

**DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY**

FY 2019 OST CONGRESSIONAL BUDGET JUSTIFICATION

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GENERAL NOTES

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

1ST TAB

SECTION 1: OVERVIEW

OFFICE OF THE SECRETARY

OVERVIEW

The Office of the Secretary (OST) requests fiscal year (FY) 2019 resources totaling \$390.1 million -- \$249.9 million of discretionary resources and \$140.2 million of mandatory resources. The request includes funding for core oversight and policy activities as well as investment in the National Surface Transportation and Innovative Finance Bureau, cyber security initiatives, and research and technology programs.

OST is putting forth effort towards innovative solutions by development and deployment of innovative practices and technologies that improve the safety and performance of the Nation's transportation system. This includes a focus on development and deployment of driverless technology and developing standards for safe operation of unmanned aircraft systems.

The Department has made and will continue to make significant progress in implementing the President's regulatory reform agenda without compromising safety. DOT is focused on reducing unnecessary regulatory burden, streamlining infrastructure permitting, enabling innovation, rationalizing fuel economy standards, and continuing deregulatory process through the Department's Regulatory Reform Task Force.

This budget also explains the bold management agenda to improve the performance the DOT by reorganizing its programs, consolidating the delivery of shared services, and comprehensively evaluating the performance of its programs to provide results to American taxpayers. The Department has already began the systematic evaluation of performance of its programs. Simultaneously, DOT has identified a shared services model that can deliver the Department's acquisitions, human resources, and information technology functions more efficiently by taking steps to consolidate similar work that is currently being performed throughout the modal Operating Administrations and the Office of the Secretary. This will streamline management and ensure policies and practices are applied consistently throughout the Department. Further, it provides opportunities to procure goods and services on a larger, more strategic scale, which should increase the value to the government.

The FY 2019 request includes:

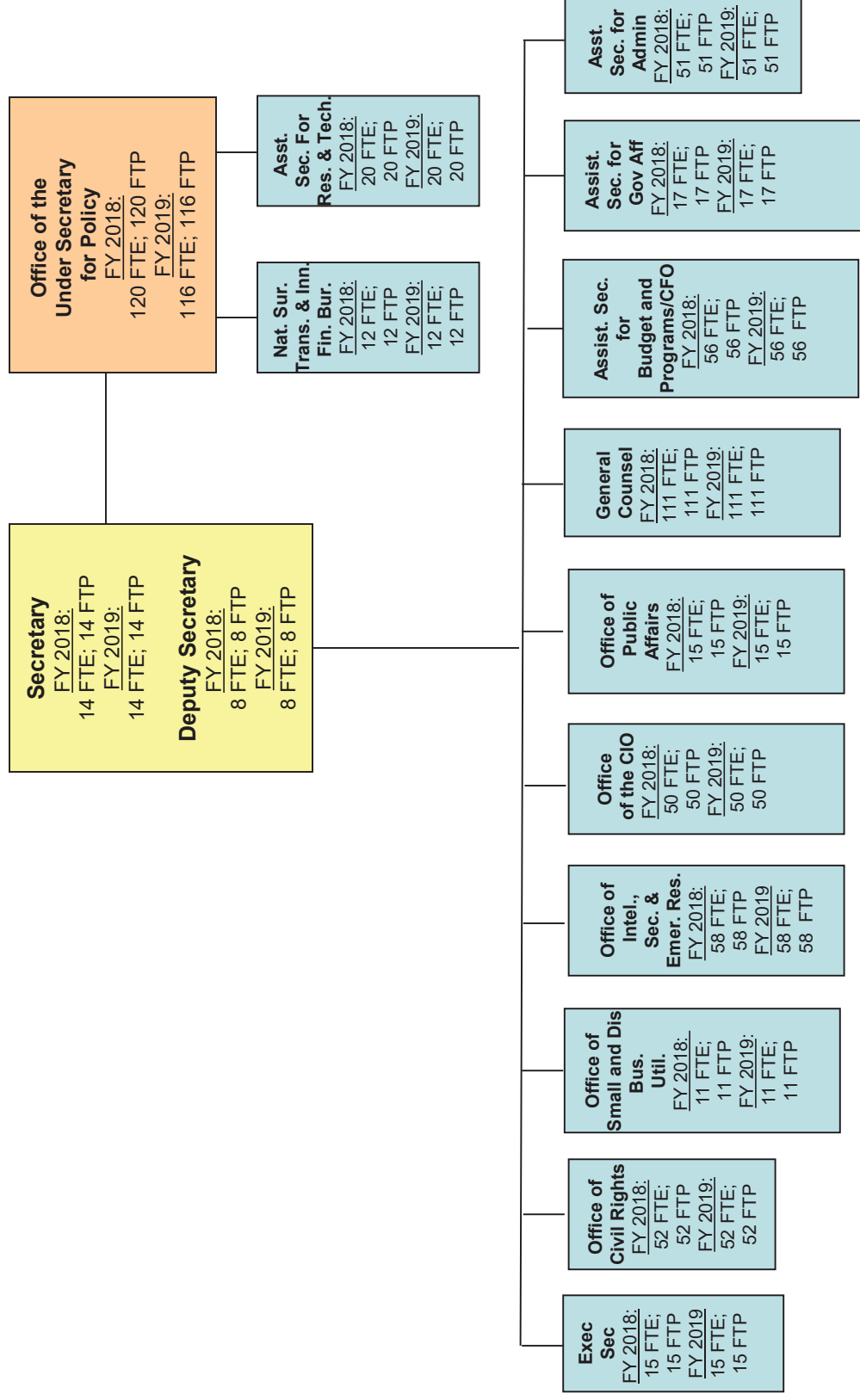
- \$113.8 million for Salaries and Expenses for the Secretarial offices. The OST Offices serve as advisors to the Secretary on a wide range of areas while also maintaining oversight controls on the Departments programs, initiatives, and policies. These Offices will contribute to the Department's priorities in more ways than one, from safety to infrastructure and innovation to regulatory reform with a focus on efficiency and eliminating duplicative work. The FY 2019 request will fund changes from FY 2018 including: annualization of the 1.900 percent pay raise for 2018; one additional compensable day in FY 2019; an estimated 1.020 percent inflation increase; and adjustments to GSA rent and Working Capital Fund.
- \$2 million for Financial Management Capital, which will assist the Department in procuring and implementing the eAuthentication solution for the Department's 15,000 vendors to electronically access DOT's eInvoicing system.

- \$9.5 million for the Departmental Office of Civil Rights (DOCR) to support and advance internal and external civil rights initiatives, administer Federal civil rights statutes, and investigate EEO complaints.
- \$3.7 million for the Minority Business Resource Center (MBRC) and Small and Disadvantaged Business Utilization and Outreach (SDBUO) activities which encourage and assist small, disadvantaged, and women-owned businesses to participate in DOT and DOT-assisted contracts and grants.
- \$7.9 million for the Department's Transportation Planning, Research and Development program for activities and studies needed to support the Secretary's responsibilities in the formulation of national transportation policies. Of this funding the Interagency Infrastructure Permitting Improvement Center and dashboard will receive \$1 million to streamline the review process, furthering the efficiency.
- \$10 million for Cyber Security Initiatives, to continue to improve the compliance of DOT's cyber security posture, building on and continuing the accomplishments achieved in past fiscal years.
- \$3 million for the National Surface Transportation and Innovative Finance Bureau to facilitate targeted Federal investments in infrastructure by streamlining the Department's innovative finance programs. The funding will allow OST to further build on its initial progress of consolidating these credit programs, continuing to develop and promote best practices for innovative financing and public-private partnerships.
- A \$233.2 million program level for the Essential Air Service (EAS) program, including obligations of \$140.2 million of mandatory resources from overflight fees collected by the Federal Aviation Administration and a \$93 million discretionary appropriation. OST looks forward to working with Congress on reforms to the existing EAS program, including adjustments to eligibility and/or compliance criteria.
- \$7.0 million for the Research and Development activities to be administered by the Office of the Assistant Secretary for Research and Technology. To better coordinate research across the Department, the FY 2019 budget reflects that OST-R is relocated under the Office of the Under Secretary for Policy. In addition, the FY 2019 request for the Office of the Assistant Secretary for Research and Technology includes \$26 million for the Bureau of Transportation Statistics (BTS) and \$77.5 million for University Transportation Centers (UTC) transferred from the Federal Highway Administration as an allocation from the Federal-Aid Highways account.

Exhibit I

U.S. Department of Transportation

Office of the Secretary – Direct Positions/FTEs



2ND TAB

SECTION 2: BUDGET SUMMARY TABLES

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

(\$000)

ACCOUNTS	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
SALARIES & EXPENSES	114,000	113,226	113,842
FINANCIAL MANAGEMENT CAPITAL	4,000	3,973	2,000
OFFICE OF CIVIL RIGHTS	9,751	9,685	9,470
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	4,646	4,614	3,488
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	12,000	11,919	7,879
TIGER GRANTS PROGRAM (NII)	500,000	496,605	0 1/
NATIONAL SURFACE TRANSPORTATION & INNOVATIVE FINANCE BUREAU	3,000	2,980	2,987
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	941	935	249
Minority Business Resource Center Program - Discretionary			
Guaranteed Loan Subsidy	339	337	0
Administrative Expenses	602	598	249
(Limitation on guaranteed loans)	[18,367]	[18,367]	[0,000] 1/
CYBER SECURITY INITIATIVES	15,000	14,898	10,000
RESEARCH AND TECHNOLOGY	13,000	12,912	6,971
ESSENTIAL AIR SERVICE PROGRAM	271,801	279,741	233,177
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	150,000	148,981	93,000
Essential Air Service - Mandatory	121,801	130,760	140,177
GRAND TOTAL	948,139	951,487	390,063
NON-ADD			
SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)	[10,000]	[9,932]	[0]
WORKING CAPITAL FUND (Obligation Limitation)	[190,389]	[190,389]	[0] 1/
VOLPE TRANSPORTATION CENTER WORKING CAPITAL FUND	[330,000]	[335,000]	[360,000]
Appropriations - Budget Authority	948,139	951,487	390,063
Rescissions and Cancellations	0	0	0

1/ No limitation is proposed.

