable integrated management and mitigation of risk.

The OCIO also ensures data and information are available to the public. The OCIO promotes collaboration and data sharing with the public and throughout the Department. The OCIO will continue to focus on improving the strategy and governance for all external web properties to create mobile friendly, accessible, and high value digital content for the public.

Detailed Justification for the Office of Public Affairs

What Is This Program And Why Is It Necessary?

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

The Office of Public Affairs makes available to the public information on steps the Department is taking to address the Nation's transportation needs by working to improve transportation safety, assuring the

transportation infrastructure is in a state of good repair, promoting transportation investments that bring lasting benefits to the Nation, fostering livable communities and advancing environmentally sustainable transportation policies.

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

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

What Does This Funding Level Support?

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1 percent inflation as well as an estimated 15 FTEs and associated costs.

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

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

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

What Is This Program And Why Is It Necessary?

The Assistant Secretary for Budget and Programs is the principal budget and financial advisor to the Secretary and serves as Chief Financial Officer (CFO) for the Department, pursuant to 31 U.S.C. 901 (Establishment of Agency Chief Financial Officers). The Office provides oversight and policy guidance for all budget, financial management, program performance, and internal control activities of the Department and its Operating Administrations.

The Office provides **departmental budget leadership** for the Operating Administrations and the Office of the Secretary of Transportation (OST), and is responsible for: preparation, review, and presentation of Department budget estimates; being a liaison with the Office of Management and Budget (OMB) and Congressional Appropriations Committees; guidance and review of departmental financial plans, apportionments, reappropriations, and reprogramming; program and systems evaluation and analysis; program evaluation criteria; program resource plans; analysis and review of legislative proposals and one-time reports and studies required by Congress; and budget and financial management relating to OST. The Office develops performance measures under the Department's strategic goals, and tracks actual outcomes against those measures, pursuant to the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010 (GPRAMA).

The Office is responsible for **departmental financial management leadership** for the Operating Administrations and OST. The primary duty is to uphold strong financial management and accountability while providing timely, accurate, and reliable financial information and enhancing internal controls. This is done through: prompt and precise submission of DOT's consolidated financial statements; preparation and/or review of all deliverables for the annual financial audit; oversight of accounts payable, accounts receivable, and cash management; monitoring and reconciliation of reimbursable agreements; and oversight of the integrity of all transactions in the accounting system. The Office ensures DOT meets OMB and the Department of Treasury's reporting requirements. The Office also manages DOT's Federal Managers Financial Integrity Act (FMFIA) program, the OMB Circular A-123 Internal Control program, Payment Recapture Audit programs, and the Improper Payments Information Act program.

Additionally, the Office develops DOT-wide financial management policy, provides strategic direction for DOT financial operations and serves as system owner to Delphi, DOT's core financial management system. The Office provides management direction and oversight to the Delphi program and the Enterprise Services Center (ESC). ESC operates as a division of the Department of Transportation located at the Federal Aviation Administration's Mike Monroney Aeronautical Center in Oklahoma City, Oklahoma. It is one of four Federal Shared Service Providers (SSP) designated by OMB. ESC operates Delphi and provides a range of accounting services and financial management information system services to DOT and seven other governmental agencies including the Government Accountability Office (GAO) and the Securities and Exchange Commission (SEC). Along with Delphi, the Office serves as the system owner to CASTLE, the DOT-wide Consolidated Automated System for Time and Labor Entry. The Office also establishes Departmental travel policy and guidance, maintains DOT's Travel Credit Card Program, and oversees the travel management contract services throughout DOT.

The Office is further responsible for **oversight of the Department's credit programs**, assisting with the financial review and monitoring of DOT's credit programs and oversees and coordinates all the credit reform requirements with OMB. The Assistant Secretary for Budget and Programs and CFO serves as the Vice Chair of the Department's Credit Council, and the Office leads the Credit Council Working Group, which is comprised of the DOT credit program managers and staff.

The Office is responsible for the functional **budget formulation and execution and financial management for the OST offices**. The Office formulates and justifies the budget requests for OST offices and programs to the Departmental Budget Office, OMB, and Congress and executes enacted appropriations. It also performs the full-range of financial management functions for the OST offices

and programs, including: financial statement review; preparation and/or review of all deliverables for the annual financial audit; accounts payable and accounts receivable oversight; cash management; reimbursable agreement monitoring and reconciliation; and oversight of the integrity of all transactions in the accounting system. The Office also manages OST's Federal Managers Financial Integrity Act (FMFIA) and A-123 Internal Control program, develops performance measures under the Department's strategic goals, and tracks actual outcomes against those measures.

FY 2017 Anticipated Accomplishments

In FY 2017, the Office will provide an effective presentation of a sound and adequate budget for OST and the Department; foster effective use of resources – such as grant and formula dollars, as well as investments in innovation and research; and provide accurate and reliable financial information with enhanced internal controls. The Office will work to build on its record of clean annual financial audits by enforcing financial controls.

One particular focus area in FY 2017 will be to continuing to strengthen the execution and oversight of DOT credit programs, including implementation of new provisions in the Fixing America's Surface Transportation (FAST) Act. Among other provisions, the FAST Act called for establishment of a new National Surface Transportation and Innovative Finance Bureau, reporting to the Under Secretary for Transportation Policy. The Office is co-leading a cross-departmental effort to stand up this new Bureau expeditiously and in a manner that protects the integrity and sound operations of all affected programs.

In the area of financial management, the Office will oversee important milestones for ESC over the course of FY 2017, as the Center expands its role as a Shared Service Provider for other federal agencies and works to further refine and streamline its service packages and pricing models to benefit broader constituencies and to more easily achieve economies of scale.

What does this funding level support?

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) adjustments to the Working Capital Fund; and (4) an increase for an estimated 1 percent inflation as well as an estimated 56 FTEs and associated costs.

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

The Chief Financial Officer and Assistant Secretary for Budget and Programs: establishes systems and provides guidance to ensure the effective preparation and presentation of sound budget estimates and financial management information for the Department; reviews policy, program, and legislative proposals to evaluate their impact on departmental budget resource and financial management requirements and plans; directs and oversees all budget execution activity; and provides policy guidance and oversight of Departmental financial management personnel, programs, activities, and operations. Further, the Office is responsible for designing and implementing the financial systems required for accurate and timely financial reporting, and for establishing financial and accounting policy and programs for the Department.

Detailed Justification for the Office of the General Counsel

What Is This Program And Why Is It Necessary?

The General Counsel is the chief legal officer of the Department of Transportation (DOT). The Office of the General Counsel provides legal advice to the Secretary and Secretarial Offices, and supervision, coordination and review of the legal work of the Chief Counsel Offices in the Department. As discussed below, the Office of the General Counsel is composed of eight offices and the Center for Alternate Dispute Resolution to carry out these functions.

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

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

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

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

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

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

The **Office of Aviation Enforcement and Proceedings (AEP)** supports the Department by: (1) Enforcing air travel consumer protection and civil rights requirements (2) providing legal guidance to DOT program offices including review of air carrier fitness decisions; and (3) serving as Public Counsel in hearing cases involving fitness and international carrier selection proceedings. Of major importance is AEP's work to enforce DOT's rules regarding: the civil rights of air travelers with disabilities and other protected groups; air fare advertising; on-time performance and code share disclosure; unrealistic scheduling; denied boarding compensation; tarmac delays; ticket refunds; baggage liability; public charters; and aviation economic licensing requirements for both direct and indirect, foreign and domestic air carriers. AEP also supports DOT's domestic air carrier economic licensing program by providing extensive legal review of air carrier fitness decisions. In addition, the Aviation Consumer Protection Division (ACPD), which is an office within AEP, plays an important role in assisting, educating, and protecting aviation consumers. ACPD handles consumer complaints about air travel (8,000-20,000 per year), responds to Congressional inquiries regarding constituent travel problems (400-700 per year) and conducts investigations of airlines for violations of DOT rules. ACPD also publishes the monthly *Air Travel Consumer Report (ATCR)*, which summarizes data on flight delays, mishandled baggage, denied boardings, and passenger complaints.

The **Office for Innovative Finance** provides legal counsel and support on complex factual and legal matters involving surface transportation project finance and public-private partnerships, Federal and state law and contractual interpretation concerning project finance and public-private partnerships. The Office also provides legal advice on DOT's multibillion dollar Private Activity Bonds Program and DOT's \$750 million Nationally Significant Freight and Highway Projects Grants Program. The Office will provide direct legal support to DOT's Build America Bureau in connection with all aspects of complex Federal credit transactions, with a particular emphasis on ensuring compliance with applicable statutes, regulations, policies, and program matters. The Office will coordinate closely with OMB, other Federal agencies, DOT's operating administrations, local and regional transportations agencies, private concessionaires, and outside counsel on innovative finance issues.

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

FY 2017 Anticipated Accomplishments:

- The Office of General Law will provide legal sufficiency reviews on over 100 acquisition related documents, over 30 loan actions, and assist in the review and evaluation of over 1,000 financial assistance applications and over 100 financial assistance agreements. The Office also will review over 125 public financial disclosure statements and 200 confidential financial disclosure statements as well as provide an annual ethics training program to over 325 reporting individuals.
- The Office of International Law will process over 300 international work items, including safety, security, science and technology agreements, code share and other aviation licensing applications, administrative adjudication of requests for antitrust immunity, and approximately 20 rounds of international negotiations.
- The Office of Litigation and Enforcement will provide legal advice and support in over 100 new cases; prepare 15 to 20 regulatory filings for proceedings before various independent regulatory agencies and participate in two to four hearings before such agencies; provide advice to the OAs on numerous significant enforcement matters; and improve, in conjunction with the Office of the Chief Information Officer and the modal administrations, the Department's readiness to respond to requests for electronic documents in litigation and in Congressional and OIG investigations.
- The Office of Legislation will coordinate Departmental and Administration-wide clearance of approximately 60 items of Congressional testimony by DOT witnesses, and follow-up transcript review and responses to Questions for the Record and conduct Department-wide clearance of

approximately 700 policy documents (Administration bills, testimony, views letters, reports and Statements of Administration Policy) circulated by the Office of Management and Budget.

- The Office of Regulation will engage in approximately 100 significant rulemakings.
- The Office of Operations will process hundreds of FOIA requests and appeals, and continue to work towards a reduction in DOT's FOIA backlog and provide legal support for emergency response activities, including regular exercises and 8-10 annual activations of the U.S. Government's Emergency Support Function No. 1 (Transportation), led by DOT. The Office will draft and negotiate approximately 25 grant agreements under the Small Community Air Service Development grant program (SCASDP), and address legal issues as they arise from the administration of about 100 active SCASDP grants. The Office will also review some 100 Essential Air Service Orders, handle between 150 and 250 items involving carrier economic authority received by DOT and approximately 50 major environmental documents.
- The Office of Aviation Enforcement and Proceedings will review thousands of aviation consumer complaints within two days of receipt by DOT; maintain a median investigation time of 100 days for civil rights complaints (disability and other discrimination); and conduct on-site and other investigations of U.S. and foreign air carriers regarding compliance with consumer protection and civil rights requirements. The office will also draft aviation consumer protection and civil rights rulemakings.
- The Office of Innovative Finance will provide direct legal support to DOT's new National Surface Transportation and Finance Bureau (Bureau) assisting in the creation of this new entity to integrate the delivery and administration of DOT's surface transportation project finance programs and public private partnerships and develop and promote best practices for innovative financing and public private partnerships. The Office will review approximately 15 new loan applications and negotiate new loan agreements and review and resolve approximately 60 ongoing project issues, which will involve loan modifications and other legal actions.
- The Center of Alternative Dispute Resolution will provide conflict management-related training skills training to nearly 200 DOT and provide coaching and mediation of 25 two-party cases and two large group cases.

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

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

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

What Does This Funding Level Support?

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1 percent inflation as well as an estimated 111 FTEs and associated costs.

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

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

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

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

What Is This Program And Why Is It Necessary?

The Office of Governmental Affairs serves as the liaison between the Department of Transportation and Congress and State, local, and tribal governmental entities. The office works with other offices within the Department to ensure that Congressional mandates are fully implemented by the Department. It also works with the White House, other Federal agencies, and Congress in order to fulfill the Secretary's and Administration's legislative priorities. This includes, among other things, working with Congress on Departmental priorities and working on significant legislation. In addition, the office works with the modal administrations to coordinate Congressional outreach activities related to Secretarial initiatives and programs.

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

What Does This Funding Level Support?

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1 percent inflation as well as an estimated 17 FTEs and associated costs.

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

The Office of Governmental Affairs works with the White House, other Federal agencies, and Congress in order to fulfill the Secretary's and Administration's legislative priorities. The Office is a cornerstone to ensuring the Department's cohesive approach to legislative bodies that represent the interests of the American Public.

Detailed Justification for the Office of the Assistant Secretary for Administration

What Is This Program And Why Is It Necessary?

The Assistant Secretary for Administration serves as the policy and operations leader and principal advisor to the Secretary and Deputy Secretary on Department-wide and Office of the Secretary of Transportation (OST) administrative functions. This includes developing, coordinating, and implementing programs for the strategic management of human capital; facilities and building management; information services; business support; security; acquisition and grant management. Additionally, responsibilities include the follow-up and resolution of Government Accountability Office and Inspector General audit reviews of department programs, including preparation of required reports; and other management-related initiatives.

The Assistant Secretary serves as the Chief Human Capital Officer (CHCO), the Chief Acquisition Officer, and the Chief Sustainability Officer (CSO). As CHCO, the Office of the Assistant Secretary for Administration (OASA) is responsible for developing, coordinating and implementing Department-wide policy and programs with oversight in all areas of human capital management, including: employment and staffing, recruitment, HR Systems, compensation, benefits, executive and political resources, succession planning, labor and employee relations, workforce quality (e.g., work-life and special programs, disability resources support, drug testing) workforce development and learning, competency management, performance management, and diversity in accordance with applicable laws, regulations, and best business practices. The CHCO or Deputy CHCO also represents DOT on interagency committees and task forces in areas related to Departmental human resource management and liaison with other agencies, including the White House, Congress, the Office of Management and Budget, the Office of Personnel Management, and other Federal agencies.

As Chief Acquisition Officer, the OASA formulates departmental policy, controls, and standards to ensure that procurement and financial assistance programs are in accord with applicable laws, regulations, and best business practices.

The Assistant Secretary is also the senior security executive for the Department and provides leadership and direction to departmental organizations to ensure the safety, security, and protection of DOT personnel, information, facilities, and other assets. In addition, the OASA is responsible for establishing and maintaining uniform Federal Government standards for Federal agencies' transportation fringe benefit programs.

FY 2017 Anticipated Accomplishments

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

will continue to play a key role in addressing issues identified in the Annual Federal Employee Viewpoint Survey to strengthen employee engagement throughout DOT. In addition, the Departmental Office of Human Resources will:

- Continue to foster a performance culture where DOT's Operating Administrations (OAs) have performance appraisal and award systems that are linked to agency mission, goals and outcomes; where fairness and equity is the perception of employees; and where human resource personnel are trained on workforce and succession planning to analyze demographic data and forecast trends and needs that improve the linkage between the corporate recruitment program and projected workforce needs.
- Pursue opportunities to ensure cost-effective, standardized and interoperable HR solutions are considered for common, core functionality to support the strategic management of human capital in addressing duplicative and redundant HR systems and processes.

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

- Active pursuit of the completion of Phase Three of the Strategic Sourcing Charter which incorporates Management Support Services, Furniture, Cellular Services, and Software/Maintenance into the Departmental strategic sourcing plan. This initiative continues to fully pursue contractual savings and engages the full range of Departmental stakeholders in the spend analysis efforts.
- Focused engagement with OAs to facilitate procurement management reviews (PMRs) to ensure harmony with both Federal and Departmental policies. The PMRs identify strengths and opportunities for improvement at the Operating Administration level. The PMR program also improves the overall effectiveness and efficiency of the acquisition program delivery and support the identification of acquisition workforce training needs.
- Continue to develop an in-house training program to strengthen the acquisition workforce. The training program will target training and development needs identified in the 2014 DOT Acquisition Workforce Human Capital Plan, 2015 Federal Acquisition Institute (FAI) Acquisition Workforce Competency Survey, and other known opportunities for improvement in workforce skill/knowledge gaps. The training investment will provide training opportunities for approximately 200 acquisition professionals.

The Office of Security will continue to participate in NARA's interagency Controlled Unclassified Information (CUI) Council and continue the phased implementation of the CUI program within the Department. 32 CFR Part 2002, the CUI Program, was effective in November, 2016. This regulation established a specific timeline for Departments' CUI policy development and program implementation. Also, a number of existing DOT Orders must be updated to incorporate changes in government-wide requirements, including standards and processes for admitting foreign nationals to DOT. Consequently those DOT Orders that no longer comply with external requirements will be

updated. The Office of Security will also continue to provide support to DOT components on interpreting standards for the proper processing, discussion and storage of classified national security information and will develop and update Departmental policy for all internal security programs.

The Office of Policy and Strategic Initiatives', sustainability program is responsible for: management, oversight, and implementation of sustainability programs; addressing evolving sustainability policy requirements affecting DOT facilities and operations; and supporting innovative and established methods and procedures integrating sustainability policies and programs across all DOT organizations. The program will continue developing long-term strategic plans and guidance documents for implementation, collecting best practices, tracking performance, and providing training and outreach activities.

The Assistant Secretary for Administration provides policy leadership to OST and departmental elements on laws, regulations, government wide policies, and executive direction related to achieving efficiencies in resource utilization and ensuring full compliance with legal and regulatory requirements. The OASA performs the critical functions of maintaining and institutionalizing new and on-going Human Capital programs while integrating Human Capital practices, reforms, technologies, and programs; providing expert advice and direction to Operating Administrations to ensure that the over \$85 billion in taxpayer dollars spent annually through DOT's acquisition and grants business processes achieve the performance outcomes required to accomplish DOT's mission; securing DOT by protecting information and other assets through vigilance and innovative technologies; leading Federal Transit Benefit Practice Groups in the development of uniformed standards to support agency transit pass and benefit programs; and funding centralized OST payments to the WCF and rental expenses to the General Services Administration.

What does this funding level support?

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) estimated 1.9 percent pay raise for FY 2018; (4) adjustments to GSA rent; (5) adjustments to Working Capital Fund; and (6) an increase for an estimated 1 percent inflation as well as an estimated 51 FTEs and associated costs. The funding request includes funding for Departmental Human Resources, Acquisitions, Sustainability, and Security Oversight and Policy activities; payment of centralized administrative and support services for all OST offices, and GSA rental expenses for all OST Offices (broken out in the table below). This request also includes a \$2.5 million program increase in contractual services.

	FY 2017 Rental	FY 2018	Net
Rental Locations	Payments	Rental Payments	Increase/Decrease
Southeast Federal Center, WDC	\$ 9,372,494	9,574,883	\$ 202,389
Des Plaines, IL	\$ 72,851	77,803	\$ 4,952
Operations and Maintenance	\$ 26,500	25,239	\$ (1,261)
Total:	\$ 9,471,845	9,677,925	\$ 206,080

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

The Office of the Senior Procurement Executive (OSPE) serves as the Executive Secretariat for the Strategic Sourcing Executive Steering Committee (SSESC) within the department. This on-going function includes efforts to charter, staff, and oversee cross-agency spend analysis teams, comparing and analyzing (\$5.4 billion in FY 2015) baseline outlays. The Strategic Sourcing Executive Steering Committee analyzes data, evaluates the results, and implements strategic sourcing solutions in areas that generate Department-wide savings, and since 2006 DOT has saved approximately \$273 million for the American tax-payer. The OSPE and the SSECS are implementing Phase Two and Three of the Strategic Sourcing Charter which incorporates Management Support Services, Furniture, Cellular Services, and Software/Maintenance into the Departmental strategic sourcing plan, which are estimated to save approximately \$300 million. This initiative fully pursues savings and engages the full range of Departmental stakeholders in the spend analysis efforts.

The Departmental Office of Human Resource Management (DOHRM) provides HR leadership, policy, strategic planning, and consultative services for all DOT managers and employees and will provide information about DOT's workforce and employment opportunities to the public.

DOHRM will continue efforts in ensuring the traveling public remains safe through recruiting, hiring and retaining sufficient safety specialists and safety inspection personnel and by ensuring the drug and alcohol testing program for DOT which includes random, reasonable suspicion, pre-appointment/employment, post-accident and other drug and alcohol tests are performed at least annually. Both of these efforts are integral to maintain the public's access to safe, reliable transportation. DOHRM will remain engaged in several Office of Personnel Management initiatives to enhance workforce planning within DOT and across the federal government. Some of these initiatives are The Closing Skills Gaps Project, Cybersecurity Workforce Act Group, Cyber HR Cadre and the Community Solutions Program. These efforts contribute to the increased effectiveness and efficiency in providing human resources support to the Department and convey to government-wide efforts as well.

The Sustainability Program will implement targeted initiatives to help the Department achieve energy, water, and cost savings by operating DOT facilities in a more efficient manner. These initiatives will also make DOT operations more resilient, strengthening DOT's ability to carry out its mission. By optimizing DOT's resource utilization through careful stewardship, DOT will be able to focus funding to those critical mission requirements that impact citizens on a daily basis.

The Office of Security will continue to participate in NARA's interagency CUI Council and will draft a new CUI Order. This DOT Order establishes standards and procedures for protecting controlled unclassified information, thereby assuring the American public that criminals, terrorists and other undesirable persons are not given access to DOT's sensitive information or electronic systems, and further, that all DOT personnel are trained to know how to protect such information from inadvertent or intentional disclosure.

OFFICE OF THE SECRETARY OF TRANSPORTATION**SALARIES AND EXPENSES****Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$108,750	405
FY 2017 Annualized CR	\$108,543	422
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$172	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days (no change)	\$0	
January 2018 Pay Raise	\$951	
GSA Rent	\$111	
Working Capital Fund and FECA Changes	\$542	
Inflation	\$261	
Subtotal Adjustments to Base	\$2,038	0
FY 2018 Baseline Estimate	\$110,581	422
FY 2018 Program Changes (+/-):	\$1,317	27
The additional funding reflects necessary increases to fund contractual increases to support critical initiatives across the Salaries and Expenses programs.		
Total, FY 2018 Request	\$111,899	449

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES & EXPENSES

PROGRAM AND FINANCING
(In thousands of dollars)

Identification code	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-0102-0-1-407			
Obligations by program activity:			
0001 General Administration	108,456	113,378	115,552
0002 SCASDP Grants	8,067	7,463	0
0005 Corres. System Repl. & IT Network Assess.	1,457	0	0
0100 Direct program activities, subtotal	117,979	120,841	115,552
0801 Reimbursable program	4,003	9,300	9,600
0900 Total new obligations	121,983	130,141	125,152
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	8,308	5,548	894
1012 Unobligated balance transfers between expired/unexpired	1,622	0	0
1021 Resources available from recoveries of prior year obligations	1,185	0	0
1050 Unobligated balance (total)	11,116	5,548	894
Budget Authority: appropriations, discretionary			
1100 Appropriation	108,750	108,543	111,898
1130 Appropriations permanently reduced (disc)	0	0	0
1160 Appropriations, discretionary (Total)	108,750	108,543	111,898
Spending authority from offsetting collections, discretionary:			
1700 Collected	11,379	16,944	12,254
1701 Change in uncollected payments, Federal sources	-126	0	0
1723 New\Unob. Balances Temp Reduced	0	0	0
1750 Total Spending authority	11,253	16,944	12,254
1900 Budget Authority (Total)	120,003	125,488	124,152
1930 Total Budgetary Resources Available	131,118	131,036	125,047
Memorandum (non-add) entries:			
1940 Unobligated Balance Expiring	-3,588	0	0
1941 Unexpired unobligated balance, end of year	5,548	894	-106
Change in obligated balance:			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	50,461	52,078	18,652
3010 Obligations incurred, unexpired accounts	121,983	130,141	125,152
3011 Obligations incurred, expired accounts	1,043	0	0
3020 Obligated balance, Outlays (gross)	-119,423	-163,566	-123,817
3040 Recoveries of prior year unpaid obligations, unexpired	-1,185	0	0
3041 Recoveries of prior year unpaid obligations, expired	-801	0	0
3050 Unpaid obligations, end of year	52,078	18,652	19,988
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward Oct 1	610	308	308
3070 Change in uncollected pymts, Fed sources, unexpired	126	0	0
3071 Change in uncollected pymts, Fed sources, expired	-428	0	0
3090 Uncollected pymts, Fed sources, end of year	308	308	308
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	51,071	52,386	18,960
3200 Obligated balance, end of year	52,386	18,960	20,296
Budget Authority and outlays, net:			
4000 Budget authority, gross	120,003	125,488	124,152
Outlays, gross:			
4010 Outlays from new discretionary authority	99,041	114,633	112,963
4011 Outlays from discretionary balances	20,381	48,933	10,854
4020 Outlays, gross (Total)	119,423	163,566	123,817
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-9,367	-14,290	-9,600
4033 Non-Federal sources	-2,263	-2,654	-2,654
4040 Total offsetting collection (cash)	-11,630	-16,944	-12,254
Additional offsets against gross budget authority only:			
4050 Chg in Uncollected pymts, Fed Sources (unexpired)	126	0	0
4051 Chg in Uncollected pymts, Fed Sources (expired)	251	0	0
4052 Offsetting collections credited to expired accounts	0	0	0
4060 Additional offsets against budget authority only (total)	377	0	0
4070 Budget authority, net (discretionary)	108,750	108,543	111,898
4080 Outlays, net (discretionary)	107,793	146,622	111,563
4180 Budget authority, net (total)	108,750	108,543	111,898
4190 Outlays, net (total)	107,793	146,622	111,563

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES & EXPENSES

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code		FY 2016	FY 2017	FY 2018
69-0102-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent	44,157	51,806	50,589
11.3	Other than full-time permanent	5,429	4,319	4,799
11.5	Other personnel compensation	<u>984</u>	<u>445</u>	<u>591</u>
11.9	Total personnel compensation	50,570	56,570	55,978
12.1	Civilian personnel benefits	15,246	17,000	18,307
21.0	Travel and transportation of persons	1,204	1,329	1,144
23.1	Rent	9,311	9,472	9,678
23.3	Communications, utilities and misc.	176	141	118
24.0	Printing	297	309	297
25.1	Other services-Mgmt & Prof	9,110	3,370	2,401
25.2	Other services - Other	708	746	3,638
25.3	Other services - Federal	22,307	24,182	23,768
26.0	Supplies and materials	318	232	201
31.0	Equipment	660	27	22
41.00	Grants, subsidies and contributions	8,067	7,463	0
42.00	Insurance claims & Indemnity	<u>5</u>	<u>0</u>	<u>0</u>
99.0	Subtotal, direct obligations	117,979	120,841	115,552
99.0	Reimbursable obligations	<u>4,003</u>	<u>9,300</u>	<u>9,600</u>
99.9	Total obligations	121,983	130,141	125,152

PERSONNEL SUMMARY

Identification Code		FY 2016	FY 2017	FY 2018
69-0102-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
1001	Total compensable workyears:			
	Full-time equivalent employment	410.00	427.25	449.00
2001	Reimbursable workyears:			
	Full-time equivalent employment	15.00	27.00	20.00

OFFICE OF THE SECRETARY OF TRANSPORTATION**SMALL COMMUNITIES AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)****What Is The Request And What Funds Are Currently Spent on the Program?**

	(\$000)			
FUNDING LEVELS	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
Personnel Compensation and Benefits	480	486	0	-486
Travel	4	0	0	0
Other Costs	516	504	0	-504
Grants	4,000	4,000	0	-4,000
TOTAL	5,000	4,990	0	-4,990
STAFFING				
Direct Positions	4	5	0	-5
Reimbursable Positions	0	0	0	0
Direct FTE	5.00	5.00	0.00	-5
Reimbursable FTE	0.00	0.00	0.00	0

No funding is requested for this program in FY 2018.

OFFICE OF THE SECRETARY OF TRANSPORTATION

SMALL COMMUNITIES AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$5,000	5
FY 2017 Annualized CR	\$4,990	5
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$1	
Annualization of New Positions Requested in FY 2017	\$0	0
Two Less Compensable Days	\$0	
January 2018 Pay Raise	\$7	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
Inflation	\$45	
Subtotal Adjustments to Base	\$53	0
FY 2018 Baseline Estimate	\$5,043	5
FY 2018 Program Changes (+/-):	-\$5,043	-5
No funding is requested for FY 2018.		
Total, FY 2018 Request	\$0	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

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

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2016	FY 2017	FY 2018
69-0106-0-1-401		ACTUAL	ANNUALIZED CR	REQUEST
Budgetary Resources available for obligation:				
Unobligated balance:				
1000	Available, start of year	0	0	0
	New budget authority (gross)	0	0	0
1010	Transferred to other accounts (-)	-8,448	0	0
1011	Transferred from other accounts	8,448	0	0
1021	Resources available from recoveries of prior year obligations	0	0	0
1031	Unobligated balance expiring or withdrawn	0	0	0
1050	Unobligated balance (total)	0		
Change in obligated balance:				
3000	Ob Bal: SOY: Unpaid obs brought forwd, Oct 1	114,293	0	0
3020	Ob Bal: Outlays (gross)	-112,189	0	0
3040	Total outlays (gross)	-112,189	0	0
3041	Ob Bal: Recov, prior year unpaid obs, exp acct	-2,104	0	0
3050	Obligated balance, end of year	0	0	0
3100	Obligated balance, start of year	114,293		
3200	Obligated balance, end of year	0		
Outlays (gross), detail:				
4010	Outlays from new discretionary authority	0	0	0
4011	Outlays from discretionary balances	112,189	0	0
4020	Outlays, gross (total)	112,189	0	0
Net budget authority and outlays:				
4180	Budget authority, net (total)	0	0	0
4190	Outlays, net (total)	112,189	0	0

OFFICE OF THE SECRETARY OF TRANSPORTATION
FINANCIAL MANAGEMENT CAPITAL

What Is The Request And What Funds Are Currently Spent on the Program?

	(\$000)			
	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
FUNDING LEVELS				
Personnel Compensation and Benefits	0	0	0	0
Travel	0	0	0	0
Other Costs	5,000	4,990	3,000	-1,990
Programs	0	0	0	0
TOTAL	5,000	4,990	3,000	-1,990
STAFFING				
Direct Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Direct FTE	0.00	0.00	0.00	0
Reimbursable FTE	0.00	0.00	0.00	0

Financial Management Capital is requesting \$3 million in FY 2018 to complete the mission outlined on the following pages.

Detailed Justification for Financial Management Capital

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

The Financial Management Capital (FMC) Account supports projects that modernize DOT's financial systems and business processes to comply with key financial management initiatives.

Financial management initiatives are led by the Chief Financial Officer (CFO)/Assistant Secretary for Budget and Programs in coordination with the Office of the Senior Procurement Executive and the Chief Information Officer and includes full participation and support from each Operating Administration (OA) to ensure success of each project.

On May 2, 2014, DOT was designated by the Office of Management and Budget (OMB) and Treasury's Office of Financial Innovation and Transformation as a federal shared service provider for financial management. With this designation, DOT has the opportunity to provide financial services to multiple cabinet level agencies.

In addition to complying with government wide reporting requirements, many initiatives will better position DOT and its customers to comply with Federal laws, regulations and standards, including the:

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

DOT plans to use FMC funds to complete the deployment of existing **eInvoicing** capabilities to the vendor community, which is currently being used by DOT grantees. This funding will assist DOT and other Federal agencies that use the Department's shared service provider to improve Government efficiency and save taxpayer dollars. The Department will use this funding to complete the final phase of the eInvoicing expansion to implement eAuthentication and to integrate the System for Award Management (SAM) with Departmental systems. By extending these capabilities to the vendor community, we will eliminate current manual processes and reduce costs, increase timeliness of payments and improve data quality.

FY 2017 Anticipated Accomplishments

DOT received funding in the FMC account in FY 2017 for the planning and requirements phase of the SAM integration with our financial system. This funding will assist the Department in cleaning up over 10,000 vendors in the vendor table. This cleanup is required before expanding the current eInvoicing capabilities to the vendor community.

What does this funding level support?

The FY 2018 budget request includes \$3 million, which is a decrease of \$2 million from the FY 2017 Estimate. This funding is needed to complete the implementation and deployment of eInvoicing capabilities to include data clean-up, eAuthentication and deployment of eInvoicing to all DOT vendors. The \$3 million request is needed to ensure DOT completes the eInvoicing deployment by December 2018.

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

The electronic invoicing initiative will result in cost savings by automating manual entry of vendor invoices. In addition, the Department's eInvoicing system provides increased transparency for vendors by providing an online portal to review the status of their payments.

OFFICE OF THE SECRETARY OF TRANSPORTATION

FINANCIAL MANAGEMENT CAPITAL

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$5,000	0
FY 2017 Annualized CR	\$4,990	0
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days (No Change)	\$0	
January 2018 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
Inflation	\$50	
Subtotal Adjustments to Base	\$50	0
FY 2018 Baseline Estimate	\$5,040	0
FY 2018 Program Changes (+/-):	-\$2,040	0
Program decrease in contractual services		
Total, FY 2018 Request	\$3,000	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-0116-0-1-407			
Obligations by program activity:			
00.01 Financial Management Capital	9,352	7,024	3,000
09.00 Total new obligations (object class 25.2)	9,352	7,024	3,000
Budgetary resources available for obligation			
10.00 Unobligated balance available, Oct 1	6,385	2,034	0
10.21 Recoveries of prior year unpaid obligations	0	0	0
10.50 Unobligated balance (total)	6,385	2,034	0
Budget Authority: Appropriations, discretionary:			
11.00 Appropriation	5,000	4,990	3,000
11.30 Appropriation permanently reduced	0	0	0
11.60 Appropriation, discretionary (Total)	5,000	4,990	3,000
Spending authority from offsetting collections, discretionary:			
17.00 Collected	0	0	0
17.50 Total Spending authority	0	0	0
19.00 Budget Authority	5,000	4,990	3,000
19.30 Total Budgetary Resources Available	11,385	7,024	3,000
Memorandum (non-add) entries:			
19.40 Unobligated Balance Expiring	0	0	0
19.41 Unexpired unobligated balance, end of year	2,034	0	0
Change in obligated balance:			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	35	35	2,067
30.10 Obligations incurred, unexpired accounts	9,352	7,024	3,000
30.20 Outlays (gross)	-9,352	-4,992	-3,398
30.40 Recoveries of prior year unpaid obligations, unexpired	0	0	0
30.50 Unpaid obligations, end of year (gross)	35	2,067	1,669
31.00 Obligated balance, start of year (net)	35	35	2,067
32.00 Obligated balance, end of year (net)	35	2,067	1,669
Budget Authority and outlays, net:			
40.00 Budget authority, gross	5,000	4,990	3,000
Outlays, gross:			
40.10 Outlays from new discretionary authority	5,000	3,992	2,400
40.11 Outlays from discretionary balances	4,352	1,000	998
40.20 Outlays, gross (total)	9,352	4,992	3,398
Offsets against gross budget authority and outlays:			
40.30 Federal sources	0	0	0
40.33 Non-Federal sources	0	0	0
40.40 Offset against gross budget authority and outlays (total)	0	0	0
41.80 Budget authority, net (total)	5,000	4,990	3,000
41.90 Outlays, net (total)	9,352	4,992	3,398

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2016	FY 2017	FY 2018
69-0116-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:			
25.2 Non-Fed Other services	0	7,024	3,000
25.3 Fed-Other Purchases of Goods & Service	9,352	0	0
Total Obligations	9,352	7,024	3,000

PERSONNEL SUMMARY

Identification Code	FY 2016	FY 2017	FY 2018
69-0116-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
Total compensable workyears:			
1001 Full-time equivalent employment	0	0	0

OFFICE OF THE SECRETARY OF TRANSPORTATION

OFFICE OF CIVIL RIGHTS

What Is The Request And What Funds Are Currently Spent on the Program?

	(\$000)			
FUNDING LEVELS	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
Personnel Compensation and Benefits	6,235	6,282	6,831	549
Travel	48	49	49	0
Other Costs	3,395	3,329	2,620	-709
Programs	0	0	0	0
TOTAL	9,678	9,660	9,500	-160

STAFFING

Direct Positions	55	52	52	0
Reimbursable Positions	0	0	0	0
Direct FTE	43.00	45.00	52.00	7
Reimbursable FTE	0.00	0.00	0.00	0

The Departmental Office of Civil Rights is requesting \$9.5 million and an estimated 52 FTEs to accomplish the mission on the pages to follow. FTE, while increasing, reflect a backlog in hiring that will be made up for in FY 2018 to match the position levels.

Detailed Justification for the Office of Civil Rights

What Is This Program And Why Is It Necessary?

The Departmental Office of Civil Rights (DOCR) is a key leader in assisting the Department of Transportation (DOT) in fulfilling its strategic goals of advancing opportunity for individuals and communities through transportation. DOCR is responsible for advising the Secretary and Departmental Executive Management on issues of equity, diversity, and inclusion in its workforce and activities. Further, it enforces laws and regulations that prohibit discrimination in federally operated and assisted transportation programs. DOCR provides oversight and guidance through services that include alternative dispute resolution of complaints of discrimination in federally-funded activities, compliance reviews, Equal Employment Opportunity (EEO) compliance oversight and reviews, alternative dispute resolutions, final agency decision-writing, disadvantaged business enterprise certification appeals, internal and external policy development, education, training, and quality control. DOCR also provides its civil rights partners and stakeholders with business operations and information technology services that enable them to make informed and timely civil rights decisions. Major statutes that DOCR enforces include Titles VI and VII of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; Title II of the Americans with Disabilities Act of 1990; the Equal Pay Act of 1963; the Age Discrimination in Employment Act of 1967; and the Genetic Information Nondiscrimination Act of 2008.

DOCR operates DOT's civil rights program from Washington, DC, but its jurisdiction is national in scope. Personnel in headquarters provide leadership, policy guidance, enforcement support, and training and education services to the Office of the Secretary (OST) and to the Department's Operating Administrations (OAs), which have personnel throughout the country who partner with DOCR to ensure a strong and effective civil rights program.

DOT's organizational structure is aligned with federal and Departmental civil right strategies and designed to support the organization's ability to: (1) foster a positive civil rights climate at DOT and within the transportation community; (2) educate and train DOT personnel, recipients of federal financial assistance and civil rights stakeholders regarding their rights and responsibilities under federal civil rights laws; (3) identify, investigate, and redress instances or patterns of discrimination; (4) administer civil rights services in a timely, efficient and cost effective manner; and (5) provide effective outreach and engagement programs to ensure equal and timely access to DOT programs and services for all stakeholders.