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

(\$000)			
ACCOUNTS	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
SALARIES & EXPENSES	114,000	113,226	113,842
FINANCIAL MANAGEMENT CAPITAL	4,000	3,973	2,000
OFFICE OF CIVIL RIGHTS	9,751	9,685	9,470
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	4,646	4,614	3,488
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	12,000	11,919	7,879
TIGER GRANTS PROGRAM (NII)	500,000	496,605	0
NATIONAL SURFACE TRANSPORTATION & INNOVATIVE FINANCE BUREAU	3,000	2,980	2,987
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	941	935	249
Minority Business Resource Center Program - Discretionary			
Guaranteed Loan Subsidy	339	337	0
Administrative Expenses	602	598	249
(Limitation on guaranteed loans)	[18,367]	[18,367]	[0,000] 1/
CYBER SECURITY INITIATIVES	15,000	14,898	10,000
RESEARCH AND TECHNOLOGY	13,000	12,912	6,971
ESSENTIAL AIR SERVICE PROGRAM (EAS)	271,801	279,741	233,177
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	150,000	148,981	93,000
Essential Air Service - Mandatory	121,801	130,760	140,177
GRAND TOTAL	948,139	951,487	390,063
NON-ADD			
SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)	[10,000]	[9,932]	[0]
WORKING CAPITAL FUND (Obligation Limitation)	[190,389]	[190,389]	[0] 1/
VOLPE TRANSPORTATION CENTER WORKING CAPITAL FUND	[330,000]	[335,000]	[360,000]

1/ No limitation is proposed.

EXHIBIT II - 3
BUDGET REQUEST BY DOT STRATEGIC AND ORGANIZATIONAL GOALS
OFFICE OF THE SECRETARY OF TRANSPORTATION
Appropriations, Obligation Limitations, & Exempt Obligations

ACCOUNTS	Safety	Infrastructure	Innovation	Accountability	Total
SALARIES & EXPENSES	673	3,469	906	108,794	113,842
FINANCIAL MANAGEMENT CAPITAL	0	0	0	2,000	2,000
OFFICE OF CIVIL RIGHTS	0	0	0	9,470	9,470
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	0	0	0	3,488	3,488
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	743	4,134	1,370	1,632	7,879
NATIONAL SURFACE TRANSPORTATION & INNOVATIVE FINANCE BUREAU	0	0	2,987	0	2,987
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)					
Minority Business Resource Center Program - Discretionary					
Guaranteed Loan Subsidy	0	0	0	0	0
Administrative Expenses	0	0	0	249	249
CYBER SECURITY INITIATIVES	0	0	0	10,000	10,000
RESEARCH AND TECHNOLOGY	0	0	0	6,971	6,971
ESSENTIAL AIR SERVICE PROGRAM					
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	0	93,000	0	0	93,000
Essential Air Service - Mandatory	0	140,177	0	0	140,177
GRAND TOTAL	1,416	240,780	5,263	142,603	390,063

EXHIBIT II - 4
BUDGET AUTHORITY
OFFICE OF THE SECRETARY OF TRANSPORTATION
(\$000)

ACCOUNTS	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
SALARIES & EXPENSES	114,000	113,226	113,842
FINANCIAL MANAGEMENT CAPITAL	4,000	3,973	2,000
OFFICE OF CIVIL RIGHTS	9,751	9,685	9,470
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	4,646	4,614	3,488
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	12,000	11,919	7,879
TIGER GRANTS PROGRAM (NII)	500,000	496,605	0
NATIONAL SURFACE TRANSPORTATION & INNOVATIVE FINANCE BUREAU	3,000	2,980	2,987
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	941	935	249
Minority Business Resource Center Program - Discretionary			
Guaranteed Loan Subsidy	339	337	0
Administrative Expenses	602	598	249
MBRC Guaranteed Loan Subsidy re-estimate- Mandatory	0	0	0
(Limitation on guaranteed loans)	[18,367]	[18,367]	[0,000] 1/
CYBER SECURITY INITIATIVES	15,000	14,898	10,000
RESEARCH AND TECHNOLOGY	13,000	12,912	6,971
ESSENTIAL AIR SERVICE PROGRAM	271,801	279,741	233,177
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>)	150,000	148,981	93,000
Essential Air Service	121,801	2&3/ 130,760 3/	140,177 3/
GRAND TOTAL	948,139	951,487	390,063
Mandatory	621,801	627,365	140,177
Discretionary	326,338	324,122	249,886
NON-ADD			
SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)	[10,000]	[9,932]	[0]
WORKING CAPITAL FUND (Obligation Limitation)	[190,389]	[190,389]	[0] 1/
VOLPE TRANSPORTATION CENTER WORKING CAPITAL FUND	[330,000]	[335,000]	[360,000]

1/ No limitation is proposed.

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

3/ Mandatory Funding

EXHIBIT II - 5
OUTLAYS
OFFICE OF THE SECRETARY OF TRANSPORTATION

(\$000)

ACCOUNTS	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
SALARIES & EXPENSES	103,168	148,549	113,779
FINANCIAL MANAGEMENT CAPITAL	3,968	3,978	2,395
OFFICE OF CIVIL RIGHTS	9,312	9,691	9,491
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	4,089	4,571	3,600
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	8,975	11,268	12,019
TIGER GRANTS PROGRAM (NII)	367,103	673,945	572,880
NATIONAL SURFACE TRANSPORTATION & INNOVATIVE FINANCE BUREAU	0	3,610	5,696
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	371	774	249
CYBER SECURITY INITIATIVES	5,720	15,462	11,959
RESEARCH AND TECHNOLOGY	9,131	12,921	7,574
WORKING CAPITAL FUND (Obligation Limitation)	-46,946	10,474	9,602
ESSENTIAL AIR SERVICE PROGRAM Payments to Air Carriers	156,713	144,157	115,393
NEW HEADQUARTERS BUILDING	530	124	0
VOLPE NATIONAL TRANSPORTATION CENTER	23,343	0	-66
Discretionary, Subtotal	645,477	1,039,523	864,571
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC) MBRC Guaranteed Loan Subsidy re-estimate- Mandatory	126	0	0
ESSENTIAL AIR SERVICE PROGRAM Essential Air Service - Mandatory	121,674	127,572	136,106
Mandatory, Subtotal	121,800	127,572	136,106
GRAND TOTAL	767,277	1,167,095	1,000,677

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 2017 Actual	FY 2018 Annualized CR	Baseline Changes							FY 2019 Baseline Estimate	Program Increases/ Decreases	FY 2019 Request
			1,900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change In Compensable Days 260 vs. 261	0.000% 9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	1.020% Inflation Increase			
PERSONNEL RESOURCES												
Direct Positions	450	457	0	0	0	0	0	0	0	457	0	457
FTEs	404.50	457.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	457.00	0.00	457.00
Reimbursable Positions	30	31	0	0	0	0	0	0	0	31	0	31
FTEs	27.00	28.50	0.00	0.50	0.00	0.00	0.00	0.00	0.00	29.00	0.00	29.00
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
Salaries and Benefits	70,262,244	73,464,964	344,366	0.000	281,427	0.000	0.000	0.000	0.000	74,090,757	2,542,114	76,543,183
* WCF Non-Add (Transit Benefits)	372,348	356,013	0.000	0.000	0.000	0.000	0.000	0.000	0.000	356,013	0.000	356,013
Travel	1,322,890	1,071,562	0.000	0.000	0.000	0.000	0.000	0.000	10,929	1,082,491	84,892	1,166,649
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	9,471,845	9,677,925	0.000	0.000	0.000	0.000	214,104	0.000	98,715	9,990,744	0.000	9,990,744
Other Communication Services	177,955	107,713	0.000	0.000	0.000	0.000	0.000	0.000	1,099	108,812	2,771	6,648
Utilities & Misc., Charges-Rental-Furniture	5,208	136,894	0.000	0.000	0.000	0.000	0.000	0.000	1,396	138,290	0.000	138,290
Printing and Reproduction	309,370	297,306	0.000	0.000	0.000	0.000	0.000	0.000	3,033	300,338	0.000	297,309
Working Capital Fund	16,362,536	16,996,001	0.000	0.000	0.000	0.000	0.000	410,254	103,766	17,510,021	0.000	17,510,021
Contractual Services	15,839,542	11,173,152	0.000	0.000	0.000	0.000	0.000	0.000	117,701	11,290,853	-3,690,952	7,802,954
Supplies and Materials	226,639	278,399	0.000	0.000	0.000	0.000	0.000	0.000	2,840	281,239	82,529	359,100
Equipment	21,771	21,908	0.000	0.000	0.000	0.000	0.000	0.000	0.223	22,131	4,970	27,101
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												
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	114,000	113,226	344	0	281	0	214	410	340	114,816	-974	113,842

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 Community Air Service Development Program (SCASDP)

(\$000)

	FY 2017 Actual	FY 2018 Annualized CR	Baseline Changes						FY 2019 Baseline Estimate	Program Increases/D ecreases	FY 2019 Request
			1.900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change in Compensable Days 260 vs. 261	0.000% 9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	1.020% Inflation Increase	
PERSONNEL RESOURCES											
Direct											
Positions	6	0	0	0	0	0	0	0	0	0	0
FTEs	5.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable	0	0	0	0	0	0	0	0	0	0	0
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
FINANCIAL RESOURCES											
ADMINISTRATIVE EXPENSES											
Salaries and Benefits	487,771	487,771	2,414	0.000	1,878	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
Travel	4,000	4,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.041	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Communication Services	25,503	25,503	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.260	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
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
Working Capital Fund	84,228	84,228	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.859	0.000
Contractual Services	388,991	321,081	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3,275	0.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Loan Fees	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
PROGRAM EXPENSES											
Grants - SCASDP	9,009,507	9,009,507								91.897	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	9,009,507	9,009,507	0.000	0.000	0.000	0.000	0.000	0.000	0.000	91.897	0.000
TOTAL	10,000	9,932	2	0	2	0	0	0	0	96	0
										-10,033	0

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 2017 Actual	FY 2018 Annualized CR	Baseline Changes							FY 2019 Baseline Estimate	Program Increases/D decreases	FY 2019 Request
			1,900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change In Compensable Days 260 vs. 261	0.000% 9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	1.020% Inflation Increase			
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	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
PROGRAM EXPENSES												
Financial Management Capital	4,000.000	3,973.284	0.000	0.000	0.000	0.000	0.000	0.000	40.527	4,013.811	-2,013.811	2,000.000
None	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
None	0.000	0.000							0.000	0.000	0.000	0.000
Program Subtotal	4,000.000	3,973.284	0.000	0.000	0.000	0.000	0.000	0.000	40.527	4,013.811	-2,013.811	2,000.000
TOTAL	4,000	3,973	0	0	0	0	0	0	41	4,014	-2,014	2,000

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 2017 Actual	FY 2018 Annualized CR	Baseline Changes						FY 2019 Baseline Estimate	Program Increases/ Decreases	FY 2019 Request
			1,900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change In Compensable Days 260 vs. 261	0.000% 9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	1.020% Inflation Increase		
PERSONNEL RESOURCES											
Direct Positions	52	52	0	0	0	0	0	0	0	0	52
FTEs	42.00	52.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	52.00
Reimbursable	0	0	0	0	0	0	0	0	0	0	0
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES											
ADMINISTRATIVE EXPENSES											
Salaries and Benefits	6,281,589	6,830,507	33,614	0.000	26,147	0.000	0.000	0.000	0.000	0.000	6,890,268
* WCF Non-Add (Transit Benefits)	39,266	39,966	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	39,966
Travel	48,761	49,249	0.000	0.000	0.000	0.000	0.000	0.000	0.502	0.000	49,751
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
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
Utilities & Misc., Charges-Rental-Furniture	29,606	29,902	0.000	0.000	0.000	0.000	0.000	0.000	0.305	0.000	30,207
Printing and Reproduction	10,927	11,036	0.000	0.000	0.000	0.000	0.000	0.000	0.113	0.000	11,149
Working Capital Fund	869,370	1,029,705	0.000	0.000	0.000	0.000	0.000	0.000	10,503	-4,745	1,204,446
Contractual Services	2,459,231	1,682,351	0.000	0.000	0.000	0.000	0.000	168,983	17,160	-467,894	1,231,617
Supplies and Materials	51,516	52,031	0.000	0.000	0.000	0.000	0.000	0.000	0.531	0.000	52,562
Equipment	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
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
PROGRAM EXPENSES											
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	9,751	9,685	34	0	26	0	0	169	29	-473	9,470

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 (SDBUO)

(\$000)

	FY 2017 Actual	FY 2018 Annualized CR	Baseline Changes						FY 2019 Baseline Estimate	Program Increases/ Decreases	FY 2019 Request
			1.900%	3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change In Compensable Days 260 vs. 261	9 Months Jan. 2019 Pay Raise	0.000%	GSA Rent	WCF and FECA Changes	1.020%
PERSONNEL RESOURCES											
Direct											
Positions	13	13	0	0	0	0	0	0	0	0	0
FTEs	7.00	12.00	0.00	0.00	0.00	0.00	0.00	0.00	13	-3	10
Reimbursable	0	0							12.00	-2.00	10.00
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES											
ADMINISTRATIVE EXPENSES											
Salaries and Benefits	608,300	1,454,420	7,178	0.000	0.000	5,583	0.000	0.000	1,467,181	-336,375	1,739,903
* WCF Non-Add (Transit Benefits)	11,489	4,431	0.000	0.000	0.000	0.000	0.000	0.000	4,431	0.000	4,431
Travel	19,190	19,382	0.000	0.000	0.000	0.000	0.000	0.000	19,580	0.000	19,580
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Communication Services	0.518	0.523	0.000	0.000	0.000	0.000	0.000	0.000	0.529	0.000	0.529
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
Printing and Reproduction	3,262	3,295	0.000	0.000	0.000	0.000	0.000	0.000	3,328	0.000	3,328
Working Capital Fund	197,985	167,097	0.000	0.000	0.000	0.000	0.000	0.000	202,792	0.000	202,792
Contractual Services	1,865,647	999,123	0.000	0.000	0.000	0.000	0.000	0.000	1,009,315	-869,058	140,257
Supplies and Materials	21,947	22,166	0.000	0.000	0.000	0.000	0.000	0.000	22,393	0.000	22,393
Equipment	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
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
PROGRAM EXPENSES											
Cooperative Agreements	1,929,151	1,948,443							1,968,317	0.000	1,359,220
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
Program Subtotal	1,929,151	1,948,443	0.000	0.000	0.000	0.000	0.000	0.000	1,968,317	0.000	1,359,220
TOTAL	4,846	4,814	7	0	0	6	0	0	4,893	-1,205	3,488

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 (TPR&D)
(\$000)

	FY 2017 Actual	FY 2018 Annualized CR	Baseline Changes							FY 2019 Baseline Estimate	Program Increases/D Decreases	FY 2019 Request
			1,900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change In Compensable Days 260 vs. 261	9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	1.020% Inflation Increase			
PERSONNEL RESOURCES												
Direct	37	37	0	0	0	0	0	0	0	37	0	37
Positions	27.00	37.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	37.00	0.00	37.00
FTEs												
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	5,651,579	6,468,684	29,818	0.000	24,767	0.000	0.000	0.000	0.000	6,523,269	-451,022	6,570,081
* WCF Non-Add (Transit Benefits)	27,072	34,155	0.000	0.000	0.000	0.000	0.000	0.000	0.000	34,155	0.000	34,155
Travel	131,968	172,500	0.000	0.000	0.000	0.000	0.000	0.000	1,759	174,259	0.000	174,259
Transportation	1,051	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	20,338	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	594,999	908,078	0.000	0.000	0.000	0.000	-28,807	69,135	9,262	957,668	0.000	957,668
Contractual Services	5,563,276	4,332,376	0.000	0.000	0.000	0.000	0.000	0.000	44,190	4,376,566	-3,718,743	155,992
Supplies and Materials	20,918	21,000	0.000	0.000	0.000	0.000	0.000	0.000	0.214	21,214	-20,214	21,000
Equipment	15,871	15,871	0.000	0.000	0.000	0.000	0.000	0.000	0.162	16,033	-0,030	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												
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	12,000	11,919	30	0	25	0	-29	69	56	12,068	-4,190	7,879

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 2017 Actual	FY 2018 Annualized CR	Baseline Changes						FY 2019 Baseline Estimate	Program Increases/Decreases	FY 2019 Request
			1.900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change In Compensable Days 260 vs. 261	0.000% 9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	1.020% Inflation Increase		
PERSONNEL RESOURCES											
Direct											
Positions	7	7	0	0	0	0	0	0	0	0	7
FTEs	7.00	7.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-4.00	3.00
Reimbursable	0	0	0	0	0	0	0	0	0	0	0
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES											
ADMINISTRATIVE EXPENSES											
Salaries and Benefits	6,659,234	6,652,941	32,933	0.000	25,617	0.000	0.000	0.000	0.000	-6,711,491	0.000
* WCF Non-Add (Transit Benefits)	6,293	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8,242	0.000	0.000
Travel	808,000	808,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-816,242	0.000
Transportation	0.404	0.404	0.000	0.000	0.000	0.000	0.000	0.000	0.004	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
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
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
Printing and Reproduction	10.605	10.605	0.000	0.000	0.000	0.000	0.000	0.000	0.108	-10.713	0.000
Working Capital Fund	181.338	216.178	0.000	0.000	0.000	0.000	0.000	0.000	2,205	-218.383	0.000
Contractual Services	12,319,209	12,290,662	0.000	0.000	0.000	0.000	0.000	0.000	125,365	-12,416,027	0.000
Supplies and Materials	21,210	21,210	0.000	0.000	0.000	0.000	0.000	0.000	0.216	-21,426	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Loan Fees	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
PROGRAM EXPENSES											
NI Infrastructure Grants	480,000,000	476,604,500							4,861,366	-481,465,866	0.000
NI Planning Grants	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
Program Subtotal	480,000,000	476,604,500	0.000	0.000	0.000	0.000	0.000	0.000	4,861,366	-481,465,866	0.000
TOTAL	500,000	496,605	33	0	26	0	0	0	4,998	-501,661	0

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 2017 Actual	FY 2018 Annualized CR	Baseline Changes							FY 2019 Baseline Estimate	Program Increases/D Decreases	FY 2019 Request
			1,900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change In Compensable Days 260 vs. 261	9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	1.020% Inflation Increase			
PERSONNEL RESOURCES												
Direct	1	1								1		1
Positions	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	1.00
FTEs	0	0								0		0
Reimbursable	0	0								0		0
Positions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FTEs												
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
Salaries and Benefits	181,937	184,905	0.915	0.000	0.712	0.000	0.000	0.000	0.000	186,532	0.000	186,532
* 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
Travel	4,040	4,080	0.000	0.000	0.000	0.000	0.000	0.000	0.042	4,122	0.000	4,122
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	14,232	17,821	0.000	0.000	0.000	0.000	0.000	1.241	0.182	19,244	0.000	19,244
Contractual Services	193,204	228,515	0.000	0.000	0.000	0.000	0.000	0.000	2.331	230,846	-192,140	38,706
Supplies and Materials	0.388	0.392	0.000	0.000	0.000	0.000	0.000	0.000	0.004	0.396	0.000	0.396
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	208,199	162,199	0.000	0.000	0.000	0.000	0.000	0.000	1.654	163,853	-163,853	0.000
Grants, Subsidies, & Contributions	339,000	336,698	0.000	0.000	0.000	0.000	0.000	0.000	3.434	340,132	-340,132	0.000
PROGRAM EXPENSES												
Guaranteed Loan Subsidy Reestimate - Mandatory	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
None	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
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	941	935	1	0	1	0	0	0	8	945	-695	249

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 2017 Actual	FY 2018 Annualized CR	Baseline Changes						FY 2019 Baseline Estimate	Program Increases/D eases	FY 2019 Request
			1,900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change In Compensable Days 260 vs. 261	0.000% 9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	1.020% Inflation Increase		
PERSONNEL RESOURCES											
Direct Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursable	0	0	0	0	0	0	0	0	0	0	0
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES											
ADMINISTRATIVE EXPENSES											
Salaries and Benefits	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
Travel	20.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Communication Services	3,246,312	1,339,785	0.000	0.000	0.000	0.000	0.000	0.000	13,666	-1,353,451	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
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
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
Contractual Services	4,064,368	7,960,215	0.000	0.000	0.000	0.000	0.000	0.000	81,194	-2,111,409	5,930,000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	7,669,320	5,598,135	0.000	0.000	0.000	0.000	0.000	0.000	57,101	-1,585,236	4,070,000
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
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
PROGRAM EXPENSES											
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	15,000	14,898	0	0	0	0	0	0	152	15,050	10,000