FY 2017 Anticipated Accomplishments

- Develop curricula and training materials for educating recipients and sub-recipients of federal funding on compliance with Title VI and related statutes.
- Commence and complete a significant portion of our enhanced education and training program for recipients and sub-recipients of federal funds on compliance with Title VI and related statutes.

- Establish and implement a program for community outreach to diverse populations protected under Title VI for purposes of engaging with transportation officials at the state, regional and local levels on transportation decision-making.
- Implement training program for civil rights leaders, advocates and organizations to expand civil rights awareness regarding opportunities offered through accessible and equitable transportation services for underserved and underrepresented audiences.
- Implement agency-wide awareness of the roles and responsibilities of all employees in ensuring Title VI compliance. Partner with program offices and employee resource groups to provide briefings.
- Expand awareness and use geographic information system (GIS) mapping tool and other analytics to identify areas of potential Title VI concerns.
- Continue developing and administering a nationwide training program responsive to the Equal Employment Opportunity (EEO) educational needs of the Department's OAs.
- Continue to ensure uniform and consistent Department-wide application of civil rights policies, regulations, statutes and guidance.
- Continue to update and implement a records modernization infrastructure that promotes transparency, accessibility, and accountability by aligning physical and digitized civil rights records.
- Seek to further increase membership of diverse groups with low-participation rates in the DOT workforce and senior level positions by analyzing employee and applicant data, identifying potential barriers to entry for diverse groups, and aligning solutions and measures for sustained accountability.
- Adopt and implement program for responding to online complaints regarding discrimination against persons with disabilities in programs and activities receiving federal financial assistance from DOT.
- Provide investigative support and technical advice to OA Civil Rights Offices on civil rights complaints and requests for assistance and, in connection with equal employment opportunity, continue to partner with human resources officials to ensure an inclusive and welcoming work environment.
- Disseminate state-of-the art and accessible safety and DOT information to the public, including persons with disabilities and who are limited English proficient.
- Continue to timely and accurately process and monitor civil rights complaints against DOT and/or recipients of Federal financial assistance.

- Continue to implement effective dispute resolution programs by increasing the awareness and use of Alternative Dispute Resolution (ADR) and further reducing complaint processing timeframes.
- Strengthen ADR mechanisms to ensure that ADR is available to resolve external complaints.
- Enhance the Department's oversight of the Disadvantaged Business Enterprise (DBE) program.
- Ensure timely consideration of appeals of DBE denials of certification.
- Enhance outreach and training for internal and external DBE stakeholders.

All of DOCR's programs are designed to enforce, monitor compliance, and provide training and education on all matters relating to equal opportunity and access.

Transportation Equity and Access – The need for transportation touches every aspect of the socio-economic lives of the American public. Access to safe, accessible and reliable transportation systems impacts quality of life, employment opportunities, financial security, health, educational opportunities and freedom of movement. An equitable and accessible transportation system allows all members of the public to participate fully in society without regard to race, color, sex, age, national origin (including English proficiency) and disability status.

DOCR is responsible for ensuring Departmental compliance with external civil rights programs, including reviewing and evaluating the OA's enforcement of civil rights laws and regulations. DOCR acts as the lead office for the Department's oversight of Title VI, including overseeing and providing guidance to the OAs and responding to policy questions on behalf of the Secretary. DOCR provides primary coordination and liaison with other agencies, public and private organizations, and with the Department of Justice, in conjunction with the Office of the General Counsel. DOCR disseminates information to, and provides continuous and meaningful consultation with the public concerning the Department's Title VI program.

DOCR is responsible for ensuring that all recipients and sub-recipients of DOT funding are in compliance with federal civil rights laws. It investigates and helps to resolve civil rights complaints filed with DOCR or with OAs. DOCR assists in supporting civil rights staff of the OAs in the review, investigation and adjudication of civil rights complaints and ensuring cross-OA coordination and consistency throughout DOT. Through affirmative monitoring and compliance efforts, DOCR identifies civil rights issues for resolution and defines and implements strategies and measures for proactive civil rights program improvement by recipients of federal funds. DOCR provides significant consultation and technical assistance to recipients and sub-recipients in connection with meeting their respective civil rights obligations. DOCR also provides quantitative and qualitative data and analysis to the OAs and recipients of federal funding.

Consistent with Department-wide efforts focused on the value of, and methods associated with, early community engagement in the transportation decision-making process, DOCR is enhancing its program for educating and training civil rights stakeholders to enable them to become more effective community representatives as they seek to participate in transportation planning, programming, and project and service delivery at the State, regional and local level. By providing training to communities on principles of engagement at all stages of transportation development, DOCR believes recipients of federal funding will produce more equitable outcomes at the beginning and will prevent problems arising later in the process. DOCR is also working with the OAs as they develop and implement community participation plans to help recipients of federal funding determine how projects or programs will impact communities.

Policy, Education and Outreach – DOCR ensures uniform and consistent Department-wide application and implementation of civil rights statutes, regulations, policies, and guidance in accordance with Federal laws and regulations and guidance, including those provided by the Equal Employment Opportunity Commission, U.S. Department of Justice, the Office of Personnel Management, and other Federal agencies.

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

DOCR designs, implements, and maintains a comprehensive system of quality control processes and procedures with many components. These include the design and documentation of formal communication; monitoring and reporting on compliance assuring civil rights policies, procedures, and guidance; and implementing Federal laws, statutes, and regulations on a Department-wide basis.

DOCR provides extensive education and training to DOT employees, recipients of Federal funding, civil rights stakeholders, and the general public through programs that raise awareness about key Federal and Departmental civil rights issues, requirements, and initiatives, and that provide useful and current information regarding rights and responsibilities under Federal civil rights laws. DOCR implements, manages and sustains a Department-wide civil rights education program; establishes current and appropriate civil rights curriculum and guidance, and conducts evaluations of education efforts. The overarching goal of the training and education program is to equip all relevant parties under the Federal civil rights laws with timely and relevant information and tools to help them exercise their rights and/or comply with applicable Federal laws and regulations. The training seeks to identify core requirements for a variety of transportation professionals and stakeholders, develop curriculum consistency and knowledge sharing across the OAs and the transportation industry, standardize instruction development and delivery, and enhance access to civil rights materials for all audiences while avoiding duplication of efforts among the OAs.

In order to effectively conduct its civil rights, education, compliance, and oversight services, DOCR employs federal staff versed in establishing, implementing and evaluating civil rights

education and training standards. Collectively, these experts provide ongoing guidance and technical assistance to DOT employees, funding recipients and civil rights stakeholders.

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

One of DOCR’s major responsibilities, by regulation, is to adjudicate and issue written decisions on administrative appeals filed by DBE and Airport Concession DBE (ACDBE) applicants to the program that have been denied certification, or existing firms that were decertified by a highway, transit, or aviation recipient. The number of appeals continues to be high. This is due, in part, to the large amount of transportation funding extended to recipients through the Department’s surface and aviation reauthorizations, which mandate the program, and the continued need for the program’s existence in several transportation infrastructure sectors. To render final appeal decisions, DOCR staff analyzes recipients’ and applicants’ submissions made part of the official record in each case. Appeal decisions constitute an important form of official DOT guidance.

In April 2013, the Department’s Office of Inspector General (OIG) released a report on weaknesses it perceived in the DBE Program. DOCR created an Internal Plan of Action Working Group (IPAWG) to respond to the OIG’s recommendations. The group is comprised of staff members from DOCR, the OAs, General Counsel’s Office, and the Office of Small and Disadvantaged Business Utilization and Outreach. The IPAWG helped the Department achieve closure of several recommendations and has completed its mission with regards to the 2013 report. Since then, the OIG has issued additional recommendations regarding decreased participation of DBEs and ACDBEs at the nation’s largest airports, and the Division is working to address those recommendations, along with FAA. DOCR’s Policy, Training and Outreach Division is collaborating with the Division to develop DOCR’s train-the-trainer program for the DBE program.

Our overall objective is to ensure that (1) the DBE program is administered properly, (2) all regulatory provisions are appropriately implemented by our recipients, and (3) information about the program and its administration is communicated by the Department in a consistently clear and unified way, to all parties and stakeholders. DOCR is the lead office in OST for the DBE program, including overseeing and providing guidance to the OAs and responding to policy questions on behalf of the Secretary. DOCR established an oversight mechanism to ensure that the OAs carry out their oversight, compliance, and enforcement responsibilities for the DBE program, including how well they gauge recipient post-contract award monitoring. DOCR also

collects and compiles DBE and ACDBE utilization data in federally-assisted contracts let by DOT recipients submitted by the OAs and will perform trend analysis as required by the Order. DOCR created and houses a centralized data system to collect DBE Uniform Report information, so that we can measure the effectiveness of the program and achieve greater transparency on DBE and ACDBE commitments, awards, and payment data. DOCR maintains the Department's DBE program website and provides ongoing technical support to the OAs, recipients, and their staff.

DOCR and OSDBUO began in FY 2016 and will continue into FY 2018 to develop a comprehensive approach to address the question how best to expand the number of DBEs utilized on federally-assisted projects. DOCR will release a voluntary survey of DBEs and ACDBEs that will be posted on recipient websites. The survey will ask respondents to describe the nature of their business and bidding history; obtain information on the number of DBE/ACDBE firms that never received a prior federally assisted contract or lease; and obtain information on what those firms perceive as barriers/challenges that may have prevented them from receiving a contract or successfully competing in the DBE program. We believe this type of data will provide a more meaningful tool for the Department to assess the effectiveness of the program.

Along with extrapolating and summarizing known DBE utilization data points from the Uniform Report and the DBE/ACDBE survey effort, DOCR may participate in regional summits and conferences in conjunction with the OSDBUO Small Business Transportation Resource Centers, the OAs, and advocacy groups.

Equal Employment Opportunity – DOCR promotes equal employment opportunity (EEO) throughout the Department and its program in myriad ways.

Complaints and Investigations: DOCR ensures appropriate and expeditious processing of formal federal sector EEO complaints and provides a platform for employees, former employees, and applicants for DOT employment to have their civil rights complaints against the Department heard. DOCR has enhanced compliance efforts by establishing in-house time frames to accomplish formal complaint processing well within the governing timeframes, providing training that enhances knowledge and expertise of staff responsible for processing formal complaints, and leveraging technology features that support consistency, accuracy and timeliness.

DOCR continues to rely on contractors to augment its internal staff of EEO investigators. Additionally, DOCR has instituted electronic systems to aid in the tracking of cases and, ultimately, to permit the filing of EEO complaints electronically. These actions have reduced the overall processing time on formal complaints filed by DOT employees, former employees and applicants for DOT employment. The average processing time for formal EEO complaints filed against the DOT is well below the 180-day regulatory timeframe.

DOCR plans to further reduce complaint processing times by aggressively incorporating alternative dispute resolution (ADR) methods and related services into its operations. DOCR will provide technical assistance to OAs to ensure ADR services are provided for individuals seeking to attempt early resolution of EEO complaints. ADR services currently provide customers with

additional methods for addressing personal and professional differences that hinder the Department's ability to provide and oversee its transportation related mission and programs. The ADR services are integral to effective conflict management, and reducing formal internal complaints filed against the Department. It is also important that complainants know that ADR is available at any time during the processing and investigation of the complaint.

DOT's emphasis is placed on the EEO processing stages that support the issuance of timely reports of investigations, hearing records, and appeals. The Department maintains that applicants, current, and former employees of the DOT have access to a neutral venue to have their complaints of alleged discrimination addressed. Contractual support is used to support DOCR's compliance program. Without this contractual support, current and former employees and applicants alleging discrimination would see a significant increase in the timeframe for processing their complaints, and some allegations could go unresolved. In addition, an adverse inference may be made against the Department or the Department could face possible sanctions by the Equal Employment Opportunity Commission for failure to adhere to regulatory timeframes.

Further, DOCR provides guidance and direction for federally regulated employee resources groups that include the National Federal Women's Program, Persons with Disabilities, and Hispanic Employment programs, and Asian Pacific American Employees Council. DOCR partners with various Offices of Human Resources to oversee a formal program for diversity and inclusion that enhances opportunities for all employees and applicants. DOCR offers guidance and direction to the OAs regarding the implementation of programs that ensure equal access and equal opportunity in employment activities. All of these programs promote diversity and aid in fostering an appreciation for social and cultural similarities and differences within the Department.

Complaints Adjudication & Program Evaluation: This Division is responsible for preparing final agency decisions (FADs) on EEO discrimination complaints filed against DOT by employees and applicants for employment nationwide, and for conducting civil rights program evaluations. FADs are prepared by Federal employees and contractors based on an analysis of complaint investigative files and applying EEO case law. The types of FADs rendered by the Division include decisions on the merits (i.e., finding of discrimination or no discrimination); dismissal of procedurally defective claims; decisions on requests for reconsideration of sexual orientation; and decisions on compensatory damages and attorney's fees claims.

Information Technology & Business Operations – This Division ensures that DOCR provides administrative and technical support services to its personnel, stakeholders and various civil rights customers. These services include financial management, information technology (IT) support, along with coordinated human resources, facilities management, procurement, records management, printing/graphics, and physical and cyber security support.

DOCR also oversees the implementation and delivery of various civil rights tools that enhance product and service delivery. These products and services enable the organization to attract and retain the most qualified civil rights personnel and provide leadership with the tools necessary to effectively implement and oversee the Department's civil rights program.

DOCR manages various civil rights and administrative software applications and databases supporting its automated business environments. DOCR's Federal and contract staff work exclusively with various tracking systems developed to support each civil rights initiative and all associated annual reporting requirements. The staff works alongside DOT's Office of the Chief Information Officer (CIO) to integrate cyber security measures and policies that aid in securing the confidential information provided to the Department by customers seeking civil rights services. The staff also implements various automated services to aid in disseminating information to support the organization's commitment to transparency, awareness and preparation. This activity includes working with external partners and stakeholders to ensure that all systems are appropriately aligned, possess the required integrity identified by law, and that the personnel that operate these systems do so in a knowledgeable manner. The IT services provided by DOCR ultimately ensure that DOT civil rights practitioners are informed and prepared to make timely and accurate decisions.

DOCR manages the records management and records retention program. DOCR implements and maintains secure and comprehensive electronic civil rights records.

DOCR implements inter-agency agreements and contracts to support the organization's national civil rights IT infrastructure and various administrative responsibilities. These financial agreements also support service needs such as telecommunications, IT support, administrative support, procurement support, mail collection, monitoring and delivery, physical and cyber security technical expertise, employee transit benefit assistance, supplies, equipment, and printing.

Through its business endeavors DOCR has been able to maintain a highly effective civil rights working environment. Contractual support is used for IT, national and regional infrastructure, applications and databases supporting its automated business environments.

What does this funding level support?

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1 percent inflation as well as an estimated 52 FTEs and associated costs. It also includes a \$448 thousand program decrease in contractual services.

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

The Department ensures that federal transportation initiatives are aligned with civil rights laws. DOCR, OST and the OAs enforce laws and regulations that prohibit discrimination in employment and the provision of services. DOCR is responsible for providing leadership to ensure that DOT does not discriminate against its employees or applicants for employment nationwide, and that DOT conducts programs supporting the general public free of discrimination. In addition, the office is responsible for providing leadership, appropriate

monitoring and oversight to ensure that recipients of Federal transportation funds conduct their programs, services and activities in a nondiscriminatory manner.

OFFICE OF THE SECRETARY OF TRANSPORTATION**OFFICE OF CIVIL RIGHTS****Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$9,678	43
FY 2017 Annualized CR	\$9,660	45
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$16	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days (No Change)	\$0	
January 2018 Pay Raise	\$86	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$161	
Inflation	\$25	
Subtotal Adjustments to Base	\$288	0
FY 2018 Baseline Estimate	\$9,948	45
FY 2018 Program Changes (+/-):	-\$448	7
Program decrease in contractual services		
Total, FY 2018 Request	\$9,500	52

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-0118-0-1-407			
Obligations by program activity:			
00.01 Office of Civil Rights	9,499	9,660	9,500
09.00 Total new obligations	9,499	9,660	9,500
Budget Authority:			
Appropriations, discretionary:			
11.00 Appropriation	9,678	9,660	9,500
11.30 Appropriation permanently reduced	0	0	0
11.60 Appropriation, discretionary (Total)	9,678	9,660	9,500
19.00 Budget Authority (total)	9,678	9,660	9,500
19.30 Total Budgetary Resources Available	9,678	9,660	9,500
Memorandum (non-add) entries:			
19.40 Unobligated Balance Expiring	179	0	0
19.41 Unexpired unobligated balance, end of year	0	0	0
Change in obligated balance:			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	1,497	2,062	2,060
30.10 Obligations incurred, unexpired accounts	9,499	9,660	9,500
30.11 Obligations incurred, expired accounts	32	0	0
30.20 Outlays (gross)	-8,669	-9,661	-9,516
30.41 Recoveries of prior year unpaid obligations, expired	-297	0	0
30.50 Unpaid obligations, end of year (gross)	2,062	2,060	2,044
Uncollected payments:			
30.60 Uncollected cust pymts, brought forward Oct. 1	0	0	0
30.71 Change in uncollected cust pymts, Fed sources, expired	0	0	0
30.90 Change in uncollected pymts, Fed sources, unexpired	0	0	0
31.00 Obligated balance, start of year (net)	1,497	2,062	2,060
32.00 Obligated balance, end of year (net)	2,062	2,060	2,044
Budget Authority and outlays, net:			
40.00 Budget authority, gross	9,678	9,660	9,500
Outlays, gross:			
40.10 Outlays from new discretionary authority	7,768	8,694	8,550
40.11 Outlays from discretionary balances	901	968	966
40.20 Outlays, gross (total)	8,669	9,661	9,516
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
40.30 Federal sources	-1	0	0
40.33 Non-Federal sources	0	0	0
40.40 Total offsetting collection (cash)	-1	0	0
Additional offsets against gross budget authority only:			
40.50 Chg in Uncollected cust orders fm Fed Sources (unexpired)	0	0	0
40.52 Offsetting collections credited to expired accounts	1	0	0
40.60 Additional offsets against gross budget authority only (total)	1	0	0
41.80 Budget authority, net (total)	9,678	9,660	9,500
41.90 Outlays, net (total)	8,669	9,661	9,516

Section 3 - FY 2018 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code		FY 2016	FY 2017	FY 2018
69-0118-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	4,041	4,680	5,104
11.3	Other than full-time permanent	222	0	0
11.5	Other personnel compensation	43	0	0
11.9	Total personnel compensation	4,305	4,680	5,104
12.1	Civilian personnel benefits	1,292	1,602	1,726
21.0	Travel and transportation of persons	76	49	49
23.3	Communications, utilities and misc.	12	30	30
24.0	Printing	106	11	11
25.0	Other contractual services	0	0	0
25.1	Advisory and assistance	1,600	1,149	490
25.2	Other services	94	399	403
25.3	Other goods and services from Federal source	1,430	1,007	1,169
25.7	Operation and maintenance of equipment	421	682	465
26.0	Supplies and materials	31	52	52
31.0	Equipment	53	0	0
42.0	Insurance claims and indemnities	78	0	0
99.9	Total obligations	9,499	9,660	9,500

PERSONNEL SUMMARY

Identification Code		FY 2016	FY 2017	FY 2018
69-0118-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
1001	Total compensable workyears:			
	Full-time equivalent employment	43	45	52

OFFICE OF THE SECRETARY OF TRANSPORTATION**SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH****What Is The Request And What Funds Are Currently Spent on the Program?**

	(\$000)			
FUNDING LEVELS	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
Personnel Compensation and Benefits	593	602	1,454	853
Travel	19	19	19	0
Other Costs	543	528	577	49
Programs	1,929	1,929	1,948	19
TOTAL	3,084	3,078	3,999	921
STAFFING				
Direct Positions	4	4	10	6
Reimbursable Positions	0	0	0	0
Direct FTE	3.00	4.00	10.00	6
Reimbursable FTE	0.00	0.00	0.00	0

The Small and Disadvantaged Business Utilization and Outreach is requesting \$3.999 million and an estimated 10 FTEs to accomplish the mission outlined on the pages to follow. The FTE increase is due to the merger of the Small and Disadvantaged Utilization Office Salaries and Expenses and the Minority Business Outreach accounts.

Detailed Justification for the Small and Disadvantaged Business Utilization and Outreach

What Is This Program And Why Is It Necessary?

The US Department of Transportation's Office of Small and Disadvantaged Business Utilization and Outreach (SDBUO) was created to ensure that small businesses are provided maximum practicable opportunity to participate in the agency's contracting process. The responsibility of the SDBUO is to ensure that small businesses are treated fairly and have an opportunity to compete and be selected for a fair amount of the agency's contracting and subcontracting dollars. Additionally, DOT/SDBUO provides financial and technical assistance.

SDBUO administers the Department of Transportation responsibility to ensure procurement opportunities for small businesses (SB), small disadvantaged businesses (SDB), women-owned small businesses (WOSB), HUB Zone (HZ) businesses, and service-disabled veteran owned small businesses (SDVOSB).

The mission of SDBUO is to ensure that small business policies and goals of the Secretary of Transportation are implemented in a fair, efficient, and effective manner to serve small businesses. The FY 2018 Budget merges the Salaries and Expenses and Minority Business Outreach appropriations into a single appropriation entitled Small and Disadvantaged Business Utilization and Outreach (SDBUO).

SDBUO participates in the Disadvantaged Business Enterprise (DBE) Oversight and Compliance Council for DOT, which is chaired by the Deputy Secretary and comprised of the Departmental Civil Rights Director, Administrators of Federal Highway Administration, Federal Aviation Administration, Federal Transit Administration, SDBUO Director, Office of the General Counsel, OST Office of the Assistant Secretary for Governmental Affairs, and the OST Office of the Under Secretary of Transportation for Policy. The Council facilitates DOT collaboration, communication, and accountability among the DOT components responsible for DBE program oversight and assist in the formulation of Departmental policy regarding DBE program management and operation.

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

SDBUO also works to ensure targeted contractual levels for the small, minority, women-owned and disadvantaged business enterprises (DBEs) are met. Specifically, the OSDBU appropriation will fund activities to increase the number of small businesses that are prepared to compete for, and enter into, transportation-related prime and subcontract opportunities with DOT and DOT-funded contracts or grants for transportation-related projects throughout the country.

The Small Business Transportation Resource Centers (SBTRCs) provides outreach to small businesses. They provide a comprehensive delivery system of business training and counseling, technical assistance, and the dissemination of information to transportation-related DBEs within their regions. The SBTRCs are established regionally through cooperative agreements with trade organizations, college/universities, chambers of commerce and business-centered community-based organizations. These partnerships create a delivery system that targets all small businesses, including DBEs - enabling them to become competitive in the government procurement marketplace.

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

- Technical Assistance to assist small businesses with certifications, such as DBE, SDB, HUB Zone, women-owned small businesses and service disabled veteran-owned small businesses.
- Plans and presents the Department's Short Term Lending Program (STLP) workshops for small businesses, to provide opportunities to obtain short-term working capital at reasonable rates for DOT and DOT-funded transportation-related contracts; including local banking representation and participation in the sessions.
- Bonding Education Program (BEP) which is implemented by the SBTRCs, enhances and furthers the opportunity for small businesses and DBEs to obtain bid, performance and payment bonds for transportation-related contracts originating from the USDOT, its grantees, recipients, and their contractors and subcontractors.
- Women and Girls in Transportation Initiative (WITI) to encourage girls to pursue careers in science, engineering, technology and transportation-related fields and help women in these fields to achieve their goals. The initiative focuses on Outreach, Partnerships, Internships, Business Development and establishing regional Advisory Committee.
- Conference hosting and attendance to reach small businesses for sharing information on the services available at the SBTRC.
- Collaborating with other (Federal, State and local) agencies and organizations to participate in outreach activities that allow the SBTRCs to share information on their services available to small businesses.

The OSDBU facilitates economic competitiveness through a domestic and global transportation system that enables economic growth development through the expansion of opportunities for small and disadvantaged businesses. These businesses routinely develop, manufacture and distribute quality products to the private sector, but continue to face significant hurdles participating in procurement opportunities with the Federal Government. To help these entrepreneurs have a fair opportunity to compete, procurement targets have been established for the Federal Government to help overcome the barriers to success for women-owned businesses and DBEs.

The SDBUO appropriation, funds many of the major initiatives that operate to help small and disadvantaged businesses. By continuing this funding, SDBUO can further expand and create programs to help small businesses compete for contracts and subcontracts. SDBUO serves as the Department's chief advocate for small businesses, which is at the core of without a well-funded SDBUO appropriation, SDBUO would not be able to satisfactorily serve the nation's transportation-related small businesses, which play a key role in building and maintaining the country's infrastructure as well as contributing to the economic recovery.

FY 2017 Anticipated Accomplishments:

In FY 2017, SDBUO will continue to focus on effective outreach activities to increase small business participation in DOT procurements.

The SDBUO will:

- Continue to ensure small and disadvantaged businesses are provided with the education and resources needed to successfully compete for and participate on transportation contracts across the United States of America and its territories.
- Enhance the efficiency, effectiveness and follow-up activities of the SBTRCs.
- Take OSDBU's programs and services to new types of audiences, including Spanish speaking small business owners.
- Increase the number of businesses served by 11 percent, from 3,330 in FY 2016 to 3,696 in FY 2017.
- Increase the number of new appointments (new clients) by 11 percent, from 2,684 in FY 2016 to 2,979 in FY 2017.
- Increase the amount of DOT procurement dollars received by SBTRC small business clients by five percent, from \$59.4 million in FY 2016 to \$62.3 million in FY 2017.

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

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

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1 percent inflation, as well as an estimated 10 FTEs and associated costs.

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

The program is necessary to facilitate economic competitiveness through a domestic and global transportation system that enables economic growth and development. Expanded opportunities for small and disadvantaged businesses serve the economic interests of the United States, both nationally and globally. In general, a Small Disadvantaged Business as defined in current government regulations is at least 51 percent owned and controlled by one or more socially and economically disadvantaged individuals. Socially disadvantaged individuals include African Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Sub-Continent Asian Americans, and other minorities or individuals found to be disadvantaged by the Small Business Administration pursuant to Section 8(a) of the Small Business Act. These small and disadvantaged businesses routinely develop, manufacture and distribute quality products to the private sector, but continue to face significant hurdles participating in procurement opportunities with the Federal Government.

The data that follows was collected from the SBTRCs' for Fiscal Year 2016 and demonstrates the commitment to ensuring the small business community is provided adequate support.

Small Business Transportation Resource Centers – FY 2016 Activity Tracking	
Counseling Hours	Total
Total Counseling Hours	6203
Appointments	
New Appointments	3500
Follow-up Appointments	7173
Total	10673
Businesses Served	
DBE	2176
8a	266
WOB	1237
HubZone	159
SDB	292
SDVOB	110
VOB	122
Non-Certified Business	2134
Total (DBEs and Non-Certified)	6496
Marketing	
As an attendee	582
As an exhibitor	215
As a panelist/presenter	264
Events attended at request of OSDBU	27
Total Events Attended	1088
Meetings	
With DOT reps (state)	231
With DOT reps (regional)	160
With Other Agencies	430
Total	821
DBE Procurement Workshop	84
One-on-One Matchmaking	58
Other Workshops	64
Total	204
Secured Contracting Dollars By Clients	
Federal	14,167,877.98
State	2,600,000.00
Local	9,003,460.00
Total	25,771,337.98

OFFICE OF THE SECRETARY OF TRANSPORTATION

SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$3,084	3
FY 2017 Annualized CR	\$3,078	4
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$1	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days	\$0	
January 2018 Pay Raise	\$8	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$19	
Inflation	\$25	
Subtotal Adjustments to Base	\$16	0
FY 2018 Baseline Estimate	\$3,094	4
FY 2018 Program Changes (+/-):	\$905	6
The additional funding reflects continuous support of the merger of the S-40 Salaries and Expenses, Small and Disadvantaged Business Utilization Office, and the Minority Business Outreach accounts.		
Total, FY 2018 Request	\$3,999	10

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-0119-0-1-407				
	Obligations by program activity:			
0001	Minority business outreach	2,716	4,900	3,999
0002	Bonding Assistance	738	4,748	0
0900	Total new obligations	3,454	9,648	3,999
	Budgetary resources available for obligation:			
1000	Unobligated balance brought forward, Oct. 1	7,082	6,570	0
1021	Recoveries from prior year unpaid obligations	180	0	0
1029	Unobligated balance withdrawn	-282	0	0
1050	Unobligated balance (total)	6,980	6,570	0
	Budget authority:			
	<i>Appropriation, discretionary:</i>			
1100	Appropriation	3,084	3,078	3,999
1130	Appropriations permanently reduced (disc) (-)	0	0	0
1160	Appropriation discretionary (total)	3,084	3,078	3,999
1900	Budget Authority (Total)	3,084	3,078	3,999
1910	Total budgetary resources available	10,064	9,648	3,999
	Memorandum (non-add) entries:			
1940	Unobligated Balance Expiring (SF-133 Line 2201)	0	0	0
1941	Unexpired unobligated balance, end of year	6,328	0	0
	Change in obligated balances:			
3000	Unpaid obligations brought forward Oct 1 (gross)	2,006	1,785	1,742
3010	Obligations incurred, unexpired accounts	3,454	9,648	3,999
3011	Obligations incurred, expired accounts	0	0	0
3020	Total outlays (gross)	-3,499	-9,691	-3,909
3040	Recoveries of prior year unpaid obligations, unexpired	-100		
3041	Recoveries of prior year unpaid obligations, expired	-80		
	Obligated balance, end of year (net)			
3050	Unpaid obligations, end of year (gross)	1,781	1,742	1,833
3100	Obligated balance, start of year (net)	2,006	1,785	1,742
3200	Obligated balance end of year	1,781	1,742	1,833
	Budget authority and outlays, net:			
	Discretionary:			
4000	Budget Authority, gross	3,084	3,078	3,999
	Outlays (gross), detail:			
4010	Outlays from new discretionary authority	609	2,770	3,599
4011	Outlays from discretionary balances	2,890	6,921	310
4020	Total outlays (gross)	3,499	9,691	3,909
4180	Budget Authority, net (total)	3,084	3,078	3,999
4190	Outlays, net (total)	3,499	9,691	3,909

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

OBJECT CLASSIFICATION
(In Thousands)

Identification Code	FY 2016	FY 2017	FY 2018
69-0119-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:			
11.0 Personnel compensation	388	483	1,046
12.1 Civilian benefits	97	118	415
21.0 Travel and transportation of persons	12	19	19
22.0 Transportation of Things	1	0	0
23.0 Rent, Communications & Utilities	0	1	1
24.0 Printing	0	3	3
25.1 Other Services	239	299	362
25.2 Other Services	2	20	0
25.3 Other Services	60	184	182
26.0 Supplies & Materials	1	22	22
41.0 Grants, subsidies and contributions	2,656	8,963	1,948
42.0 Insurance claims and indemnities	0	0	0
99.9 Total obligations	3,456	10,112	3,999

PERSONNEL SUMMARY

Identification Code	FY 2016	FY 2017	FY 2018
69-0119-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	3	4	10

OFFICE OF THE SECRETARY OF TRANSPORTATION**TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT****What Is The Request And What Funds Are Currently Spent on the Program?**

	(\$000)			
FUNDING LEVELS	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
Personnel Compensation and Benefits	6,097	6,646	6,794	148
Travel	181	132	172	41
Other Costs	2,222	1,706	1,533	-172
Programs	0	0	0	0
TOTAL	8,500	8,484	8,500	16
STAFFING				
Direct Positions	40	37	37	0
Reimbursable Positions	0	0	0	0
Direct FTE	25.00	32.00	37.00	5
Reimbursable FTE	0.00	0.00	0.00	0

The Transportation Planning, Research and Development Program (including Interagency Infrastructure Permitting Improvement Center) is requesting \$8.5 million and an estimated 37 FTEs in FY 2018 to accomplish the mission outlined on the pages that follow. FTE, while increasing, reflect a backlog in hiring that will be made up for in FY 2018 to match the position levels.

Detailed Justification for Transportation Planning, Research and Development

What Is This Program And Why Is It Necessary?

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

In FY 2018, TPR&D will support: the development of transportation policy; coordination of national and international transportation planning; analysis of methods of increasing the economic efficiency of transportation; development and coordination of intermodal and multi-modal issues that are not the responsibility of any one modal agency; analysis of the value of transportation safety improvements; analysis of more efficient ways of maintaining a state of good repair for infrastructure; regulatory modernization; freight movement; and environmental impacts of transportation; aviation economic policy; sustainable transportation; and international transportation issues.

TPR&D research, analysis and project development serves a variety of functions. One function is to provide the data and assessment tools necessary to determine how key programs, and transportation communities, are performing. The second function is to develop recommendations about how transportation policy should change to shape, or adjust to a changing world. A third is to support Administration and Departmental priorities that advance the economic competitiveness of U.S. companies. Economic policy development for domestic and international aviation is primarily supported by TPR&D-funded analytical research and the Office of Aviation and International Affairs staff.

For FY 2018, the Department requests funds to continue operations of an infrastructure permitting improvement center and online Permitting Dashboard. The result will be to develop and implement reforms for the permitting and review of major infrastructure projects and develop and deploy information technology tools to track project schedules and metrics and further improve the transparency and accountability of the permitting process.

FY 2017 Anticipated Program Accomplishments:

The Department promotes economic competitiveness in aviation transportation policies and investments that bring lasting and equitable economic benefits to the Nation. This includes monitoring the competitive implications of airline industry consolidation, Gulf carrier growth, processing of applications for antitrust immunity and continuing and expanding cooperation with foreign regulatory authorities on a variety of competition issues including mergers and alliances between U.S. and foreign airlines with Mexico, Chile, Japan, Australia, and the European Commission. A groundbreaking internal study of the competitive impact of airline alliances and joint ventures on competition in transatlantic markets will be completed as well as a

commissioned independent econometric study from independent economists using data collected from the airlines by the Department.

The Department will also work with our international partners in all modes of transportation to enhance U.S. exports and support the creation of U.S. manufacturing jobs in the transportation industry, supporting U.S. long range competitiveness and economic security. We will support the Secretary's international engagement priorities with at least 10 specific initiatives that are organized to acquire best transportation practices from our innovative international partners or to encourage our international counterparts' adoption of U.S. transportation standards and technology. We will counter the aggressive efforts of our foreign competitors which seek to lock U.S. firms out of lucrative markets by promoting their own standards. Our efforts will focus on areas related to DOT priorities, including application of innovative intelligent technologies, innovative infrastructure financing and delivery, and best safety practices and technologies. We will continue to implement existing technical exchanges in multilateral fora as well as with targeted countries such as China, Japan, United Kingdom, Brazil, India, Canada, Mexico in order to reduce trade barriers, advance U.S. exports and create jobs. We will continue to participate in the U.S. negotiation of trade agreements, such as the renegotiation of the North American Free Trade Agreement, the upcoming trade negotiations with the United Kingdom, and any other bilateral or multilateral trade negotiations. We will further support the Secretary, Deputy Secretary, Under Secretary and Assistant Secretary for Aviation and International Affairs in interaction with foreign counterparts, in over 75 meetings and related engagements.

Efforts to open up opportunities in international markets for commercial airline services through the negotiation of Open-Skies air service agreements will continue. In addition, we will work to continue the successful business aviation initiative in APEC that aims to foster a friendlier environment for international business aviation operations in the APEC region. We will also work to expand the initiative either bilaterally or regionally, to other regions including Africa and Latin America.

The Federal Infrastructure Projects Permitting Dashboard, managed by the Office of Policy Development, Strategic Planning and Performance, in coordination with DOT's Office of the Chief Information Officer, will continue to support coordination and synchronization of projects among Federal agencies, and help create a more predictable process for project applicants. Within existing resources, the Dashboard will be expanded to include new capabilities, and guidance will be prepared for the use of the Dashboard. In FY 2017, the Dashboard website will have been upgraded to include new capabilities to track project schedules and metrics, increasing overall accountability and transparency, and expanded. Ongoing improvements in FY 2017 will support a new interface, as the dashboard is expanded to include a significant number of additional projects. Activities undertaken by the Dashboard team will also include training subject matter experts regarding effective use of the Dashboard tool on a widespread basis.

DOT will continue coordinating a multi-modal team to address non-motorized safety issues and help local communities create safer, better connected networks.

The Office of Policy Development, Strategic Planning and Performance will have issued a final report documenting our encouragement of States and MPOs in adopting and effectively

implementing standards for the design of surface transportation projects that provide for the safe and adequate accommodation of all users of the surface transportation network, including motorized and non-motorized users.

In cooperation with the Office of the Chief Information Officer and the DOT Safety Council, the Office of the Assistant Secretary for Transportation Policy began a demonstration project to determine effective methods to address the shortage of meaningful, cross modal data to inform safety policy. The pilot focused on using innovative methods to combine DOT and cross-governmental data and conduct analysis to identify and illuminate DOT safety risks. The project presents an opportunity to develop new sources of evidence to develop and support effective policy decisions regarding safety. One project used negative binomial regression modeling to analyze exposure and risk factors involved in crashes involving pedestrian fatalities, and another is underway using advanced statistical techniques to examine risks involving pipeline transportation, both using data provided by several agencies. The pilot has engaged safety officials in the relevant Operating Administrations (OAs) in using this information in their safety research and in work with their grantees and other partners. We have also helped generate interest in the research offices across the Department in innovative analysis that goes beyond traditional retrospective data sets to identify emerging risk.

The Office of the Chief Economist will continue its efforts to develop and promote best practices in the economic analysis of critical infrastructure investments, transportation policies, and regulations using state of the art methodologies and approaches. The office will continue its efforts to develop reliable methods for evaluating investments in facilities for non-motorized transportation users, and will initiate work to better understand the impacts and implications of modal shifts in the Nation's freight and passenger transportation networks.

The Office of Infrastructure Finance and Innovation will convene a Federal Advisory Committee (FAC) on Multi-modal Transportation Automation solutions. Advisory Committee on Automation in Transportation (ACAT) is focused on automation across several modes. The committee includes leading professionals and experts in their field, committee held its first meeting on January 16, 2017 to immediately begin work on some of the most pressing and relevant matters facing transportation today, including the development and deployment of automated vehicles, and determining the needs of the Department as it continues with its relevant research, policy, and regulations. This committee is intended to play a critical role in sharing best practices, challenges, and opportunities in automation, and open lines of communication so stakeholders can learn and adapt based on feedback from each other.