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 2017 Actual	FY 2018 Annualized CR	Baseline Changes						FY 2019 Baseline Estimate	Program Increases/D ecreases	FY 2019 Request
			1.900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change In Compensable Days 260 vs. 261	9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	1.020% Inflation Increase		
PERSONNEL RESOURCES											
Direct	12	12	0	0	0	0	0	0	0	12	12
Positions	0.00	12.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.00	12.00
FTEs	0	0	0	0	0	0	0	0	0	0	0
Reimbursable	0	0	0	0	0	0	0	0	0	0	0
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES											
ADMINISTRATIVE EXPENSES											
Salaries and Benefits	595,525	1,573,046	7,787	0.000	6,057	0.000	0.000	1,572	0.000	1,588,462	2,158,559
* WCF Non-Add (Transit Benefits)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1,572	0.000	1,572	1,572
Travel	13,000	19,889	0.000	0.000	0.000	0.000	0.000	0.000	0.203	20,092	30,000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	500,000	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
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
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
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
Contractual Services	1,888,475	1,376,692	0.000	0.000	0.000	0.000	0.000	56,959	0.000	56,959	56,959
Supplies and Materials	3,000	10,000	0.000	0.000	0.000	0.000	0.000	0.000	14,042	1,390,734	731,482
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.102	10,102	10,000
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
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
PROGRAM EXPENSES											
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
None	0.000	0.000							0.000	0.000	0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	3,000	2,980	8	0	6	0	0	56	14	3,066	2,987

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 2017 Actual	FY 2018 Annualized CR	Baseline Changes						FY 2019 Baseline Estimate	Program Increases/D ecreases	FY 2019 Request
			1,900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change In Compensable Days 260 vs. 261	0,000% 9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	1,020% Inflation Increase		
PERSONNEL RESOURCES											
Direct											
Positions	20	20	0	0	0	0	0	0	0	0	20
FTEs	18.00	20.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.00
Reimbursable	0	0	0	0	0	0	0	0	0	0	0
Positions	31	35	0	0	0	0	0	0	0	0	35
FTEs	31.00	35.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	35.00
FINANCIAL RESOURCES											
ADMINISTRATIVE EXPENSES											
Salaries and Benefits	3,640,686	2,637,197	12,950	0.000	10,074	0.000	0.000	1,576	0.000	1,062,105	3,723,902
* WCF Non-Add (Transit Benefits)	20,955	20,955	0.000	0.000	0.000	0.000	0.000	1,576	0.000	0.000	22,531
Travel	90,900	70,700	0.000	0.000	0.000	0.000	0.000	0.000	0.721	-1,421	70,000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	379,235	624,441	0.000	0.000	0.000	0.000	0.000	0.000	6,369	-251,575	379,235
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
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
Printing and Reproduction	1,020	1,000	0.000	0.000	0.000	0.000	0.000	0.000	0.010	0.000	1,010
Working Capital Fund	390,875	1,030,400	0.000	0.000	0.000	0.000	0.000	-649,884	10,510	0.000	391,026
Contractual Services	163,284	268,777	0.000	0.000	0.000	0.000	0.000	0.000	2,742	-108,229	163,289
Supplies and Materials	15,000	15,000	0.000	0.000	0.000	0.000	0.000	0.000	0.153	0.000	15,153
Equipment	101,000	102,010	0.000	0.000	0.000	0.000	0.000	0.000	1,041	-93,667	9,384
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
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
PROGRAM EXPENSES											
Research and Technology Programs	2,618,000	2,600,221	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-382,221	2,218,000
Civil Monitoring - Air Force GPS	5,600,000	5,561,971	0.000	0.000	0.000	0.000	0.000	0.000	56,732	-5,618,703	0.000
Economic Impact on US Transportation System of A GPS Disruption	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Port Performance (BTS Program)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Alternative Energy (previously Alternative Fuels)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
RD&T Coordination	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
NDGPS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PNT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Program Subtotal	8,218,000	8,162,192	0.000	0.000	0.000	0.000	0.000	0.000	56,732	-6,000,924	2,218,000
TOTAL	13,000	12,912	13	0	10	0	0	-648	78	-5,394	6,971

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

Essential Air Service (EAS)

(\$000)

	FY 2017 Actual	FY 2018 Annualized CR	Baseline Changes					FY 2019 Baseline Estimate	Program Increases/ Decreases	FY 2019 Request
			1.900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change In Compensable Days 260 vs. 261	9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	1.020% Inflation Increase	
PERSONNEL RESOURCES										
Direct Positions	14	14	0	0	0	0	0	0	0	14
FTEs	13.00	14.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.00
Reimbursable Positions	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
FINANCIAL RESOURCES										
ADMINISTRATIVE EXPENSES										
Salaries and Benefits	2,123,052	2,156,682	10.613	0.000	8,255	0.000	0.000	0.000	0.000	2,244,122
* WCF Non-Add (Transit Benefits)	13,606	12,824	0.000	0.000	0.000	0.000	0.000	0.000	0.000	12,824
Travel	7,000	7,070	0.000	0.000	0.000	0.000	0.000	0.000	0.072	7,142
Transportation	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
Other Communication Services	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	0.047
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Working Capital Fund	221,734	265,329	0.000	0.000	0.000	0.000	0.000	-108,738	2,706	159,297
Contractual Services	265,506	268,161	0.000	0.000	0.000	0.000	0.000	0.000	2,735	270,896
Supplies and Materials	3,108	3,139	0.000	0.000	0.000	0.000	0.000	0.000	0.032	3,171
Equipment	150,000	151,500	0.000	0.000	0.000	0.000	0.000	0.000	1,545	153,045
Administrative Loan Fees	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
PROGRAM EXPENSES										
Essential Air Service	119,030,767	127,908,072							1,304,662	136,808,582
Program Subtotal	119,030,767	127,908,072	0.000	0.000	0.000	0.000	0.000	0.000	1,304,662	136,808,582
TOTAL	121,801	130,760	11	0	8	0	0	-108	1,312	140,177

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 2017 Actual	FY 2018 Annualized CR	1.900% 3 Months Jan. 2018 Pay Raise	Annualization of New FY 2018 Positions	Change in Compensable Days 260 vs. 261	0.000% 9 Months Jan. 2019 Pay Raise	GSA Rent	WCF and FECA Changes	1.020% Inflation Increase	FY 2019 Baseline Estimate	Program Increases/De- creases	FY 2019 Request
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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
* WCF Non-Add (Transit Benefits)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Travel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GSA Rent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Communication Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Utilities & Misc., Charges-Rental-Furniture	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Printing and Reproduction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Working Capital Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contractual Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supplies and Materials	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Loan Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grants, Subsidies, & Contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM EXPENSES												
Essential Air Services	150,000.00	148,981.350							1,519.610	150,500.960	-57,500.960	93,000.000
None	0.00	0.00							0.000	0.000	0.000	0.000
None	0.00	0.00							0.000	0.000	0.000	0.000
None	0.00	0.00							0.000	0.000	0.000	0.000
Program Subtotal	150,000.000	148,981.350	0.000	0.000	0.000	0.000	0.000	0.000	1,519.610	150,500.960	-57,500.960	93,000.000
TOTAL	150,000	148,981	0	0	0	0	0	0	1,520	150,501	-57,501	93,000

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 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
SALARIES & EXPENSES	16,735	17,676	17,972 ^{1/}
SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)	84	84	0
FINANCIAL MANAGEMENT CAPITAL	0	0	0
OFFICE OF CIVIL RIGHTS	909	1,070	1,244
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	209	172	207
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	622	942	992
TIGER GRANTS PROGRAM (NII)	188	216	0
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	14	18	19
NATIONAL SURFACE TRANSPORTATION & INNOVATIVE FINANCE BUREAU	0	0	59
RESEARCH AND TECHNOLOGY	412	1,051	414
ESSENTIAL AIR SERVICE PROGRAM	235	278	172
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	0	0	0
Essential Air Service - Mandatory	235	278	172
Direct Accounts, Subtotal	19,394	21,489	21,001
REIMBURSABLE ACCOUNTS			
SALARIES & EXPENSES	311	372	490
RESEARCH AND TECHNOLOGY	0	51	52
VOLPE	1,001	1,061	1,538
Reimbursable Accounts, Subtotal	1,312	1,433	2,028
ALLOCATION/OTHER ACCOUNTS			
BUREAU OF TRANSPORTATION STATISTICS (Direct)	4,277	3,950	5,004
BUREAU OF TRANSPORTATION STATISTICS (Reimbursable)	887	854	822
UNIVERSITY TRANSPORTATION CENTERS	295	295	295
Allocation/Other Accounts, Subtotal	5,459	5,099	6,121
GRAND TOTAL	26,165	28,022	29,150

1/ Includes NII

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

DIRECT ACCOUNTS	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
SALARIES & EXPENSES	405	457	457
SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)	5	0	0
OFFICE OF CIVIL RIGHTS	42	52	52
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	7	12	10
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	27	37	37
TIGER GRANTS PROGRAM (NII)	7	7	3
NATIONAL SURFACE TRANSPORTATION & INNOVATIVE FINANCE BUREAU	0	12	12
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	1	1	1
RESEARCH AND TECHNOLOGY	18	20	20
ESSENTIAL AIR SERVICE PROGRAM	13	14	14
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	0	0	0
Essential Air Service - Mandatory	13	14	14
Direct Accounts, Subtotal	525	612	606
REIMBURSABLE & COLLECTIONS ACCOUNTS			
SALARIES & EXPENSES	27	29	29
RESEARCH AND TECHNOLOGY	31	35	35
VOLPE WORKING CAPITAL FUND	570	570	570
WORKING CAPITAL FUND	219	271	271
Reimbursable & Collections Accounts, Subtotal	847	905	905
ALLOCATION/OTHER ACCOUNTS			
BUREAU OF TRANSPORTATION STATISTICS (Direct)	51	55	55
BUREAU OF TRANSPORTATION STATISTICS (Reimbursable)	13	20	20
UNIVERSITY TRANSPORTATION CENTERS	5	5	5
Allocation/Other Accounts, Subtotal	69	80	80
GRAND TOTAL	1,441	1,597	1,591

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

DIRECT ACCOUNTS	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
SALARIES & EXPENSES	450	457	457
SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)	6	0	0
OFFICE OF CIVIL RIGHTS	52	52	52
SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH	13	13	10
TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT	37	37	37
TIGER GRANTS PROGRAM (NII)	7	7	7
NATIONAL SURFACE TRANSPORTATION & INNOVATIVE FINANCE BUREAU	12	12	12
MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)	1	1	1
RESEARCH AND TECHNOLOGY	20	20	20
ESSENTIAL AIR SERVICE PROGRAM	14	14	14
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	0	0	0
Essential Air Service - Mandatory	14	14	14
Direct Accounts, Subtotal	612	613	610
REIMBURSABLE & COLLECTIONS ACCOUNTS			
SALARIES & EXPENSES	30	31	31
RESEARCH AND TECHNOLOGY	31	35	35
VOLPE WORKING CAPITAL FUND	633	633	633
WORKING CAPITAL FUND	261	293	293
Reimbursable & Collections Accounts, Subtotal	955	992	992
ALLOCATION/OTHER ACCOUNTS			
BUREAU OF TRANSPORTATION STATISTICS (Direct)	53	55	55
BUREAU OF TRANSPORTATION STATISTICS (Reimbursable)	15	20	20
UNIVERSITY TRANSPORTATION CENTERS	5	5	5
Allocation/Other Accounts, Subtotal	73	80	80
GRAND TOTAL	1,640	1,685	1,682

3RD TAB

SECTION 3: BUDGET REQUEST BY
APPROPRIATION

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary, \$113,842,000: Provided, That not to exceed \$85,000 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.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
Salaries and Expenses	114,000	113,226	113,842
FTEs			
Direct Funded	403 ^{1/}	457	457
Reimbursable, allocated, other	26	29	29

^{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.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

For necessary expenses for enhancing the Department of Transportation's financial systems and re-engineering business processes, \$2,000,000 to remain available through September 30, 2020.

Note—A full year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Section 3 – FY 2019 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 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
Financial Management Capital	4,000	3,973	2,000
Total	4,000	3,973	2,000
FTEs			
Direct Funded	0	0	0
Reimbursable, allocated, other	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, \$9,470,000.

Note. —A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Section 3 – FY 2019 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 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
Office of Civil Rights	9,751	9,685	9,470
TOTAL	9,751	9,685	9,470
FTEs			
Direct Funded	42	52	52

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 for small and disadvantaged business utilization and outreach activities, \$3,488,000, to remain available until September 30, [2019] 2020. 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 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

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 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
Small and Disadvantaged Business Utilization and Outreach	4,646	4,614	3,488
	4,646	4,614	3,488
FTEs			
Direct Funded	12	12	10
Reimbursable, allocated, other	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 Business concerns (SB), small business concerns owned and controlled by socially and economically disadvantaged individuals (SDB), small business concerns owned and controlled by women (WOSB), small business concerns owned and controlled by service disabled-veterans (SDVOSB), Native American concerns and qualified Historically Underutilized Business Zone (HUBZone) small business concerns in securing DOT contracting and subcontracting opportunities.

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, \$7,879,000: Provided, That of such amount, \$1,000,000 shall be for necessary expenses for the Interagency Infrastructure Permitting Improvement Center (IIPIC) 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 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 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
Transportation Planning Research and Development	12,000	11,919	7,879
FTEs			
Direct Funded	27	37	37
Reimbursable, allocated, other	0	0	0

Program and Performance Statement

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

Section 3 – FY 2019 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 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
National Infrastructure Investments: Discretionary	500,000	496,605	0
Total	500,000	496,605	0
FTEs			
Direct Funded	7	7	3
Reimbursable, allocated, other	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 2019. The FTEs associated with this account will be charged with monitoring the existing grant portfolio.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER PROGRAM

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, \$249,000, 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 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 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 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
Minority Business Resource Center Program	941	935	249
Total	941	935	249
FTEs			
Direct Funded	1	1	1
Reimbursable, allocated, other	0	0	0

Program and Performance Statement

This funding provides a thoughtful workforce program that partners with the transportation industry and financial stakeholders with a focus on financial education and development related to 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, and implementation of enhanced security controls on network devices, \$10,000,000, to remain available through September 30, 2020.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Section 3 – FY 2019 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 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
Cyber Security Initiatives	15,000	14,898	10,000
Total	15,000	14,898	10,000
FTEs			
Direct Funded	0	0	0
Reimbursable, allocated, other	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, \$2,987,000.

Note.—A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 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 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
National Surface Transportation & Innovative Finance Bureau	3,000	2,980	2,987
Total	3,000	2,980	2,987
FTEs			
Direct Funded	0	12	12
Reimbursable, allocated, other	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 (DOT) 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 DOT infrastructure finance programs; Administer the application process for DOT 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 DOT infrastructure finance programs and the new Nationally Significant Freight and Highways Projects programs; Increase transparency and the public availability of information regarding projects financed by the DOT infrastructure finance programs and the new Nationally Significant Freight and Highway Projects program; and Promote best practices in procurement for projects financed by the DOT 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 DOT has taken to advance these goals, including the establishment of DOT'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 were available for two years, and expired 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, DOT 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 DOT 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, \$6,971,000, of which \$2,218,000 shall remain available until September 30, 2021: 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 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

RESEARCH AND TECHNOLOGY

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
Research and Technology	13,000	12,912	6,971
TOTAL	13,000	12,912	6,971
FTEs			
Direct Funded	18	20	20
Reimbursable, allocated, other	31	35	35

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 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

Section 3 – FY 2019 Budget Request by Appropriations

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)

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, \$93,000,000, to be derived from the Airport and Airway Trust Fund, to remain available until expended: Provided, 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 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 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

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 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
Payments to Air Carriers	150,000	148,981	93,000
Total	150,000	148,981	93,000
FTEs			
Direct Funded	0	0	0
Reimbursable, allocated, other	0	0	0

Program and Performance Statement

Through 1997, the Essential Air Service (EAS) 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 2019 Budget proposes to reform the EAS program by adjusting the EAS eligibility based on driving distance to nearby airports; increasing the subsidy cap from \$200 to \$250 per passenger for EAS communities located within 210 miles from a large hub airport and eliminating the waiver for this requirement; and placing limits on the waiver authority for 10-enplanement requirement.

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 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
Essential Air Service (EAS) [Mandatory]	121,801	130,760	140,177
Total	121,801	130,760	140,177
FTEs			
Direct Funded	13	14	14
Reimbursable, allocated, other	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 2019 Budget proposes to reform the EAS program.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND (NON-ADD)
(In thousands of dollars)

Any Working Capital Fund limitation shall not apply to the Department's Information Technology, Human Resources, or Acquisition shared services consolidation of functions.

Note. —A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Section 3 – FY 2019 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND (NON-ADD)
(In thousands of dollars)

PROGRAM	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
WCF DOT Activities	183,870	202,245	201,882
WCF Non-DOT Activities	220,909	321,022	321,257
TOTAL	404,779	523,267	523,139
FTEs:			
Reimbursable FTE	220	271	271

Program and Performance Statement

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

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER
WORKING CAPITAL FUND (NON-ADD)
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
Volpe Transportation Center Working Capital Fund	330,000	335,000	360,000
TOTAL	330,000	335,000	360,000
Direct Funded	-	-	-
Reimbursable, allocated, other	570	570	570

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 retains the 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 retains the provision that 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. Section 116(h)(3)(D) of title 49, United States Code, is amended—

(a) in clause (i), by striking “During the 2-year period beginning on the date of enactment of this section, the”; inserting “From December 4, 2015, until the end of the last fiscal year

for which any funds are authorized under the Fixing America's Surface Transportation (FAST) Act (Public Law 114-94) or any extension thereof, the"; and inserting the following after the first sentence: "Any such funds or limitation of obligations or portions thereof transferred to the Bureau may be transferred back to and merged with the original account."; and

- (b) in clause (ii) by striking "During the 2-year period beginning on the date of enactment of this section, the"; inserting "From December 4, 2015, until the end of the last fiscal year for which any funds are authorized under the Fixing America's Surface Transportation (FAST) Act (Public Law 114-94) or any extension thereof, the"; and inserting the following after the first sentence: "Any such funds or limitation of obligations or portions thereof transferred to the Bureau may be transferred back to and merged with the original amount."*

- ❖ Section 105 proposes to extend transfer authority originally provided in the FAST Act for the National Surface Transportation and Innovative Finance Bureau, which expired 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 116(d)(1) of title 49, United States Code, is amended by adding at the end the following: "(E) The Federal Ship Financing Program (commonly referred to as Title XI) under chapter 537 of title 46."

- ❖ Section 106 proposes to transfer the Federal Ship Financing program (commonly referred to as Title XI) from the Maritime Administration to the Office of the Secretary – National Surface Transportation and Innovative Finance Bureau.

Sec. 107. 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 107 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.

Sec. 108. Section 41731 of title 49 is amended—

- (1) in subsection (a)(1)—(A) by revising subparagraph (A) to read as follows: "(A) is a community that, at any time during the period between July 1, 2017 and December 31, 2017, inclusive, received essential air service for which compensation was provided to an air carrier under this subchapter:" and (B) by revising subparagraph (D) to read as follows: "(D) is a community that is located more than—(i) 50 driving miles from the*

nearest small hub airport; “(ii) 75 driving miles from the nearest medium hub airport; and “(iii) 100 driving miles from the nearest large hub airport.”.

(2) in subsection (c) by striking “,(C) and (D)” and inserting “and (C)”.

(3) in subsection (e)—(A) by inserting a “—” after “if” (B) by inserting “(1)” before “the location”; (C) by striking the period at the end and inserting “;and” and (B) by inserting after paragraph (1), as designated by this subsection, the following: “(2) the Secretary has not granted the location a waiver from this requirement in both of the two prior consecutive fiscal year.”