DOT will continue its efforts to seek information, advice, and recommendations from the National Advisory Committee of Travel and Tourism Infrastructure (NACTTI) on matters relating to the role of intermodal transportation in facilitating mobility related to travel and tourism activities. This information will be used to develop a Strategic Plan that, among other things, assesses the condition and the performance of the national transportation network, identifies issues that create significant congestion problems and barriers to travel, forecasts travel and tourism volumes for the next 20 years, and creates strategies for improving intermodal connectivity for travel and tourism passengers

In FY 2017, the Office of Aviation Analysis will implement the new process for collecting the Origin and Destination (O&D) Survey established by the rulemaking completed in FY 2017.

In FY 2017, the Office of Aviation Analysis will evaluate the alliance policy and options based on the FY 2017 study. The premise of the Department's granting antitrust immunity (ATI) has been the expectation that the ATI would generate significant consumer benefits. Enough time has now elapsed to do a look back to see if those benefits have in fact materialized and whether the Department should "course correct" its policies based on those results.

In FY 2017, the Office of Aviation Analysis will continue to monitor the developments of the allegations by the three largest U.S. airlines of state subsidies to the Gulf airlines in light of U.S. carrier concerns and discussions between the U.S. and the airlines' home governments.

The Office of Transportation Policy will have provided technical assistance to four communities to carry out innovative solutions to reconnect neighborhoods and revitalize communities through planning and development activities within TPRD. DOT will collaborate with other infrastructure agencies to provide technical assistance to rural and urban communities on smart growth, economic development and other goals.

The Office of Policy Development, Strategic Planning and Performance will have completed a demonstration pilot to address information gaps about highway performance. The project estimates highway passenger throughput on public transit at the route and stop level by using open source data from public transit agencies and U.S. Census data, and performing statistical analysis. The case study agencies represent a spectrum of rural and urban communities, as well as small and large public transportation providers. The results will support highway performance measures and transportation planning.

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

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; and (3) an increase for an estimated 1 percent inflation as well as an estimated 37 FTEs and associated costs.

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

Initiatives:

Roadway Safety Risk and Infrastructure Intervention Effectiveness: The alarming rise in traffic fatalities demands additional attention to the efficacy and deployment of countermeasures, and points to the need for innovative data analysis that informs effective policy-making. We know that intersection crashes, roadway departures, non-motorized users, and rural areas and highway-rail grade crossings are major safety areas contributing to the fatality trend, and we also know of specific infrastructure that will significantly reduce these fatalities. FHWA has identified a set of Proven Safety Countermeasures that could significantly reduce these highway deaths.ⁱ

While the effectiveness of specific proven safety countermeasures are well known at the level of individual installations, more analysis is needed to compare which interventions if broadly installed would be most effective in reducing fatalities, which countermeasures are most cost-efficient, and how can infrastructure changes also positively change or mitigate for unsafe human behaviors. The analysis would also look at the extent to which innovative Proven Safety Countermeasures are used across the Nation's public roadways, the average time it takes to implement those modifications, the cost-benefit efficacy of employing certain countermeasures, and the potential for lives saved by deploying certain types of infrastructure modifications.

Interagency Infrastructure Permitting Improvement Center and online Permitting Dashboard:

Funding for the interagency infrastructure permitting improvement center and online database Permitting Dashboard, administratively located within the Office of the Under Secretary of Transportation for Policy, will work to cut transportation infrastructure permitting and review timelines by producing a faster, more efficient process, while also producing measurably better outcomes. This will include management, improvement, and expansion of a Federal Infrastructure Permitting Dashboard (Dashboard), as well as interagency coordination on the implementation of other government-wide permitting reforms. The Dashboard will facilitate early collaboration of infrastructure project reviews, synchronize, align and reduce time associated with permitting and environmental review timelines, when appropriate and practicable, and, increase accountability by making more project information available to the public. Other agency contributions will be provided to supplement funding of the interagency elements of the Dashboard.

Significant activities will include:

- Continued facilitation of data collection and reporting in conjunction with development, management, maintenance, operation, and oversight of the Dashboard. Projects will be posted on the Dashboard in accordance with the requirements of the FAST Act, and Guidance issued by OMB and CEQ that establish metrics for permitting and environmental review of all major infrastructure projects. Funds will implement significant upgrades to the Dashboard to fully expand its technical capabilities to support project management and tracking, as well as public transparency for projects across the Federal government. Funds will address costs that include migrating and hosting, website enhancements and updates (visualizations and improvement), and website operations and maintenance. Further, funds will address additional staffing that includes,

but is not limited to, a Dashboard Project Manager, support staff, and a Help Desk. The Dashboard Project Manager will oversee implementation of the FAST Act and Guidance, technical requirements and support staff, make recommendations for policy and future guidance, and act as a central point of contact for agencies posting projects to the Dashboard. These staff will ensure continuity of services and operations, and be available to provide basic training on Dashboard operations. Activities undertaken by the Dashboard team will also include training subject matter experts across agencies regarding effective use of the tool on a widespread basis.

- Targeted technical assistance, training, outreach related to reform implementation across federal agencies and bureaus, as well as state, local and tribal governments.
- Conducting research and piloting new policies, such as approaches for conducting environmental analysis, including analysis of mitigation options.
- Continuing to develop new policy improvements and process reform recommendations to accelerate project delivery through synchronized/coordinated environmental review and permitting among agencies, and promoting shared NEPA documents to satisfy all environmental reviews and permits. This includes identifying best practices associated with early stakeholder engagement, reducing information collection requirements, and other aspects of environmental review and permitting as well as to facilitating advanced planning for mitigation of project impacts and use of landscape or watershed-level approaches to mitigation to achieve improved environmental and community outcomes.

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

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

Below are some of the beneficial impacts to the American public:

- Ensuring fair and efficient air service to the American public by providing oversight over proposed airline mergers and acquisitions.
- Modernizing the data collection methods, usefulness and consistency of aviation data, which is used by the Department of Transportation, the aviation industry and the American Public to enhance aviation route planning.
- Review of domestic and international airline schedules to help enhance competition and growth in aviation.
- Maintaining constant dialog with foreign countries regarding cooperative airline programs and assuring the fairness of competition between domestic and international air carriers.
- Providing resiliency planning technical assistance to state, local and tribal communities.
- Identifying aspects of the U.S. transportation system that might be enhanced to increase international exports and provide economic benefits.
- Providing enhanced benefit – cost analysis to better measure the impact of proposed infrastructure investments.

- Emphasizing the importance of general aviation in support of the National Export Initiative.
- Through the enhancements to the Dashboard, guidelines will be established for agencies to use the Dashboard to report a common set of timeframe metrics for major infrastructure projects. In addition to supporting better project management, the information collected will help establish a baseline of the typical review timeframes for infrastructure projects across nine sectors. The Dashboard can achieve a number of important benefits including cutting timelines by encouraging synchronized review and early coordination, making it easier to identify and troubleshoot roadblocks, and improving agencies' accountability and transparency to the public. These benefits can help cut project timelines while also improve the quality and consistency of agencies' environmental analysis. The primary benefits to the American public are the reduced timelines related to the permitting of infrastructure projects and the measurably better outcomes of the projects. Additionally, the activities directly and indirectly facilitate job creation in the area of infrastructure projects.

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

ⁱ For example, roadway departures account for about 53 percent of fatal crashes each year on our highways, and installation of center-line and shoulder rumble strips on rural two-lane roads have been shown to reduce fatalities by 44 and 36 percent, respectively. The value of societal harm from highway crashes is estimated to be \$836 billion per year (including medical costs, lost productivity, etc.), and highway safety infrastructure investments are crucial to reducing the prevalence and severity of crashes. They also play a critical role in preventing or mitigating harm from the unsafe human behaviors that are implicated in a majority of crashes.

OFFICE OF THE SECRETARY OF TRANSPORTATION**TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT****Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$8,500	25
FY 2017 Annualized CR	\$8,484	32
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$16	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days	\$0	
January 2018 Pay Raise	\$89	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$130	
Inflation	\$18	
Subtotal Adjustments to Base	\$254	0
FY 2018 Baseline Estimate	\$8,738	32
FY 2018 Program Changes (+/-):	-\$238	5
The program change reflects a reduction in contractual services for the IIPIC Program.		
Total, FY 2018 Request	\$8,500	37

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2016	FY 2017	FY 2018
69-0142-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
Obligations by program activity:				
0001	Transportation policy and planning	10,043	8,956	7,000
0002	Safe Skies	1,002	117	0
0003	New Headquarters	238	0	0
0005	Interagency Infrastructure Permitting Improvement Center (IIPIC)	2,215	4,005	1,500
0091	Direct program activities, subtotal	13,499	13,077	8,500
0100	Total direct program	13,499	13,077	8,500
0801	Reimbursable program activity	230	390	0
0900	Total new obligations	13,729	13,467	8,500
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	6,622	5,148	165
1011	Unobligated balance transferred from other accounts	916		
1012	Unobligated balance, transferred between expired/unexp accts	0	0	0
1020	Adjustment of unobligated balance brought forward, October 1	-649	0	0
1021	Recoveries of prior year unpaid obligations	2,705	0	0
10.29	Unobligated balance withdrawn	-537	0	0
10.33	Recoveries of prior year paid obligations	56	0	0
1050	Unobligated balance (total)	9,113	5,148	165
Budget Authority:				
Appropriations, discretionary:				
1100	Appropriation	8,500	8,484	8,500
1130	Appropriation permanently reduced	0	0	0
1131	Unobligated balance of appropriations permanently reduced	0	0	0
1160	Appropriations, discretionary (total)	8,500	8,484	8,500
Spending authority from offsetting collections, discretionary:				
1700	Collected	152	0	0
1701	Change in uncollected payments, Federal sources	0	0	0
1701	Change in uncollected payments, Federal sources	-139	0	0
1711	Spending authority from offsetting collections, discretionary transfer from others (total)	1,250	0	0
1750	Spending authority from offsetting collections, discretionary (total)	1,262	0	0
1900	Budget authority (total)	9,762	8,484	8,500
1930	Total budgetary resources available	18,875	13,632	8,665
Memorandum (non-add) entries:				
1940	Unobligated Balance Expiring	-124	0	0
1941	Unexpired unobligated balance, end of year	5,079	165	165
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	7,829	3,737	9,210
3010	Obligations incurred, unexpired accounts	13,729	13,467	8,500
3020	Outlays (gross)	-15,117	-7,994	-8,487
3040	Recoveries of prior year unpaid obligations, unexpired	-2,253	0	0
3041	Recoveries of prior year unpaid obligations, expired	-452	0	0
3050	Unpaid obligations, end of year (gross)	3,737	9,210	9,223
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-3,488	-3,348	-3,348
3070	Change in uncollected pymts, Fed sources, unexpired	139	0	0
Obligated balance, end of year (net):				
3090	Uncollected pymts, Fed sources, end of year	-2,699	-2,699	-2,699
3100	Obligated balance, start of year (net)	4,990	1,039	6,513
3200	Obligated balance, end of year (net)	1,039	6,513	6,519
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	9,762	8,484	8,500
Outlays, gross:				
4010	Outlays from new discretionary authority	1,956	3,394	3,394
4011	Outlays from discretionary balances	13,161	4,600	5,094
4020	Outlays, gross (total)	15,117	7,994	8,487
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-152	0	0
4033	Non-Federal sources	-56	0	0
		-208	0	
Additional offsets against gross budget authority only:				
4050	Chg in Uncollected cust orders fm Fed Sources (unexpired)	139	0	0
4060	Additional offsets against gross budget authority only (total)	139	0	0
4180	Budget authority, net (total)	9,694	8,484	8,500
4190	Outlays, net (total)	14,909	7,994	8,487

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2016	FY 2017	FY 2018
69-0142-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$3,590	\$5,047	\$5,137
11.3 Other than full-time permanent	\$0	\$157	\$157
11.5 Other personnel compensation	\$0	\$7	\$7
11.9 Total personnel compensation	\$3,590	\$5,211	\$5,301
12.1 Civilian personnel benefits	\$1,007	\$1,435	\$1,179
21.0 Travel and transportation of persons	\$200	\$132	\$172
23.0 Rent and Comm, Util	\$0	\$0	\$0
24.0 Printing	\$0	\$20	\$0
25.1 Other services	\$4,086	\$4,596	\$1,104
25.2 Other services	\$2,692	\$1,051	\$51
25.3 Other services	\$1,903	\$595	\$652
26.0 Supplies and materials	\$21	\$21	\$21
31.0 Equipment	\$0	\$16	\$19
99.0 Subtotal, direct obligations	\$13,499	\$13,077	\$8,500
Reimbursable obligations:			
21.0 Travel and transportation of persons	\$26		
25.3 Other services	\$204	\$0	\$0
99.0 Subtotal, Reimbursable obligations	\$230	\$390	\$0
99.9 Total obligations	\$13,729	\$13,467	\$8,500

PERSONNEL SUMMARY

Identification Code	FY 2016	FY 2017	FY 2018
69-0142-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
1001 Total compensable workyears:			
Full-time equivalent employment	25	32	37

OFFICE OF THE SECRETARY OF TRANSPORTATION**NATIONAL INFRASTRUCTURE INVESTMENTS (Discretionary)****What Is The Request And What Funds Are Currently Spent on the Program?**

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
FUNDING LEVELS				
Infrastructure Investments	480,000	479,088	0	-479,088
Administrative Expenses	20,000	19,963	0	-19,963
TOTAL	500,000	499,050	0	-499,050

STAFFING

Direct Positions	12	7	3	-4
Reimbursable Positions	0	0	0	0
Direct FTE	7.0	5.0	3.0	-2.0
Reimbursable FTE	0.0	0.0	0.0	0.0

The National Infrastructure Investments Program (TIGER Grants Program) is not requesting funds for FY 2018.

OFFICE OF THE SECRETARY OF TRANSPORTATION

NATIONAL INFRASTRUCTURE INVESTMENTS (Discretionary)

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$500,000	7
FY 2017 Annualized CR	\$499,050	5
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$17	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days (No Change)	\$0	
January 2018 Pay Raise	\$92	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$38	
Inflation	\$131	
Subtotal Adjustments to Base	\$278	0
FY 2018 Baseline Estimate	\$499,328	5
FY 2018 Program Changes (+/-):	-\$499,328	-2
No funds are requested in this account for FY 2018.		
Total, FY 2018 Request	\$0	3

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TIGER GRANTS PROGRAM

NATIONAL INFRASTRUCTURE INVESTMENTS
(Discretionary)

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-0143-0-1-401				
Obligations by program activity:				
0001	Discretionary Grants	302,979	888,824	479,088
0002	Admin	9,255	11,300	11,613
0003	TIFIA Admin & Subsidy	0	0	0
0900	Total Obligations	312,234	900,124	490,701
Budgetary Resources available for obligation:				
Unobligated balance:				
1000	Available, start of year	728,056	916,590	515,515
1010	Transferred to other accounts (-)	-491,096	0	0
1011	Transferred from other accounts	491,096	0	0
1021	Resources available from recoveries of prior year obligation	1,183	0	0
1050	Unobligated balance (total)	729,239	916,590	515,515
New Budget Authority (Gross), Detail:				
Appropriations, Discretionary:				
1100	Appropriation	500,000	499,050	0
1120	Transfers to other accounts (-)	0	0	0
1121	Transfers from other accounts	0	0	0
1130	Appropriation permanently reduced	0	0	0
1160	Appropriation, discretionary (total)	500,000	499,050	0
Appropriations, Discretionary:				
1700	Offsetting collections (cash) (unexpired only)	0	0	0
1750	Spending authority fm offsetting collections (total)	0	0	0
1900	Total new budget authority (gross)	500,000	499,050	0
1930	Total budgetary resources available for obligation	1,229,239	1,415,640	515,515
Memorandum:				
1940	Unobligated balance expiring	-415	0	0
1941	Unobligated balance available, end of year	916,590	515,515	24,815
Change in obligated balance:				
3000	Ob Bal: SOY: Unpaid obs brought forwd, Oct 1	1,109,687	1,007,891	1,310,458
3010	Ob Bal: Obligations incurred: Unexpired accounts	312,234	900,124	490,701
3011	Ob Bal: Obligations incurred: Expired accounts	50	0	0
3020	Ob Bal: Outlays (gross)	-410,592	-597,558	-532,124
3040	Ob Bal: Recov, prior year unpaid obs, unexp accts	-1,183	0	0
3041	Ob Bal: Recov, prior year unpaid obs, exp accts	-2,305	0	0
3050	Ob Bal: EOY: Unpaid obligations	1,007,891	1,310,458	1,269,035
Memorandum:				
3100	Obligated balance, start of year	1,109,687	1,007,891	1,310,458
3200	Obligated balance, end of year	1,007,891	1,310,458	1,269,035
Budget authority and outlays, net:				
Discretionary				
4000	Budget authority, gross	500,000	499,050	0
Outlays, gross				
4010	Outlays from new discretionary authority	0	0	0
4011	Outlays from discretionary balances	410,592	597,558	532,124
4020	Outlays, gross (total)	410,592	597,558	532,124
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	1	0	0
4180	Budget authority, net	499,999	499,050	0
4190	Outlays, net	410,591	597,558	532,124

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TIGER GRANTS PROGRAM

NATIONAL INFRASTRUCTURE INVESTMENTS
(Discretionary)

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2016	FY 2017	FY 2018
69-0143-0-1-401	ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	749	937	956
11.3 Other than full-time permanent	7	-	-
11.5 Other personnel compensation	60	-	-
11.6 Bonus/Awards	-	20	20
11.9 Total personnel compensation	817	957	976
12.1 Civilian personnel benefits	235	205	209
21.0 Travel and transportation of persons	17	20	21
22.0 Transportation of things	-	-	-
23.0 Communication and utilities	-	0	0
24.0 Printing and Reproduction	-	-	-
25.1 Advisory and assistance service	1,722	2,165	2,230
25.2 Other services from non-federal sources	-	10	10
25.3 Other goods and services from Federal sources	188	200	206
26.0 Supplies and materials	0	10	10
31.0 Equipment	-	-	-
41.0 Grants, subsidies, and contributions	-	-	-
94.0 Financial Transfers	-	-	-
99.0 Direct obligations	2,978	3,567	3,663
Allocation Account - direct:			
11.1 Personnel compensation: Full-time permanent	1,114	1,158	1,181
11.3 Other than full-time permanent	-	-	-
11.5 Other personnel compensation	3	-	-
11.6 Bonus/Awards	8	-	-
11.8 Special personal services payments	0	-	-
12.1 Civilian personnel benefits	364	289	295
21.0 Travel and transportation of persons	325	573	590
22.0 Transportation of Things	-	-	-
24.0 Printing and Reproduction	-	-	-
25.2 Other services from non-federal sources	4,433	5,713	5,884
25.3 Other goods and services from Federal sources	30	-	-
26.0 Supplies and materials	0	-	-
41.0 Grants, subsidies, and contributions	302,979	888,824	479,088
99.0 Allocation account - direct	309,255	896,557	487,038
99.9 Direct obligations	312,234	900,124	490,701

PERSONNEL SUMMARY

Identification Code	FY 2016	FY 2017	FY 2018
69-0143-0-1-401	ACTUAL	ANNUALIZED CR	REQUEST
1001 Total compensable workyears:			
Full-time equivalent employment	7	5	3

Section 3 - FY 2018 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-0147-0-1-407				
	Obligations by program activity:			
00.01	Direct program activity	541	62	0
09.00	Total new obligations	541	62	0
	Budgetary resources available for obligations:			
10.00	Unobligated balance, brought forward Oct 1	319	62	0
10.21	Recoveries of prior year unpaid obligations	152		
10.33	Recoveries of prior year paid obligations	132	0	0
10.50	Unobligated balance (total)	602	62	0
	New budget authority (gross), detail:			
	Discretionary:			
	Discretionary: Spending authority from offsetting collections:			
19.30	Total budgetary resources available	602	62	0
	Memorandum (non-add) entries:			
19.41	Unexpired unobligated balance, end of year	0	0	0
	Change in obligated balance:			
30.00	Unpaid obligations, brought forward, October 1	249	592	0
30.10	Obligations incurred, unexpired accounts	541	62	0
30.20	Outlays (gross)	-45	-654	0
30.40	Recoveries of prior year obligations, unexpired accounts	-152	0	0
30.50	Unpaid obligations, end of year (gross)	592	0	0
31.00	Obligated balance, start of year (net)	249	592	0
32.00	Obligated balance, end of year (net)	592	0	0
	Outlays (gross), detail:			
40.10	Outlays from new discretionary authority	0	0	0
40.11	Outlays from discretionary balances	45	654	0
40.20	Outlays, gross (total)	45	654	0
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
40.30	Federal sources	-132	0	0
40.33	Non-Federal sources	0	0	0
40.40	Total offsetting collection (cash)	-132	0	0
	Additional offsets against gross budget authority only:			
40.50	Chg in Uncollected cust orders fm Fed Sources (unexpired)	0	0	0
40.51	Offsetting collections credited to expired accounts	0	0	0
40.53	Recoveries of prior paid obligations, unexpired accounts	132	0	0
40.60	Additional offsets against gross budget authority only (total):	132	0	0
	Net budget authority and outlays:			
41.80	Budget authority (net)	0	0	0
41.90	Outlays (net)	45	654	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code		FY 2016	FY 2017	FY 2018
69-0147-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:				
25.2	Other services Non Federal Sources	228	62	0
31.7	Equipment	313	0	0
99.9 Total new obligations		541	62	0

OFFICE OF THE SECRETARY OF TRANSPORTATION
MINORITY BUSINESS RESOURCE CENTER PROGRAM

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

(\$000)				
ITEM	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
<u>FUNDING LEVELS</u>				
Guaranteed Loan Subsidy	\$336	\$335	\$0	-\$335
Grants and Fixed Charges	\$0	\$0	\$0	\$0
<u>Administrative Expenses:</u>				
<i>Personnel Compensation and Benefits</i>	\$181	\$182	\$185	\$3
<i>Travel</i>	\$4	\$4	\$4	\$0
<i>Loan Fees</i>	\$206	\$208	\$0	-\$208
<i>Other Costs</i>	\$206	\$202	\$311	\$110
Subtotal, Discretionary	\$933	\$931	\$500	-\$431
<u>Guaranteed Loan Subsidy Reestimate - Mandatory</u>	\$0	\$0	\$0	\$0
GRAND TOTAL	\$933	\$931	\$500	-\$431
Guaranteed Loan Financing	[18,367]	[18,367]	[0,000] ^{1/}	[0]
<u>STAFFING</u>				
Direct Positions	1	1	1	0
Direct FTEs	1.0	1.0	1.0	0.0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0.0	0.0	0.0	0.0

^{1/} No limitation is proposed.

The Minority Business Resource Center is requesting \$.500 million and 1 FTE in FY 2018 to accomplish the mission outlined on the pages that follow.

Detailed Justification for the Minority Business Resource Center Program

What Is This Program and Why Is It Necessary?

The U.S. Department of Transportation's (DOT) Minority Business Resource Center (MBRC) is transitioning from the Short Term Lending Program (a credit based, restricted line of credit, guaranteed lending program) to a financial education and development program that partners with the transportation industry and financial stakeholders with a focus on empowering transportation-related disadvantaged businesses (Small Businesses, Disadvantaged Business Enterprises, the Small Business Administration's 8(a) certified and HubZone businesses, Women-Owned, and Service Disabled Veteran-Owned firms).

The MBRC will strategically partner with trade associations and financial institutions that are committed to financing transportation-related small businesses. Participating associations and financial institutions are expected to participate in educational workshops and provide one-on-one guidance for small businesses in attendance and applying for financing.

The educational workshop component of the program will focus on the following:

- The need for financial capacity and the type of financial product that would fill that need;
- Financial institution lending options;
- Smart growth as a small business and properly utilizing your financing; and
- The application process for financial products

The STLP is losing market share to the re-tooled SBA CAPLine loan program. On September 15, 2011, the SBA made sweeping changes to its CAPLine loan program. The once very cumbersome, confusing, and paperwork intensive program that were highly underutilized and overlooked by lenders, were re-tooled and streamlined to become more user-friendly. Loan limits were increased with a maximum loan size of up to \$5 million, coming with a 75 or 85 percent guaranty. The SBA added the option of delegated processing for Lenders using the SBA Express application forms, while giving all lenders the option of closing CAPLines using their own note and guaranty agreements.

SBA approved more than 1,200 loans, a significant increase over the 1,300 loans issued over the prior 15 years (FY 1997 – FY 2011). Inversely, the STLP saw loans go from 21 in FY 2012 to 11 in FY 2013, 9 in FY 2014, 3 in FY 2015, and 0 approved half-way through FY 2016.

Many of the advantages once held by the STLP are now adopted by the SBA in its sweeping improvements to the CAPLine programs.

PROPOSAL

MBRC will increase the number of small businesses who have the financial capacity needed to perform on transportation-related contracts through strategic partnerships focusing on financial education workshops and loan packaging.

Partnerships

In line with MBRC's mission, the program will strategically partner with trade associations and financial institutions that are committed to financing transportation-related small businesses. Participating associations and financial institutions are expected to participate in educational workshops and provide one-on-one guidance for small businesses in attendance and applying for financing.

Implementation

The Office of Small and Disadvantaged Business Utilization (OSDBU) partners with non-profit organizations throughout the country to operate Small Business Transportation Resource Centers (SBTRC). The SBTRCs serve as the OSDBU Regional Offices, providing technical assistance, education and outreach to the small business community in their regions. The SBTRCs would implement the educational workshops and package loan applications for eligible small businesses.

There are currently 13 SBTRCs serving all 50 states, U.S. Territories and thousands of businesses across the country each year. SBTRCs work with prime contractors, state agencies and local governments in their region to prepare small businesses for sub-contracting opportunities on federally funded projects.

Eligibility

Certification

The small business must be certified as a Disadvantaged Business Enterprise (DBE), Small Business Administration 8(a) firm, SDB, Historically Underutilized Business Zone (HUBZone) firm, or Service Disabled Veteran-Owned Small Business (SDVOSB).

Transportation-Related Track Record

The applicant must be an established business with experience in the transportation industry and trade. The applicant should have performed on, and successfully completed a transportation-related contract or can readily demonstrate their potential for success in the transportation industry.

STATUTORY AUTHORITY

The authority for MBRC to create financial assistance programs is under 49 U.S.C § 332. The following is an excerpt from the code:

(b) The Department of Transportation has a Minority Business Resource Center. The Center may—

- (1) include a national information clearinghouse for minority entrepreneurs and businesses to disseminate information to them on business opportunities related to the maintenance, rehabilitation, restructuring, improvement, and revitalization of the railroads of the United States;
- (2) carry out market research, planning, economic and business analyses, and feasibility studies to identify those business opportunities;
- (3) assist minority entrepreneurs and businesses in obtaining investment capital and debt financing;
- (4) design and carry out programs to encourage, promote, and assist minority entrepreneurs and businesses in getting contracts, subcontracts, and projects related to those business opportunities;
- (5) develop support mechanisms (including venture capital, surety and bonding organizations, and management and technical services) that will enable minority entrepreneurs and businesses to take advantage of those business opportunities;
- (6) participate in, and cooperate with, United States Government programs and other programs designed to provide financial, management, and other forms of support and assistance to minority entrepreneurs and businesses; and
- (7) make arrangements to carry out this section.

49 U.S.C § 332 is broadly structured allowing for programs that support minority entrepreneurs and businesses in obtaining investment capital, debt financing, venture capital, or any mechanism that would further their ability to take advantage of transportation opportunities. The proposal outlined above falls into the authority granted under 49 U.S.C § 332.

REGULATORY REVIEW

The MBRC will undergo a regulatory review in accordance with Executive Order 13563, which states in part:

“This order is supplemental to and reaffirms the principles, structures, and definitions governing contemporary regulatory review that were established in Executive Order 12866 of September 30, 1993. As stated in that Executive Order and to the extent

permitted by law, each agency must, among other things... facilitate the periodic review of existing significant regulations, agencies shall consider how best to promote retrospective analysis of rules that may be outmoded, ineffective, insufficient, or excessively burdensome, and to modify, streamline, expand, or repeal them in accordance with what has been learned... To facilitate the periodic review of existing significant regulations, agencies shall consider how best to promote retrospective analysis of rules that may be outmoded, ineffective, insufficient, or excessively burdensome, and to modify, streamline, expand, or repeal them in accordance with what has been learned. Such retrospective analyses, including supporting data, should be released online whenever possible...”

Anticipated FY 2017 Accomplishments:

Establish network of national partnerships with lenders, trade organizations and other government agencies to expand financial assistance opportunities and education for small businesses in the transportation-related industry.

FY 2017 would be the last year for approving STLP loans. Loans from FY 2017 and years before would continue to be monitored and closed out in FY 2018 and estimated to run through FY 2020.

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

The FY 2018 budget request includes baseline changes from FY 2017 for the following items: (1) annualization of the 1 percent pay raise for 2017; (2) an estimated 1.9 percent pay raise for 2018; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1 percent inflation as well as an estimated 1 FTE and associated costs.

With a budget of \$500,301 in FY 2018, the MBRC will have the capacity to prepare transportation-related small businesses for obtaining more than \$20 million in financial capacity and counsel transportation-related small businesses on proper utilization of financial capacity for their continued growth and success.

The MBRC through the MBRC will mold itself into a program that meets the needs of today’s and tomorrow’s small businesses. The MBRC will expand its outreach and effectiveness by complementing all other Government Lending Programs and the private industry financial products. This approach for small businesses interested in government assistance includes a wide variety of online training courses and integration with other agencies’ efforts.

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

MBRC ensures that businesses working for a chance at USDOT procurement opportunities have the tools and resources they need to start and expand their operations and create good jobs.

The FY 2018 budget submission for the MBRC builds on the STLP’s track record of assisting America’s transportation-related small businesses by increasing and improving access to capital.

Small businesses and entrepreneurs drive American competitiveness and help grow the economy from the middle out. The MBRC FY 2018 budget will build on its foundation by focusing on several key priorities that support transportation-related small business competitiveness and job creation. These include:

- Getting capital into the hands of more small businesses by streamlining access to financial capacity to compliment other financial lending programs;
- Promoting inclusive entrepreneurship by providing access and opportunity to promising transportation-related entrepreneurs all across the country; and
- Educating transportation-related small businesses on properly building and utilizing financial capacity.

Mitigate risk to taxpayers and improve oversight.

Taxpayers, including entrepreneurs and small business owners, expect that their tax dollars are being used wisely. MBRC wants to give taxpayers a strong “bang for the buck,” and will continue to find ways to mitigate risk while ensuring that small businesses have access to and fully benefit from the Agency’s programs. With an outstanding loan portfolio of over \$1.5 million, MBRC has an extraordinary responsibility to taxpayers to mitigate risk and conduct oversight of its STLP. MBRC will mitigate risk by eliminating its STLP federal guarantee. By eliminating credit guarantees we remove the risk of monetary loss along with time spent in the default and collection process. This will improve efficiencies for DOT as a whole and for the MBRC.

OFFICE OF THE SECRETARY OF TRANSPORTATION

MINORITY BUSINESS RESOURCE CENTER PROGRAM

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$933	1
FY 2017 Annualized CR	\$931	1
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days	\$0	
January 2018 Pay Raise	\$3	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$4	
Inflation	\$7	
Subtotal Adjustments to Base	\$14	0
FY 2018 Baseline Estimate	\$945	1
FY 2018 Program Changes (+/-):	-\$445	0
Decrease in funding due to the change in the structure of the program.		
Total, FY 2018 Request	<u>\$500</u>	<u>1</u>

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MBRC PROGRAM ACCOUNT

PROGRAM AND FINANCING
(In thousands of dollars)

Identification code		FY 2016	FY 2017	FY 2018
69-0155-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
Obligations by Program Activity:				
0002	Guaranteed loan subsidy	6	335	0
0707	Reestimate of guaranteed loan subsidy	0	124	0
0708	Interest on reestimate of guaranteed loan subsidy	0	2	0
0709	Administrative expenses	437	596	500
0900	Total new obligations (object class 99.5)	443	1,057	500
Budgetary Resources:				
Budget Authority:				
<i>Appropriations, discretionary</i>				
1100	Appropriation	933	931	500
1130	Appropriation Permanently Reduced	0	0	0
1160	Appropriation Total	933	931	500
<i>Appropriations, Mandatory:</i>				
1200	Appropriation	0	126	0
1930	Total budgetary resources available	933	1,057	500
Budget resources available for obligation:				
2200	New budget authority (gross)	933	1,057	500
2395	New obligations	-443	-1,057	-500
2398	Unobligated balance expiring	490	0	0
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct. 1 (gross)	362	255	0
3010	Obligations incurred, unexpired accounts	443	1,057	500
3011	Obligation adjustments-expired accounts	0	0	0
3020	Total outlays (gross)	-385	-1,312	-500
3041	Recoveries of unpaid obligations-expired accounts	-165	0	0
3050	Unpaid obligations end of year	255	0	0
Budget authority and outlays, net				
Discretionary:				
Outlays, gross:				
4000	Budget Authority, gross	933	1,057	500
4010	Outlays from new discretionary authority	216	931	500
4011	Outlays from discretionary balances	169	255	0
4100	Outlays from mandatory authority	0	126	0
4020	Total outlays (gross)	385	1,312	500
4180	Budget authority, net (total)	933	1,057	500
4190	Outlays, net (total)	385	1,312	500

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER
PROGRAM ACCOUNT

SUMMARY OF LOAN LEVELS, SUBSIDY BA AND OUTLAYS BY PROGRAM
(In thousands of dollars)

Identification code	FY 2016	FY 2017	FY 2018
69-0155-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Loan guarantee levels	250	14,364	0
2159 Total loan guarantee levels	250	14,364	0
2320 Subsidy rate	2.50	2.36	0.00
2329 Weighed average subsidy rate	2.50	2.36	0.00
2330 Subsidy BA	6	335	0
2339 Total subsidy BA	6	335	0
2340 Subsidy outlays	31	341	0
2349 Total subsidy outlays	31	341	0
2350 Upward reestimate	0	126	0
2370 Downward reestimate	0	21	0
3510 Administrative expense BA	437	596	600
3580 Administrative expense outlays from balances	138	221	0
3590 Administrative expense outlays from new authority	216	596	600

PERSONNEL SUMMARY

Identification code	FY 2016	FY 2017	FY 2018
69-0155-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
Direct:			
Total compensable workyears: Civilian full-time			
1001 equivalent employments	1	1	1

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER
GUARANTEED LOAN FINANCING ACCOUNT

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-4082-0-3-407			
Program by activities:			
00.01 Default claims	0	237	6
00.02 Payment of interest to Treasury	0	0	0
08.02 Downward subsidy reestimate	255	20	0
08.04 Interest on downward subsidy reestimate	<u>5</u>	<u>1</u>	<u>0</u>
10.00 Total obligations	260	258	6
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	387	138	441
22.00 New financing authority (gross)	10	561	0
23.90 Total budgetary resources available for obligation	397	699	441
23.95 Total new obligations	<u>-259</u>	<u>-258</u>	<u>-6</u>
24.40 Unobligated balance carried forward, end of year	138	441	435
New financing authority (gross), detail:			
Spending authority from offsetting collections			
Mandatory			
67.10 Borrowing authority	0	0	0
69.00 Offsetting collections (cash)	16	487	359
69.10 Change in uncollected customer payments from Federal sources	-6	-6	0
69.47 Portion applied to repay debt	<u>0</u>	<u>0</u>	<u>0</u>
69.90 Spending authority from offsetting collections (total)	10	481	359
Change in obligated balances:			
72.40 Obligated balance, start of year	-12	-6	0
73.10 Total new obligations	260	258	6
73.20 Total financing disbursements (gross)	-260	-258	-6
74.00 Change in uncollected customer payments from Federal sources	<u>6</u>	<u>6</u>	<u>0</u>
74.40 Obligated balance, end of year	-6	0	0
Outlays (gross), detail			
87.00 Total financing disbursements (gross)	260	258	6
Offsets			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from : Federal sources (subsidy)	12	341	339
88.00 Offsetting collections (cash) from : Federal sources (upward reestimate)	0	126	0
88.25 Interest on uninvested funds	4	20	20
88.90 Total offsetting collections (cash)	16	487	359
88.95 Change in uncollected customer payments from Federal sources	-6	-6	0
Net financing authority and financing disbursements			
89.00 Financing authority	0		
90.00 Financing disbursements	<u>-260</u>	<u>-258</u>	<u>6</u>

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER
GUARANTEED LOAN FINANCING ACCOUNT

STATUS OF GUARANTEED LOANS
(In thousands of dollars)

Identification Code	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-4082-0-3-407			
Position with respect to appropriations act limitation on commitments			
2111 Limitation on guaranteed loans made by private lenders	18,367	18,367	0
2142 Uncommitted loan limitation	17,486	4,003	0
2150 Total guaranteed loan commitments	881	14,364	0
2199 Guaranteed amount of guaranteed loan commitments	661	10,773	0
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	1,096	632	14,364
2231 Disbursements of new guaranteed loans	400	14,614	0
2251 Repayments and prepayments	-864	-645	-12,726
2263 Terminations for default that result in claim payments	0	-237	-6
2264 Other adjustments, net			
2290 Outstanding, end of year	632	14,364	1,632
Memorandum:			
2299 Guaranteed amt of guaranteed loans outstanding, EOY	474	10,773	1,224
6300 Net financing disbursements	-260	-258	-6

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER
GUARANTEED LOAN FINANCING ACCOUNT

BALANCE SHEET
(In thousands of dollars)

Identification Code	FY 2016
69-4082-0-3-407	ACTUAL
ASSETS:	
Federal assets:	
1101 Fund balances with Treasury	137
1106 Receivables, Net	0
1999 Total assets	137
LIABILITIES:	
2101 Accounts Payable	0
2103 Debt	0
2104 Resources payable to Treasury	0
2204 Non-Federal liabilities: Liabilities for loan guarantees	137
2999 Total liabilities	137
NET POSITION:	
3999 Total net position	
4999 Total liabilities and net position	137

OFFICE OF THE SECRETARY OF TRANSPORTATION

CYBER SECURITY INITIATIVES

What Is The Request And What Funds Are Currently Spent on the Program?

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
FUNDING LEVELS				
Personnel Compensation and Benefits	0	0	0	0
Travel	0	0	0	0
Other Costs	8,000	7,985	10,000	2,015
Programs	0	0	0	0
TOTAL	8,000	7,985	10,000	2,015
STAFFING				
Direct Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Direct FTE	0.00	0.00	0.00	0.00
Reimbursable FTE	0.00	0.00	0.00	0.00

The Office of the Chief Information Officer is requesting \$10 million in FY 2018 for Cyber Security Initiatives to accomplish the mission outlined on the pages that follow.

Detailed Justification for the Cyber Security Initiatives

What Is This Program And Why Is It Necessary?