- ❖ Section 108 proposes to revise the definition of an eligible community to capture only those communities that were receiving subsidized air service between July 1, 2017, and December 31, 2017; adds additional eligibility criteria for communities under the EAS program – in addition to other eligibility criteria under 41731, communities must be more than 50 driving miles from the nearest small hub, more than 75 driving miles from the nearest medium hub and more than 100 driving miles from the nearest large hub airport in order to be eligible for essential air service; ensures the proposed cap on eligibility for EAS, to only those communities that currently receive subsidized service, would also extend to communities in Alaska and Hawaii; and amends the waiver provision for the 10-enplanement standard under 49 USC 41731(a)(1)(B) so that it may not be granted if a community had been granted a waiver in both of the two prior fiscal years.

Sec. 109. Section 41733 of title 49 is amended by striking subsection (g) and redesignating subsection (h) as subsection (g): Provided, That section 41736 of title 49 is amended by adding at the end the following: “(h) Sunset.—The authorities provided under this section shall cease to be effective on September 30, 2018.”: Provided further, That subsection (c) of section 426 of the FAA Modernization and Reform Act of 2012, (Public Law 112–95; 126 Stat. 11) is repealed: Provided further, That, section 332 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (Public Law 106–69; 113 Stat. 986) is amended by striking “\$200” and inserting “\$250”.

- ❖ Section 109 proposes to repeal the authority under 41733(g) for the Secretary to consider a proposal for restoration of subsidized air service submitted by a community that had previously lost subsidized air service; would sunset, as of September 30, 2018, the authority to allow EAS service to non-eligible places; repeals Section 426(c) of the FAA Modernization and Reform Act of 2012 which authorized the Secretary to waive the subsidy per passenger cap of \$200, established by section 322 of the DOT and Related Agencies Appropriations Act, 2000 (P.L. 106-69); and, modifies the essential air service per passenger cap from \$200 to \$250.

Sec. 110. Notwithstanding section 405 or any other provision, up to 10 percent of funds appropriated to Salaries and Expenses may be transferred among offices under that account in the Office of the Secretary of Transportation if the Secretary of Transportation determines such action to be necessary.

- ❖ Section 110 proposes flexibility for the Secretary to transfer funds when deemed fit for accounts under the Salaries and Expenses appropriation.

GENERAL PROVISIONS – DEPARTMENT OF TRANSPORTATION

(INCLUDING TRANSFER OF FUNDS)

(INCLUDING CANCELLATIONS)

Sec. 180

- (a) 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 therefor, as authorized by law (5 U.S.C. 5901–5902).
- (b) During the current fiscal year, applicable appropriations to the Department and its operating administrations shall be available for the purchase, acquisition, maintenance, operation, and deployment of unmanned aircraft systems that advance the Department's or its operating administrations' mission.
- (c) Any unmanned aircraft system purchased, procured, or contracted for by the Department prior to the enactment of this Act shall be deemed authorized by Congress as if this provision was in effect when the system was purchased, procured or contracted for.

❖ Section 180 retains the provision that allows the Department of Transportation to use funds for aircraft (including unmanned 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 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 the 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] *day* before any project competitively selected to receive a discretionary grant award, any discretionary grant award, letter of intent, loan commitment, loan guarantee commitment, line of credit commitment, or full funding grant agreement totaling \$1,000,000 or more is announced by the department or its modal administrations from—

- (1) any discretionary grant or federal credit program of the Federal Highway Administration including the emergency relief program;
- (2) the airport improvement program of the Federal Aviation Administration;
- (3) any program of the Federal Railroad Administration;
- (4) any program of the Federal Transit Administration other than the formula grants and fixed guideway modernization programs;
- (5) any program of the Maritime Administration; or
- (6) 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.

- ❖ Sec. 184 revises, currently 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. Propose changing the notification period from not less than three full business days to not less than one full business day.

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 expenses 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 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 said reprogramming notice shall be provided solely to the House and Senate Committees on Appropriations: *Provided*, That the Secretary of Transportation may provide notice to other congressional committees of the action of the House and Senate Committees on Appropriations on such reprogramming but not sooner than 30 days following the date on which the reprogramming action has been transmitted to the House and Senate Committees on Appropriations.

- ❖ Section 187 retains the 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.

Sec. 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 retains the 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.

Sec. 190 Not to exceed 5 percent of any discretionary account (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985) appropriated for the current fiscal year to the Operating Administrations of the Department of Transportation in this Act may be transferred between that account and any other account of the Department, but no such account shall be increased by more than 10 percent by any such transfers: Provided, That the transfer authority granted by this section shall not be used to create any new program or to fund any project or activity for which no funds are provided in this Act: Provided further, That the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of any such transfer.

- ❖ Section 190 proposes transfer authority between Operating Administration accounts up to 5 percent, provided that the receiving account does not increase by more than 10 percent. Such transfers would require notification to the Appropriations committees at least 15 days in advance of any such transfer.

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 a 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 [2018] 2019, or provided from any accounts in the Treasury derived by the collection of fees and available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds that—

- [(1)] (a) creates a new program;
- [(2)] (b) eliminates a program, project, or activity;
- [(3)] (c) increases funds or personnel for any program, project, or activity for which funds have been denied or restricted by the Congress;
- [(4)] (d) proposes to use funds directed for a specific activity in an appropriations law for a different purpose;
- [(5)] (e) augments existing programs, projects, or activities in excess of \$5,000,000 or 10 percent, whichever is less;
- [(6)] (f) reduces existing programs, projects, or activities by \$5,000,000 or 10 percent, whichever is less; or
- [(7)] (g) 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 notification 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)] (1) 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)] (2) 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)] (3) an identification of items of special congressional interest.

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

Sec. 405 Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year [2018] 2019 from appropriations made available for salaries and expenses for fiscal year [2018] 2019 in this Act, shall remain available through September 30, [2019] 2020, for each such account for the purposes authorized: Provided, That a notification shall be submitted to the House and Senate Committees on Appropriations prior to the expenditure of such funds: Provided further, That these notifications shall be made in compliance with reprogramming guidelines under section 404 of this Act.

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

Sec. 406 No funds in this Act may be used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use: Provided, That for purposes of this section, public use shall not be construed to include economic development that primarily benefits private entities: Provided further, That any use of funds for mass transit, railroad, airport, seaport or highway projects, as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water-related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or 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.]

- ❖ This provision is being proposed for deletion which prohibits the transfer of appropriated funds unless the transfer is authorized by authorizations act. This prohibition already exists as a common law principle.

Sec. [408] 407 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 407 prohibits the availability of funds to any person or entity that does not comply with the Buy American Act.

Sec. [409] 408 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 408 prohibits the availability of funds to any person or entity that has been convicted of violating the Buy American Act.

Sec. [410] 409 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 409 prohibits the use of funds for the purchase of first-class airline accommodations.

Sec. [(411)] 410 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 410 retains the provision proposed which prohibits more than 50 people from attending an international conference.

Section 3 – FY 2019 Budget Request by Appropriations

[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 new 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.]

- ❖ This provision is being proposed for deletion because Executive Order 13693 revoked Presidential Memorandum--Federal Fleet Performance.

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

	<u>FY 2010 Actual</u>	<u>FY 2011 Actual</u>	<u>FY 2012 Actual</u>	<u>FY 2013 Actual</u>	<u>FY 2014 Actual</u>	<u>FY 2015 Actual</u>	<u>FY 2016 Actual</u>	<u>FY 2017 Actual</u>	<u>FY 2018 Annualized CR</u>	<u>FY 2019 Request</u>
Salaries & Expenses	102,686	102,481	102,481	97,121	107,000	105,000	108,750	114,000	113,226	113,842
Financial Management Capital	5,000	4,990	4,990	4,729	7,000	5,000	5,000	4,000	3,973	2,000
Office of Civil Rights	9,667	9,648	9,384	8,893	9,551	9,600	9,678	9,751	9,685	9,470
Small and Dis. Bus. Util. & Outreach (Min. Bus. Outreach)	3,074	3,068	3,068	2,908	3,088	3,099	3,084	4,646	4,614	3,488
Trans., Plng., Res. & Dev. (TPR&D)	18,168	9,799	9,000	8,529	7,000	6,000	8,500	12,000	11,919	7,879
TPR&D Cancellation of Unobligated Balances	0	0	0	0	-2,750	0	0	0	0	0
National Infrastructure Investments	600,000	526,944	500,000	473,847	600,000	500,000	500,000	500,000	496,660	0
New Headquarters Building	0	0	0	0	0	0	0	0	0	0
Minority Business Resource Center	923	921	922	874	925	925	933	941	935	249
Cyber Security/IT Infrastructure	0	0	10,000	9,477	4,455	5,000	8,000	15,000	14,898	10,000
National Surface Transportation & Innovative Finance Bureau	0	0	0	0	0	0	0	3,000	2,980	2,987
Research & Technology	13,007	12,981	15,981	15,145	14,765	13,000	13,000	13,000	12,912	6,971
Essential Air Service	[50,000]	[50,000]	[50,000]	[97,697]	[118,906]	[110,164]	[105,653]	[121,801]	[130,760]	[141,177]
Payments to Air Carriers	150,000	149,700	143,000	135,520	149,000	155,000	175,000	150,000	148,981	93,000
Bureau of Transportation Statistics	27,000	27,000	25,206	25,948	26,000	29,000	26,000	26,000	26,000	26,000
Compensation for General Aviation Operations	0	0	-3,254	0	0	0	0	0	0	0

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

^{3/} Overflight fees collected by FAA

^{4/} Funding for the Office of Small and Disadvantaged Utilization (formerly in Salaries and Expenses) has been merged with the Minority Business Outreach appropriation and the appropriation has been renamed Small and Disadvantaged Business 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 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 Actual	190,389		18,367
FY 2018 Annualized CR	190,389		18,367
FY 2019 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.

4th tab

Salaries and Expenses

**DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY**

FY 2019 CONGRESSIONAL BUDGET JUSTIFICATION

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GENERAL NOTES

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

Detailed Justification for the Immediate Office of the Secretary

What is this program and what does this funding level support?

The Immediate Office of the Secretary (OST) provides leadership for the Department and develops 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.

The fiscal year (FY) 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments for Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation as well as an estimated 14 FTEs and associated costs.

What benefits will be provided to the American public through this request and why is this program necessary?