The Department of Transportation Chief Information Officer (DOT CIO) is the principal information technology (IT), cybersecurity, cybersecurity risk management, and information assurance advisor to the Secretary.

The DOT operates and oversees significant elements of the critical transportation and information technology (IT) infrastructure of the United States. Much of the DOT framework relies upon, and is integrated with, computer networks, computer mediated communications, online databases, and a wide variety of other computer and computer network capabilities. With the increasing interconnectivity between DOT, other Federal, State, and local government agencies, and the private sector entities it regulates, and an ongoing modernization to include commodity Internet-based technologies, new dependencies, relationships, and vulnerabilities are created that did not previously exist, resulting in new risks to the DOT IT infrastructure.

A significant focus of the FY 2018 Cyber Security Initiatives request will be for hardware, software and support for enhancement and operation of the DOT Information Security and Continuous Monitoring program and capabilities, as a progression towards the next phase of program maturity after the accomplishments achieved in FYs 2012 - 2017. The funding will position DOT to properly and rapidly identify, quantify, act upon, and remediate cybersecurity risks and evolving threats through advanced data collection, integration, and reporting, and correlation with continuous monitoring information produced through the improvements to the agency's cybersecurity program. The appropriation will provide funding towards implementation, maintenance and support, ongoing analytics, and incremental enhancement of capabilities aligned to Administration cybersecurity priorities. A portion of the funds will be used for continued maintenance and operation of software, hardware, and network services acquired in FYs 2013 - 2017 until those expenses can be transitioned to the Working Capital Fund (WCF).

An additional area of focus will be the subscription for Managed Trusted Internet Protocol Services (MTIPS) to assess encrypted traffic for the presence of malicious activity. MTIPS will also allow DOT to detect the theft and removal of sensitive Federal and agency information from the Department's networks and systems.

The investment activity supports the OCIO strategic plan, and cybersecurity objectives, which include holistic activities to invest in people, process, and technologies at strategic, operational, and tactical levels for improved maturity and effectiveness of the Department's integrated Cybersecurity, Information Assurance, and Risk Management program.

Anticipated FY 2017 Accomplishments:

The FY 2017 funds will allow DOT to make progress in complying with Administration cybersecurity priorities, in addition to developing and deploying consolidated improvements in enterprise IT infrastructure and services. Improvements will address cybersecurity vulnerabilities, technical control weaknesses, and capability gaps, provide better situational awareness and visibility into operational security posture, and allow a more proactive approach in identifying and remediating vulnerabilities.

Focus will continue on remediation of vulnerabilities associated with the Administration cybersecurity priorities. DOT has made progress on improving Departmental scores in Continuous Monitoring, Personal Identification Verification (PIV) implementation for logical and physical access, and boundary protection via Trusted Internet Connection (TIC) but more work is needed. DOT will continue to utilize the Cyber appropriation to deploy tools to increase DOT's compliance in these areas. Funding will continue for the Continuous Monitoring program, and Secure Remote Access will be enhanced to address specific vulnerabilities associated with secure remote access and to enable the use of PIV smart cards for remote access to DOT networks by mobile workers.

DOT will also work to replace infrastructure to support both OMB-mandated DOT network security requirements and network field integration. DOT will work to find opportunities to integrate these infrastructure improvements into the enterprise services environment within the WCF. The funding will also provide maintenance and support of newly replaced network hardware to maintain security requirements in the DOT WAN. In all areas, work will address DHS compliance elements and Office of the Inspector General (OIG) recommendations.

Although DOT has made substantial progress towards compliance activities associated with the Cross Agency Priority (CAP) goals and FISMA-related findings through the Cyber appropriation, numerous vulnerabilities remain. In many cases, vulnerabilities are identified on an ad hoc basis, often based on activities external to DOT. In other cases, new remediation tools or updated standards are released within a budget year. The Cyber appropriation allows the Department to respond to these changes in a more agile, effective way to reduce identified vulnerabilities as soon as possible.

DOT recognizes that many purchases completed in the Cyber appropriation initially can be transferred to other existing funding sources once products and services are operational. The transfer of these purchases will be considered and executed on an investment-level basis.

What Does This Funding Level Support?

The DOT OCIO is requesting \$10 million of cyber security funding for FY 2018 to provide necessary resources for DOT to continue to improve the DOT's cyber security posture. In particular, DOT will focus on the following:

- Maintain and support existing licenses of current IBM security tools deployed as part of the DOT implementation of the Federal Continuous Diagnostics and Mitigation (CDM) program, which will not be funded by a DHS program;
- Maintain and support licenses of Tenable Nessus security tools and supporting infrastructure deployed as part of the DOT CDM program, and which are not funded by a DHS program;
- Maintain and support existing capabilities for secure remote access, secure communications, identity management services, and TIC via Managed Trusted Internet Protocol Services (MTIPS), and limited expansion of optional MTIPS services to improve the detection and response to malicious Internet activity;
- Maintain and support additional licenses, and contractual resources for an expansion of capacity for the DOT ISCM program, realignment of existing capabilities and capacities against the target architecture for DOT's implementation of the CDM program, and tailoring and integration of DOT ISCM dashboards, beyond funding made available through the DHS CDM program. The resulting expansion will improve visibility into the vulnerabilities associated with these devices, and provide improved capabilities to remediate those vulnerabilities; and
- DOT will also continue to address the recommendations from the OIG in addition to the Cyber CAP goals, with specific focus on enhancement of the DOT ISCM program and improving the composite scores of the TIC location in Washington DC.

In FY 2018, DOT will continue to support infrastructure elements procured through this appropriation until they are successfully transitioned to the Working Capital Fund. Specifically, funding will maintain the Secure Remote Access user base preserving the Department's capabilities for remote and mobile employees.

Additionally, we will focus on the Continuous Monitoring solution that was implemented in FY 2012. We will continue to fund the maintenance and deployment of existing licenses of the tool in FY 2018, not funded by the DHS CDM program office. The monitoring activities improve visibility into patterns of malicious and anomalous activity. In FY 2018, the Department will implement Phase 2 of the program.

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

In a time of new cyber threats and evolving vulnerabilities, it is imperative that the Department have the resources needed to plan for and address these risks. The Cybersecurity Appropriation is necessary to improve the core DOT Cybersecurity program and update the DOT IT infrastructure to mitigate immediate threats to critical business operations. The appropriation provides the funding needed to allow the Department to develop and implement solutions that are necessary for protecting the integrity and availability of the Department's assets. This Appropriation is vital to maintaining and expanding the Department's Continuous Diagnostic and Mitigation Program that allows DOT to identify and address vulnerabilities. This investment will ensure that the Department makes rapid and timely progress on implementation of the

requisite capabilities, realizes an immediate value in the reduction of risk and improvement of cybersecurity practices and capabilities, and improves the cybersecurity posture of the Department. The resulting improvements will ensure improved reliability of services, greater integrity of information and services delivered by DOT, and protection of the information that stakeholders and the public provide to DOT as part of its normal operations, all with a reduced focus on reactive efforts and an increased focus on proactive, mission-sustaining activities.

OFFICE OF THE SECRETARY OF TRANSPORTATION

CYBER SECURITY INITIATIVES

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$8,000	0
FY 2017 Annualized CR	\$7,985	0
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days (No Change)	\$0	
January 2018 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
Inflation	\$80	
Subtotal Adjustments to Base	\$80	0
FY 2018 Baseline Estimate	\$8,065	0
FY 2018 Program Changes (+/-):	\$1,935	0

The requested increase to the Cybersecurity Appropriation will be used for: continued support to and execution of the Department's Network Assessment, Remediation, and Mitigation (NARM) initiative to mitigate vulnerabilities in the Department's network, improve manageability and performance, and modernize the network to securely host agency systems; additional capabilities to enhance the secure use of cloud services; modernization of the Department's cybersecurity governance, risk, and compliance system and processes; and continued implementation, enhancement, operation, and utilization of the Department's Continuous Diagnostics and Mitigation (CDM) capabilities.

Total, FY 2018 Request

\$10,000

0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-0159-0-1-407			
Obligations by program activity:			
0.01 General Administration	4,291	12,479	13,239
0.91 Direct program activities, subtotal	4,291	12,479	13,239
9.00 Total new obligations	4,291	12,479	13,239
Budgetary Resources:			
10.00 Unobligated balance brought forward, Oct 1	4,038	7,734	3,239
10.50 Unobligated balance (total)	4,038	7,734	3,239
Budget Authority: appropriations, discretionary			
11.00 Appropriation	8,000	7,985	10,000
11.30 Appropriations permanently reduced (disc)	0	0	0
11.60 Appropriations, discretionary (Total)	8,000	7,985	10,000
19.00 Budget Authority (Total)	8,000	7,985	10,000
19.30 Total Budgetary Resources Available	12,038	15,718	13,239
Memorandum (non-add) entries:			
19.40 Unobligated Balance Expiring	-14	0	0
19.41 Unexpired unobligated balance, end of year	7,734	3,239	0
Change in obligated balance:			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	1,077	1,346	1,107
30.10 Obligations incurred, unexpired accounts	4,291	12,479	13,239
30.20 Obligated balance, Outlays (gross)	-3,947	-12,718	-9,194
30.40 Recoveries of prior year unpaid obligations, unexpired	-1	0	0
30.41 Recoveries of prior year unpaid obligations, expired	-74	0	0
30.50 Unpaid obligations, end of year	1,346	1,107	5,153
Uncollected payments:			
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	1,077	1,346	1,107
32.00 Obligated balance, end of year	1,346	1,107	5,153
Budget Authority and outlays, net:			
40.00 Budget authority, gross	8,000	7,985	10,000
Outlays, gross:			
40.10 Outlays from new discretionary authority	73	4,791	6,000
40.11 Outlays from discretionary balances	3,874	7,927	3,194
40.20 Outlays, gross (Total)	3,947	12,718	9,194
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
40.40 Total offsetting collection (cash)	0	0	0
Additional offsets against gross budget authority only:			
40.60 Additional offsets against budget authority only (total)	0	0	0
41.80 Budget authority, net (disc. and mand.)	8,000	7,985	10,000
41.90 Outlays, net (disc. and mand.)	3,947	12,718	9,194

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-0159-0-1-407			
Direct obligations:			
23.3 Communications, utilities, and miscellaneous charges	1,220	1,023	6,636
25.1 Advisory and assistance services	0	1,852	1,104
25.2 Other services	0	0	0
25.3 Other purchases of goods and services from Government accts.	0	0	0
25.4 Operation and maintenance of facilities		0	
25.7 Operation and maintenance of equipment	428	245	0
31.0 Equipment	2,643	9,359	5,499
99.9 Total obligations	\$4,291	\$12,479	\$13,239

OFFICE OF THE SECRETARY OF TRANSPORTATION**NATIONAL SURFACE TRANSPORTATION INNOVATIVE FINANCE BUREAU****What Is The Request And What Funds Are Currently Spent on the Program?**

	(\$000)			
FUNDING LEVELS	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
Personnel Compensation and Benefits	0	0	457	457
Travel	0	0	20	20
Other Costs	0	0	2,523	2,523
Programs	0	0	0	0
TOTAL	0	0	3,000	3,000
STAFFING				
Direct Positions	0	0	3	3
Reimbursable Positions	0	0	0	0
Direct FTE	0.00	0.00	3.00	3
Reimbursable FTE	0.00	0.00	0.00	0

The National Surface Transportation Innovative Finance Bureau is requesting \$3 million and an estimated 3 FTEs in FY 2018 to accomplish the mission outlined on the pages to follow.

Detailed Justification for the National Surface Transportation and Innovative Finance Bureau

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

The Fixing America's Surface Transportation (FAST) Act (Public Law 114-94) was enacted on December 4, 2015. This law authorizes the surface transportation programs for the Nation and provides policy direction and guidance for five years. Among the new provisions included in this Act was the establishment of the National Surface Transportation and Innovative Finance Bureau (the Bureau), within the Office of the Under Secretary of Transportation for Policy. The Bureau aligns, coordinates, and consolidates aspects of the U.S. Department of Transportation's (DOT) existing surface transportation innovative finance programs with or within the new Bureau. The Bureau administers DOT Credit programs (Transportation Infrastructure Finance Innovation Act (TIFIA), Railroad Rehabilitation Improvement Fund (RRIF), Private Activity Bonds (PABs)) and the Nationally Significant Freight and Highway Projects. The Bureau was tasked under the FAST Act with providing technical assistance and encouraging innovative best practices focused on expediency in procurement, environmental review, permitting, project delivery, and monitoring. The Build America Bureau provides expert advice on project finance policy issues that require expertise in innovative finance initiatives, public-private partnerships (P3s), concession agreements, and accelerating large transportation projects.

Pursuant to the FAST Act, the Bureau is managed by an Executive Director reporting to the Under Secretary of Transportation for Policy. The FAST Act also established a new Council on Credit and Finance (the Council) chaired by the Deputy Secretary, which is charged with the review and approval of innovative finance applications, making recommendations to the Secretary, and reviewing approved projects on a regular basis. The Council builds on the Credit Council that DOT had previously established through administrative measures.

Why is This Particular Function Necessary?

The Bureau fulfills a number of specific responsibilities that are critical to the financing and funding of transportation infrastructure, including the following:

- Provide assistance and communicate best practices and financing and funding opportunities to entities eligible under DOT infrastructure finance programs;
- Develop and promote best practices for innovative financing and public-private partnerships (P3s);
- Administer the application process for DOT infrastructure finance programs and the Nationally Significant Freight and Highway Projects program, including the implementation of strategies to streamline processes;
- Reduce uncertainty and delays related to environmental reviews and permitting, as well as project delivery and procurement risks and costs for projects financed by the DOT infrastructure finance programs and the Nationally Significant Freight and Highways Projects programs;

- Increase transparency and the public availability of information regarding projects financed by the USDOT infrastructure finance programs and the Nationally Significant Freight and Highway Projects program; and
Promote best practices in procurement for projects financed by the DOT infrastructure finance programs and the Nationally Significant Freight and Highway Projects program by developing benchmarks related to procurement.

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

The FY 2018 budget request for the Bureau's General Fund includes \$3 million and 3 positions (3 FTE) to independently fund the newly established National Surface Transportation and Innovative Finance Bureau.

The complete request is detailed below:

- 3 Positions and associated costs
- Travel and Supplies charges associated with those positions
- IDIQ obligations associated with the Technical and Legal Services contracts for the TIFIA and RRIF programs

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

The work of the Bureau results in faster and more efficient processing of state and local requests for DOT financing assistance, which accelerates national infrastructure construction and increases the number of infrastructure projects that can be built. The Bureau's streamlined processes and customer-focused approach to infrastructure financing and funding support responsible stewardship of taxpayer funds. The Bureau advances the development and streamlined delivery of projects in the highway, rail, transit, and port sectors, which increases overall economic development. The Bureau's infrastructure finance expertise drives the formulation and promotion of new and innovative strategies to address the nation's critical infrastructure needs.

OFFICE OF THE SECRETARY OF TRANSPORTATION**NATIONAL SURFACE TRANSPORTATION INNOVATIVE FINANCE BUREAU****Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$0	0
FY 2017 Annualized CR	\$0	0
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days	\$0	
January 2018 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
Inflation	\$0	
Subtotal Adjustments to Base	\$0	0
FY 2018 Baseline Estimate	\$0	0
FY 2018 Program Changes (+/-):	\$3,000	3
Funding to accomplish the mission of the Bureau.		
Total, FY 2018 Request	\$3,000	3

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NATIONAL SURFACE TRANSPORTATION & INNOVATIVE FINANCE BUREAU

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-0170			
Obligations by program activity:			
0001 National Surface Transportation & Innovative Finance Bureau	0	0	3,000
0900 Total new obligations (object class 25.2)	0	0	3,000
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	0	0	3,000
1121 Appropriation transferred from other accounts	0	0	0
1160 Appropriation, discretionary (total)	0	0	3,000
1930 Total budgetary resources available	0	0	3,000
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	0	0	0
3020 Obligated balance, start of year (net)	0	0	0
3010 Obligations incurred, unexpired accounts	0	0	3,000
3020 Outlays (gross)		0	-2,700
Obligated balance, end of year (net):			
3050 Unpaid obligations, end of year (gross)	0	0	300
3200 Obligated balance, end of year (net)	0	0	300
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	0	0	3,000
Outlays, gross:			
4010 Outlays from new discretionary authority	0	0	2,700
4180 Budget authority, net (total)	0	0	3,000
4190 Outlays, net (total)	0	0	2,700

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
NATIONAL SURFACE TRANSPORTATION & INNOVATIVE FINANCE BUREAU

OBJECT CLASSIFICATION
(In Thousands)

Identification Code	FY 2016	FY 2017	FY 2018
69-0170	ACTUAL	ANNUALIZED CR	REQUEST
.			
Direct obligations:			
11.0 Personnel compensation	0	0	400
12.1 Civilian benefits	0	0	57
21.0 Travel and transportation of persons	0	0	20
22.0 Transportation of Things	0	0	0
23.0 Rent, Communications & Utilities	0	0	0
24.0 Printing	0	0	0
25.1 Other Services	0	0	2,288
25.2 Other Services	0	0	0
25.3 Other Services	0	0	225
26.0 Supplies & Materials	0	0	10
31.0 Equipment	0	0	0
41.0 Grants, subsidies and contributions	0	0	0
42.0 Insurance claims and indemnities	0	0	0
99.9 Total obligations	0	0	3,000

PERSONNEL SUMMARY

Identification Code	FY 2016	FY 2017	FY 2018
69-xxxx	ACTUAL	ANNUALIZED CR	REQUEST
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	0	0	3

OFFICE OF THE SECRETARY OF TRANSPORTATION

RESEARCH & TECHNOLOGY

	(\$000)			
<u>FUNDING LEVELS</u>	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
Personnel Compensation and Benefits	3,611	3,641	3,693	52
Travel	90	71	71	0
Research & Technology Programs	0	0	2,618	2,618
Alternative Energy (previously Alternative Fuels)	499	498	0	-498
RD&T Coordination	509	508	0	-508
NDGPS	5,600	5,589	0	-5,589
PNT	1,610	1,607	0	-1,607
Other Costs	1,081	1,061	2,084	1,022
TOTAL	13,000	12,975	8,465	-4,510

STAFFING

Direct Positions	30	20	20	0
Direct FTEs	18	19	20	1
Reimbursable Positions	51	31	35	4
Reimbursable FTE	30	31	35	4

FTE, while increasing, reflect a backlog in hiring that will be made up for in FY 2018 to match the position levels

What Is This Program And Why Is It Necessary?

The Office of the Assistant Secretary for Research and Technology (OST-R) is a dynamic, world-class transportation resource with broad technical and institutional expertise and is working to transform the future of transportation for the public good. OST-R coordinates research and technology transfer across the Department in an effort to maximize and leverage the approximately \$1.1 billion annual investment in Department-wide transportation research, development, and technology (R&T) activities. OST-R also leads and administers multimodal statistics and data programs for the Department and oversees the work of related fee-for-service organizations.

The mission of OST-R is to transform transportation by expanding the base of knowledge to make America's transportation system safer, more competitive and sustainable. To do this we:

- advance innovation, technology development, and breakthrough knowledge;
- conduct research and facilitate multimodal research collaboration;
- foster technology transfer through partnerships within the Department and with external partners;

- provide useful information and statistics to decision-makers as they create policy and address policy-related issues; and
- develop a highly-skilled, interdisciplinary transportation workforce for the nation.

OST-R works across the Department and collaborates with other Federal agencies, state and local governments, universities, stakeholder organizations, transportation professionals, industry, system operators and international partners. OST-R supports the Department's strategic priorities by providing advice to policy makers concerning the research needed to achieve goals and priorities, identifying gaps in research by topic and type, and executing multimodal research and technology transfer.

OST-R receives direction from the Secretary and ensures that the Secretary's research and technology priorities and policies are being implemented across the Department. Because OST-R does not have the resources to influence all research taking place across the Department, it focuses on the top research and technology priorities for the Department and guides the development of work plans to meet these goals. OST-R facilitates effective research coordination and collaboration within the Department by tracking research throughout the entire process--from needs identification, to project development and implementation, to technology transfer and deployment.

Research and Technology (R&T) (General Fund): This program manages and conducts Congressionally mandated strategic planning, coordination, facilitation, and review for all of the Department's research, development and technology activities, and coordinates research on cross-modal topics such as automated vehicles, positioning, navigation, timing, and spectrum. The coordination and leadership R&T provides are pivotal to the Department's research portfolio and investments. R&T drives engagement and collaboration—both within the Department and with external stakeholders. They identify synergies, gaps and opportunities to apply research cross-modally which prevents the duplication of efforts and waste of Federal resources. R&T is DOT's primary facilitator of technology transfer and maximizes federal research investments by accelerating deployment of new technologies. This program administers university research programs by providing them with resources that fuel cutting-edge transportation research, and awards research funding to small businesses to enhance their potential for product commercialization. The funding pays for the OST-R R&T program staff and associated auxiliary staff who support OST-R's administrative infrastructure. OST-R's organizational performance is measured by its ability to provide high-quality service in strategic research planning, program management, and program support services.

OST-R also manages and provides programmatic direction to critical transportation research and statistical programs that are not funded by a direct appropriation to OST-R:

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

Bureau of Transportation Statistics (BTS) (Highway Trust Fund): BTS is a designated Federal statistical agency established to serve the transportation community, including all levels of government and the private sector, by providing independent information that supports safety, infrastructure, planning investments, and other decision-making. BTS collects data and maintains a rigorous statistical analysis program in support of data-driven decision-making. The BTS program is funded through an allocation from the Federal Highway Administration (FHWA). BTS also maintains an Airline Transportation Statistics program that is reimbursed from the Federal Aviation Administration's (FAA) operations budget, and a reimbursable Confidential Close Calls Reporting System program. Section 52011 of the Moving Ahead for Progress in the 21st Century Act (MAP-21) designated BTS Director as the senior advisor to the Secretary on data and statistics. BTS is also tasked with the creation of a Port Performance Freight Statistics Program.

BTS operates under 49 USC Chapter 63 and Section 329. The funding requested will be used to sustain BTS as a leading source of timely, accurate, and reliable information on the U.S. transportation systems used for moving people and goods, and on their impacts on the economy, society and the environment. Specifically, the funding requested will be used to enhance data collection, fill critical data gaps, and conduct rigorous statistical analysis programs to produce statistical information to support policy, regulatory, investment decisions, and transportation planning. The BTS program is funded by an allocation from the Federal Highway Administration (FHWA) (FAST Act Section 6002, (a) (6)). BTS also maintains an Airline Transportation Statistics program that is reimbursed from the Federal Aviation Administration's (FAA) operations budget and a reimbursable Confidential Close Calls Data program.

Fee-For-Service Organizations:

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

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

What Is This Program and Why Is It Necessary?

The Research and Technology Program (R&T) is uniquely designed to foster innovation in transportation and to help shape the U.S. transportation research, development and technology agenda ensuring that it is consistent with Departments' goals. The requested funding will allow the R&T Program to continue its Congressionally mandated primary mission of coordinating the Department's research portfolio across all of the Operating Administrations (Public Law 108-426). R&T serves as the primary coordination arm of the Department's research efforts, and is

responsible for funding research on high priority cross-modal topics such as safety, infrastructure, automation, Position, Navigation and Timing (PNT), and other emerging technologies. R&T leads research efforts on these cross-modal topics by coordinating collaborative efforts across multiple Operating Administrations, other Federal agencies, and external parties.

Navigating from Point A to Point B safely and efficiently is critical to all modes of transportation making PNT capabilities and technologies a vital part of the global infrastructure. The Department of Transportation is the lead for civil PNT requirements and represents the civil Departments and Agencies in the development, acquisition, management, and operations of the Global Positioning System (GPS). The Secretary of Transportation is assigned this role by the National Security Presidential Directive (NSPD-39), and the program includes all civil Federal, state and local government needs for services of GPS and its augmentations, as well as those of the private sector. OST-R works closely with the Departments of Homeland Security and Defense to increase awareness of vulnerabilities of GPS, evaluate the impact, and to research complementary sources of PNT to increase resiliency for safety-critical transportation applications and make intentional jamming and spoofing of GPS less desirable. OST-R also conducts radiofrequency spectrum research, analysis, and testing to ensure communications, navigation, and surveillance systems supporting safety-critical transportation applications are protected from harmful interference. This includes serving as the lead coordinators for research on new technologies, which address emerging PNT needs for applications, such as autonomous vehicles, across all modes of transportation.

Automated vehicles and related technologies (AV&RT) hold the promise of transformative improvements in safety, economic growth, cost-efficiencies, the user-experience, accessibility, and other social and economic benefits important to the Department of Transportation and the nation as a whole. Using its research coordination role, OST-R is facilitating new discussions in the areas of fundamental research and lower-cost infrastructure and network solutions that can help optimize and accelerate the safe deployment and integration of these technologies into the transportation system. OST-R works with other DOT modes and offices (e.g., ITS JPO and Turner Fairbank) and stakeholders outside the Department in order to eliminate duplicative efforts in this field, and to help leverage tax-payer dollars where synergies become apparent. Areas of focus include:

- Strengthening the artificial intelligence capacity of AV&RT
- Incorporation of AV&RT into transportation models to better understand their system impacts
- Increasing AV&RT functionality through remote operation (teleoperation)
- Incorporation of automated vehicle and new vehicle platform needs into earlier infrastructure construction and maintenance decisions, and into mapping and networking technologies
- Engagement with state, local, and private sector interests on regional AV&RT opportunities to better understand AV&RT benefits at scale.

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

The Department-wide research coordination function is driven by R&T. This effort includes strategic research planning, research budget development and reporting, management of the USDOT Research Hub, and facilitating technology transfer. These activities are coordinated

through the Research Development & Technology (RD&T) Planning Team, which is composed of senior research directors from each of the Operating Administrations and chaired by the Director of OST-R's Office of RD&T.

The Office of the Assistant Secretary for Research and Technology's mission is to coordinate, collaborate, and maximize the effectiveness of the Department's research, development, and technology portfolio as well as enhancing the data collection and statistical analysis programs to support data-driven decision-making across the Department. R&T underpins this mission by coordinating collaboration across the Department and with partners from other Federal agencies, State and local governments, universities, stakeholder organizations, transportation professionals, system operators and international partners. R&T's coordination efforts optimize and ensure the effective use of limited research resources, eliminate potentially redundant and duplicative research, and allow the nation's transportation research enterprise to move forward in a coherent fashion.

OFFICE OF THE SECRETARY OF TRANSPORTATION

RESEARCH AND TECHNOLOGY

Explanation of Funding Changes

(\$000)

FUNDING LEVELS

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$13,000	18
FY 2017 Annualized CR	\$12,975	19
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$8	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days	\$0	
January 2018 Pay Raise	\$44	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
Inflation	\$89	
Subtotal Adjustments to Base	\$141	0
FY 2018 Baseline Estimate	\$13,117	19
FY 2018 Program Changes (+/-):	-\$4,651	1
Redirection of Resources	\$0	0
Total, FY 2018 Request	\$8,465	20

FTE, while increasing, reflect a backlog in hiring that will be made up for in FY 2018 to match the position levels

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY

PROGRAM AND FINANCING
(In thousands of dollars)

Identification code	FY 2016	FY 2017	FY 2018
69-1730-0-1-407	Actual	Annualized CR	Request
Obligations by program activity:			
0001 Salaries and administrative expenses	4,704	4,773	5,847
0002 Alternative fuels research & development	484	498	0
0003 Research development & technology coordination	753	508	0
0004 Nationwide differential global positioning system	5,600	5,589	0
0005 Positioning navigation & timing	2,600	1,607	0
0006 Research & Technology Programs	0	0	2,618
0100 Direct program activities, subtotal	14,140	12,975	8,465
0802 Transportation Safety Institute	13,068	20,000	20,000
0803 Other Programs	27	1,000	1,000
0900 Total new obligations	27,236	33,975	29,465
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	7,055	7,786	5,811
1021 Resources available from recoveries of prior year obliga	682	0	0
1050 Unobligated balance (total)	7,737	7,786	5,811
Budget Authority: appropriations, discretionary			
1100 Appropriation	13,000	12,975	8,465
1130 Appropriations permanently reduced (disc)	0	0	0
1160 Appropriations, discretionary (Total)	13,000	12,975	8,465
Spending authority from offsetting collections,			
1700 Collected	11,676	21,000	21,000
1701 Change in uncollected payments, Federal sources	1,507	0	0
1723 New\Unob. Balances Temp Reduced	0	0	0
1750 Total Spending authority	13,183	21,000	21,000
1900 Budget Authority (Total)	26,183	34,000	29,490
1930 Total Budgetary Resources Available	35,022	41,786	34,501
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	7,786	5,811	5,036

Section 3 – FY 2018 Budget Request by Appropriation

Identification code	FY 2016	FY 2017	FY 2018
69-1730-0-1-407	Actual	Annualized CR	Request
Change in obligated balance:			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	19,563	17,663	5,460
3010 Obligations incurred, unexpired accounts	27,688	35,975	29,490
3011 Obligations incurred, expired accounts	4,016	0	0
3020 Obligated balance, Outlays (gross)	-32,029	-49,000	-29,439
3030 Obligations incurred, unexpired accounts	0	0	0
3031 Obligations incurred, expired accounts	0	0	0
3040 Recoveries of prior year unpaid obligations, unexpired	-682	0	0
3041 Recoveries of prior year unpaid obligations, expired	-893	0	0
3050 Unpaid obligations, end of year	17,663	4,638	5,511
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward Oct 1	1,062	2,654	2,654
3070 Change in uncollected pymts, Fed sources, unexpired	1,507	0	0
3071 Change in uncollected pymts, Fed sources, expired	86	0	0
3090 Uncollected pymts, Fed sources, end of year	2,654	2,654	2,654
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	18,501	15,009	2,292
3200 Obligated balance, end of year	15,009	2,292	3,187
Budget Authority and outlays, net:			
4000 Budget authority, gross	26,183	34,000	29,490
Outlays, gross:			
4010 Outlays from new discretionary authority	12,853	32,700	28,141
4011 Outlays from discretionary balances	19,175	16,000	1,300
4020 Outlays, gross (Total)	32,029	48,700	29,441
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-8,276	-21,000	-21,000
4033 Non-Federal sources	-6,556	0	0
4040 Total offsetting collection (cash)	-14,832	-21,000	-21,000
Additional offsets against gross budget authority only:			
4050 Chg in Uncollected pymts, Fed Sources (unexpired)	-1,507	0	0
4051 Chg in Uncollected pymts, Fed Sources (expired)	-86	0	0
4052 Offsetting collections credited to expired accounts	1,900	0	0
4053 Recoveries of prior paid obligations, unexpired account	1,102	0	0
4054 Recoveries of prior paid obligations, expired accounts		0	0
4060 Additional offsets against budget authority only (total)	1,410	0	0
4070 Budget authority, net (discretionary)	13,000	12,975	8,465
4080 Outlays, net (discretionary)	17,197	27,700	8,441
4180 Budget authority, net (total)	13,000	12,975	8,465
4190 Outlays, net (total)	17,197	27,700	8,441

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2016	FY 2017	FY 2018
69-1730-0-1-407	Actual	Annualized CR	Request
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	2,218	2,522	2,563
11.3 Other than full-time permanent	156	172	172
11.5 Other personnel compensation	<u>45</u>	<u>40</u>	<u>41</u>
11.9 Total personnel compensation	2,419	2,735	2,776
12.1 Civilian personnel benefits	827	906	917
13.1 Benefits For Former Personnel	0	0	0
21.0 Travel and transportation of persons	6	71	71
23.1 Rent	608	379	624
23.3 Communications, utilities and misc.	0	0	0
24.0 Printing	1	1	1
25.1 Other services - Other	468	0	0
25.2 Other services - Other	35	0	0
25.3 Other services - Federal	9,769	8,767	3,959
25.7 O&M of Information Tech. Systems	0	0	0
26.0 Supplies and materials	8	15	15
31.0 Equipment	0	101	102
99.0 Subtotal, direct obligations	14,140	12,975	8,465
99.0 Reimbursable obligations	<u>13,095</u>	<u>21,000</u>	<u>21,000</u>
99.9 Total obligations	27,235	33,975	29,465

PERSONNEL SUMMARY

Identification Code	FY 2016	FY 2017	FY 2018
69-1730-0-1-407	Actual	Annualized CR	Request
1001 Total compensable workyears:			
Full-time equivalent employment	18.00	19.00	20.00
2001 Reimbursable workyears:			
Full-time equivalent employment	30.00	31.00	35.00
3001 Allocation	72.00	73.00	80.00

FTE, while increasing, reflect a backlog in hiring that will be made up for in FY 2018 to match the position levels

OFFICE OF THE SECRETARY OF TRANSPORTATION

Bureau of Transportation Statistics (BTS) (Highway Trust Fund Account)

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
FUNDING LEVELS				
Personnel Compensation and Benefits	[12,115]	[11,729]	[11,837]	[108]
Travel	[130]	[130]	[130]	[0]
Other Costs	[8,674]	[9,060]	[8,622]	[-439]
Programs	[5,081]	[5,081]	[5,081]	[0]
TOTAL ¹	[26,000]	[26,000]	[25,669]	[-331]

STAFFING²

Allocation Positions	[117]	[53]	[55]	[2]
Reimbursable Positions	[19]	[15]	[20]	[5]
Allocation FTE	[55.00]	[53.00]	[55.00]	[2]
Reimbursable FTE	[11.00]	[15.00]	[20.00]	[5]

FTE, while increasing, reflect a backlog in hiring that will be made up for in FY 2018 to match the position levels

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

BTS operates under 49 USC Chapter 63 and Section 329. The funding requested will be used to sustain BTS as a leading source of timely, accurate, and reliable information on the U.S. transportation systems used for moving people and goods, and on their impacts on the economy, society and the environment. Specifically, the funding requested will be used to enhance data collection, fill critical data gaps, and conduct rigorous statistical analysis programs to produce statistical information to support policy, regulatory, investment decisions, and transportation planning. The BTS program is funded by an allocation from the Federal Highway Administration (FHWA) (FAST Act Section 6002, (a) (6)). BTS also maintains an Airline Transportation Statistics program that is reimbursed from the Federal Aviation Administration's (FAA) operations budget and a reimbursable Confidential Close Calls Data program.

What Is This Program and Why is it Necessary?

The Bureau of Transportation Statistics (BTS) was authorized by the 1991 Intermodal Surface Transportation Efficiency Act as a principal statistical agency to collect, analyze, and disseminate

information to inform policy issues that require a cross-modal, system-wide perspective. Consequently, BTS was reauthorized by the following four surface transportation authorization bills:

1. Transportation Equity Act for the 21st Century (1998).
2. Safe, Accountable, Flexible, Efficient Transportation Equity Act; A Legacy for Users (2005).
3. Moving Ahead for Progress in the 21st Century Act (2012).
4. Fixing America's Surface Transportation Act (2015).

The Bureau's core program as defined in the Moving Ahead for Progress in the 21st Century Act (MAP-21) and amended by the FAST Act (incorporated at 49 USC Chapter 63) includes the following elements:

1. Serve as the senior advisor to the Secretary on data and statistics.
2. Develop intermodal data on commodity and passenger flows.
3. Collect, compile, analyze, and publish a comprehensive set of transportation statistics on the performance and impacts of the national transportation system.
4. Build and disseminate the transportation layer of the National Spatial Data Infrastructure developed under Executive Order 12906 and a Successor Executive Order.
5. Review and report to the Secretary on the sources and reliability of statistics proposed by the heads of the Operating Administrations.
6. Produce the *Transportation Statistics Annual Report* to summarize the use, performance and consequences of the transportation system.
7. Coordinate statistical policies and programs of the Department and coordinate the Department's programs with the Office of Management and Budget and other Federal statistical agencies.
8. Encourage the standardization of data, data quality, and data collection methods to improve accuracy and utility.
9. Administer the National Transportation Library to disseminate statistical and information products to decision-makers and the public; serve as a repository of transportation statistics and databases for the transportation community and a repository of research by the Department; and develop knowledge networks among libraries and other depositories of transportation information.
10. Carry out the Port Performance Freight Statistics Program, which measures the capacity and throughput of the nation's largest ports.

Our Nation relies on objective, credible statistics to support the decisions of governments, businesses, households, and other organizations. This suite of BTS programs provides the nation with objective, credible transportation statistics, data and tools to assist entities such as State departments of transportation, Metropolitan Planning Organizations, Transportation Authorities, local governments, transportation carriers and shippers in strategically targeting operational and capital investments and allowing them to effectively implement policies in support of the national transportation system. Through the application of statistics and analytical tools, BTS has been able to provide transportation decision-makers trusted resources providing them with valuable insight into how the system is performing.

This funding allows BTS programs to provide the mechanism for continuous improvement of data refinement and the analytical capability that allows for improvements in transportation decision-making. Funding of the core program did not grow with expansions in scope.

FY 2017 Anticipated Accomplishments:

- Complete collection and validation of the nation's only freight survey: 2017 Commodity Flow Survey.
- In addition to the existing data, develop new statistics of the Port Performance Freight Statistics Program. Develop visual analytics and data analytics to support decision-making, as well as release data on new platforms, including mobile applications, web services, and Application Programming Interface (API).
- Implement FAST Act Sec. 7308. Tank Car Modification Reporting to the Congress.
- Model freight flows by commodity, origin, destination and mode.
- Model annual passenger travel statistics to inform local government's planning decisions.
- Support intra-agency requests, such as review of statistical methods in rulemaking processes, to ensure that rulemakings are based on sound data.
- Develop new statistics and data on transportation economics and transportation contribution to economy.
- Experiment with new approaches to data collection and visualizations to make statistics more efficient to obtain and effective to use.
- Launch Fellows Programs to bring transformative changes.

This program provides essential information to planners and decision-makers to understand transportation issues, forecast future conditions, decide among public actions to improve the performance of the transportation system, and reduce problems related to safety, energy, and the environment. Congress determined in 1991 that an independent source of information within the Department (not tied to existing programs) was necessary to assure objectivity and accuracy of the statistics, and Congress has reaffirmed that determination in all subsequent surface transportation authorizations.

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

Key benefits include, but are not limited to:

- BTS' Commodity Flow Survey data and Transborder data provides foundational data to the Freight Analysis Framework that estimates system-wide freight flow by detailed commodity classification, origin, destination, and mode. Without these estimates, the development of the National Freight Policy and the National Freight Strategic Plan (pursuant to MAP-21 §1115) will not be possible. BTS' transportation network data contributes significantly to the development of the National Freight Network (§ 1115) that is critical to the future efficient movement of goods.
- The FAST Act requires each state to develop a state freight plan, which must comprehensively address the state's freight planning activities and investments, to receive funding under the National Highway Freight Program (23 USC 167). BTS' comprehensive freight flow estimates support the development of these state freight plans.