The Immediate OST 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 what does this funding level support?

The Office of the Deputy Secretary assists the Secretary in the overall planning, direction and control of the Department's agenda. The Deputy Secretary functions as the Chief Operating Officer of the Department, and participates in key activities of every part of the Department. Among other responsibilities, the Deputy Secretary serves as Chair of DOT's Council on Credit and Finance, as Chair of DOT's Intelligent Transportation Systems Management Council, as a member of FAA's Management Advisory Council, and as DOT's representative to the Federal Permitting Improvement Steering Council. The Deputy Secretary also serves as Chair of DOT's Safety Council and as DOT's Regulatory Reform Officer.

The FY 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments for Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation as well as an estimated 8 FTEs and associated costs.

What benefits will be provided to the American public through this request and why is this program necessary?

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. This request will enable the Department to continue to respond more quickly and efficiently to the transportation needs of the American public, and to advance key objectives of maintaining and improving safety, building and repairing vital infrastructure, and enabling innovation for the future.

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

What Is This Program and What Does This Funding Level Support?

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. This is achieved by 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 Transportation Policy, the Assistant Secretary for Aviation and International Affairs, , Assistant Secretary for Research and Technology, and the Build America 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. The Office conducts analyses of the economic effects of transportation regulations, policies, programs, and investments aimed at improving the efficiency of the Nation's transportation system. The Office develops the Department's standards and guidance for conducting benefit-cost analysis of regulations and investments, including the values of key parameters used in those analyses. The Office leads the Department's efforts to develop and implement multimodal freight policies. The Office also helps communicate Departmental priorities with key stakeholders through the development of white papers, reports and other materials.

The **Office of Policy Development, Strategic Planning and Performance** manages long-term research, analysis, and initiatives on issues including safety, permitting and project- delivery effectiveness, energy, and the impact of transportation investments on the human and natural environment. The Office coordinates responses to cross-modal safety issues and leads initiatives to improve safety through systemic approach to identify, mitigate, and eliminate risk with improved data collection and analysis, stakeholder collaboration, performance-based safety standards, and other measures. The Office leads strategic initiatives to ensure improvements in performance management, and innovative transportation planning, while improving the accessibility and connectivity of the transportation system for the American people and for industry. The Office leads efforts to promote reform to speed the development of infrastructure projects and use taxpayer funds more efficiently. The Office serves as the lead office on the development and implementation of the Department's Strategic Plan.

The **Office of Infrastructure Finance and Innovation** focuses on the implementation of priority initiatives through the development of Department-wide policies to improve transportation infrastructure financing and initiatives on freight, leveraging non-Federal funding, competitive grants programs, and technology innovation. These efforts attempt to ensure that Federal funding can be fully leveraged to maximize transportation infrastructure investments across the nation The Department will develop the first ever multi-modal surface transportation policy on Automated Vehicles (AV) in coordination with all of the surface transportation operating administrations. This AV policy will address Departmental principles, challenges,

required research, and regulatory initiatives to facilitate the safe deployment of AVs to include light vehicles, heavy trucks, and transit vehicles. The policy will also address the impact on infrastructure, and automation in the rail and pipeline environments. As part of leading the Department's efforts to adopt innovative advancements in multi-modal transportation solutions, this office also manages and oversees the Federal Advisory Committee on automation. The advisory committee on automation will serve as a resource for providing advice to the Department regarding DOT's AV policies, and provide recommendations on how best to address the challenges facing the safe implementation of AVs and any required regulatory actions.

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 Essential Air Service (EAS) program, which is reformed and discussed in detail under the EAS section of this budget, to ensure that eligible small and rural communities are connected to the U.S. air transportation system; administers the Small Community Air Service Development Program that oversees grants to small communities to assist them in attracting sufficient air carrier services; and establishes statutorily mandated intra-Alaskan mail rates. The OAA analyzes and supports the Department's decision makers on major aviation 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, airport and capacity issues, the allocation of slots and slot exemptions, airline strike and bankruptcy issues, unmanned aerial systems (UAS), 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 economic 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, 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 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. OITT engages in transportation dialogues with emerging markets such as China, Brazil, India and Africa. In addition, OITT develops DOT policies to facilitate legitimate and fair cross-border trade with Canada and Mexico. Through these activities, OITT seeks to enhance U.S. competitiveness and U.S. jobs, and to learn from the best practices of our international partners.

The **Office of the Assistant Secretary for Research and Technology (OST-R)** strengthens research and technology initiatives across all operating administrations. To better coordinate research across the Department, the FY 2019 budget reflects that OST-R is relocated under the Office of the Under Secretary for Policy. Further information about OST-R's budget can be found under the Research and Technology section of this budget.

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 alternative investments, 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.

FY 2018 Anticipated Program Accomplishments:

The Office of the Under Secretary will lead the Department's efforts to develop agency initiatives in the areas of safety, infrastructure investments, innovation, project delivery effectiveness, future-oriented innovation, such as predictive analysis for safety policy and decision making, public and intergovernmental outreach, freight policy, public-private partnerships, and international transportation policy. The Office will also work with the Office of General Counsel to coordinate regulatory reform. The Office will continue to support White House-led efforts that complement the Departmental goals of seeking long-term reform on how infrastructure projects are regulated, funded, delivered and maintained. 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 U.S. 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. The Office will develop and implement innovative policies and programs to focus Federal resources on the most transformative transportation projects, encouraging state and local governments to raise their own revenue for infrastructure, aligning infrastructure investment with entities best suited to make investments efficiently, and leveraging private sector expertise. In addition, the Office utilizes various discretionary grant programs to incentivize the development of nationally and regionally significant projects that deliver substantial benefits to the Nation.

The FY 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments to Working Capital Fund; (4) an increase for an estimated 1.020 percent inflation, as well as an estimated 62 FTEs and associated costs.

What Benefits Will Be Provided to the American Public Through This Request and Why is the Program Necessary?

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. In addition, S-3 aims to foster a regulatory environment that allows the deployment of innovative technologies throughout transportation sectors, such as the safe testing and deployment of Autonomous Vehicles (AV) in the U.S. transportation systems. In order to achieve that, the Department engages with stakeholders and industry to request comments and information in order to identify regulatory barriers, near term research, pilot programs and exemptions that need to be conducted, with the goal of accelerating the deployment of Autonomous Vehicles.

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. S-3 has led implementation of Section 1442 of the FAST Act, which addresses the risks faced by pedestrians and other vulnerable road users, with a State implementation program and broad dissemination of effective countermeasures and technical assistance created by NHTSA, FHWA, and FTA. S3 has supported effective implementation of new safety grant programs by NHTSA and FMCSA. The Office is working to improve transportation safety data collection, integration, and analysis to create new decision-making tools for State and local partners. 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 what does this funding level support?

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.

The fiscal year (FY) 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments for Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation as well as an estimated 15 FTEs and associated costs.

What benefits will be provided to the American public through this request and why is this program necessary?

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 what does this funding level support?

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 Directives.

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 Senior DOT Representative to the North American Aerospace Defense (NORAD) /U.S. Northern Command (NORTHCOM) at Peterson Air Force Base, Colorado and one staff member as the Senior DOT Representative to the United States Transportation Command (USTRANSCOM) at Scott Air Force Base, Illinois. 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 DOT meeting the requirements of Presidential Policy Directive (PPD)-21, “Critical Infrastructure Security and Resilience;” PPD-8, “National Preparedness;” Public Law 108-458, “the Intelligence Reform and Terrorism Prevention Act;” E.O. 12333, “United States intelligence activities;” and Intelligence Community Directive (ICD) 404, “Executive Branch Intelligence Customers.” Collectively, these documents call 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 (ITP) that rely on counterintelligence based principles and practices to identify and defeat foreign intelligence threats to DOT personnel, systems, and facilities. The Intelligence Program serves as both the Program Management and Coordination entity for the implementation and execution of the Departments ITP.

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. During FY 2018, the Intelligence Division will accomplish the following:

Analysis and Production

- Analyze and assess all intelligence community reporting 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, her 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;
- Assist in identifying and developing areas for enhanced geospatial product access and production, when possible, to the DOT National Response Program; and
- Liaison with Intelligence Community (IC) counterparts to identify DOT subject matter experts that can support operations and production requirements.

Intelligence Engagement and Information Sharing

- Represent DOT at meetings held at the Information Sharing Enterprise (ISE) Committee and sub-committees as required, 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 committees and forums, as needed, addressing information sharing, law enforcement, and intelligence-related topics regarding safety and security of the nation's transportation systems and infrastructures at the national level;
- Work closely with the Director of National Intelligence Federal Partner Forum Office on a range of topics through the Federal Senior Intelligence Coordinator Advisor Board, as required;
- Work, in collaboration with the National Counterterrorism Center, to identify DOT components that have counterterrorism-related programs and projects contributing to the National Counterterrorism budget;
- Support IC efforts to leverage all DOT's unique access to critical and difficult sources of information to enhance analysis, assessments, and reporting of information;
- 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 U.S. 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 maintain and execute an effective and efficient Insider Threat Program in accordance with E.O. 13587;

- Provide counterintelligence-related briefings as needed 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 to DOT Office of Security regarding foreign visitors to DOT facilities and engagement meetings;
- Manage and execute the DOT Cyber Intelligence/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 2018, 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 E.O. 13546, "Optimizing the Security of Biological Select Agents and Toxins in the United States");
 - Critical infrastructure resilience and risk management (e.g., PPD-21; E.O. 13717, "Establishing a Federal Earthquake Risk Management Standard;" E.O. 13728,

- “Wildland-Urban Interface Federal Risk Mitigation;” 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”);
- 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);
 - 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;
 - 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.

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

1. The National Continuity Program is responsible for providing policy and guidance to implement continuity programs across the Department that ensures the whole of DOT is able to conduct its essential missions and functions under all threats and conditions. DOT’s continuity program follows the requirements laid out in PPD-40 “National Continuity Policy” and the supporting Federal Continuity Directives. As the Secretary generally is in the Presidential line of succession, the National Continuity Program participates in classified Continuity of Government programs with the White House. The National Continuity Program maintains the Department’s continuity facility that hosts Departmental leadership, including the leadership of Secretarial Offices and Operating Administrations and continuity staffs, during a crisis in order to perform essential functions for up to a 30-day period or until normal operations can be resumed. The National Continuity Program develops and maintains the Department’s Continuity of Operations Plan and provides direction to DOT components in developing and maintaining their respective component-level programs and plans. The National Continuity Program also represents the Department and its interests in interagency continuity-related working groups.