- Transportation's key role in the economy is highlighted by BTS statistics such as the Transportation Services Index and Transportation Satellite Accounts. Through these time series policy makers, investors and planners; they are able to understand the true meaning of economic trends and the reliance of major economic sectors on transportation.
- Using data from BTS' Office of Airline Information, the Department and the aviation industry assess the impacts of requested airline mergers by conducting competitive analysis studies.
- The Confidential Close Calls program improves workplace safety through the implementation of safety management systems and protocols, measured through the reduction of serious close call events and by the number of insights on potential safety problems that can be generalized from the program's participants to the broader transportation community; as well as through continued program sponsorship. BTS leads the implementation of the Department's public access plan, making scientific research available to and useful for the public, industry, and the scientific community; and catalyzing innovation.

OFFICE OF THE SECRETARY OF TRANSPORTATION**Bureau of Transportation Statistics (BTS)****(Highway Trust Fund Account)****Explanation of Funding Changes**

(\$000)

FUNDING LEVELS

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$26,000	55
FY 2017 Annualized CR	\$26,168	53
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$28	
Annualization of New Positions Requested in FY 2017	\$0	0
Two Less Compensable Days	\$0	
January 2018 Pay Raise	\$80	
GSA Rent	\$18	
Working Capital Fund and FECA Changes	\$41	
Inflation	\$35	
Subtotal Adjustments to Base	\$202	0
FY 2018 Baseline Estimate	\$26,370	53
FY 2018 Program Changes (+/-):	\$51	0
Increase to reflect FAST ACT Authorization		
Adjustment to base absorbed within program request	-\$751	2
Total, FY 2018 Request	\$25,669	55

FTE, while increasing, reflect a backlog in hiring that will be made up for in FY 2018 to match the position levels

OFFICE OF THE SECRETARY OF TRANSPORTATION**University Transportation Centers (UTC)****(Allocation Account Highway Trust Fund)**

	(\$000)			
FUNDING LEVELS	FY 2016 Actual	FY 2017 Annualize d CR	FY 2018 Request	Difference from FY 2017 Annualized CR
Personnel Compensation and Benefits	[913]	[920]	[928]	[8]
Travel	[115]	[-15]	[-15]	[0]
Other Costs	[71,472]	[74,095]	[74,087]	[-8]
Programs	[0]	[0]	[0]	[0]
TOTAL¹	[72,500]	[75,000]	[75,000]	[0]
STAFFING				
Allocation Positions	[5]	[5]	[5]	[0]
Reimbursable Positions	[0]	[0]	[0]	[0]
Allocation FTE	[5.00]	[5.00]	[5.00]	[0]
Reimbursable FTE	[0.00]	[0.00]	[0.00]	[0]

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

What Is This Program and Why Is It Necessary?

The University Transportation Centers (UTC) program's mission is to advance transportation expertise and technology in the many disciplines that comprise transportation through education, research, and technology transfer at university-based consortia. The UTC program provides a critical transportation knowledge base outside of the Department and addresses critical workforce needs for the next generation of transportation professionals across all modes. UTCs are selected based on a rigorous competition which includes research, education and technology transfer activities to address research priorities named in the FAST Act and topic areas established by the Secretary that address these priorities.

This program provides unique benefits to the Department, State departments of transportation, transit agencies, and other transportation providers. It delivers a ready source of independent transportation researchers at leading universities and provides a steady stream of highly-educated professionals in key transportation disciplines such as civil, environmental, mechanical, electrical engineering, urban planning, construction management, computer science, business, psychology, logistics, and others. Through the competitively-selected UTCs, OST-R supports and strengthens our nation's transportation intellectual and academic capital that is of vital importance to innovation and to the future of the Nation's transportation systems.

logistics, and others. Through the competitively-selected UTCs, OST-R supports and strengthens our nation's transportation intellectual and academic capital that is of vital importance to innovation and to the future of the Nation's transportation systems.

Current research within the UTC program ranges from applied to advanced, and is becoming increasingly multimodal. In order to develop the multimodal transportation system for future generations, advanced research must be carried out in the present. Universities are one of the greatest research assets this country holds, and this type of multimodal advanced research belongs at universities—particularly universities well-experienced in and capable of performing advanced transportation research.

Key Actions and Anticipated Milestones:

- Manage and administer grants to competitively-selected University Transportation Centers under the FAST Act.
- Facilitate collaboration and interaction among universities, the Department, State departments of transportation, transit agencies, and other interested partners

Key Outputs Expected:

- Publication of technical reports on research topical areas.
- Publication of technical presentations at national and regional technical conferences.
- Conduct of technical seminars and workshops.
- Development of new/improved guidelines on planning, operations, design or maintenance issues.
- Training of highly-qualified university graduates specializing in the transportation sector.
- Development of new technologies for application to transportation systems.

Key Outcomes Expected:

- Reduced transportation congestion.
- More efficient transportation systems.
- Safer transportation systems.
- More productive transportation systems.
- A better-trained transportation workforce.

The UTC program is defined in the FAST Act statute to conduct a broad range of activities required of the UTCs at the number of Centers, and the funding request is at a minimal level. To effectively carry out their mandates, each center must have a critical mass of funding. This prevents the splintering of funds into different activities at each center which would render them ineffective due to insufficient funding.

Although every UTC has the same broad objectives, the Department continues to encourage diversity in the program participants and in the approaches individual centers take to achieve the program objectives. The Department encourages unique approaches to research, education, workforce development, and technology transfer, building on or reflecting institutional expertise, facilities, and partnerships. In order to achieve the Department's vision of a truly multimodal

integrated system, the Department encourages UTCs to cut across disciplines and span all modes of transportation, enabling improvements to the Nation's entire surface transportation system, inclusive of rail, maritime, highway, pipelines, and transit. The UTC consortia advance transportation education and workforce development through degree-granting programs, seminars and training for practicing professionals, and outreach activities to attract new entrants to careers in transportation.

Performance metrics ensure that transportation research and workforce needs are met, programmatic targets are realized, and funds are effectively invested. Grant reporting requirements include explicit details of research results.

UTCs are required to use the Transportation Research Board's Research in Progress (RIP) and Transportation Research International Documentation (TRID) databases and the DOT Research Hub to avoid duplication of efforts and to ensure wide awareness of efforts and dissemination of research results.

OST-R receives UTC program funding through an allocation from the FHWA. The costs of coordinating, overseeing and managing the UTC program are funded from an administrative set-aside of 1.5% designated by the FAST Act.

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

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

This program prepares the next generation of transportation leaders and experts to not only deal with today's problems but also with the challenges of advancing future technologies and replacing an aging workforce unfamiliar with newer technologies applicable to the transportation industry.

OFFICE OF THE SECRETARY OF TRANSPORTATION**University Transportation Centers (UTC)**
(Allocation Account Highway Trust Fund)**Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$72,500	5
FY 2017 Annualized CR	\$75,000	5
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$2	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days	\$0	
January 2018 Pay Raise	\$6	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$3	
Inflation	\$738	
Subtotal Adjustments to Base	\$749	0
FY 2018 Baseline Estimate	\$75,749	5
FY 2018 Program Changes (+/-):	\$0	0
Adjustment to base absorbed within program request	-\$749	
Total, FY 2018 Request	\$75,000	5

OFFICE OF THE SECRETARY OF TRANSPORTATION**Volpe Transportation Center**

(\$000)

	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017 Annualized CR
FUNDING LEVELS				
Personnel Compensation and Benefits	[80,321]	[87,600]	[88,051]	[451]
Travel	[3,756]	[-34]	[-34]	[0]
Other Costs	[240,923]	[242,434]	[246,982]	[4,549]
Programs	[0]	[0]	[0]	[0]
TOTAL	[325,000]	[330,000]	[335,000]	[5,000]

STAFFING

Reimbursable Positions	[550]	[633]	[633]	[0]
Reimbursable FTE	[559]	[570]	[570]	[0]

FTE, while increasing, reflect a backlog in hiring that will be made up for in FY 2018 to match the position levels.

What Is This Program and Why is it Necessary?

Volpe, the National Transportation Systems Center, provides a unique capability in the synergy of transportation expertise with its institutional knowledge of: the global transportation system and its stakeholder perspective; the Federal perspective with its awareness of federal responsibilities, objectives, and activities in the public interest; and experience with the full spectrum of technologies and disciplines relevant to transportation system improvements. Over 500 Federal employees, all dedicated transportation professionals and half of which hold advanced degrees, are the Center's most valuable asset. These employees represent an expansive variety of disciplines ranging from engineering to the physical and social sciences. Volpe provides leadership to advise, facilitate and manage a wide range of high profile, complex, and often rapid-response Departmental, agency, and priority initiatives of the Secretary. Through extensive outreach and coordination, the Volpe Center supports the Department's efforts to expand its understanding of current and emerging issues through strategic planning initiatives and timely communication.

Volpe's activities support the missions and strategic goals of Department agencies and many other Federal agencies on a full cost-reimbursable basis. The Department and other agencies provide funding to the Volpe Center to take advantage of its extensive expertise and experience, its proven ability to deliver high-quality products and services, and its customer focus--all which continue to be validated by periodic customer satisfaction assessments. All Volpe Center sponsors are voluntary customers – no one is mandated to fund activities at Volpe and the fact that sponsors

continuously return to Volpe for support of new initiatives is a testament to the value the Volpe Center adds to the Department and to the Nation.

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

Volpe programs are funded through its Working Capital Fund (WCF) on a full cost- reimbursable basis. The Volpe Center WCF receives no direct appropriations and its costs are paid by its customers via interagency and/or reimbursable agreements. Volpe’s purpose is to advance transportation innovation for the public good. Its core values are founded on providing quality public service, innovative solutions, professional excellence, and collaboration and partnering. To facilitate its purpose and mission, the Volpe Center is organized into technical centers. Collectively, these technical centers provide progressive, multidisciplinary expertise in support of key national transportation issues and work to solve complex transportation problems.

The Volpe Center WCF is authorized under 49 USC 328 to provide research, development, testing, evaluation, analysis, and related activities for the Department, other Federal agencies, State and local governments, other public authorities, private organizations, and foreign countries.

Volpe partners with public and private organizations to assess the needs of the transportation community, evaluate research and development endeavors, assist in the deployment of state-of-the-art transportation technologies, and inform decision- and policy-making through the Center’s comprehensive analyses.

Volpe serves its sponsor agencies with advanced technologies, research, expertise, and programs to ensure a fast, safe, efficient, accessible and convenient transportation system that meets vital national and international interests and enhances the quality of life for the traveling public.

Volpe’s programs are driven by the needs of the Operating Administrations across the Department. Volpe supports its sponsors in important efforts such as NextGen with the Federal Aviation Administration (FAA), assessing costs and benefits of new pilot training rules with the FAA, providing project management and systems engineering expertise for air traffic facilities replacement for the FAA, providing High Speed Rail project oversight for the Federal Railroad Administration (FRA), supporting the Strategic Highway Research Program (SHRP 2) with the Federal Highway Administration (FHWA), building scientific foundations for risk assessment and failure analysis of electronic control systems for the National Highway Traffic Safety Administration (NHTSA), supporting track and equipment safety research for FRA, developing policy options for the Connected Vehicle program with NHTSA and the Intelligent Transportation Systems Joint Program Office (ITS JPO), improving navigation systems for the Saint Lawrence Seaway Development Corporation (SLSDC), and directing the Department’s Small Business Innovation Research (SBIR) program within the Office of the Secretary (OST).

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

Volpe is home to renowned multidisciplinary experts in all modes of transportation. Volpe serves its sponsor agencies with advanced technologies, research, and programs to ensure a safe, efficient,

accessible, and convenient transportation system that meets vital national and international interests and enhances the quality of life for the traveling public, today and into the future.

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

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

OFFICE OF THE SECRETARY OF TRANSPORTATION**Volpe Transportation Center****Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$325,000	559
FY 2017 Annualized CR	\$330,000	570
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days	\$0	
January 2018 Pay Raise	\$573	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$10	
Inflation	\$2,414	
Subtotal Adjustments to Base	\$2,997	0
FY 2018 Baseline Estimate	\$332,997	570
FY 2018 Program Changes (+/-):	\$2,003	0
Other Contract Costs		
Total, FY 2018 Request	\$335,000	570

FTE, while increasing, reflect a backlog in hiring that will be made up for in FY 2018 to match the position levels.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY

VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER

PROGRAM AND FINANCING

(in thousands of dollars)

Identification code	FY 2016	FY 2017	FY 2018
69-4522-0-4-407	Actual	Annualized CR	Request
Obligations by program activity:			
0801 Working Capital Fund (Reimbursable)	325,585	330,000	335,000
Budgetary Resources:			
1000 Unobligated balance brought forward, October 1	249,256	233,115	233,115
1021 Recoveries of PY unpaid obligations	2,022		
1050 Total Unobligated balance	251,279	233,115	233,115
Spending authority from offsetting collections, discretionary:			
1700 Collected	342,000	330,000	335,000
1701 Change in uncollected payments, fed sources	(34,579)		
1750 Spending authority from offsetting collections	307,421	330,000	335,000
1910 Total budgetary resources available	558,699	563,115	568,115
2170 New obligations, unexpired accounts	325,585	330,000	335,000
2412 Unexpired unobligated balance, end of year	233,115	233,115	233,115
Change in Obligated Balance:			
3000 Unpaid obligations brought forward	160,766	157,780	157,780
3010 Obligations incurred, unexpired accounts	325,585	330,000	335,000
3020 Outlays (gross)	(326,549)	(330,000)	(335,000)
3030 Unpaid obligations transferred to other accounts (-)	-	-	-
3040 Recoveries of prior year unpaid obligations, unexpired ac	(2,022)	-	-
3050 Unpaid obligations end of year (gross)	157,780	157,780	157,780
Uncollected payments:			
3060 Uncollected payments, fed sources, brought forward	(77,561)	(42,881)	(42,881)
3070 Change in uncollected payments, fed sources, unexpired	34,679		-
3090 Unpaid obligations end of year (gross)	(42,881)	(42,881)	(42,881)
Memorandum (non-add) entries:			
3100 Obligation balance, start of year	83,206	114,899	114,899
3200 Obligation balance, end of year	114,899	114,899	114,899

Section 3 – FY 2018 Budget Request by Appropriation

Identification code	FY 2016	FY 2017	FY 2018
69-4522-0-4-407	Actual	Annualized CR	Request
Budget Authority and Outlays Net:			
4000 Budget Authority (gross)	307,421	330,000	335,000
Outlays, gross:			
4010 Outlays from discretionary authority	214,544	132,000	134,000
4011 Outlays from discretionary balances	112,005	198,000	201,000
4020 Outlays, gross (total)	326,549	330,000	335,000
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Offsetting collections from federal sources	(333,051)	(330,000)	(335,000)
4032 Interest on uninvested funds (disc)	-		
4033 Non-Federal sources (-)	(8,734)		
4034 Offsetting governmental collections (-)	-	-	
4040 Offsets against gross budget authority and outlays	(341,785)	(330,000)	(335,000)
Additional offsets against gross budget authority only:			
4050 Change in uncollected payments, fed sources, unexpired	34,679	-	-
4060 Additional offsets against budget authority only (total)	34,679	-	-
4070 Budget authority, net (discretionary)	315	-	-
4080 Outlays, net (discretionary)	(15,236)	-	-
4180 Budget authority, net (total)	315	-	-
4190 Outlays, net (total)	(15,236)	-	-

OFFICE OF THE SECRETARY OF TRANSPORTATION
TRANSPORTATION AVIATION ASSISTANCE TO REMOTE AREAS (TAARA)
Essential Air Services/ Payments to Air Carriers

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

(\$000)

	FY 2016	FY 2017	FY 2018	Difference
	Actual	Annualized CR	Request	from FY 2017
				Annualized CR
<u>Essential Air Services (Overflight Fees) - Mandatory Budget Authority</u>				
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	2,107	2,123	2,157	34
Travel	1	7	7	0
Other Costs	307	640	688	48
Essential Air Service Subsidy	103,238	110,520	116,277	5,757
TOTAL	105,653	113,290	119,129	5,839

STAFFING

Direct Positions	14	14	7	-7
Reimbursable Positions	0	0	0	0
Direct FTE	12.00	14.00	7.00	-7
Reimbursable FTE	0.00	0.00	0.00	0.0

PAYMENTS TO AIR CARRIERS (Trust Fund) - Discretionary Budget Authority

FUNDING LEVELS

Personnel Compensation and Benefits	0	0	0	0
Travel	0	0	0	0
Other Costs	0	0	0	0
Essential Air Service	175,000	174,667	0	-174,667
TOTAL	175,000	174,667	-	-174,667

STAFFING

Direct Positions	0	0	0	0
Direct FTEs	0	0	0	0
Reimbursable Positions	0.0	0.0	0.0	0
Reimbursable FTEs	0.0	0.0	0.0	0

The Transportation Aviation Assistance to Remote Areas program is requesting \$119 million and an estimated 7 FTEs to accomplish the mission on the pages to follow.

Detailed Justification for the Transportation Aviation Assistance to Remote Areas (TAARA) Program

What Is This Program and Why Is It Necessary?

The Essential Air Program (EAS) has drifted away from its original purpose – to temporarily subsidize commercial air service to remote airports harmed by the 1978 Airline Deregulation Act. The program funding has substantially increased without providing commensurate benefits; some subsidies are provided to airports with only three passengers landing per day.

The reformed program – called Transportation Aviation Assistance to Remote Areas (TAARA) – takes the program back to its roots. TAARA will focus on those communities with the greatest needs, including all airports in the States of Alaska and Hawaii.

What Does This Funding Level Support?

TAARA will be funded solely from estimated overflight fees of \$119,129 transferred from the Federal Aviation Administration while eliminating discretionary appropriations from the Airport and Airway Trust Fund.

The requested FY 2018 program level will be used to support remote airports with average enplanements of 25 or more per day without requiring appropriated funds.

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

The most remote airports with highest usage will receive subsidized scheduled air service.

OFFICE OF THE SECRETARY OF TRANSPORTATION

TRANSPORTATION AVIATION ASSISTANCE TO REMOTE AREAS PROGRAM

Essential Air Service

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$105,653	12
FY 2017 Annualized CR	\$113,290	14
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$5	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days (No Change)	\$0	
January 2018 Pay Raise	\$29	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$43	
Inflation	\$1,109	
Subtotal Adjustments to Base	\$1,187	0
FY 2018 Baseline Estimate	\$114,477	14
FY 2018 Program Changes (+/-):	\$4,653	-7
Adjusts the funding level to the estimated Overflight Fee collections		
Total, FY 2018 Request	\$119,129	7

OFFICE OF THE SECRETARY OF TRANSPORTATION

PAYMENTS TO AIR CARRIERS

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2016 Actual	\$175,000	0
FY 2017 Annualized CR	\$174,667	0
Adjustments to Base		
Annualization of January 2017 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2017	\$0	0
Compensable Days (No Change)	\$0	
January 2018 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
Inflation	\$1,747	
Subtotal Adjustments to Base	\$1,747	0
FY 2018 Baseline Estimate	\$176,414	0
FY 2018 Program Changes (+/-):	-\$176,414	0
The 2018 Budget proposes to reform EAS; no discretionary funding is requested for this program in 2018.		
Total, FY 2018 Request	\$0	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-5423-0-2-402			
Obligations by program activity:			
0001 Essential Air Service and Rural Airport	100,196	115,499	181,490
0900 Total new obligations	100,196	115,499	181,490
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	58,006	65,224	63,015
1010 Unobligated balance transferred to other accounts [69-5422]	-682	0	0
1021 Recoveries of prior year unpaid obligations	2,442	0	0
1050 Unobligated balance (total)	59,767	65,224	63,015
Budget Authority:			
Appropriations, mandatory:			
1221 Transferred from other accounts [69-5422]	113,362	121,686	119,129
1232 Appropriations temporarily reduced	-7,709	-8,396	0
1260 Appropriations, mandatory (total)	105,653	113,290	119,129
Mandatory spending authority from offsetting collections:			
1800 Offsetting collections	0	0	0
1823 New/Unobligated balance - appropriation temporarily reduced	0	0	0
1900 Budget authority (total)	105,653	113,290	119,129
1930 Total budgetary resources available	165,420	178,514	182,145
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	65,224	63,015	655
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	29,598	38,721	43,985
3010 Obligations incurred, unexpired accounts	100,196	115,499	181,490
3020 Outlays (gross)	-88,631	-110,236	-116,793
3040 Recoveries of prior year unpaid obligations, unexpired	-2,442	0	0
3050 Unpaid obligations, end of year (gross)	38,721	43,985	108,682
3100 Obligated balance, start of year (net)	29,598	38,721	43,985
3200 Obligated balance, end of year (net)	38,721	43,985	108,682
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	105,653	113,290	119,129
Outlays, gross:			
4100 Outlays from new mandatory authority	25,314	67,974	71,478
4101 Outlays from mandatory balances	63,317	42,262	45,316
4110 Outlays, net (total)	88,631	110,236	116,793
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	0	0	0
4090 Budget authority, gross (mandatory)	105,653	113,290	119,129
4170 Outlays, gross (total)	88,631	110,236	116,793
4180 Budget authority, net (total)	105,653	113,290	119,129
4190 Outlays, net (total)	88,631	110,236	116,793

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2016	FY 2017	FY 2018
69-5423-0-2-402	ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	1,294	1,612	1,638
11.5 Other personnel compensation	20	21	22
11.9 Total personnel compensation	1,313	1,633	1,659
12.1 Civilian personnel benefits	409	490	497
21.0 Travel and transportation of persons	7	7	7
23.0 Communication and utilities	0	0	0
25.0 Other services	872	487	533
26.0 Supplies and materials	15	3	3
31.0 Equipment	120	150	152
41.0 Grants, subsidies, and contributions	97,460	112,729	178,638
0.0 Transfers	0	0	0
99.0 Subtotal, direct obligations	100,196	115,499	181,490
99.0 Reimbursable obligations	0	0	0
99.9 Total new obligations	100,196	115,499	181,490

PERSONNEL SUMMARY

Identification Code	FY 2016	FY 2017	FY 2018
69-5423-0-2-402	ACTUAL	ANNUALIZED CR	REQUEST
1001 Total compensable workyears:	12	14	7
Full-time equivalent employment			

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

PAYMENT TO AIR CARRIERS
(AIRPORT AND AIRWAY TRUST FUND)

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2016 ACTUAL	FY 2017 ANNUALIZED CR	FY 2018 REQUEST
69-8304-0-7-402				
Obligations by program activity:				
0001	Payments to Air Carriers	191,867	178,659	0
0900	Total new obligations (Object class 41.0)	191,867	178,659	0
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	16,904	3,992	0
1021	Recoveries of prior year unpaid obligations	3,955	0	0
1050	Unobligated balance (total)	20,859	3,992	0
Budget Authority:				
Appropriations, discretionary:				
1101	Appropriation (trust fund)	175,000	174,667	0
1132	Appropriation permanently reduced (trust fund)	0	0	0
1160	Appropriations, discretionary (total)	175,000	174,667	0
Discretionary spending authority from offsetting collections:				
1700	Offsetting collections (cash) (unexpired only)	0	0	0
1900	Budget Authority Total (disc. And mand.)	175,000	174,667	0
1930	Total budgetary resources available	195,859	178,659	0
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	3,992	0	0
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	38,255	57,489	70,346
3010	Obligations incurred, unexpired accounts	191,867	178,659	0
3020	Outlays (gross)	-168,678	-165,801	-70,346
3040	Recoveries of prior year unpaid obligations, unexpired	-3,955	0	0
3050	Obligated balance end of year	57,489	70,346	0
3100	Obligated balance, start of year (net)	38,255	57,489	70,346
3200	Obligated balance, end of year (net)	57,489	70,346	0
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	175,000	174,667	0
Outlays, gross:				
4010	Outlays from new discretionary authority	113,519	104,800	0
4011	Outlays from discretionary balances	55,159	61,000	70,346
4020	Outlays, gross (total)	168,678	165,801	70,346
Offsetting collections (cash) from:				
4030	Federal Sources	0	0	0
4180	Budget authority, net (total)	175,000	174,667	0
4190	Outlays, net (total)	168,678	165,801	70,346

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

PAYMENT TO AIR CARRIERS
(AIRPORT AND AIRWAY TRUST FUND)

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code		FY 2016	FY 2017	FY 2018
69-8304-0-7-402		ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:				
41.0	Grants, subsidies and contributions	<u>191,867</u>	<u>178,659</u>	<u>0</u>
99.9	Total new obligations	191,867	178,659	0

Detailed Justification for the Working Capital Fund

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

FY 2018 WORKING CAPITAL FUND

BUDGET ESTIMATE

(\$000)

<u>Program</u>	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request	Difference from FY 2017
WCF DOT Activities	190,039	189,678	202,245	12,567
WCF Non-DOT Activities	362,788	363,295	321,022	(42,273)
Total	552,827	552,973	523,267	(29,706)

Staffing

Reimbursable Positions	385	261	293	32
Reimbursable FTE	217	234	271	37

The Offices of the Assistant Secretary for Administration and Chief Information Officer administer funds for the Working Capital Fund and receive appropriations for Salaries and Expenses. The Office of the Assistant Secretary for Administration also administers reimbursable funds. The Chief Information Officer also receives appropriations for Cyber Security Initiatives.

The Working Capital Fund (WCF) is a fee-for-service operation that normally receives no direct appropriation; its costs are paid by its customers. In FY 2018, the WCF estimates \$523.267 million in obligations, 293 positions, and 271 FTEs in this request.

What Is This Program and Why is it Necessary?

Overview:

The WCF supports the Department by strategically providing high quality, timely administrative services to the DOT customers which enable the Operating Administrations to focus on core transportation infrastructure goals.

The WCF is authorized under 49 U.S.C. 327 to provide the common administrative services the Secretary of Transportation decides are desirable for the efficiency and economy of the Department.

The WCF, through the Office of the Assistant Secretary for Administration (OASA) and the Office of the Chief Information Officer (OCIO), provides a wide range of technical and administrative services including human capital and human resources services, facilities management, parking management, transit benefit programs, printing and graphics, mail operation, library and dockets management operations, building security, IT operations, security and infrastructure, telecommunications, and procurement and acquisitions services. The Fund's services are delivered to customers through an organizational structure of individual business lines providing related services or products.

The WCF is a fully self-sustaining organization and must achieve full cost recovery which includes an equitable distribution of overhead and indirect costs. During the budget formulation stage, the WCF provides cost estimates to the WCF customers based on historical data and projected demand and service levels. During the year of execution, customers are billed for actual use of common services.

The WCF continues to balance mission priorities with customer needs and available resources while building upon a sound administrative infrastructure that consolidates services for common Department-wide functions throughout the Operating Administrations. WCF services are financed through customer reimbursements based on actual customer usage. Customers are provided with estimates based on historical usage and detailed discussions occur to determine new and changing requirements.

The WCF facilitates efficiencies by:

- placing policy offices and service providers together in the same organization;
- making the best use of employee expertise, increasing communication, and reducing costs to the taxpayers;
- identifying and eliminating redundancies and reducing organizational layers;
- finding opportunities to integrate infrastructure improvements and assets from cyber and other appropriations into the WCF through the IT Workforce Initiative,
- providing best value to the government through compliance with OMB and Congressional directives to consolidate and deliver services more efficiently; and
- consolidating Operating Administrations' infrastructures into a single Departmental infrastructure to improve service delivery, increase security, and reduce costs.

The WCF currently maintains an operating reserve capped at 4 percent of the previous year's revenue to protect the fund from exceeding the amounts authorized and to add an acceptable margin for both flexibility and responsiveness.

The two secretarial offices providing WCF services are the following.

The **Office of the Assistant Secretary for Administration** (OASA) prioritizes and deploys resources to provide the financial management for the WCF and Departmental services in human resources and systems, security, acquisition and federal acquisitions reporting systems, information services, transportation and facilities, and space management. In addition, the OASA manages the transit benefit program for over 100 agencies nationwide.

The **Office of the Chief Information Officer** (OCIO) delivers information technology services to customers through the operation of an IT infrastructure that includes e-mail services, file and print service, enterprise hosting services, consolidated IT Services as well as configuration and change management support. Operating Administrations contract with the OCIO for services and reimburse the WCF for the cost of those services.

Through the consolidation of services, the WCF is positioned to achieve economies of scale, eliminate redundancies, promote consistency in service, and reduce administrative costs across the Department.

The WCF reduces costs by consolidating administrative management structures. Without this structure, each operating administration would have to negotiate with a service provider, losing economies of scale, leading to inefficiencies and inconsistency in services. Additionally, some programs like Unemployment Compensation are required by other statutes to provide a single Departmental point of payment to the servicing agency.

What benefits will be provided to the American Public through this Request:

The Office of the Assistant Secretary for Administration is committed to developing and supporting the mission of the Department through fair, equitable and collaborative approaches, which allows the WCF to continue to provide superior administrative services in the Human Resources, Facilities and Print Management, and Physical Security arenas.

The WCF continues to enhance utilization of performance based metrics and expand management control plans. Documentation and testing is performed for the internal controls over financial reporting as required by the Sarbanes-Oxley Act and the Federal Managers Financial Integrity Act.

Efforts will continue for the Departmental Procurement Platform (DP2) integration and modernization. This collaborative effort, led by the Office of the Senior Procurement Executive (OSPE) in coordination with the Department's Chief Financial Officer (CFO) and Chief Information Officer (CIO), including full participation and support from each Operating Administration (OA), will provide an integrated procurement management infrastructure (procedures, systems, and reporting capabilities) to improve mission support of the wide range of DOT acquisitions.

DOT is consolidating its eight disparate PRISM procurement systems onto a common platform and integrating with the Department's financial system, Delphi, to improve mission support of the wide range and complexity of DOT acquisitions; implement real time financial integration with fund checking, commitment accounting, and recording of obligations; provide relevant and reliable information enabling responsiveness to OMB's transparency and efficiency initiatives; application support, and system hosting in accordance with OMB's Federal Information Technology Management Plan and Shared Services Strategy. The target DP2 environment is operational and is currently managed by the Enterprise Services Center in Oklahoma City (ESC/OKC).

Anticipated accomplishments during FY 2017:

- DP2 program office support for completion of FY 2017 implementations
- Managing the prioritization and end-to-end functional testing of all system changes and enhancements
- Departmental representation to the ESC PRISM Working Group (EPWG)
- Departmental representation to the Federal PRISM Working Group
- Departmental lead for business process standardization for clause templates
- Documentation of DP2 global report requirements
- Development of requirements for DP2 enhancement requests

The Office of the Chief Information Officer will continue its transition from contractor resources to Federal staff to rebalance the workforce. Currently Federal employees are only approximately 15% of the OCIO workforce. In 2014 OCIO analyzed the make-up of our office workforce and

determined that some of the roles currently performed by contractors are more appropriate and cost effective for a federal workforce. For example, in many cases the federal team does not have any federal back-up, which is a significant operational risk for continuity of services. The OCIO's overreliance on contractors also put the Department at risk during contract re-competes. These positions include cybersecurity specialists, solution architects and network managers. In most cases, these roles can be filled by federal employees at a lesser cost. The OCIO has used Federal employees and contractors in a variety of roles to achieve its mission to effectively and efficiently provide Information Technology to DOT employees nationwide. OCIO began the transition in FY 2014 with the submission and subsequent approval of the IT Workforce Restructuring reprogramming and will continue to work on the transition in FY 2018.

Some equipment and services originally purchased with the OCIO's Cyber Security Appropriation will continue to be transferred into the WCF and used to support WCF programs and enterprise cybersecurity needs. In the case where a service and/or tool replaced an existing solution, the ongoing costs would be transferred into the WCF. Transfers are expected to be an offset whenever possible and to replace legacy tools. Specific areas being considered for transfer into the WCF are:

- Fixing OCIO/ITSS Cyber security weaknesses and/or gaps – Examples include costs associated with MTIPS secure Internet services, secure cloud communications and infrastructure, and multifactor authentication for remote access. These purchases are an expansion to what is in the WCF, as they are an enhancement to current equipment. Asset purchases in the WCF are based on existing equipment, so enhancements are not supported. The next generation of these purchases is expected to transfer to the WCF.
- Replacing services for which the WCF Reserve funds do not cover the costs (scope) or are insufficient (magnitude) – Examples include Virtual Desktop Infrastructure (VDI), secure network circuits and communications, and communications consolidation in the field. These purchases are expected to transfer to the WCF once the system is operationalized and existing duplicate systems are decommissioned. The systems would run in parallel until legacy systems are decommissioned.

As part of the enterprise consolidation efforts, additional assets purchased by OST and other Operating Administrations may be transferred into the WCF to provide for more efficient and effective IT management.

What does this funding level support?

The FY 2018 budget request aligns mission priorities with customer needs and available resources while building upon a sound administrative infrastructure that consolidates services for common Department-wide functions throughout the Operating Administrations.

Overall, the FY 2018 WCF request represents a \$29.706 million net decrease over FY 2017 Annualized CR levels. Specific changes from the FY 2017 Annualized CR levels are discussed below.

NON-DOT obligation estimates decreased \$42.273 million. A decrease of \$42.386 in Transit Benefits and Parking is the result of changes in the enrolled customer base and projected utilization of Fare Media. Substance Abuse Awareness and Testing is increasing by \$0.835 million as a result of increased usage by our Non-DOT customer base. The Dockets Services estimate was decreased by \$0.183 million to reflect the loss of the USCG as a customer. A \$0.500 million decrease is projected for the Non-DOT use of the DOT event center and atrium

spaces. Other smaller increases and decreases totaling \$0.039 million are the result of revised Non-DOT customer usage estimates in the Fitness Center and Human Resource Services.

DOT obligations increased by \$12.567 million overall, with significant increases and decreases in several areas.

Procurement Operations is requesting a net increase of \$1.252 million for transition support for DP2 and the operations and maintenance requirements of the legacy system pending full document conversion.

An increase of \$1.015 million is requested for DOT Cross Functional Activities for the consolidation of three Department wide IAA's into the WCF. Funding was previously provided to GSA for the Cross Agency Priority Goals, the Federal Audit Clearing House, and the Government-Wide Councils separately by each operating administration. Moving these into the WCF will reduce the number of annual IAA's from 33 to 3.

An increase of \$0.332 is requested in financial Management, Accounting & Administration for anticipated increases in Accounting Services provided by the Federal Aviation Administration.

An increase of \$0.927 million is requested in HR Systems: TMS to support the migration of the DOT to a Departmental Learning Management System. The two vendors used by DOT no longer support our current environments for training. The WCF has established a work group and is gathering technical and functional requirements from the Operating Administrations to finalize pricing for the Departmental Learning Management System.

Human Resource Services is increasing by \$0.556 million as a result of an increase in Personnel Operations (\$0.213 million) for contractor support to assist the program by planning and conducting surveys and identifying issues that hinder the effectiveness of the program. The contractor will conduct competency assessments, review OPM initiatives on end to end hiring, develop and implement succession planning policies, and will develop and conduct workflow analysis and mapping for our customer base. An increase from Health and Human Services to support the Health Services business line (\$.019 million), and an increase of (\$.323 million) due to changes in benefit rates caused by a large turnover within the 32 Federal staff in this area which has resulted in a shift of employees from the CSRS to FERS retirement systems.

Transit Benefits & Parking is requesting an increase of \$1.198 million which reflects the current utilization of benefits throughout the Department.

The Campus Area Network estimate is increasing by \$1.323 million to improve DOT's ability to prevent network intrusion attempts and unauthorized access to mission critical equipment; to comply with IPv6 standards; and to enhance the existing security infrastructure to meet COOP requirements.

Cyber Security as a Service is increasing by \$0.550 million to capture current user demand and contract pricing for these services.

An increase of \$0.500 million is requested for Data and Digital Services, which is a new service offering in FY 2018. Several Operating Administrations have voiced an interest in using the data

visualization tools such as Socrata and Tableau data services tools. This program captures the need for these services and will be billed to customers based on user demand.

An increase of \$0.100 million is requested for Privacy as a Service, which is a new service offering in the OCIO in FY 2018 and will provide on-demand compliance assessment and improvement services as well as providing third party application and web service assessment service support.

An increase of \$.100 million for Records Management As A Service, which is a new service offering that provides on-demand email discovery support including search execution, record capture and delivery, record hold (and continued verification), process reporting in addition to compliance assessment and improvement support.

Server Operations is requesting an increase of \$4.722 million related to changes in customer demand for storage, network backup, server hosting and administration, and costs associated with Departmental internet, and Environmental Systems Research Institute charges for the Departmental Geospatial solution.

Other small increases and decreases resulting in a net decrease of \$8 thousand have been incorporated in various programs and are reflected in the revenue estimates to the WCF customers.

Without the DOT WCF, each operating administration would have to assume responsibility for the common administrative services provided by the WCF. Not providing these activities through the WCF would NOT eliminate the need for them. Instead, it would lead to inherent inefficiencies as each administration would strive to procure services individually. In programs like Copier, Printing & Multi-media, economies of scale would be lost as each mode would be forced to negotiate with a service provider for individual printing services.

OCIO will continue to improve the stability and integrity of the infrastructure through strategic modernization efforts and cloud-based technology as appropriate. The OCIO will focus on improving cybersecurity and the security of the DOT IT environment. Improvements will include upgrades to circuits and continuous monitoring solutions.

FY2018 WORKING CAPITAL FUND BUDGET REQUEST
WCF DOT & NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)

<u>Description</u>	<u>DOT Obligations</u>	<u>Non-DOT Obligations</u>	<u>2018 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	5,381	0	5,381
Building Security	14,869	0	14,869
Commerical Services Management	0	65	65
Disability Resource Center	2,865	280	3,145
DOT Cross Functional Activities	1,857	0	1,857
DOT Property & Space Management	4,174	0	4,174
E-Gov Initiatives	4,902	0	4,902
Emergency Response Programs	1,856	0	1,856
Financial Mgmt, Accounting, & Administration	8,485	0	8,485
Headquarters Services Management	4,475	355	4,830
HQ Facility Operations & Management	15,763	0	15,763
HR Systems	22,532	0	22,532
Human Resource Services	6,007	69	6,076
Information & Records	7,988	11	7,999
Security Operations	7,541	0	7,541
Substance Abuse Awareness & Testing	3,867	4,275	8,142
Transit Benefits and Parking	11,310	315,967	327,277
Unemployment Compensation	2,066	0	2,066
Assistant Secretary for Admin Subtotal:	125,938	321,022	446,960
Chief Information Officer			
Business Management and IT Administration	8,446	0	8,446
Campus Area Network (CAN)	10,679	0	10,679
Cyber Security as a Service	3,888	0	3,888
Data & Digital Services	500	0	500
Desktop Services	14,649	0	14,649
Enterprise Dashboard	681	0	681
Enterprise Licenses	3,358	0	3,358
Privacy as a Service	100	0	100
Records Management as a Service	100	0	100
Server & Messaging Services	18,703	0	18,703
Voice, Cable & Wireless	15,203	0	15,203
Chief Information Office Subtotal:	76,307	0	76,307
Grand Total:	202,245	321,022	523,267

FY2017 ANNUALIZED CR BUDGET
WCF DOT & NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)

Description	DOT Obligations	Non-DOT Obligations	2017 Total
Assistant Secretary for Administration			
Acquisition & Procurement Operations	4,129	0	4,129
Building Security	14,685	0	14,685
Commerical Services Management	0	65	65
Disability Resource Center	2,598	280	2,878
DOT Cross Functional Activities	842	0	842
DOT Property & Space Management	3,844	0	3,844
E-Gov Initiatives	4,704	0	4,704
Emergency Response Programs	1,842	0	1,842
Financial Mgmt, Accounting, & Administration	8,153	0	8,153
Headquarters Services Management	4,940	870	5,810
HQ Facility Operations & Management	16,159	0	16,159
HR Systems	21,605	0	21,605
Human Resource Services	5,451	93	5,544
Information & Records	7,819	194	8,013
Security Operations	7,322	0	7,322
Substance Abuse Awareness & Testing	4,365	3,440	7,805
Transit Benefits and Parking	10,111	358,353	368,464
Unemployment Compensation	2,066	0	2,066
Assistant Secretary for Admin Subtotal:	120,635	363,295	483,930
Chief Information Officer			
Business Management and IT Administration	8,258	0	8,258
Campus Area Network (CAN)	9,357	0	9,357
Cyber Security as a Service	3,338	0	3,338
Desktop Services	15,041	0	15,041
Enterprise Dashboard	704	0	704
Enterprise Licenses	3,198	0	3,198
Server & Messaging Services	13,982	0	13,982
Voice, Cable & Wireless	15,165	0	15,165
Chief Information Office Subtotal:	69,043	0	69,043
Grand Total:	189,678	363,295	552,973

**FY2016 WORKING CAPITAL FUND ACTUAL
DOT & NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT Obligations</u>	<u>Non-DOT Obligations</u>	<u>2016 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	7,743	0	7,743
Building Security	13,566	0	13,566
Commerical Services Management	65	0	65
Disability Resource Center	2,399	280	2,679
DOT Cross Functional Activities	1,324	0	1,324
DOT Property & Space Management	3,766	0	3,766
E-Gov Initiatives	4,656	0	4,656
Emergency Response Programs	1,624	0	1,624
Financial Mgmt, Accounting, & Administration	7,163	0	7,163
Headquarters Services Management	4,808	339	5,147
HQ Facility Operations & Management	15,939	0	15,939
HR Systems	20,287	0	20,287
Human Resource Services	5,705	53	5,758
Information & Records	10,225	583	10,808
Security Operations	6,060	0	6,060
Substance Abuse Awareness & Testing	2,987	3,180	6,167
Transit Benefits and Parking	10,613	358,353	368,966
Unemployment Compensation	2,009	0	2,009
Assistant Secretary for Admin Subtotal:	120,938	362,788	483,726
Chief Information Officer			
Business Management and IT Administration	8,644	0	8,644
Campus Area Network (CAN)	9,424	0	9,424
Cyber Security as a Service	3,370	0	3,370
Data & Digital Services	0	0	0
Desktop Services	14,352	0	14,352
Enterprise Dashboard	752	0	752
Enterprise Licenses	3,642	0	3,642
Privacy as a Service	0	0	0
Records Management as a Service	0	0	0
Server & Messaging Services	14,672	0	14,672
Voice, Cable & Wireless	14,244	0	14,244
Chief Information Office Subtotal:	69,101	0	69,101
Grand Total:	190,039	362,788	552,827

**FY 2018 ASSISTANT SECRETARY FOR ADMINISTRATION
WORKING CAPITAL FUND
BUDGET ESTIMATE
(\$000)**

<u>Program</u>	<u>FY 2016 Actual</u>	<u>FY 2017 Annualized CR</u>	<u>FY 2018 Request</u>	<u>Difference from FY 2017</u>
DOT Activities	120,938	120,635	125,938	5,303
Non-DOT Activities	362,788	363,295	321,022	(42,273)
Total	483,726	483,930	446,960	(36,970)

Staffing

Reimbursable Positions	224	201	201	0
Reimbursable FTE	188	190	198	8

The Office of the Assistant Secretary for Administration continues to meet the challenge to think more globally, respond to customer needs, anticipate and plan for future impacts of services offered, and strategically define what should be done in order to best prioritize and deploy resources.

MISSION/VISION/VALUES

The Office of the Assistant Secretary for Administration provides the Department with a competitively priced, comprehensive range of administrative services while continuously improving administrative activities to ensure effective performance through the use of best practices. The Office provides expertise to the Department on human resource management, administrative and internal security management, headquarters building and space management programs, procurement and federal acquisitions reporting while ensuring administrative support services are responsive to limitations and DOT's strategic policy direction.

The OASA staff plans, develops, evaluates, and provides support programs in the areas of: security; personnel; organizational and human resource development; procurement; employee wellness; occupational health and safety; personal property; mail and copy management; motor pool; parking and transit benefits; graphics; printing, photography, warehousing, distribution, and library services; and space management. The staff consists of experienced government FTEs and contractors who oversee the technical and business operations.

FY 2018 BUSINESS LINES BY PROGRAM

Acquisitions & Procurement Operations **\$ 5.381 million**

Procurement Operations:

This program provides the full range of procurement functions from acquisition planning through contract closeout including pre-award contract and grant services, post award contract and grant services, simplified acquisition services, and purchase card administration and oversight. This

program acts as the servicing procurement office for the Office of the Secretary (OST), Office of the Inspector General, and Surface Transportation Board and does limited procurement work for other customers as requested. Acquisition Services awards between \$250 million and \$450 million in new obligations annually, processing over 1200 transactions per year. At any one time, Acquisition Services is managing well over \$500 million in existing contracts and grants. Acquisition Services also manages DOT's \$200 million per year purchase card program. Contracts meet all applicable Federal Government procurement regulations.

Departmental Procurement Platform:

This program supports PRISM consolidation and integration with Delphi which is the Department's approved Procurement Systems Modernization plan. The Department's Procurement Systems Modernization plan is a modular, phased approach that is compliant with OMB's Federal IT Management plan and DOT OCIO objectives. Consolidation of the multiple Operating Administration's procurement systems will significantly enhance Department-wide spend analysis and contract efficiency initiatives while reducing the cost of software maintenance, application support and system hosting. Integration of the consolidated PRISM system with Delphi, the Department's financial system, will provide systematic real time accounting and funds control validations and status of funds reporting. The consolidated PRISM environment will support over 6,000 departmental personnel who process and manage over \$2 billion in annual procurement obligations.

Building Security

\$14.869 million

The Building Security program provides security for the three DOT Headquarters buildings (Southeast Federal Center, FAA FOB-10A, and FAA FOB-10B), which includes contract Protective Security Officer (PSO) services on a 24-hour per day basis and other physical security access control functions.

At all DOT Headquarters buildings, contract PSOs perform access control functions for pedestrians, vehicles, and package deliveries. They are the first responders for security and life safety incidents. In addition, they escort special visitors (VIPs) within the building when enhanced security is required. PSOs escort employees and contractor employees who are being dismissed from employment and if necessary, monitor a person's actions until he or she leaves the building. The PSOs also monitor alarms (fire, intrusion, and duress) and the CCTV system (security cameras).

Building security functions include updating security equipment, such as surveillance monitors, cameras, X-ray inspection systems, magnetometers, and access control systems, within the buildings and on the perimeters, as well as procuring contract support to handle the maintenance, ensuring a safe and secure work environment for employees, contractors, and visitors.

The Lenel OnGuard system installed at the Headquarters facility is an access control and alarm monitoring system. The purpose of this system is to control access to secure areas via proximity/PIV card and reader technology, as well as to monitor alarm points for intrusion detection. Integrated with the Bosch video management system, functions include credential production, visitor management, and video and graphical map displays to assist in video surveillance and deployment of assets in response to an incident.

The DSX physical access control system installed at the FAA Headquarters facilities is an access control and alarm monitoring system. The purpose of this system is to control access to secure areas via proximity card and reader technology, as well as to monitor alarm points for intrusion detection.

Commercial Services Management

\$.065 million

This activity provides mandatory training to all operating administrations and services for the Purchase Card Program and its support systems throughout the Department.

Disability Resource Center

\$3.145 million

The DOT Disability Resource Center (DRC) is a centralized resource that provides reasonable accommodation, technical assistance, training and outreach to all modal employees and job applicants under DOT. Program costs are allocated to the modes based on national population of staff with adjustments made to exclude certain position series (i.e., Air Traffic Controller-2152).

The DOT DRC continues to provide valuable services and support to agencies throughout DOT including regional and field offices. The services can be divided into three main categories:

- Accommodations Support – the core service provided by DRC;
- Technical Assistance – consultation and explanation of the accommodation process, and information on products and services;
- Customer Outreach/Selective Placement – including disability awareness and information in support for hiring, and retention and promotion of individuals with disabilities.

In addition to direct costs, the DRC provides staff the time required in supporting the assessment, identification and procurement of the products and/or services and the follow-up conducted to ensure products/services are provided and fulfilling the customers' needs. This relieves DOT programs employing people with disabilities not only of the costs for products/services needed, but the indirect costs to manage contracts, locate qualified providers, and consistently manage performance and activities in accordance with various procurement and HR regulations.

DOT Cross Functional Activities

\$ 1.857 million

Cross Agency Priority Goals:

Each fiscal year funds from each Executive Branch agency are collected via Interagency Agreement with GSA to improve coordination, reduce duplication, and for other activities related to Federal Government Priority Goals established by 31 U.S.C. 1120. In accordance with Division E Section 721 of the Consolidated Appropriations Act of 2016, the funding is derived from transfers or reimbursements by agencies to the "Government-Wide Policy" account under General Services Administration (GSA) with approval of the Director of the Office and Management and Budget (OMB).

Federal Audit Clearing House:

Under the Single Audit Act Amendments of 1996, the Bureau of Census, as designated by the Office of Management and Budget (OMB), maintains a government-wide database of OMB circular A-123 audits and distributes reports with audit finds to Federal agencies for resolution. The Clearing House serves as the central processing location through which all Federal grant agencies satisfy their requirement to process the grantee's audits required under the Single Audit Act. Savings and efficiency are realized by performing this function centrally.

Federal Laboratory Consortium:

The Federal Laboratory Consortium Program provides centralized billing services. This program processes payments to the National Institute of Standards and Technology for the support of the Federal Laboratory Consortium. The Federal Laboratory Consortium provides a link between Governmental agencies and industry in order to promote the transfer of Federal technology to improve the domestic economy. This transfer of funds is required by Title 15 U.S.C. Section 3710. The National Institute of Standards and Technology requires a central billing point of contact in each cabinet level office for these costs. Distribution is based on the National Science Foundation's *Federal Obligations for Total Research and Development by Agency and Performer* report for each fiscal year.

Flexible Spending Account:

This program provides centralized billing services for the Flexible Spending Account fees. The Flexible Spending Account (FSA) program resulted from the National Defense Authorization Act for Fiscal Year 2004, Public Law 108-136. The FSA program is administered government-wide, through a contract held by the Office of Personnel Management (OPM). The WCF is the Departmental point of contact for these payments. The costs are distributed to the OAs based on actual usage information provided by OPM.

Government-Wide Councils:

Each fiscal year funds from each Executive Branch agency are collected via Interagency Agreement with GSA, with approval from OMB, to support Government-wide and other multi-agency financial management, information technology, and procurement councils. The councils supported under this heading are:

- Chief Acquisition Officers Council
- Chief Financial Officers Council
- Chief Human Capital Officers Council
- Chief Information Officers Council
- Performance Improvement Council
- President's Management Council

News Media Services:

The News Media Services Program supplies an electronic news retrieval service via contract to create a daily news briefing/summary available to all Operating Administrations via the DOT intranet. The objective is to provide the Department's roughly 55,000 staff and managers with a thorough, current, and timely summary and compilation of news stories along with an archive that can be searched by key words.

DOT Property & Space Management

\$ 4.174 million

Contract Labor Support:

The Facilities Office provides labor support to the DOT workforce. Support is requested to assist in special event planning, setting up conference rooms, employee relocations, moving equipment or furniture, hanging/removing photos/portraits/artwork, furniture reconfigurations and new installations, furniture maintenance, and other special requests.

HQ Loading Dock:

The Shipping and Receiving Office provides oversight of the loading dock for the Department. Specific activities include: managing the service requests for labor support, validating received items for delivery, loading and offloading of truck deliveries, barcoding and uploading to automated property system, and maintenance on dock equipment.

Headquarters Space Management:

The Space Management Program provides oversight and management of all DOT headquarters workspace and provides various support services, as required, involving the Department's nationwide real property and field space inventory. The program manages three buildings totaling 2,147,400 square feet.

A key goal of this program is to improve space utilization and reduce costs. The specific services include:

- acquisition, assignment, release or disposal of space and other real property; review of major real property acquisitions and disposals;
- space requirements development; space planning and interior design;
- tenant “build out” coordination and oversight;
- on-site real property and space utilization surveys;
- coordination and preparation of Departmental real property reports;
- maintenance of a Department-wide real property inventory and Headquarters space assignment data; and
- acts as DOT's liaison with GSA and other Federal agencies for real property actions and issues.

Personal Property:

This program provides Departmental personal property management services and governance to several Operating Administrations (OST, MARAD, FRA, OIG, and STB). Functions consist of: asset barcoding, inventory management, shipping and receiving, dispositions, storage, transporting material, property repair and rehabilitation, property custodian training, records management, and reports of survey.

This office conducts comprehensive reviews and evaluations on departmental programs and procedures ensuring consistency with governmental laws and regulations, and applicable industry standards and practices. As the Department's representative to external groups such as

Central Managing Agencies, General Services Administration, and Government Accountability Office, the office negotiates and defends DOT on matters related to personal property policies, programs, systems and procedures. Additional services provided include:

- Managing the DOT Approved Workstation Standards and furniture BPA nationwide.
- Managing Reports of Survey for property which is destroyed, lost, or damaged.
- Developing, recommending, and implementing standardized electronic record retrieval and disposal processes.
- Managing the Department's loan agreements for art work on loan to the Office of the Secretary of Transportation from National Galleries.

Warehouse:

The Warehouse Program provides storage for furniture, equipment, bulk materials such as computers and copy paper, publications and forms, and other items as required for all DOT organizations in the Washington Metropolitan area. As part of this program, truck services are provided for delivering internal mail, receiving and delivering furniture, equipment, bulk supplies and other items as required between the Warehouse facility in Hyattsville, MD and the DOT Headquarters Buildings in Washington, DC.

Excess personal property is received, reported, and transferred for all DOT organizations in the Washington Metropolitan area. The excess program handles on average 750 pieces of furniture or equipment every month, sending almost half of the computer equipment to schools throughout the country as part of Executive Order 12999.

E-Gov Initiatives

\$4.902 million

In response to the E-Government Act of 2002, the Office of Management and Budget and Federal agencies identified 24 E-Gov Initiatives to provide high-quality, common solutions such as Federal rulemaking, and electronic training. The E-Gov Initiatives serve citizens, businesses, and Federal and state government employees by delivering high quality services. This business line consolidates 117 separate interagency agreements into 8 agreements.

Emergency Response Programs

\$1.856 million

Crisis Management Center (CMC):

The CMC provides information and communications resources to effectively manage day-to-day operations and support emergency management, response, and recovery programs during emergency situations. Emergency situations may include: natural and technological disasters (e.g., hurricanes, earthquakes, major transportation accident, etc.), labor disputes, terrorist attacks, cyber-attacks, national security special events, security incidents, defense mobilization, and any transportation-related activity requiring extraordinary coordination among Departmental organizations, Federal, State, Tribal, and Local government authorities. This business line consolidates five reimbursable agreements into the WCF.

COOP Facility:

This program provides centralized billing services for the Department's Continuity of Operations (COOP) facility utilized by DOT leadership. This activity includes costs associated with leasing

the Secretary's (COOP) relocation site, and provides funding for equipment and services necessary for the operation of the facility.

Emergency Notification System:

The Emergency Notification System (ENS) was a recommendation in the "DOT After Action Report" following the Navy Yard active shooter incident on September 16, 2013. ENS is capable of providing emergency notifications to approximately 13,000 employees at DOT headquarters and field locations. The ENS is hosted in the cloud, maintains a voluntary self-registration portal, and sends out DOT-wide alert notifications to hand held devices. All employees receive email notifications regardless of whether they have voluntarily registered other devices.

Financial Management, Accounting & Administration

\$8.485 million

Office of Financial Management:

The Office of Financial Management (OFM) provides financial administration, guidance and support to the OASA and the program offices within the WCF to include the OCIO. It manages budget formulation and execution; provides financial management and accounting services; and manages the overall financial operations of the WCF. The OFM is an overhead function within the WCF.

The OFM funds all of the accounting service functions, including the preparation and issuance of WCF financial statements and reports. The OFM ensures that a sound system of financial management controls exist in all programs, organizations, and functions and meets the objectives and requirements of the Federal Managers' Financial Integrity Act and OMB Circular A-123, Management's Responsibility for Internal Control. The OFM provides monthly financial reports to program managers; manages customer agreements and performs billings; identifies and resolves overdue balances and charge backs; manages invoice processing to maintain minimal interest penalties; and develops and distributes monthly performance indicator charts.

The OFM provides services to approximately 130 DOT and non-DOT customers and has an established interagency agreement for each customer. The OFM meets annually with all the DOT Operating Administrations to discuss the WCF revenue estimates and ongoing services. The OFM conducts the WCF Steering Committee meetings that provide oversight to the fund and ensures that WCF goods and services are provided to all DOT OAs in the most cost-effective and efficient manner. Specific functions and activities of the Committee include: recommending goods and services that comprise the WCF; approving all WCF funding levels; evaluating the WCF performance in meeting service plans; and reviewing of capital asset purchases in excess of \$50,000.

Office of the Deputy Assistant Secretary for Administration:

The Office of the Deputy Assistant Secretary for Administration is responsible for planning, coordinating and implementing cross-organizational and Departmental objectives, especially those supporting DOT's Strategic Plan. Objectives include communication strategies, program reviews, and ad-hoc strategic project support. The customer base is the entire Office of the

Assistant Secretary for Administration organization as well as senior management across the Department.

IdeaHub:

IdeaHub is an online community that facilitates innovation and collaboration within the Department and operating administrations. The web-based program has positioned itself as an integral part of DOT's social landscape, by providing an easily accessible, 24/7 site for employees to submit, comment, rate, and grow ideas that represent their vision for a better DOT. IdeaHub weaves social collaboration and innovation into the very fabric of the Department and enhances the DOT's culture by giving all employees a voice.

With more than 16,000 ideas submitted, employees have demonstrated their interest in this resource. Program success has not only been realized through the 150 ideas that were implemented within the modes and across the Department, but also through the program's ability to communicate existing Departmental processes and policies. Employees value transparency and IdeaHub is a forum to shed light on hundreds of topics to interested employees. New endeavors planned in the coming year are aimed at supporting a culture of innovation across the department and empowering employees to make DOT a 21st century government.

Headquarters Services Management

\$ 4.830 million

Fitness Center:

The DOT Health and Fitness Program develops and promotes Department-wide employee health and fitness policy and guidelines thereby improving employees' ability to enhance their work performance. The core programs offered by the DOT Fitness Center are well-rounded and address lifestyle behaviors, nutrition education, stress reduction, and the prevention of disease and other health conditions. The Center conducts health appraisals, lifestyle and physical risk factor assessments; including better ways to incorporate healthy strategies and approaches for improved intervention in Body Mass Index, pulse, blood pressure, aerobic strength and flexibility levels; which are vital to optimal health. The fitness center also manages the DOT's corporate Bike share program. These strategies provide employees with increased knowledge in self-care thereby decreasing absenteeism and health care costs. Funding for the program is through membership fees, and a small portion supported by the DOT Operating Administrations.

DOT Event Center:

This program consolidates the Media Center, photography services and conference center and provides a single contact point for DOT and Non-DOT agencies to coordinate events that are related to their mission, programs and activities. This consolidated center will assign costs to agencies for the services requested. Services include: event coordinator, webcasting, video-teleconferencing, satellite broadcasts, press and media briefings, live hook-ups with national networks and broadcasters, full range of videotape productions, a wide variety of photographic shoots with finishing and processing options, and meeting rooms that have capacity that ranges from 15 to 100 and includes use of the West Atrium which has a capacity of 550 when set up auditorium style.

Multi-Media Center & Photography Services provides on-demand multi-media services to the Secretary of Transportation, the DOT operating administrations, and other agencies as required. These services produce results that meet the communication objectives of the diverse customer base through technical support and execution of press conferences, live and prerecorded press interviews and teleprompter presentations, web casting, on site and on location presentation/meeting video documentation, video teleconferencing support, satellite uplink programming, and satellite downlinks.

The photographers interpret programs and situations and use innovative and improvised techniques and methods to achieve high quality photographs using digital technology, producing prints of a professional, technical, and artistic standard. The photographers photograph the Secretary and other members of the highest offices of the government, and foreign dignitaries.

Mail Services and Postage Program:

The Mail Services Program provides complete office and mail delivery services to the DOT HQs and its satellite locations. Over 10 million pieces of government mail are handled annually. The services include managing the DOT and FAA Mail Centers and all associated duties to include: sorting and distributing all incoming mail, processing Federal Express and UPS Mail, and delivering all accountable mail through an automated tracking system.

An A-76 review of the operation during the late 1980s and early 1990s found that a contractor workforce would be more cost-effective for the department. The Department chose to stay with the NISH vehicle in support of national disability initiatives. The vendor, Service Source, is flexible and can meet emerging requirements quickly due to their size and background in the field.

This program is responsible for the direct billing of actual postage and shipment fees by each operating administration at all locations throughout the Washington Metropolitan area. These fees are for Standard Ground shipment of packages to include large boxes.

Motor Pool:

The Motor Pool provides transportation/fleet management support to the DOT headquarters through the operation of an executive vehicle service program, U-drive vehicle service, and courier service. The Motor Pool program provides professional, cost effective, dependable motor vehicle service and support to the Operating Administrations (OAs) within the Headquarters Department of Transportation. The program implements Departmental administrative policy for motor vehicle operations; maintains a physical environment which supports the needs of the OAs; and provides innovative fleet solutions ensuring safe, dependable, transportation utilizing cost effect fleet strategies and efficient repair and replacement methods. The office manages the vehicle lease agreement with GSA; prepares the monthly billing report; ensures vehicle accidents, abuses, and damages are investigated; serves as a liaison to GSA Fleet Management Center (FMC)/Fleet Management Offices (FMO) for vehicle matters; reviews vehicle lease requirements annually; and manages the U-Drive fleet of vehicles.

HQ Facilites Operations & Management

\$15.763 million

This program manages a diversified and complex, mission-essential, building management program for the DOT Headquarters facility totaling over 1,350,000 square feet of space which houses the Secretary of Transportation and over 5,500 employees. The following program responsibilities are carried out by the office:

Facility Services:

The Facilities Office is the first point of contact for all facilities support. The office receives and tracks all customer requests for service. The office is also responsible for lease management of the facility. This effort entails conducting periodic inspections to ensure compliance with lease terms, maintaining a record of all complaints and their resolutions and notifications to the building owner to take corrective action on items which are included in the lease. The Facilities Office ensures building custodial services that the building owner provides are in accordance with the terms in the lease agreement. The office conducts daily inspections to ensure that the facilities are clean, healthful and present an attractive environment. The office also provides the Operating Administrations with special cleaning services not included in the lease and coordinates concession activities such as facilities operated by the blind under the Randolph-Sheppard Act, and the DOT cafeteria. As such, the Facilities Office oversees functional management reviews and performs analytical duties related to food service management. It formulates, develops, and implements nutritional awareness, menu initiatives, and equipment requirements. The office identifies, installs, and maintains signage throughout DOT HQ facilities ensuring office suites, utility rooms and common areas are easily identified. The Facilities Office is also responsible for handling customer requests for special events, audio visual services and equipment, and operating the Central Receiving Office.

Building Maintenance and Utilities:

The Facilities Office manages the DOT Headquarters annual energy budget, and the electrical and mechanical operating system's distribution infrastructure required to light, heat and cool the facilities. The office ensures that maintenance and recurring repairs are completed on electrical transformers and other electrical and mechanical systems. This office is also responsible for implementing the National Energy Conservation Program requirements in the DOT headquarters building. The office ensures all Government-maintained mechanical, electrical and utility systems are operated in accordance with energy conservation guidelines contained in the Federal Property Management Regulation (FPMR) 101-20-107. The office maintains an energy management and conservation plan in accordance with the lease and an established preventive maintenance program for the building operating systems and keeps a complete inventory of the equipment to be maintained, with type of maintenance to be performed and frequencies. The office also manages and performs a continuous/retro-commissioning program on all its operating equipment, driven by the best practices of the industry, to promote the highest levels of sustainability and energy conservation.

Special Facility Services:

Provides special facilities services not provided through the normal Headquarters Facilities Services. Specifically, obligations for alterations for offices are budgeted here. Additionally, special air quality testing requested by modal offices outside the normal testing done by Facilities is billed via this line of business.

Overtime Utilities:

This service provides visibility to customer overtime utility usage by billing the headquarters customers for overtime lighting and HVAC utilized outside normal operating hours. The actual usage data is compiled and billed to the OA's on a monthly basis. The lighting and HVAC systems operate from 0500 to 1900 hours, Monday through Friday. The HVAC and lighting systems remain off on Saturday, Sunday and Holidays unless the Overtime Utilities Card Swipe System is used by the requestor.

Occupational Safety and Health/Emergency Preparedness:

This Office is responsible for maintaining a viable safety program for the DOT HQ which includes ensuring alarm monitoring systems are adequately maintained and reporting all incidents resulting in personal injury related to building design to the proper authorities. This Office conducts periodic fire, safety, health, and air quality inspections.

This office also provides employees with a comprehensive occupational safety and health program which includes evaluating, assessing and monitoring the facility to reduce operational risks to employees, thereby providing a safe and healthful workplace. It also provides DOT Headquarters employees with the basic emergency preparedness procedures to include evacuation of the building and sheltering-in-place drills.

Rent Program:

The WCF rent obligation in the amount of \$8.295 million, which includes the Federal Protection Services cost, is tracked under this business line and distributed to the other WCF programs.

Human Resource Systems

\$22.532 million

The Departmental Office of Human Resource Management (DOHRM) HR Systems provides program management, oversight and support for all of the DOT-enterprise wide HR systems, which include the Federal Personnel and Payroll System (FPPS), the FPPS Datamart, the Training Management System (TMS), the Electronic Official Personnel Folder (eOPF), the Workforce Transformation Tracking System / Entry on Duty System (WTTS/EODS), Employee Express (EEX), the Workers' Compensation Information System (WCIS), WebPrinting, as well as for ongoing HR systems modernization.

- The FPPS provides core HR and payroll system functionality which supports DOT's ability to manage the full lifecycle of DOT employees. The FPPS serves as the system of record for all DOT employee personnel and payroll information.
- FPPS Datamart facilitates movement toward achieving strategic management of Human Capital goals by providing the automated capabilities to generate a variety of reports that can assist DOT management and HR professionals in analyzing the workforce for a multitude of reasons. The FPPS Datamart is also used to facilitate workforce planning and estimate workforce projections.
- TMS provides system support for the delivery of on-line learning, learner registration, learner training completion, the delivery and recording of assessments, and the reporting of TMS data to OPM. DOT is able to identify competency and resource gaps and develop improvement strategies for mission-critical occupations and is able to identify

competency and resource gaps and develop improvement strategies for mission-critical occupations.

- eOPF allows secure access to official employee HR records for employees and HR staff. The centralized management of and access to the data provides the technological means for consolidating HR operations and improves the government's ability to share and transfer data about employees moving between agencies.
- WCIS provides for the efficient and effective use of an automated system to transmit workers compensation claims to the Department of Labor and to allow workers compensation specialists and managers to monitor and manage the workers compensation cases. WCIS funding also funds management of workers compensation cases by the FAA.
- WTTS/EODS provides automated staffing and entry on duty support for all of DOT improving DOT's ability to (1) track projected gains; (2) track transfers and losses of federal staff and (3) allow HR specialists to develop checklists for entrance on duty, as well as provide on-line forms for new employees to complete information required on entrance to duty.
- Webprinting provides the ability to review and print SF-52 and SF-50's prior to approving the personnel actions for documenting into employee personnel folder. This system facilitates quality control review of personnel actions.
- HR systems modernization aligns DOT with the Office of Personnel Management's Human Resources Line of Business (HRLOB) and will include additional automated solutions to align with the goals and objectives of the HRLOB Modernization Initiative under the OPM's Business Reference Model. These systems will be required to adhere to government wide interoperability standards as described in the HRLOB Modernization Roadmap. System consolidation efforts may include but are not limited to talent development, benefits management, performance management, employee relations management, separations management and talent acquisitions systems. This effort directly supports the U.S. Chief Information Officer's *25 Point Implementation Plan to Reform Federal Information Technology*.

Additionally, the HR Systems program serves as the Data Custodian for all departmental HR data and is responsible for reviewing and approving requests for HR information for all DOT systems requesting employee information.

Human Resource Services

\$6.076 million

Personnel Operations:

The Personnel Operations Program provides human resource services to the Office of the Secretary (OST). This program provides human resource services and training that includes recruitment, skill and competence assessment; payroll support and time-and-attendance administration; workforce and succession planning; employee recognition and performance management; employee relations, benefits; labor management; workers compensation and unemployment compensation assistance; and management of the automated human resources personnel systems. In addition, the program evaluates human resources management activities; adherence to merit principles and prevention of prohibited personnel practices. Training includes guidance, classes, and activities to develop human resource skills for managers and employees.

Organizational Planning & Initiatives:

The Organizational Planning & Initiatives program office assures that DOT satisfies statutory and regulatory requirements to conduct workforce analyses and planning, competency assessments, and reporting on the department's leadership development and other learning programs in support of the human capital initiatives. OST partners with modal HR organizations to fill OA gaps and leverage services in order to meet the increasing requirements of statute and those related to the human capital initiatives. In addition, the office works with OAs to identify positions and develop recruitment strategies, and ensures OA awareness of the commitments for hiring individuals for these programs (e.g., training and rotational requirements, developing individual development plans, and monitoring intern performance).

Organizational Planning and Initiatives offers leadership development opportunities for DOT supervisors, managers and leaders. This program also offers Executive Coaching for managers and executives, and leadership training and development activities for identified target groups.

Departmental Programs:

The Departmental Special Programs Office provides centralized coordination of programs that cross all DOT operating administrations and Secretarial offices. Program responsibilities include: Secretary's Annual Awards Program, Combined Federal Campaign, Incentive Awards Program, various OPM Performance Management Awards Programs, Public Service Recognition Week, Blood Donor Program, Volunteer Program, and the Voting Assistance Program.

Executive and Political Resources Program:

The Executive and Political Resources Program is responsible for providing consultative and advisory services throughout the Department. The organization advises on a full range of technical and procedural requirements involving Senior Executive Service (SES) members and Political appointees, including but not limited to position establishment and classification; recruitment and placement; performance management; pay and compensation; bonuses and awards; and adverse and performance-based actions.

The Program coordinates Departmental approvals for SES actions including providing support to the DOT Executive Resources Board; managing Departmental SES allocations; overseeing diversity and outreach among the SES recruitments and hires; maintaining a high level of Qualifications Review Board approvals; coordinating the SES Performance Management system certification process; Merit Staffing Reviews; and ensuring continued improvement in the time it takes to hire an SES member.

The Program also provides advisory services to the Secretary's White House Liaison and Chief of Staff regarding all Departmental political appointees including case processing for all Departmental political hires; coordinating and conducting pre-employment activities and orientation; ensuring Department officers and OA leadership understands and meets regulatory requirements and the needs of DOT senior management; coordinating and overseeing the Secretarial leadership seminars and off-sites; serving as liaison to OPM for all human resources matters pertaining to the Department's political workforce; advising on extremely sensitive and complex organizational issues; serving as liaison to the White House Clerk's Office and the Department of State for matters pertaining to Presidential appointees confirmed by the Senate;

preparing comprehensive reports on each political position; and preparing for Presidential/senior leadership transitions.

DOT Work-life Program:

The Work-life Program provides information, resources and referral support to employees nationwide on a wide range of issues including, but not limited to, life transitions, wellness, telecommuting, time management, effective communication, financial health, parenting, child care, elder care, and long-term care planning. Support is provided over the phone, by e-mail, and via one-on-one work-life coaching consultations under the guidance of a work-life professional. The Child Care Advisor, a component of the Work-life Program provides the 28 DOT child care centers located across the nation with training for their boards of directors, directors, teachers, and family resource coordinators. In addition to the training, the Child Care Advisor performs on-site visits, which include observations of classrooms, mentor teaching in classrooms, and accreditation preparation. The Advisor is also available to work one-on-one with child care coordinators and directors on program design, and assist with needs assessment and interpretation of new accreditation guidelines.

Health Services:

DOT Health Services provides a full health service program with the goal of improving and maintaining the health of its employees. Health Services is staffed by Federal Occupational Health (FOH) staff eight hours per day, and provides service to a Federal population of approximately 3,600.

Health Services offer a full range of services including: individualized health counseling, periodic bed rest, blood pressure monitoring, glucose monitoring, allergens and other medications administered by injection (employee provides allergy medication), immunizations (Flu, tetanus and Pneumococcal), and traveler's health and immunization information.

Information & Records

\$7.999 million

Docket Services:

Dockets Operations provides the legal framework for formal DOT proceedings, serving as a clearinghouse for rulemaking and non-rulemaking activity (e.g., proposed rules, final rules, notices, supporting materials, guidance and supporting materials, adjudications, public comments).

In support of DOT goals and objectives to increase agency transparency and accountability, Dockets Operations utilizes the government-wide, image-based, electronic docket management system known as the Federal Docket Management System (FDMS) managed by EPA. The vision of the FDMS is to (1) increase public access to federal regulatory material; (2) increase public participation in the federal rulemaking process; and (3) improve federal agencies efficiency and effectiveness in rulemaking development.

The FDMS promotes public access to and inclusion of federal regulatory and adjudicatory information by providing a centralized, internet site for the public to search, view, download, and submit comments/submissions on all federal rulemaking and non-rulemaking materials; thereby

facilitating transparency. As a clearinghouse, Docket Operations serves operating Administrations within DOT and DHS-TSA in analyzing and uploading regulatory and non-regulatory documents, supplementary materials and public comments into the FDMS.

Dockets Operations supports a variety of Executive Orders, Laws, and Action Plans including:

- Executive Order 13563 – Improving Regulation & Regulatory Review;
- Executive Order 13609 – Promoting International Regulatory Cooperation;
- The Open Government Partnership National Action Plan;
- The Presidential Memorandum – Managing Government Records;
- The Clinger-Cohen Act (40 U.S.C. §11318); and
- The E-Government Act of 2002

Library:

The DOT Library is one of the largest transportation libraries, in terms of digital materials, in the United States. The library has a significant amount of unique holdings. While preserving the unique physical collections, the library is focused on meeting 21st century information needs of Departmental staff by increasing electronic resources supporting research and decision-making. The library is transforming to provide primarily electronic services and reducing the physical footprint by 75%. The increase in electronic access to the library's collections continues to save the Department money and administrative overhead by centralizing the purchasing and management of multiple research subscriptions. In addition to converting print subscriptions to electronic versions, the library is systematically converting historic Departmental print documents to digital formats. The library also provides research and reference assistance across a variety of transportation and legal resources, as well as offering circulation, inter-library loan, journal routing, and cataloging services for both HQ and field offices. Library staff also consults and advises, for modes engaging in their own digitization projects.

Multi-functional Printers:

The MFP (Multifunctional Printer Program) provides cost competitive equipment which copies, prints, faxes, and scans for all DOT organizations in the Washington Metropolitan area and regionally for OIG, NHTSA, FMCSA, FRA, and PHMSA. Program charges include machine lease costs, all supplies including paper, and on-site maintenance support. Centralizing this service opens the door to many advantages for the WCF customers and the Department. The MFP Program currently has 343 machines in active use.

Visual Information and Printing (VIP):

The VIP Program utilizes the Government Printing Office's (GPO) Simplified Purchase Agreement Program (SPA), GPO Express, and Direct Deal Contracts to procure both printing and graphic services. This allows faster processing time by going directly to the vendors, plus receiving top quality services with volume prices. The SPA program offers graphics access to five-hundred vendors to obtain competitive pricing, faster processing time and quick turnaround deliveries. Contract Printing is approved to the maximum \$10,000 limit for the SPA program. Direct Deal Term Contracts allows DOT to write contracts that fit DOT's specific needs for print and graphic design procurement. These contracts allow DOT to deal directly with the vendor and submit paperwork to GPO. This provides the staff the ability to calculate the final price before the job is released; jobs are processed faster and with knowledgeable print buyers, thus saving

cost. Graphics provides expert consultation including design specifications, multi-media presentations, and CD-ROM layout services, web pages, publications, posters, plaques, and certificates. Contract Printing, through GPO's access to over 15,000 printing contractors nationwide, offers a complete range of printing, binding and finishing services with volume pricing. The VIP also provides on-site, state-of-the-art, high-speed digital copying and document automation and conversion. It provides basic office documents and reports, multi-colored digital copying and the conversion of "hard copy" documents to a variety of digital file formats. The center also provides finishing services such as drilling, collating, perfect binding, spiral/comb-binding and saddle stitching.

Security Operations

\$7.541 million

Security & Investigations (S&I):

The Security and Investigations Program is an integral and crucial part of DOT's effort to ensure a safe and secure working environment for its federal and contractor employees and visitors; and to protect DOT facilities, equipment, and sensitive and classified information.

Security personnel coordinate criminal and administrative investigations of individuals and incidents occurring within the DOT headquarters facilities, and assist in resolving security-related problems for DOT regional offices. Security personnel review and conduct follow-up investigations on security incident reports and serve as liaisons with their counterparts in federal, state, and local law enforcement agencies, as well as at the DOT headquarters buildings. Security personnel are part of a crisis management team that works with human resources and law enforcement offices, employee assistance programs, and managers to help resolve potential workplace violence situations, and are frequently present during volatile disciplinary actions. Staff also provides security awareness seminars for DOT employees on topics such as theft deterrence to ensure adequate protection of government and personal property.

The S&I program staff includes federal employees who coordinate and oversee the installation, operation, and maintenance of integrated security systems, which include CCTV cameras, monitors, X-Ray inspection systems, magnetometers, and card access systems located within the three DOT Headquarters buildings and the DOT COOP site. Installation and maintenance are mostly handled by contractors who are funded out of the SEFC Building Security budget. Equipment purchases are mostly funded by the specific building security budget for which there is a need, although some equipment funds are in the S&I program to purchase general inventory for emergencies at all of the DOT Headquarters buildings.

This program also includes lock and key services and changing safe combinations periodically within our DOT headquarters buildings (SEFC, 10A, 10B and 55 M Street – DOT space only). On staff is one locksmith (federal employee) who maintains a proprietary lock and key system for the DOT Headquarters buildings.

Personnel Security Program:

The personnel security program includes the initiation and processing of required background investigations on all DOT federal and contractor employees; the review and adjudication of all completed investigations; and, as necessary, the granting of security clearances for access to classified information. The security staff provides this service for all OAs except FAA, which

has delegated authority to run its own personnel security program. Under this program, the security staff is responsible for ensuring that DOT complies with laws, Executive Orders and regulations pertaining to personnel security. The staff also provides DOT liaison with other federal agencies on behalf of the OAs.

Homeland Security Presidential Directive 12 (HSPD-12) “Policy for a Common Identification Standard for Federal Employees and Contractors” has increased the personnel security program’s workload because of more stringent requirements to integrate personnel security operations with the process of issuing identification cards to federal and contractor employees. This requires adjudicating the results of criminal history checks prior to issuing any ID cards and conducting background investigations on certain personnel to whom DOT did not previously issue ID cards (e.g., contractor employees requiring HSPD-12 cards for logical access).

National Industrial Security Program (NISP):

The NISP ensures that National Security clearances for contractors working on classified contracts are obtained by the contractor, through the Department of Defense, before the contractor can access classified information in the performance of their duties on a DOT contract. Personnel Security staff processes and maintains this program, while Information Security staff perform overall management including conducting investigations into any problem areas, providing technical assistance to the DOT components on their responsibilities under NISP, and issuing recommendations as needed. With an increasing number of contractor employees working on-site at DOT facilities, it is especially important to ensure that background investigations have been conducted on these contractors and that they are suitable to work on classified contracts.

Identification Media Program:

With the exception of FAA, the Volpe Center, and a few OA field offices, the security staff issues federal and contractor employee photo identification cards and official credentials to DOT personnel at headquarters and in the field. The identification media automated system assists in identifying persons working within the DOT buildings and is essential for proper management of both identification cards and credentials.

HSPD-12:

HSPD-12 requires the Office of Security to establish and follow stringent procedures to ensure a separation of functions in the issuance of Personnel Identification Verification (PIV) ID cards. Specifically, those who register and enroll DOT personnel may not serve as issuers. Contractors perform all duties associated with the registration and enrollment of DOT personnel, and DOT federal employees are responsible for initiating background investigations and issuing PIV cards. FAA is the HSPD-12 service provider for the technical infrastructure required to run the HSPD-12 program.

Passport Program:

The Secretary of State has designated the Office of Security as the Passport Agent for DOT, which provides this office the authority to execute and verify official passports on behalf of the Department of State. The Office of Security maintains a passport unit to support all DOT

personnel, in all OAs and Secretarial offices, who require official passports and visas. Obtaining passports and visas in a timely manner is crucial to DOT personnel meeting foreign travel requirements. Travel requirements often occur with little advance notice and it is important for the Office of Security to respond promptly to the passport and visa requests. Requirements for U.S. citizens to have passports to travel to countries where they did not previously need them, such as Canada and Mexico, have increased the passport processing workload.

Information Security Program:

This program provides technical direction and oversight for the protection and safeguarding of classified information and materials at DOT nationwide (excluding FAA), as well as advice, assistance and training to all DOT OAs on matters pertaining to classified information. The Information Security Specialist develops and delivers initial and annual training to roughly 1,000 clearance holders at DOT (non-FAA) that is required by Executive Order 13526 as a condition of holding a security clearance. FAA operates a separate Information Security Program under authority delegated from DOT, and oversight is exercised by the Office of Security of FAA's security program activities as required by the delegation.

Executive Order 13556 directs executive agencies to develop and manage a program to identify and protect sensitive but unclassified information under a single banner identified as Controlled Unclassified Information (CUI), which will replace all previous labels such as For Official Use Only (FOUO) or Sensitive But Unclassified (SBU). 32CFR part 2002, published in May 2016, requires the Department to publish policy by early 2017 and implement training and information safeguarding actions in that first year. The Federal regulation directs Executive Branch agencies to provide training (both initial and recurring) to all employees and contractors, perform ongoing internal inspections, ensure continued monitoring and tracking, perform Department-wide audits, and submit periodic reports to the National Archives and Records Administration. All of these activities are designed to protect a category of information that is not classified but yet is sensitive and warrants special treatment. The Office of Security has coordinated DOT's transition to CUI, including the development and delivery of required training, completion of audits, and reporting.

The Information Security Program also conducts non-criminal investigations, and issues findings and recommendations, including possible disciplinary or remedial actions with respect to deficiencies or security violations/infractions. Finally, this program manages a contract for the destruction of classified and sensitive information at the DOT and FAA Headquarters buildings and maintains records for all security containers (safes) used within the Department that are serviced by the locksmith. This includes periodic inspections to ensure that classified information is properly stored in accordance with 32 CFR Part 2001.

Technical Security Program:

The Office of Security manages several security programs that fall under a general security category called Technical Security. These programs include communications security (COMSEC), control of compromising electronic emissions (TEMPEST), and technical surveillance countermeasures (TSCM), and require the expertise of persons highly trained in complex technical matters. This expertise is provided to the OAs and covers the protection of classified national security information and other sensitive information when discussed or processed during meetings or on information technology systems, or when electronically

transmitted. Additional technical support is provided to the DOT components installing or modifying access to secure communications systems such as the Homeland Security Data Network (HSDN) or the Joint Worldwide Intelligence Communication System (JWICS), to ensure DOT compliance with external system requirements.

The Office of Security directly manages the COMSEC program for DOT Headquarters and field facilities (excluding FAA). The COMSEC program includes both fixed and mobile equipment and devices that process classified communications. This responsibility includes management of the DOT COMSEC account, conducting required inventories of controlled cryptographic equipment and material, and issuance of secure communications equipment, including the Sectera vPer phones, which are in the process of replacing the existing Secure Terminal Equipment (STE) units, and secure wireless and satellite phones.

Substance Abuse Awareness & Testing

\$8.142 million

The DOT Federal Employee Drug and Alcohol Testing Program, mandated by Executive Order 12564 and the Omnibus Employee Testing Act of 1991, is the second largest program in the Federal Government with over 80,000 federal employees in the testing pool. Services under this program are provided to all DOT Operating Administrations, the U.S. Merchant Marine Academy and to the following agencies within the Department of Homeland Security (DHS): Transportation Security Administration (TSA), U.S. Coast Guard (USCG) and the Federal Air Marshals (FAM) program. Services are provided on a nationwide basis and include setting program policy requirements; briefings to unions on policy changes; testimony at third party hearings; random selection process; follow-up drug and/or alcohol testing program for employees who have completed rehabilitation; urine collection and laboratory testing services for pre-employment, random, return-to-duty, follow-up, reasonable suspicion, and post-accident; breath alcohol testing services for random, return-to-duty, follow-up, reasonable suspicion, and post-accident; split specimen testing services; medical review officer services; managing, coordinating and conducting employee awareness programs and mandatory supervisory training; and coordination of the Employee Assistance Program. Drug and alcohol collection and testing services are provided through contract vendors.

Transit Benefits & Parking

\$327.277 million

Transportation Services (TRANServe) delivers transit benefit services to DOT operating administrations and Non-DOT agencies and provides parking management services to DOT employees. This program receives funding under three different authorities in performing its various roles in support of DOT and Non-DOT agencies.

- Working Capital Fund (WCF) cost reimbursable agreements under Title 49 U.S.C 327.
- Non-DOT WCF under Section 104 of the Consolidated Appropriations Act, 2016 (Div. L, Pub. L. 114-113)
- Employee Parking Deposits for parking spaces to DOT employees under GSA Federal Management Regulation.

Transit Benefit Program:

The TRANServe Program Office is a Federal Government provider for transit benefits to 106 Federal agencies with over 189 thousand participants receiving in excess of \$324 million of

services annually. TRANServe provides this fringe benefit in accordance with the Internal Revenue Code section 132(f).

From the perspective of providing an efficient, economical means to distribute transit benefits, TRANServe enables agencies to make use of a single established distribution system, with extensive and effective internal controls over the receipt, maintenance, and distribution of the transit benefit provided to Federal employees under the program. It eliminates the need to establish multiple systems duplicating these functions at agencies and individual offices throughout the country. There is no mandate to make use of TRANServe for transit benefit distribution; rather, each of the agencies now making use of its services decided it was in their interest to use TRANServe for transit benefit distribution.

Participating agencies, TRANServe, and transit benefit recipients all have specific responsibilities to help ensure that the Transit Benefit Program functions effectively and that individuals participating in the program receive only the benefits they are eligible for, and use it appropriately, “Home to Work to Home”.

- TRANServe operates a highly sophisticated program (the Program) for providing the transit benefit to 106 agencies. The Program is supported by a complex and dynamic network of activities, such as statistical forecasting for nationwide distribution, and an elaborate array of financial analysis for agency billing. The commercial marketplace supporting the transit benefit delivery system is continuing to evolve to a more technologically advanced discipline. For instance, many Transit Authorities are re-engineering their transit media delivery system by eliminating paper and moving to electronic fare media. TRANServe has also transitioned its distribution methodology to a 99% electronic format through the TRANServe Debit Card thus reinforcing a low cost, efficient framework to deliver the transit benefit.
- The shift in distribution to electronic supports Green Government, strengthens internal controls, and meets Transit Authorities changing requirements.

TRANServe continues to collaborate with the Department of Treasury and Internal Revenue Service’s (IRS) General Counsels’ Offices to ensure the Program remains compliant with IRS tax code and the benefit maintains its tax-free status. The IRS has worked with TRANServe under their original guidance as well as their newly published guidance to ensure the Debit Card performs as required in specific transit authorities across the nation. The Government Accountability Office conducted an audit published in May 2015 that found DOT’s Debit Card internal controls are designed to be consistent with Federal standards and that TRANServe worked with the Internal Revenue Service (IRS) to demonstrate that the debit card program is in compliance with IRS's rules for qualified transportation fringe benefits and that in particular, it was a transit pass and effectively prevented non-transit-related purchases. The full report can be found at: <http://gao.gov/assets/680/670558.pdf>.

The Parking Management Program:

The Parking Management Program sells, issues, and administers weather-secure parking spaces in the DOT headquarters building. In addition, the program provides oversight to FAA for the management of their parking fees. The Parking Office collects money from the sale of parking permits for the regular monthly parking, temporary parking, and FAA parking.

Unemployment Compensation

\$2.066 million

The Department of Labor requires a central billing point in each cabinet agency for the unemployment costs of employees. The Working Capital Fund accepts unemployment compensation charges from the Department of Labor and bills each operating administration for their costs through a centralized billing service. Department of Labor (DOL) bills the Department of Transportation on a quarterly basis for their unemployment charges.

**FY 2018 OFFICE OF THE CHIEF INFORMATION OFFICER
WORKING CAPITAL FUND
BUDGET ESTIMATE
(\$000)**

<u>Program</u>	<u>FY 2016 Actual</u>	<u>FY 2017 Annualized CR</u>	<u>FY 2018 Request</u>	<u>Difference from FY 2017</u>
DOT Activities	69,101	69,043	76,307	7,264
Non-DOT Activities	0	0	0	0
Total	69,101	69,043	76,307	7,264

<u>Staffing</u>				
Reimbursable Positions	161	60	92	32
Reimbursable FTE	29	44	73	29

Background

The Office of the Chief Information Officer (OCIO) has the responsibility for the management and administration of the IT Shared Services (ITSS) portion of the Department's WCF organization, which supports the operation of an infrastructure known as the common operating environment (COE) that includes telecommunications, messaging, directory services, a fully consolidated DOT headquarters network, service desk and related support.

OCIO continues to implement the approved reprogramming and reorganization that was based on an extensive information technology (IT) workforce analysis completed in FY 2014. This realignment will improve and reduce costs. Funding for the new reimbursable positions will be realigned from the OCIO's contract line item. OCIO will reinvest potential savings from the eliminated positions to improve the Departmental IT infrastructure, IT services, and cybersecurity posture.

The current request will provide oversight and guidance for the 76.3 million in IT services delivered to the Department's OAs on a cost recovery basis.

MISSION/VISION/VALUES

WCF OCIO/ITSS provides the Department with a single source for competitively priced, comprehensive range of IT services while continuously improving the technology and safety of the IT infrastructure for the Department. WCF/OCIO ITSS provides expertise to the Department with state-of-the-market technical expertise, institutional IT knowledge, and historical data that is not readily available from other sources.

WCF/ OCIO ITSS staff designs, implements, operate, maintain and oversee all lifecycle ITSM phases of the core IT infrastructure for the DOT.

FY 2018 OCIO BUSINESS LINES BY PROGRAM

Business Management and IT Administration

\$8.446 million

IT Admin & Special Projects supports the overall management of the ITSS programs and certain special projects. The program costs are recovered through an equitable distribution to each ITSS program.

Financial Management Group provides business management and full back-end financial support to the ITSS programs and special projects. The program costs are recovered through an equitable distribution to each ITSS program.

Logistics & Support Services include direct management and oversight of ITSS programs, Continuity of Operations (COOP) and Disaster Recovery (DR) activities for ITSS programs, Inventory Management/Help Desk software implementation and maintenance, Stockroom, and Administrative services. The program costs are recovered through an equitable distribution to each ITSS program.

Campus Area Network (CAN)

\$10.679 million

Campus Area Network provides support services for the network infrastructure, Internet connectivity, and secure connections for the DOT headquarters and connectivity between DOT HQ and other DOT buildings in the DC Metro area, including the FAA HQ (FOB-10A). The request includes continued enhancement of the DOT network infrastructure and continued improvements of the DOT network security posture.

The request includes support for the 5-HELP Service Center Incident Management Center; maintenance support for new security software and appliances; support of the additional bandwidth for Internet connectivity; and the increased level of monitoring as required by DHS and the Trusted Internet Connection.

Enterprise Network Operations Center (ENOC), which is part of the DOT 5-HELP Service Center is responsible for the monitoring, notification, and facility management in support of ITSS. ENOC was established to provide twenty-four hour handling of calls, problem management, staff notification, and system monitoring. Areas monitored 24 X 7 include:

- Network monitoring
- Server monitoring
- Telecom systems monitoring
- Automated problem ticket generation and escalation
- After-hours service desk support.

These services are provided to customers twenty-four hours a day regardless of physical location. ENOC costs are proportionally distributed to ITSS programs. ITSS will move forward with enhancing ITSS monitoring capabilities to include additional security and network functionality.

Network Engineering provides planning, design and implementation services for network infrastructure. It is one of the focal points in enabling the consolidation of services and establishing a consistent and secure network across DOT including:

- Network Monitoring
- IP Address Management
- Network Design
- Network diagnoses and optimization

In FY2018, OCIO will focus on

- Field network consolidation
- Secure cloud connectivity
- Enhanced Remote Access solutions, and
- Enhanced network security.

Cyber Security as a Service

\$3.888 million

Cybersecurity as a Service:

The mission of the DOT Cybersecurity As a Service (CAS) program is to ensure the protection, integrity, availability, and confidentiality of DOT business systems, and critical IT infrastructure across hundreds of geographically separated locations, including contractor facilities and cloud service providers. The program's primary function is to lead and oversee DOT's implementation of Federal cybersecurity regulations, policies, guidance, and capabilities, and ensure DOT's compliance with the Federal Information Security Modernization Act (FISMA), and other applicable statutory requirements.

The program operates and maintains the DOT enterprise cyber incident response capability to detect, protect, report, and respond to cyber events across the DOT global enterprise, and which supports coordination of the remediation or mitigation of vulnerabilities and weaknesses. The program reports cyber incidents to the Department of Homeland Security's (DHS) US-CERT cyber incident center, and coordinates DOT engagement and response activities with US-CERT and other Federal agencies.

The program also provides enterprise vulnerability assessment, software assurance, continuous monitoring, and cyber forensic services to assist DOT Components in identifying, and correcting or mitigating weaknesses in their information systems, and during incident response efforts.

The CAS program oversees DOT's Identity, Credential and Access Management (ICAM) program, in cooperation with the Office of the Assistant Secretary for Administration, ensuring implementation of Homeland Security Presidential Directive 12 (HSPD-12) and the use of Federal smart cards for strong, authenticated access to DOT and Federal information systems, networks, and facilities.

This program leads the DOT security assessment and authorization (SA&A) processes, and the implementation of continuous monitoring and risk management across the agency, specifically for DOT CIO systems operated by the ITSS program team. The SA&A process within ITSS ensures that there is a secure, foundational general support system that DOT Components can leverage and inherit security from with minimal risk, and with minimal duplication of effort or

resources. A key part of the SA&A functional area is the Department's Cyber Security Authorization Management (CSAM) platform and system. The CSAM system cost-effectively supports online, electronic development, validation and maintenance of system security and authorization packages, continuous monitoring activities, compliance assessments and reporting, and overall risk assessment and management functions. As a DOT enterprise service, and consolidated store of cybersecurity SA&A data and documentation, CSAM also provides capabilities that maximize re-use of available information to cost effectively support required enterprise information sharing and reporting to the Office of Inspector General, DHS, and the Office of Management and Budget.

Data and Digital Services

\$0.500 million

The OCIO will provide on-demand data services via data publication and visualizations platforms based on Operating Administration requests. OCIO will provide expertise in modern design, software engineering, and product and system development to accelerate existing programs, enhance information sharing, and build and improve stakeholder engagement tools.

Desktop Services

\$14.649 million

The ITSS desktop, laptop, and engineering PC program provides quality, cost effective seat management, and related support under Service Level Agreements (SLA) with customers. In FY 2018, OCIO will provide desktop support for all regional and field users. In total, ITSS will manage more than 15,000 devices that support the mission of DOT.

Enterprise Dashboard

\$0.681 million

The Dashboard allows users to visualize and understand WCF expenditures and to make better business decisions. The platform is also used to improve business intelligence in a variety of areas including demographics tracking, human resource planning, procurements, and undelivered orders.

Enterprise Licenses

\$3.358 million

ITSS manages the COE and is positioned to centrally manage and fund the Microsoft Enterprise License Agreement (ELA). This enables our customers to focus on their specific missions while the OCIO continues to manage and oversee the ELA.

Privacy As A Service

\$0.100 million

The OCIO will provide on-demand compliance assessment and improvement services. In addition, the OCIO will purchase and provide third party application and web service assessment service support.

Records Management As A Service

\$0.100 million

The OCIO will provide on-demand email discovery support including search execution, record capture and delivery, record hold (and continued verification), process reporting in addition to compliance assessment and improvement support.

Server and Messaging Services

\$18.703 million

Server Operations:

The OCIO server operation consists of the following functional areas: Departmental Internet, Server Administration, Storage, Backup, and Server Hosting, professional services, Environmental Systems Research Institute (ESRI) costs and Web projects.

The Departmental Internet program provides web design support for the DOT website and departmental collaboration tool such as SharePoint, as well as a subscription service for e-mail management and enhanced Google search capabilities. OCIO will continue to provide a managed enterprise web content management system.

The GIS and ESRI program continues to provide comprehensive state-of-the-art geospatial solutions for the Department.

Server Operations provides hosting services for HQ servers and other devices for Operating Administrations (with the exception of FAA). Ongoing efforts are underway to study the current data center locations throughout the Department to develop and implement strategies for consolidation which include expanding on-site hosting capabilities, virtualization, and cloud computing.

Server Operations will move forward with enhancing ITSS server hosting capabilities to provide state of the art on demand services to support the mission of DOT. DOT will continue to focus on better meeting business requirements for cloud, storage, platform, and database services as well as focusing on security enhancements.

Directory & Messaging Services:

The OCIO ITSS Directory services provide secure authentication to authorized DOT users. ITSS currently manages more than 12,000 user and administrative accounts.

ITSS is further developing enhanced Directory Services to provide secure authentication for cloud mission applications to DOT and our partners including Federal, State, and local transportation agencies.

The OCIO ITSS Messaging services program includes Email and Mobile Device Management (MDM) which allows the DOT mobile workforce to securely access email, check their calendars, and keep up with work contacts remotely. OCIO has migrated to a more secure cloud solution for email and messaging capabilities.

Voice, Cable & Wireless

\$15.203 million

The ITSS Voice, Cable, and Wireless (VCW) component offers customers a wide range of telecommunications services such as desktop telephone service with voice mail, wireless telephony, circuit analysis, cabling, billing analysis, inventory management, telecom coordination/customer service, teleconferencing and customer special projects.

VCW services are an essential part of the DOT's IT support mission and are comprised of more than 17,000 telephone lines and 8,000 voice mailboxes, supported by the Southeast Federal Center's telecommunications system.

A large amount of costs in this program area, support local and long-distance communications and utilities costs for telephone, T-1 lines and circuits between regional offices and other remote sites, internet communications, and redundant systems to ensure continuity of operations.

Explanation of Funding Changes
for the
Working Capital Fund (DOT Activities only)

FY 2017 Base 189,678

FY 2018 Program Changes (+/-)

All programs include annualization of FTE and inflationary contract costs. Other increases are explained below:

<u>Description</u>	<u>Explanation</u>	<u>Difference</u>
<i>Assistant Secretary for Administration</i>		
Acquisition & Procurement Operations	DP2 Transition Support	1,252
DOT Cross Functional Activities	Consolidation of Cross Agency Priority Goals, Federal Audit Clearing House, and Government-Wide Counsal IAA's into the WCF	1,015
Financial Mgmt, Accounting, & Administration	Inflationary increases for accounting Services	332
HR Systems	Migration to a new Learning Management System	927
Human Resource Services	Personnel Operations Support Contract (\$.213 million), Health Services IAA (\$.019 million), and payroll (\$.32 million)	556
Transit Benefits and Parking	Current utilization of benefits	1,198
Other	Changes in customer demand and refined user estimates	22
Assistant Secretary for Admin Subtotal:		5,302
<i>Chief Information Officer</i>		
Campus Area Network (CAN)	Improved infrastructure support	1,323
Cyber Security as a Service	Refined user estimates	550
Data & Digital Services	New service in FY 2018	500
Privacy as a Service	New service in FY 2018	100
Records Management as a Service	New service in FY 2018	100
Server & Messaging Services	Changes in customer demand	4,722
Other	Changes in customer demand and refined user estimates	(30)
Chief Information Office Subtotal:		7,265
Total FY 2018 Request		202,245

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WORKING CAPITAL FUND
PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2016	FY 2017	FY 2018
			ANNUALIZED	
021-04-4520-0		ACTUAL	CR	REQUEST
Obligations by program activity:				
08.01	DOT service center activity	175,174	189,678	202,245
08.02	Non-DOT service center activity	253,794	363,295	321,022
09.00	Total new obligations	428,968	552,973	523,267
Budgetary resources available for obligations:				
10.00	Unobligated balance available, start of year	75,769	77,705	77,705
10.21	Recoveries of prior year unpaid obligations	15,434	0	0
10.29	Unobligated balance withdrawn	0	0	0
10.50	Unobligated balance (total)	91,203	77,705	77,705
New budget authority (gross), detail:				
Spending from offsetting collections:				
Discretionary				
17.00	Collected	418,407	552,973	523,267
17.01	Change in uncollected payments, Federal Sources	-2,937	0	0
17.50	Spending authority from offsetting collections (total)	415,470	552,973	523,267
19.30	Total budgetary resources available	506,673	630,678	600,972
19.41	Unexpired unobligated balance, end of year	77,705	77,705	77,705
Change in obligated balances:				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	52,516	50,393	37,254
3001	Adjustments to unpaid obligations, brought forward, Oct 1 (+ or -)	0	0	0
3010	Obligations incurred, unexpired accounts	428,968	552,973	523,267
3020	Outlays (gross)	-415,661	-569,112	-532,341
3040	Recoveries of prior year unpaid obligations, unexpired	-15,430	0	0
3050	Unpaid obligations, end of year (gross)	50,393	34,254	27,180
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-21,825	-18,888	-18,888
3061	Adjustments to uncollecte pymts, fed sources, brought forward, Oct 1 (+ or -)	0	0	0
3070	Change in uncollected pymts, Fed sources, unexpired	2,937	0	0
3090	Uncollected pymts, Fed sources, end of year	-18,888	-18,888	-18,888
3100	Obligated balance, start of year (net)	30,691	31,505	15,366
3200	Obligated balance, end of year (net)	31,505	15,366	8,292
Outlays (gross), detail:				
40.00	Budget authority (gross)	415,459	552,973	523,267
40.10	Outlays from new discretionary authority	358,991	547,569	507,372
40.11	Outlays from discretionary balances	<u>56,670</u>	<u>21,120</u>	<u>26,369</u>
40.20	Total outlays (gross)	415,661	568,689	533,741
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
40.30	Federal Sources	-415,887	-551,576	-520,767
40.33	Non-Federal Sources	-2,524	-2,108	-2,500
40.40	Offsets against gross budget authority and outlays (total)	-418,411	-553,684	-523,267
Against gross budget authority only:				
40.50	Change in uncollected customer payments from Federal sources (unexpir	2,937	0	0
40.60	Additonal offsets against budget authority only (total)	0	0	0
40.80	Outlays, net (discretionary)	-2,750	15,716	10,474
41.90	Outlays, net (total)	-2,750	15,716	10,474

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2016	FY 2017	FY 2018
021-04-4520-0	ACTUAL	ANNUALIZED CR	REQUEST
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$21,633	\$26,551	\$28,142
11.2 Accrued leave	-33	184	61
11.3 Other than full-time permanent	223	215	324
11.5 Other personnel compensation	315	250	379
11.8 Special personal services payments	0	0	0
11.9 Total personnel compensation	22,138	27,200	28,906
12.1 Civilian personnel benefits	6,934	8,162	9,317
13.0 Benefits for former personnel	2,009	2,066	2,066
21.0 Travel and transportation of persons	285	452	516
22.0 Transportation of things	94	239	239
23.1 Rental payments to GSA	7,769	8,196	8,300
23.3 Communications, utilities, and miscellaneous charges	7,060	8,782	9,019
24.0 Printing and reproduction	0	0	0
25.1 Advisory and assistance services	634	0	0
25.2 Other services	71,110	73,574	75,766
25.3 Other purchases of goods and services from Gov. accts.	43,310	42,555	44,173
25.4 Operation and maintenance of facilities	1,090	0	0
25.7 Operation and maintenance of equipment	10,723	9,947	14,797
26.0 Supplies and materials	226,093	361,814	319,780
31.0 Equipment	6,192	9,975	10,376
42.0 Insurance claims and indemnities	5	0	0
44.0 Refunds	23,522	11	11
99.9 Total obligations	\$428,968	\$552,973	\$523,254

Identification Code	FY 2016	FY 2017	FY 2018
021-04-4520-0	ACTUAL	ANNUALIZED CR	REQUEST
2001 Reimbursable civilian full-time equivalent employment	217	234	271

EXHIBIT IV-1
FY 2018 RESEARCH, DEVELOPMENT & TECHNOLOGY BUDGET REQUEST BY GOAL
DEPARTMENT OF TRANSPORTATION
BUDGET AUTHORITY
(in thousands of dollars)

	<u>FY 2016 ACTUAL</u>	<u>FY 2017 ANNUALIZED CR</u>	<u>FY 2018 REQUEST</u>	<u>FY 2018 APPLIED</u>	<u>FY 2018 DEVELOPMENT</u>
A. Transportation Planning, Research & Development	<u>8,500</u>	<u>8,484</u>	<u>8,500</u>	<u>0</u>	<u>8,500</u>
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY					
B. Research & Development	<u>5,909</u>	<u>5,421</u>	<u>8,063</u>	<u>3,215</u>	<u>2,230</u>
Salaries and Administrative Expenses	2,792	2,808	2,827	2,120	707
Research & Technology Programs	499	-	2,618	1,095	1,523
Alternative Fuels Research & Development (R&D)	499	498	499	-	-
RD&T Coordination	509	508	509	-	-
Positioning, Navigation, and Timing	1,610	1,607	1,610	-	-
Competitive University Transportation Center (UTC)	[68,802]	[68,802]	[75,000]	[75,000]	[0]
Consortia (FHWA) ^{1/}					

^{1/}Resources are shown as non-adds because the funding resides in the FHWA/FTA budget.

OFFICE OF THE UNDER SECRETARY OF TRANSPORTATION FOR POLICY

FY 2018 RD&T PROGRAM SUMMARY

RD&T PROGRAM: Transportation Planning Research and Development

AMOUNT REQUESTED FOR FY 2018: \$8.5 million

Objective:

Conduct research on transportation standards, technical aspects of industry proposals, and transportation industry indicators. Research and review of cost benefit analyst of policy.

Description:

The TPR&D program within the Office of the Under Secretary for Policy focuses on identifying improvements in transportation through new and innovative approaches to assisting the travelling public, mitigating adverse environmental effects, and lessening impacts to industry. The program fosters improvements in safety, technology and efficiency through research and studies. Once standards are developed and approved through the research conducted, the information is used to create policy and regulation for the transportation system.

Outputs:

The TPR&D program within the Office of the Under Secretary for Policy provides economic research reports to develop and refine departmental policy positions. RD&T studies also update the state-of-the-art on economic modeling of, and data for, the aviation industry, in support of the mission of the Office of Aviation and International Affairs.

RD&T Partners:

Partners include other operating administrations, especially the Office of the Assistant Secretary for Research and Technology, FAA, FHWA, FRA and FTA; the network of University Transportation Centers (UTCs), and other private and not-for-profit organizations that engage in transportation research, including the Transportation Research Board. The research promotes the economic competitiveness of the U.S. airline industry, benefiting the U.S. travelling public, and U.S. air carriers seeking access to foreign markets. The travelling public and emerging industry will benefit from research into High Speed Rail. The public also benefits from research to improve the safety of the transportation system and reducing adverse environmental impacts.

Initiatives:

Roadway Safety Risk and Infrastructure Intervention Effectiveness: The alarming rise in traffic fatalities demands additional attention to the efficacy and deployment of countermeasures, and points to the need for innovative data analysis that informs effective policy-making. We know that intersection crashes, roadway departures, non-motorized users, and rural areas and highway-rail grade crossings are major safety areas contributing to the fatality trend, and we also know of specific infrastructure that will significantly reduce these fatalities. FHWA has identified a set of Proven Safety Countermeasures that could significantly reduce these highway deaths.ⁱ

While the effectiveness of specific proven safety countermeasures are well known at the level of individual installations, more analysis is needed to compare which interventions if broadly installed would be most effective in reducing fatalities, which countermeasures are most cost-efficient, and how can infrastructure changes also positively change or mitigate for unsafe human behaviors. The analysis would also look at the extent to which innovative Proven Safety Countermeasures are used across the Nation's public roadways, the average time it takes to implement those modifications, the cost-benefit efficacy of employing certain countermeasures, and the potential for lives saved by deploying certain types of infrastructure modifications.

Interagency Infrastructure Permitting Improvement Center and online Permitting Dashboard:

Funding for the interagency infrastructure permitting improvement center and online database Permitting Dashboard, administratively located within the Office of the Under Secretary of Transportation for Policy, will work to cut transportation infrastructure permitting and review timelines by producing a faster, more efficient process, while also producing measurably better outcomes. This will include management, improvement, and expansion of a Federal Infrastructure Permitting Dashboard (Dashboard), as well as interagency coordination on the implementation of other government-wide permitting reforms. The Dashboard will facilitate early collaboration of infrastructure project reviews, synchronize, align and reduce time associated with permitting and environmental review timelines, when appropriate and practicable, and, increase accountability by making more project information available to the public. Other agency contributions will be provided to supplement funding of the interagency elements of the Dashboard.

Significant activities will include:

- Continued facilitation of data collection and reporting in conjunction with development, management, maintenance, operation, and oversight of the Dashboard. Projects will be posted on the Dashboard in accordance with the requirements of the FAST Act, and Guidance issued by OMB and CEQ that establish metrics for permitting and environmental review of all major infrastructure projects. Funds will implement significant upgrades to the Dashboard to fully expand its technical capabilities to support project management and tracking, as well as public transparency for projects across the Federal government. Funds will address costs that include migrating and hosting, website enhancements and updates (visualizations and improvement), and website operations and maintenance. Further, funds will address additional staffing that includes, but is not limited to, a Dashboard Project Manager, support staff, and a Help Desk. The Dashboard Project Manager will oversee implementation of the FAST Act and Guidance, technical requirements and support staff, make recommendations for policy and future guidance, and act as a central point of contact for agencies posting projects to the Dashboard. These staff will ensure continuity of services and operations, and be available to provide basic training on Dashboard operations. Activities undertaken by the Dashboard team will also include training subject matter experts across agencies regarding effective use of the tool on a widespread basis.
- Targeted technical assistance, training, outreach related to reform implementation across

federal agencies and bureaus, as well as state, local and tribal governments.

- Conducting research and piloting new policies, such as approaches for conducting environmental analysis, including analysis of mitigation options.
- Continuing to develop new policy improvements and process reform recommendations to accelerate project delivery through synchronized/coordinated environmental review and permitting among agencies, and promoting shared NEPA documents to satisfy all environmental reviews and permits. This includes identifying best practices associated with early stakeholder engagement, reducing information collection requirements, and other aspects of environmental review and permitting as well as to facilitating advanced planning for mitigation of project impacts and use of landscape or watershed-level approaches to mitigation to achieve improved environmental and community outcomes.

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

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

Below are some of the beneficial impacts to the American public:

- Ensuring fair and efficient air service to the American public by providing oversight over proposed airline mergers and acquisitions.
- Modernizing the data collection methods, usefulness and consistency of aviation data, which is used by the Department of Transportation, the aviation industry and the American Public to enhance aviation route planning.
- Review of domestic and international airline schedules to help enhance competition and growth in aviation.
- Maintaining constant dialog with foreign countries regarding cooperative airline programs and assuring the fairness of competition between domestic and international air carriers.
- Providing resiliency planning technical assistance to state, local and tribal communities.
- Identifying aspects of the U.S. transportation system that might be enhanced to increase international exports and provide economic benefits.
- Providing enhanced benefit – cost analysis to better measure the impact of proposed infrastructure investments.
- Emphasizing the importance of general aviation in support of the National Export Initiative.
- Through the enhancements to the Dashboard, guidelines will be established for agencies to use the Dashboard to report a common set of timeframe metrics for major infrastructure projects. In addition to supporting better project management, the information collected will help establish a baseline of the typical review timeframes for infrastructure projects across nine sectors. The Dashboard can achieve a number of important benefits including cutting timelines by encouraging synchronized review and early coordination, making it easier to identify and troubleshoot roadblocks, and improving agencies' accountability and

transparency to the public. These benefits can help cut project timelines while also improve the quality and consistency of agencies' environmental analysis. The primary benefits to the American public are the reduced timelines related to the permitting of infrastructure projects and the measurably better outcomes of the projects. Additionally, the activities directly and indirectly facilitate job creation in the area of infrastructure projects.

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

OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY

RESEARCH & TECHNOLOGY PROGRAM

Project: *Planning and Coordination*

Objective: Coordinate, facilitate and review the Department's investments in research, development and technology (RD&T).

Description: This program promotes coordination and collaboration for the Department's RD&T programs through the RD&T Planning Team. This group is chaired by the Director of the Office of Research, Development and Technology and provides a forum for intra-agency and interagency coordination. This program manages and coordinates the strategic planning and execution process for transportation RD&T across the Department as defined in the Fixing America's Surface Transportation (FAST) Act. The program promotes excellence in research management; develops guidance concerning access to research results, peer review processes and research ethics and coordinates Departmental participation in initiatives of the White House Office of Science and Technology Policy National Science and Technology Council.

Outputs:

- Developing and implementing the five-year *USDOT RD&T Strategic Plan (FY 2017 – 2021)*.
- Conducting the annual review, approval, and Secretarial certification to Congress of DOT's Annual Modal Research Plans.
- Preparing the Annual Research Funding Reports and Performance Reports mandated by the FAST Act, for submission in conjunction with the President's Budget Request, and ensures alignment with the *USDOT RD&T Strategic Plan*.
- Conducting monthly RD&T Planning Team meetings to collaborate on research topics across the Operating Administrations and Secretarial offices.
- Partnering with the European Commission and other international organizations to coordinate joint research efforts that address global and domestic transportation issues.
- Leading Departmental representation to the International Transport Forum's Transport Research Centre (ITF/TRC).
- Coordinating Departmental responses to Federal Government-wide directives, including the Scientific Integrity Policy and the Policy for Increasing Access to the Results of Federally Funded Scientific Research

RD&T Partners:

- The Department's Operating Administrations and other Secretarial Offices.
- U.S. Department of Energy; and other Federal Department and Agencies.
- Stakeholders including the Transportation Research Board (TRB) and its hundreds of committees, TRB cooperative research programs, the Association of state Highway and Transportation Officials Research Advisory Committee (AASHTO RAC), academic institutions, state DOTs, transit authorities, local, regional and state planning entities, local, state and regional governmental entities, and the private sector including the owners and operators of transportation infrastructure.

- The European Commission, the International Transport Forum, and other international transportation research stakeholders

RD&T Strategies:

- Improve transparency, accountability and coordination of the Department’s RD&T investments.
- Increase and leverage multimodal RD&T activities across the Department and among Department-funded researchers and other stakeholders.
- Fund small, time-critical research projects.

Project: *USDOT Research Hub*

Objective:

To provide the project-level research information for all Department-funded research needed to foster research coordination and collaboration, promote excellence in research management, and increase RD&T transparency within the Department, with the public and other external stakeholders. The Research Hub meets the FAST Act requirement for maintaining a Consolidated Research Database and is used to track compliance with the Department’s Public Access Plan.

Description: This project consists of a web-based, publicly available central repository of RD&T project records obtained from each Operating Administration (provided online at <https://www.transportation.gov/research-technology>). The database supports research coordination by providing project-level access to the Department’s extensive RD&T portfolio, ensuring transparency and leveraging opportunities for cross-agency and external collaboration. The database is used to develop reports on pertinent research topics, and to identify gaps and potential duplication in ongoing research activities across the Department. Beneficiaries include Departmental staff, transportation research program managers and researchers, external stakeholders, transportation system managers and users, OMB and Congress. Funding will be used to maintain up-to-date database content, add new information on “real world” research implementation, and upgrade the web interface to facilitate ease of use and enhance search capabilities.

Outputs:

- Increased leveraging of knowledge, funds and products that come from the expenditure of the Department’s RD&T investments.
- Tracking the Department’s RD&T spending and types of research investments.
- Identifying research gaps, overlaps, and potential synergies, and to answer inquiries about the Department’s RD&T activities and research topics.
- Ensure transparency by providing public access to the Department’s research portfolio.
- Conduct cross-modal reviews of the Department’s research portfolio to ensure the optimal allocation of future research resources.

RD&T Partners:

- The Department’s Operating Administrations and Secretarial Offices.

- Department-funded researchers, including the Office of the Assistant Secretary for Research and Technology's (OST-R) University Transportation Centers (UTCs) and FAA's Centers of Excellence.
- Stakeholders including the TRB and its hundreds of committees, TRB cooperative research programs, AASHTO RAC, academic institutions, state DOTs, transit authorities, local, regional and state planning entities, local, state and regional governmental entities, and the private sector including the owners and operators of transportation infrastructure.

RD&T Strategies:

- Improve the transparency and accountability of the Department's RD&T investments.
- Increase and leverage multimodal RD&T activities across the modes and among Department-funded researchers and other stakeholders.

Project: *Technology Transfer Program*

Objective: The technology transfer program's activities focus on leveraging the Department's research products to facilitate commercialization and subsequent "real world" benefits. The program works with all of the Operating Administrations to assist them with understanding and implementing best practices in research product development and deployment and in building technology transfer mechanism into research planning early in the process. The program supports OST-R's overall RD&T coordination mission.

Description: Technology transfer is the process the Federal government uses to advertise and deploy its research by transferring scientific information (technologies) to stakeholders and users who may further develop it for public or private needs. It includes various elements of transferring technologies and augments the Department's marketing and deployment of technology transfer projects. This program supports the full use of the Department's investment in research and development, and protects intellectual property by securing patents and issuing licenses (where applicable) that facilitate technology commercialization.

Outputs:

- Publishing a Technology Transfer Primer.
- Leading collaborative efforts with the cross-modal technology transfer team.
- Coordinating the Department's response to the Presidential Memorandum on Accelerating Technology Transfer and Commercialization of Federal Research in Support of High-Growth Businesses.
- Developing the Department's Technology Transfer Annual Performance Report and submitting it to the Department of Commerce.
- Identifying Department-funded technologies for potential application.
- Providing training in processes and best practices for facilitating technology transfer.

RD&T Partners:

- The Department's operating administrations.
- Department-funded researchers, including OST-R's UTCs.
- Stakeholders including the TRB and its hundreds of committees, TRB cooperative research programs, AASHTO RAC, academic institutions, state DOTs, transit authorities,

local, regional and state planning entities, local, state and regional governmental entities, and the private sector including the owners and operators of transportation infrastructure.

RD&T Strategies:

- Improve transparency and accountability of the Department's RD&T investments.
- Increase awareness of the Department's technology transfer activities among the Operating Administrations, Department-funded researchers and other stakeholders.
- Increase awareness of availability of technologies for application with potential users.

Project: Automated Vehicles and Related Technology

Objective: Facilitate fundamental research and engagement with stakeholders on infrastructure and system solutions to help cost-effectively and safely accelerate the deployment of automated vehicles and related technologies (AV&RT) throughout all modes of transportation.

Description: Automated vehicles and related technologies are increasingly becoming key components of the transportation system with the potential to drive transformative safety, efficiency, and economic improvements at scale. OST-R's ability to coordinate AV&RT research across operating administrations and research offices and outside stakeholders can help ensure that the growing body of work in this area is connected throughout the various facets and interests of the sector. This includes strengthening efforts in artificial intelligence, introducing AV&RT into legacy transportation models, improving the functionality of AV&RT through approaches like teleoperation, and lowering the overall cost of AV&RT adoption by identifying infrastructure and system improvements that state, local, and private interests can help implement. Without OST-R's work in this area, an opportunity-cost exists in which duplicative processes and unrealized synergies between research and outreach efforts can potentially slow the transition towards AV&RT.

Outputs:

- Convening subject matter experts on needed improvements in fundamental research on artificial intelligence, and on the role of teleoperation in AV&RT
- Analysis of current transportation models (or the need for new models) and their capacity to include AV&RT.
- Development and cataloguing of low-cost infrastructure, mapping, and network improvements that can provide a more seamless and affordable adoption of automated vehicles and new vehicle platforms into the existing transportation system.
- Regional pilots focused on the deployment of AV&RT at scale.
- Publications focused on increasing scientific and practical knowledge of AV&RT.

RD&T Partners:

- The Department's operating administrations and research offices.
- Department-funded researchers, including OST-R's UTCs.
- The National Science Foundation, NASA, DOD, and related bodies.

- External stakeholders including other federal agencies, the transportation research board, state departments of transportation, the private sector, academia, and other non-government organizations with expertise in AV&RT.

RD&T Strategies:

- Engage and connect expertise across the Department and with other public and private sector stakeholders to increase AV&RT development and deployment across all modes of the transportation systems.
- Fund targeted research in areas still needing development within AV&RT.

Project: Positioning, Navigation, and Timing & Spectrum Management

Objective: To serve as the designated lead for Federal civil agency Positioning, Navigation, and Timing (PNT) requirements and architecture development; and to ensure protection of the Global Positioning System (GPS) and other PNT- and spectrum-based safety-of-life transportation capabilities from harmful interference.

Description: The PNT program coordinates Departmental PNT technology, policy, and spectrum management. It also provides civil PNT systems and spectrum analysis that is critical to cross-modal transportation applications in support of the Department’s transportation safety requirements and goals.

The Deputy Secretary of Transportation and the Deputy Secretary of Defense are co-chairs of the National Space-Based PNT Executive Committee; and the Assistant Secretary for Research and Technology serves as the co-chair of the National Space-Based PNT Executive Steering Group, which guides national level interagency space-based and complementary PNT investment and implementation decisions.

Outputs:

- Developing key PNT and spectrum requirements planning documents:
 1. *Federal Radionavigation Plan*, in conjunction with DoD and DHS
 2. *Civil PNT Requirements Document*
 3. *DOT Strategic Spectrum Plan*.
- Defining spectrum interference protection criteria for systems operating in the radiospectrum bands adjacent to GPS.
- Analyzing of spectrum sharing technologies to determine whether use of Dedicated Short Range Communications (DSRC) for safety-critical connected vehicle technology applications can co-exist with operation of unlicensed wireless services.
- Coordinating analysis through PNT Research Hub of ongoing civil efforts to address PNT capability gaps mapped to the National PNT Architecture Implementation Plan
- Chairing and preparing Summary Records of Civil GPS Service Interface Committee (CGSIC) meetings.

RD&T Partners:

- The Department’s Operating Administrations.

- Department of Defense (DoD).
- Department of Homeland Security (DHS).
- Civil government, Department and Agency PNT stakeholders.
- External stakeholders including other federal agencies, private sector stakeholders, the general public and all PNT services users.

RD&T Strategies:

- Through participation in the Complementary PNT effort, the Department can leverage work conducted by DoD in the research and development of new PNT capabilities and explore technology transfer for civil applications. This effort is important to mitigate the growing vulnerability of GPS to jamming and potential spoofing of the signal, to increase the resiliency of critical infrastructure that uses GPS, and ensure PNT needs for autonomous vehicles are met.
- Conduct a GPS Spectrum Adjacent Band Compatibility Assessment to ensure that radiofrequency bands adjacent to GPS contain compatible signals and services that will not interfere with GPS. This assessment is in response to work conducted to evaluate proposals for wireless broadband services in the radiofrequency band adjacent to GPS, which has demonstrated widespread interference to GPS signals.
- Enable spectrum experts, in conjunction with the Intelligent Transportation Systems Joint Program Office (ITS JPO) to continue to perform technical analysis in an effort to determine whether DSRC can co-exist with operation of unlicensed wireless services in the same radiofrequency band.

Project: *Research Grants Management*

Objective: To manage and ensure proper execution of grants allocated to university consortia selected to receive University Transportation Center (UTC) grants.

Description: The UTC program's mission is to advance transportation expertise and technology in the many disciplines of transportation through education, research, and technology transfer at university-based consortia. The current authorization for the UTC Program is the FAST Act, sec. 6016 (49 USC 5505).

The UTC program provides critical transportation knowledge developed outside of the Department. It also addresses the needs of the transportation workforce by developing the next generation of transportation professionals. UTCs are selected based on a rigorous competition, which includes research, education and technology transfer activities that will address FAST ACT research priorities and topic areas established by the Secretary.

Outputs:

- Producing highly-qualified university graduates specializing in the transportation sector.
- Developing new technologies and products for application to transportation systems.
- Publishing technical reports on research topical areas.

- Publishing technical presentations at National and regional technical conferences.
- Conducting technical seminars and workshops.
- Delivering new/improved guidelines on planning, operations, and design and/or maintenance issues.

RD&T Partners:

- The Department's Operating Administrations.
- External stakeholders, including other Federal agencies, academic institutions, state DOTs, transit authorities, local, regional and state planning entities, local, state and regional governmental entities, and the private sector including owners and operators of transportation infrastructure.

RD&T Strategies:

Through the UTC program, universities are funded to conduct research, education and technology transfer activities across the modes that will result in the following:

- Next generation technologies and products for the transportation sector.
- Reduced transportation congestion.
- Safer transportation systems.
- More efficient and productive transportation systems.
- The next generation of transportation leaders and experts.

ⁱ For example, roadway departures account for about 53 percent of fatal crashes each year on our highways, and installation of center-line and shoulder rumble strips on rural two-lane roads have been shown to reduce fatalities by 44 and 36 percent, respectively. The value of societal harm from highway crashes is estimated to be \$836 billion per year (including medical costs, lost productivity, etc.), and highway safety infrastructure investments are crucial to reducing the prevalence and severity of crashes. They also play a critical role in preventing or mitigating harm from the unsafe human behaviors that are implicated in a majority of crashes.

**Transparency Paper:
Total Program Resources for
Office of the Assistant Secretary for Administration
and
Office of the Chief Information Officer**

The information contained in this Transparency Paper identifies the amount of funding received and requested by the Office of the Chief Information Officer and the Office of the Assistant Secretary for Administration from direct appropriations, and the amount of funding for those two offices from WCF reimbursements; and a clear description of the WCF work that is completed under the appropriations cap, exempt from the cap, and completed under reimbursable agreements.

INTRODUCTION

The Working Capital Fund (WCF) was authorized under the Department of Transportation (DOT) Act, Public Law 89-670, enacted October 15, 1966, to provide technical and administrative services that allow the DOT Operating Administrations (OAs) to focus on core missions while reducing costs by consolidating administrative management structures. The WCF is funded through negotiated agreements with its customers. The WCF is an intra-governmental revolving fund established in order to finance a cycle of operations in which the customers reimburse the costs of goods and services received. Costs reimbursed by customers include direct and indirect costs including accrued annual leave and capital asset depreciation. To extend efficiencies and to increase economies of scale, the WCF also services customers outside of the DOT. These Non DOT customers include the Department of Homeland Security, specifically Coast Guard and Transportation Security Administration, and more than 100 agencies nationwide, including the House of Representatives, that use the WCF to manage transit benefits to their employees.

The WCF, through the Office of the Assistant Secretary for Administration (OASA) and the Office of the Chief Information Officer (OCIO), provides a wide range of technical and administrative services, including personnel operations and systems, facilities management, parking management, transit benefit programs, printing and graphics, mail operation, library and dockets management operations, building security, IT security and infrastructure, telecommunications, and procurement and acquisitions services. The fund's services are delivered to customers through an organizational structure of individual business lines providing related services or products. This consolidation of services allows the WCF to achieve economies of scale, eliminate redundancies, promote consistency in service, and reduce administrative costs across the Department.

The WCF is a fee-for-service operation which normally receives no direct appropriations. Instead, the WCF is a fully self-sustaining organization and must achieve full cost recovery which includes an equitable distribution of overhead and indirect costs. During the budget formulation stage, the WCF provides cost estimates to the WCF customers based on historical data and projected demand and service levels. During the year of execution, customers are billed for actual use of common services.

A WCF Steering Committee (Committee) was established in fiscal year (FY) 2003 to facilitate shared accountability by both WCF and the operating administrations, and ensure a transparent and effective working environment that invites everyone involved to operate with shared responsibilities. The Committee ensures common goods and services are provided in the most cost effective and efficient manner. The Committee is comprised of Associate Administrators of Administration and Chief Financial Officers/Budget Officers from each OA. Specific functions and activities of the Committee include: recommending goods and services that comprise the WCF; approving all WCF funding levels for each service; evaluating the WCF performance in meeting service plans; ensuring that systematic measures of performance against approved service plans are in place; and evaluating and approving capital asset purchases in excess of \$50,000.

The Office of the Assistant Secretary for Administration administers funds for the Working Capital Fund, receives appropriations for Salaries and Expenses for non-WCF functions, and administers a Reimbursable Program. The Office of the Chief Information Officer provides IT services, technical management, and business support through the WCF. The OCIO also receives Salaries and Expenses and Cyber Security Initiatives appropriations.

The following table shows the breakout of funds for both offices.

TOTAL OBLIGATIONAL AUTHORITY BY OFFICE

(In thousands of dollars)

	<u>FY 2016 Actual</u>	<u>FY 2017 Annualized CR</u>	<u>FY 2018 Request</u>	<u>Difference from FY 2017</u>
Assistant Secretary for Administration				
Salaries and Expenses	25,925	25,876	27,783	1,907
Working Capital Fund				
DOT	120,938	120,635	125,938	5,303
NON-DOT	362,788	363,295	321,022	(42,273)
Reimbursable	1,836	1,846	1,894	48
TOTAL	<u>511,487</u>	<u>511,652</u>	<u>476,637</u>	<u>(35,015)</u>
Chief Information Officer				
Salaries and Expenses	16,280	16,249	16,758	509
Cyber Security Initiatives	8,000	7,985	10,000	2,015
WCF DOT Activities	69,101	69,043	76,307	7,264
WCF NON-DOT Activities	0	0	0	0
TOTAL	<u>93,381</u>	<u>93,277</u>	<u>103,065</u>	<u>9,788</u>

Major Responsibility
Source of Funds
FY 2018 Request (in thousands)

Office of the Assistant Secretary for Administration Overview:

The Assistant Secretary for Administration is the policy and operations leader and principal advisor to the Secretary of Transportation on Department-wide and Office of the Secretary administrative functions. The Assistant Secretary serves as the:

- Department's Chief Human Capital Officer and provides leadership on all matters associated with the Chief Human Capital Officers Act of 2002. In this role, oversees the planning, implementation, reporting, and evaluation of personnel policies, programs, operating procedures, and systems that support DOT strategic objectives and performance goals.
- Deputy Chief Acquisition Officer for DOT (49 CFR §1.59(a) (6)). Formulates departmental policy, controls and standards to ensure that procurement and financial assistance management programs are in accord with applicable laws, regulations, and good business practices to meet departmental missions in support of the national transportation system.

The Assistant Secretary also delivers administrative services to DOT and Non-DOT customers through the WCF operations and ensures administrative support services are responsive to OST customer requirements and DOT strategic policy direction.

For FY 2018, the Office of the Assistant Secretary for Administration will administer three sources of funding in performing its various roles in support of the DOT. Each funding stream is maintained and reported independently. OASA funding directly tracks to the OASA three areas of responsibility:

- Annually appropriated Salaries and Expenses (S&E) for carrying out human resources and procurement policy, security management and follow-up, promoting environmental strategies and technologies, and resolution of Government Accountability Office and Inspector General audit reviews of department programs, including preparation of required reports.
- Reimbursable funding for providing formal Administrative Procedure Act (APA) hearings to DOT operating administrations.
- Working Capital Fund cost reimbursements for providing and supporting Department-wide core administrative, security and facilities functions such as executive and political personnel operations, building security, and facilities management.

Specific breakdown of the uses of these funds follows.

FY 2018
(\$000)

Assistant Secretary for Administration - Salaries and Expenses \$ 27,783

The OASA provides oversight and leadership for major programs such as acquisition reform, human capital planning and recruitment, sustainable operations and environmental compliance, physical and facility security policy outreach and oversight, and emergency preparedness. This program also administers the resources to pay for consolidated rent payments to GSA and OST payments to the Working Capital Fund.

The Assistant Secretary for Administration serves as the principal advisor to the Secretary and Deputy Secretary on Department-wide administrative matters. The Assistant Secretary is the Department's Chief Human Capital Officer (CHCO), with statutory responsibility for developing and reviewing policies and programs to ensure that high-quality, diverse talent is both continuously available and properly deployed to support DOT objectives. Reforms mandated by the Service Acquisition Reform Act (P.L. 108-16) and the Energy Policy (E.O. 13514) have also significantly enlarged the responsibilities of the Assistant Secretary, who is the Deputy Chief Acquisition Officer. In that capacity, the OASA formulates departmental policy, controls, and standards to ensure that procurement and financial assistance programs are in accord with applicable laws, regulations, and good business practices. Under the authority delegated by the Secretary, the Assistant Secretary carries out the responsibilities of the Competitive Sourcing Officer as specified in OMB Circular A-76, Performance of Commercial Activities. The Assistant Secretary is also the senior departmental security executive and provides leadership and direction to departmental organizations to ensure the safety, security, and protection of DOT personnel, information, facilities, and other assets.

Assistant Secretary for Administration - Working Capital Fund \$446,960

DOT: \$125,938

NON-DOT: \$321,022

The Working Capital Fund (WCF) provides Departmental services in human resources, security, acquisition and grants, information services, transportation and facilities, and space management. In the transit benefits area, the WCF manages the program for over 100 agencies nationwide. These services include financial management of DOT's WCF.

The DOT's WCF provides an array of services in support of the Department's Office of the Secretary and Operating Administrations. The WCF is a full cost recovery, fee-for-service organization that normally receives no directly appropriated funds, but recovers costs through cost reimbursable and interagency service level agreements. The WCF has an obligation ceiling set by Congress which limits the amount of business the WCF may do for the Department that fiscal year.

Assistant Secretary for Administration - Reimbursable Program

Office of Hearings

\$1,894

The Office of Hearings is located in the Office of the Assistant Secretary for Administration in order to separate the Office from all investigatory and prosecution functions. The Office of Hearings is composed of administrative law judges, who hold hearings under the Administrative Procedure Act (5 U.S.C. § 551 et seq.) (APA) for the Department's Office of the Secretary (primarily in aviation matters) and the Department's component modal administrations that need formal APA hearings, including the Federal Aviation Administration, Federal Motor Carrier Safety Administration, and the Pipeline and Hazardous Materials Safety Administration.

Office of the Chief Information Officer Overview:

The Department of Transportation Chief Information Officer (DOT CIO) is the principal information technology (IT) and cyber security advisor to the Secretary. In this strategic departmental role, the CIO provides leadership on all matters associated with the Department's \$3.5 billion IT portfolio. This includes security, investment management, and improvements in the delivery of services to the American taxpayer through electronic government initiatives.

Funding is included in this request to address the CIO's strategic Departmental, OST and infrastructure roles. The DOT OCIO also supports the CIO function for Office of the Secretary. Similar to the role of an operating administration CIO, the OST CIO ensures that IT needs of OST employees are met and sound investment decisions are made, consistent with mission and business requirements of the DOT CIO.

The DOT CIO delivers IT services to DOT customers through the operation of an IT infrastructure that includes e-mail services, a backbone network, and help desk support. Historically, operating administrations contract with the CIO for services and reimburse the CIO for the cost of those services. The WCF is the reimbursement mechanism for these services.

DOT CIO Managed Resources Overview:

For FY 2018, the Office of the Chief Information Officer (OCIO) will administer three sources of funding in performing its various roles in support of the DOT. Each funding stream is maintained and reported independently. OCIO funding directly tracks to the CIO's areas of responsibility:

- Annually appropriated Salaries and Expenses (S&E) for formalizing IT strategy and carrying out IT policy, security and other mandates, guidance, monitoring and reporting.
- WCF cost reimbursements for providing and supporting Department-wide core IT functions, such as information assurance and support, voice, cable and wireless, campus area network (CAN), desktop services, and server and messaging services.
- A Cyber Security Initiatives appropriation to improve infrastructure and Departmental programs to address growing cyber threats and continuing the accomplishments achieved with the FY 2016 Cyber Security Initiatives appropriation.

A specific breakdown of the uses of this funding request follows.

**FY 2018
(\$000)**

Office of the Chief Information Officer - Salaries and Expenses \$16,758

The OCIO annual Salaries and Expenses appropriation provides pay, compensation and benefits for the Department’s CIO, and Deputy CIO and Chief Technology Officer, the CIO for OST, as well as technical and administrative government staff. Annual OCIO S&E funding provides resources necessary for the CIO to meet responsibilities to the Department as well as other Executive and Legislative Branch requirements, and for improving practices in the design, modernization, use, sharing, and performance of information resources. The CIO develops recommendations for information technology management policies, procedures, and standards and leads e-government projects to improve service delivery, and foster the effective use of IT communication technologies to enhance business activities performance. The OCIO also works closely with Budget and Procurement to lead IT investment governance.

Cyber Security Initiatives \$10,000

The DOT OCIO is requesting \$8 million of cyber security funding for FY 2018 to provide necessary resources for DOT to continue to maintain and improve the DOT’s cyber security posture. Major areas of focus will be:

- DOT’s continued operation of the Federal Continuous Diagnostics and Mitigation (CDM) program, which will not be funded by a DHS; and supporting the DOT DCM program including the dashboards to improve visibility into vulnerabilities and improve capability to remediate vulnerabilities;
- Maintaining and supporting existing capabilities for secure remote access, secure communications, identity management services, and TIC; and
- Completing Internet access for the DOT COE to the secure Managed Trusted Internet Protocol Services (MTIPS).

In FY 2018, DOT will continue to support infrastructure elements procured in FYs 2013 - 2017.

Office of the Chief Information Officer - Working Capital Fund \$ 76,307

The DOT’s Working Capital Fund provides an array of services in support of the Department’s Office of the Secretary and OAs. The WCF is a full cost recovery, fee-for-service organization that normally receives no directly appropriated funds, but recovers costs through cost reimbursable and interagency service level agreements. The WCF has an obligation ceiling set by Congress which limits the amount of business the WCF may do that fiscal year.

WCF organizationally consists of two major components, personnel/facilities services, and IT shared services. The IT shared services fall organizationally and operationally under the OCIO. OCIO’s WCF IT operations are essentially an outsourced environment, consisting primarily of contractors and a small cadre of government project managers and technicians. In addition to providing the DOT Washington metro area’s campus-wide telephony, communications backbone infrastructure, and firewall security, OCIO WCF IT operations also provide a common IT operating environment, server hosting facilities, desktop management, IT engineering, DOT intranet/internet support and field support.

OCIO will continue to work to finalize the realignment of the number of federal employees (FTP) to realize increased efficiency and improve the infrastructure of OCIO services. The realignment will include updated processes that improve efficiencies and eliminate redundancies.

The following tables show the Budget Estimates, with a break out for both offices, for FY 2018, FY 2017, and FY 2016:

FY 2018 REQUEST SUMMARY BY OFFICE

ASSISTANT SECRETARY FOR ADMINISTRATION

	<u>Salaries & Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	7,690	30,782	1,292
Travel	26	469	5
Other Costs	<u>20,067</u>	<u>415,708</u>	<u>597</u>
TOTAL	27,783	446,960 ^{1/}	1,894

1/ Of the \$447 million, \$327 million is for the Transit Benefits and Parking Program.

STAFFING

Direct Positions	51	0	0
Reimbursable Positions	0	201	9

OFFICE OF THE CHIEF INFORMATION OFFICER

	<u>Salaries & Expenses</u>	<u>Working Capital Fund</u>	<u>Cyber Security Initiatives</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	9,292	7,440	0	0
Travel	25	47	0	0
Other Costs	<u>7,429</u>	<u>68,820</u>	<u>10,000</u>	<u>0</u>
TOTAL	16,746	76,307	10,000	0

STAFFING

Direct Positions	50	0	0	0
Reimbursable Positions	0	92	0	0

FY 2017 ANNUALIZED CR SUMMARY BY OFFICE**ASSISTANT SECRETARY FOR ADMINISTRATION**

	<u>Salaries & Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	7,699	28,818	1,276
Travel	25	437	5
Other Costs	<u>18,152</u>	<u>454,675</u>	<u>565</u>
TOTAL	25,876	483,930 ^{1/}	1,846

1/ Of the \$485 million, \$368 million is for the Transit Benefits and Parking Program.

STAFFING

Direct Positions	51	0	0
Reimbursable Positions	0	201	9

OFFICE OF THE CHIEF INFORMATION OFFICER

	<u>Salaries & Expenses</u>	<u>Working Capital Fund</u>	<u>Cyber Security Initiatives</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	8,179	6,544	0	0
Travel	15	15	0	0
Other Costs	<u>8,055</u>	<u>62,483</u>	<u>7,985</u>	<u>0</u>
TOTAL	16,249	69,043	7,985	0

STAFFING

Direct Positions	43	0	0	0
Reimbursable Positions	0	60	0	0

FY 2016 ACTUAL BUDGET SUMMARY BY OFFICE**ASSISTANT SECRETARY FOR ADMINISTRATION**

	<u>Salaries & Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation			
and Benefits	7,635	28,144	1,264
Travel	25	436	5
Other Costs	<u>18,265</u>	<u>455,146</u>	<u>567</u>
TOTAL	25,925	483,726 ^{1/}	1,836

1/ Of the \$484 million, \$369 million is for the Transit Benefits and Parking Program.

STAFFING

Direct Positions	60	0	0
Reimbursable Positions	0	224	9

OFFICE OF THE CHIEF INFORMATION OFFICER

	<u>Salaries & Expenses</u>	<u>Working Capital Fund</u>	<u>Cyber Security Initiatives</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation				
and Benefits	8,121	5,039	0	0
Travel	15	12	0	0
Other Costs	<u>8,144</u>	<u>64,050</u>	<u>8,000</u>	<u>0</u>
TOTAL	16,280	69,101	8,000	0

STAFFING

Direct Positions	61	0	0	0
Reimbursable Positions	0	161	0	0

The following tables show the total Working Capital Fund estimate and a break out for both offices.

**ASSISTANT SECRETARY FOR ADMINISTRATION
WORKING CAPITAL FUND
FY 2018 BUDGET ESTIMATE**
(In thousands of dollars)

Program	FY 2016 Actual	FY 2017 Estimate	FY 2018 Request	Difference from FY 2017
DOT Activities	120,938	120,635	125,938	5,303
Non-DOT Activities	362,788	363,295	321,022	(42,273)
Total	483,726	483,930	446,960	(36,970)
<u>Staffing</u>				
Reimbursable Positions	224	201	201	0
Reimbursable FTE	188	190	198	8

**OFFICE OF THE CHIEF INFORMATION OFFICER
WORKING CAPITAL FUND
FY 2018 BUDGET ESTIMATE**
(In thousands of dollars)

Program	FY 2016 Actual	FY 2017 Estimate	FY 2018 Request	Difference from FY 2017
DOT Activities	69,101	69,043	76,307	7,264
Non-DOT Activities	0	0	0	0
Total	69,101	69,043	76,307	7,264
<u>Staffing</u>				
Reimbursable Positions	161	60	92	32
Reimbursable FTE	29	44	73	29

The following tables display the WCF/OCIO cost estimates by Operating Administration:

**Working Capital Fund
Operating Administration Costs
And Other Expenses Estimate
(\$000)**

	FY 2016 Actual			FY 2017 Annualized CR			FY 2018 Request		
	WCF Administration	WCF OCIO	Total	WCF Administration	WCF OCIO	Total	WCF Administration	WCF OCIO	Total
Operating Administration									
OST	9,675	10,619	20,294	10,635	10,415	21,050	11,284	9,208	20,492
FAA	39,488	9,584	49,072	43,186	9,743	52,929	45,694	9,061	54,755
FHWA	15,015	17,768	32,783	12,727	17,375	30,102	12,998	18,865	31,863
FRA	4,116	4,177	8,293	3,899	4,423	8,322	4,441	4,981	9,422
NHTSA	5,628	6,538	12,166	5,508	6,749	12,257	5,496	8,506	14,002
FTA	3,767	4,908	8,675	3,582	4,939	8,521	3,996	5,881	9,877
SLSDC	284	457	741	307	487	794	318	514	832
VOLPE	1,451	101	1,552	894	107	1,001	821	240	1,061
MARAD	4,389	3,883	8,272	4,255	3,899	8,154	4,043	4,277	8,320
OIG	2,637	1,151	3,788	2,890	1,271	4,161	2,940	1,364	4,304
FMCSA	5,770	4,400	10,170	5,570	4,484	10,054	6,057	5,304	11,361
OST-R	2,737	2,880	5,617	2,793	2,906	5,699	3,169	3,032	6,201
PHMSA	6,033	4,629	10,662	3,408	4,687	8,095	3,814	4,958	8,772
DOT Unspecified	6,231	1,416	7,647	5,802	2,104	7,906	6,658	4,144	10,802
SUBTOTAL	107,222	72,510	179,732	105,456	73,589	179,045	111,729	80,335	192,064
Other Expenses									
Capital Assets	0	5,220	5,220	568	5,220	5,788	167	5,220	5,387
Depreciation	(253)	(4,758)	(5,011)	(286)	(5,338)	(5,624)	(238)	(4,747)	(4,985)
Net NON-DOT Intrafund Costs	10,481	0	10,481	8,721	0	8,721	9,415	0	9,415
Net WCF Intra Fund Costs	3,488	(3,871)	(383)	6,176	(4,428)	1,748	4,865	(4,501)	364
TOTAL	120,938	69,101	190,040	120,635	69,043	189,679	125,938	76,307	202,245

Note: Totals may not add due to rounding

Crosswalk of DOT Operating Costs/Expenses

The WCF is a fee-for-service operation which normally receives no direct appropriations. Instead, the WCF is a self-sustaining reimbursable fund. During the budget formulation stage, the WCF provides to its customers operating cost estimates they will need to contribute to the WCF. These estimates are based on historical data and projected on-demand service levels. The preceding chart is a summary of the DOT operating cost estimates to our customers based on full cost recovery. These operating costs represent the costs provided to each Operating Administration during the fiscal year.

To crosswalk the DOT customer operating costs to DOT obligations, it is necessary to account for items that are (a) at the time of budget formulation were not directly attributable to a specific customer or (b) not directly collected as operating costs.

- DOT Unspecified represents costs where the scope of the work for individual customers is not yet determined and it is not possible to determine a specific billing methodology or customer base, such as for IT consolidation.
- Capital Asset obligations will be expensed over the expected life of the asset and collected in the future as asset replacement reserve.
- Depreciation expenses are treated as a replacement reserve to enable capital assets to be refreshed on a regular cycle. These assets are typically significant technology investments, such as networking and telecommunications equipment that have a useful life of two or more years.
- Net Non DOT Intra Fund Costs provide support services to NON-DOT programs that are not reflected in the DOT cost numbers
- Net WCF Intra Fund Costs are the indirect expenses shared between WCF programs.

Customer Operating Costs:	<i>FY 2018</i> <i>(\$000)</i>
DOT Customer Total	181,262
DOT Unspecified	10,802
DOT Operating Administrations' Costs	<u>192,064</u>
Capital Assets	5,387
Depreciation	(4,985)
Net Non-DOT Intra Fund Costs	9,415
Net WCF Intra Fund Costs	<u>364</u>
Total WCF Obligations	202,245

The DOT unspecified amounts in FY 2018 relate primarily to on-demand services such as facility services, personnel services, and the phased implementation of IT field consolidation. These services are subject to fluctuations in customer demand. A breakout of these amounts is provided in the following chart:

Service	Amount (\$000)	Reason
Acquisition & Procurement Operations	\$240	Unknown Customer Demand Related to the Fair Pay and Safe Workplaces Executive Order
Facilities Services & Utilities	\$474	Changes in Customer Workload
Parking Management & Transit Benefits	\$5,988	Changes in Participation and Addition of New Customers
Data & Digital Services	\$500	Undetermined Customer Workload
Desktop Services	\$400	Changes in Customer Demand
Privacy as a Service	\$100	Undetermined Customer Workload
Records Management	\$100	Undetermined Customer Workload
Server Operations	\$1,500	Changes in Customer Demand
Voice, Cable & Wireless	\$1,500	Changes in Customer Demand
Total	\$10,802	

Capital Asset obligations will be expensed over the expected life of the asset and collected in the future as asset replacement reserve. A breakout of these amounts being purchased is provided in the following chart:

Program Area	Asset Description	Budgeted Asset Value (\$000)	Useful Life (Months)
Building Security SE Federal Center	Gemini 2-6040 Small Parcel X'rays	\$ 167	84
Logistics and Support	Remedy Upgrade	\$ 270	48
Voice, Cable & Wireless	Telecomm Infrastructure	\$ 750	36
Campus Area Network (CAN)	Network Infrastructure Replacement	\$ 1,550	48
Server Operations	Server and Hosting Infrastructure	\$ 2,000	48
Server Operations	Google Search Appliance	\$ 250	24
Directory & Messaging	Messaging Enhancements	\$ 400	48
	Total FY 2018 Assets	\$ 5,387	

The following tables show WCF obligations by business line:

**FY 2018 WORKING CAPITAL FUND REQUEST
DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT Obligations</u>	<u>Non-DOT Obligations</u>	<u>2018 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	5,381	0	5,381
Building Security	14,869	0	14,869
Commerical Services Management	0	65	65
Disability Resource Center	2,865	280	3,145
DOT Cross Functional Activities	1,857	0	1,857
DOT Property & Space Management	4,174	0	4,174
E-Gov Initiatives	4,902	0	4,902
Emergency Response Programs	1,856	0	1,856
Financial Mgmt, Accounting, & Administration	8,485	0	8,485
Headquarters Services Management	4,475	355	4,830
HQ Facility Operations & Management	15,763	0	15,763
HR Systems	22,532	0	22,532
Human Resource Services	6,007	69	6,076
Information & Records	7,988	11	7,999
Security Operations	7,541	0	7,541
Substance Abuse Awareness & Testing	3,867	4,275	8,142
Transit Benefits and Parking	11,310	315,967	327,277
Unemployment Compensation	2,066	0	2,066
Assistant Secretary for Admin Subtotal:	125,938	321,022	446,960
Chief Information Officer			
Business Management and IT Administration	8,446	0	8,446
Campus Area Network (CAN)	10,679	0	10,679
Cyber Security as a Service	3,888	0	3,888
Data & Digital Services	500	0	500
Desktop Services	14,649	0	14,649
Enterprise Dashboard	681	0	681
Enterprise Licenses	3,358	0	3,358
Privacy as a Service	100	0	100
Records Management as a Service	100	0	100
Server & Messaging Services	18,703	0	18,703
Voice, Cable & Wireless	15,203	0	15,203
Chief Information Office Subtotal:	76,307	0	76,307
Grand Total:	202,245	321,022	523,267

**FY 2017 WORKING CAPITAL FUND ANNUALIZED CR
DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

Description	DOT Obligations	Non-DOT Obligations	2017 Total
Assistant Secretary for Administration			
Acquisition & Procurement Operations	4,129	0	4,129
Building Security	14,685	0	14,685
Commerical Services Management	0	65	65
Disability Resource Center	2,598	280	2,878
DOT Cross Functional Activities	842	0	842
DOT Property & Space Management	3,844	0	3,844
E-Gov Initiatives	4,704	0	4,704
Emergency Response Programs	1,842	0	1,842
Financial Mgmt, Accounting, & Administration	8,153	0	8,153
Headquarters Services Management	4,940	870	5,810
HQ Facility Operations & Management	16,159	0	16,159
HR Systems	21,605	0	21,605
Human Resource Services	5,451	93	5,544
Information & Records	7,819	194	8,013
Security Operations	7,322	0	7,322
Substance Abuse Awareness & Testing	4,365	3,440	7,805
Transit Benefits and Parking	10,111	358,353	368,464
Unemployment Compensation	2,066	0	2,066
Assistant Secretary for Admin Subtotal:	120,635	363,295	483,930
Chief Information Officer			
Business Management and IT Administration	8,258	0	8,258
Campus Area Network (CAN)	9,357	0	9,357
Cyber Security as a Service	3,338	0	3,338
Desktop Services	15,041	0	15,041
Enterprise Dashboard	704	0	704
Enterprise Licenses	3,198	0	3,198
Server & Messaging Services	13,982	0	13,982
Voice, Cable & Wireless	15,165	0	15,165
Chief Information Office Subtotal:	69,043	0	69,043
Grand Total:	189,678	363,295	552,973

**FY 2016 WORKING CAPITAL FUND ACTUAL
DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT Obligations</u>	<u>Non-DOT Obligations</u>	<u>2016 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	7,743	0	7,743
Building Security	13,566	0	13,566
Commerical Services Management	65	0	65
Disability Resource Center	2,399	280	2,679
DOT Cross Functional Activities	1,324	0	1,324
DOT Property & Space Management	3,766	0	3,766
E-Gov Initiatives	4,656	0	4,656
Emergency Response Programs	1,624	0	1,624
Financial Mgmt, Accounting, & Administration	7,163	0	7,163
Headquarters Services Management	4,808	339	5,147
HQ Facility Operations & Management	15,939	0	15,939
HR Systems	20,287	0	20,287
Human Resource Services	5,705	53	5,758
Information & Records	10,225	583	10,808
Security Operations	6,060	0	6,060
Substance Abuse Awareness & Testing	2,987	3,180	6,167
Transit Benefits and Parking	10,613	358,353	368,966
Unemployment Compensation	2,009	0	2,009
Assistant Secretary for Admin Subtotal:	120,938	362,788	483,726
Chief Information Officer			
Business Management and IT Administration	8,644	0	8,644
Campus Area Network (CAN)	9,424	0	9,424
Cyber Security as a Service	3,370	0	3,370
Data & Digital Services	0	0	0
Desktop Services	14,352	0	14,352
Enterprise Dashboard	752	0	752
Enterprise Licenses	3,642	0	3,642
Privacy as a Service	0	0	0
Records Management as a Service	0	0	0
Server & Messaging Services	14,672	0	14,672
Voice, Cable & Wireless	14,244	0	14,244
Chief Information Office Subtotal:	69,101	0	69,101
Grand Total:	190,039	362,788	552,827

Note: Total may not add due to rounding