During FY 2018, the National Continuity Program will accomplish the following:

1. Revise the Department's Continuity Plan and associated plans and procedures to align with updated Federal Continuity Directives;
 2. Maintain fully operational status of the Department's continuity facility;
 3. Utilize the continuity facility during annual national-level continuity exercises, to include occupancy by Departmental and Operating Administration senior leadership, Emergency Coordinators, Planning Team members, Intelligence staff and the Crisis Management Center Watch;
 4. Expand and improve the facility's capabilities based upon interagency exercise after-action reports;
 5. Incorporate into the Department's continuity program all requirements of PPD-40, Minimum Requirements for Federal Executive Branch Continuity Communications Capabilities (OSTP/OMB Directive D-16-1), and other applicable directives and requirements;
 6. Complete mandated refresh of classified computer and communication equipment; and
 7. Manage and coordinate access to continuity facility for training of personnel supporting continuity programs.
2. The International Preparedness Division 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. In addition, the International Preparedness Division staff frequently works with and coordinates activities on transportation emergency preparedness with the Department of Homeland Security, the Office of Foreign Disaster Assistance of the Agency for International Development, the Department of Defense, the United Nations, and other national and international professional organizations. These interactions involve representing the Department in forums on transportation-related civil emergency preparedness, response, and recovery issues as well as training exercises. Program staff also carry out the Secretary's delegated responsibility under E.O. 12656, "**Assignment of emergency preparedness responsibilities,**" to lead departmental efforts pertaining to transportation-related international civil emergency preparedness activities, including coordinating DOT representation on North Atlantic Treaty Organization (NATO) committees.

During FY 2018, the International Preparedness Division 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 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 U.S./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 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 uniquely bonds elements of all S-60 divisions' roles and responsibilities through functions such as national security and domestic emergency management training, and evaluates the relevant national and departmental policies, plans, procedures, strategies and directives through preparedness exercises. The Training and Exercise Program staff is a key member 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 Training and Exercise Program, increases preparedness and improves security and safety response, mitigation and recovery planning. Training and exercises further enhances interagency, state, local, and infrastructure owners/operator's coordination, to include supporting DOT's role under PPD-21 as the Transportation Systems Sector co-lead agency.

During FY 2018, the Training and Exercise Program will accomplish the following:

- Conduct exercises mandated by the DOT Secretary, the Director of S-60, and the National Exercise Program including the National-Level Exercise (NLE); tabletop exercises and seminars in support of the NLE; an annual Continuity of Operations/Continuity of Government exercise (as required by PPD-40); senior level (Principals Committee, Deputies Committee and Domestic Resilience Group-level) tabletop exercises; and Department-wide senior leader exercises to include the Emergency Response Team;
- Ensure appropriate DOT support in the design, development, conduct, and evaluation of interagency exercises, including but not limited to the Department of Defense's (DoD) Domestic Support to Civil Authorities (DSCA) exercises; DHS cyber threat and attack preparedness exercises (relevance to requirements for Departments and

- Agencies as identified in PPD-41); DHS - Federal Emergency Management Agency's (FEMA) annual response and recovery exercises (relevance to the Departmental roles and responsibilities as outlined in the National Response Framework, National Disaster Recovery Framework and PPD-8); and other interagency Department and Agency-sponsored, transportation system-impacted, preparedness exercises;
- Support exercise development and conduct for the Operating Administration's internal exercises and preparedness seminars;
 - Facilitate the evaluation of real world and preparedness exercise after action coordination, to include the development of security/safety related corrective actions, and the monitoring and reporting of their adjudication;
 - Support the coordination of DOT's required national continuity training engagement; and,
 - Facilitate the distribution and coordination of national security training programs for S-60 and relevant DOT offices and Operating Administration's purview. Such programs include the National Defense University, College of International Security Affairs; the U.S. Army's Command and General Staff College; courses at FEMA's Emergency Management Institute; courses at Department of State's Foreign Service Institute; and courses sponsored by the U.S. Special Operations Command Joint Special Operations University.

Operations Division - 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 monitors the nation's transportation systems and infrastructure 24-hours a day, 7 days a week. The CMC hosts the Secretary's Emergency Response Team and other support personnel who provide the Secretary and Operating Administrations with information pertinent to the crisis at hand. Information sharing with other federal agencies and the White House is enabled using by 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 2018, the CMC will accomplish the following:

- Act as the central point of contact for all Federal, state, and local government agencies for information sharing;
- 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 and OSTP/OMB Directive D-16-1;
- 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.

- Improve preparedness for the Secretary’s Emergency Response Team by conducting Web-enabled Emergency Operation Center (WebEOC) monthly training. In addition, manage and improve WebEOC to enhance the ability of the Secretary’s ERT to respond to major disasters and crisis.
2. The National Response Program is responsible for coordinating Departmental preparedness, response, and recovery activities in all-hazards crises for the Office of the Secretary, and supports the Secretary's responsibilities under the National Response Framework, Emergency Support Function #1 (ESF-1) Transportation. ESF-1 is responsible for providing 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.
 3. PPD-8 mandates the U.S. Government establish a National Preparedness System, focusing on national planning frameworks covering prevention, protection, mitigation, response, and recovery. FEMA’s National Response Framework identifies 14 Emergency Support Functions as the primary coordinating structures for building, sustaining, and delivering core response capabilities. The NRP is the office within DOT that has been designated as the lead for ESF-1 activities.
 4. The NRP has Regional Emergency Transportation Coordinators, Regional Emergency Transportation Representatives, and Regional Emergency Cadre 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 2018, 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 National Response Framework and other Recovery Support Functions in the National Disaster Recovery Framework;
- 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; participation in 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; and
- Maintain and update Departmental and program emergency response plans, procedures, and checklists.

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 2018, 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.

North American Aerospace Defense Command /United States Northern Command Senior DOT Representative - NORAD and USNORTHCOM have complementary missions and the staffs work to fulfill homeland defense responsibilities and Defense Support of Civil Authorities (DSCA) during disaster response operations. NORAD conducts aerospace warning/defense and maritime warning for North America. NORTHCOM partners to conduct homeland defense, civil support and security cooperation to defend and secure the United States and its interests. The NORAD/NORTHCOM 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 NORAD/NORTHCOM during emergencies.

During FY 2018, the NORAD/NORTHCOM Senior DOT Representative will accomplish the following:

- Provide DOT context to the NORAD/NORTHCOM Commander's decision making process;
- Coordinate with senior military leadership in NORAD/NORTHCOM on all transportation matters to include policy issues, operational plans, training, and exercises for Office of the Secretary and DOT Operating Administrations;
- Assist NORAD/NORTHCOM in fulfilling its DSCA mission and clarify impacts of proposed actions on the DOT mission and the nation's transportation infrastructure. During

disaster response operations, provide a clear picture of the transportation infrastructure so DoD elements can respond quickly to meet the needs of our citizens;

- Represent DOT interests in day-to-day operations and significant events/incidents, communicating DOT equities while supporting the NORAD/NORTHCOM mission;
- Provide DOT perspective through the Joint Interagency Coordination Group (JIACG) to external agencies; and
- Represent the Office of the Secretary and Operating Administrations in interagency working groups/teams addressing national level interest items such as catastrophic disaster preparedness, pandemic flu, etc.

United States Transportation Command (USTRANSCOM) Senior DOT Representative -

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.

The Senior DOT Representative provides input and support to the strategic national security programs that reside in USTRANSCOM and its component commands and coordinates with all DOT components to represent DOT interests and equities to USTRANSCOM leadership and components. The Senior DOT Representative works collaboratively with USTRANSCOM leadership, as well as with all other Department and Agency Liaison Officers assigned to USTRANSCOM, 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 2018, the USTRANSCOM Senior DOT Representative will accomplish the following:

- Provide DOT context to the USTRANSCOM Commander's decision making process;
- Coordinate with senior military leadership in USTRANSCOM 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 its DSCA mission and clarify the impact of proposed USTRANSCOM actions on the DOT mission and the nation's transportation infrastructure. During disaster response operations, provide a clear picture of the transportation infrastructure so DoD elements can respond quickly to meet the needs of our citizens; 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 statutes, E.O.s, and policies. In addition to the authorities previously cited, E.O. 12656 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 of Title 49 USC requires DOT to provide “coordinated and effective administration of the transportation programs of the United States 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 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation as well as an estimated 58 full-time equivalents (FTEs) and associated costs.

S-60 has a unique national security and public safety mission that is not filled anywhere else in the Department, which includes:

- overseeing the intelligence functions for the Department, including managing the Department’s insider threat program and serving as the Federal Senior Intelligence Official;
- providing daily personal protective service for the Secretary and conducting security advance work in the U.S. and internationally;
- carrying out the Secretary’s responsibilities under the National Response Framework and coordinating DOT’s preparedness, response, and recovery activities in all-hazard crisis and events;
- serving as the Department’s Continuity Coordinator and overseeing continuity for all of DOT, including implementing classified programs and maintaining the Department’s continuity site and classified communication systems;
- carrying out the Secretary’s delegated responsibility with NATO related to civil aviation preparedness planning;
- leading DOT’s efforts as the co-Sector-Specific Agency for the Transportation Systems Sector and coordinating DOT’s efforts with the National Security Council staff;
- maintaining the Department’s Crisis Management Center; and
- providing Senior Agency Representatives to NORTHCOM/NORAD and TRANSCOM.

What Benefits will be provided to the American Public through this request and why is this program necessary?

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 National Response Framework;
- 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 what does this funding level support?

The Office of the Chief Information Officer (OCIO) provides leadership on all matters associated with the Department's \$3.5 billion IT portfolio. The OCIO includes an Office of the Secretary of Transportation (OST) Chief Information Officer (CIO) and associated staff responsible for ensuring that the OST has IT operational and technical support.

The CIO is the principal information technology (IT), innovation, information management, cyber security, privacy, and records management advisor to the Secretary. The CIO has responsibility for planning and oversight of IT staffing, and management and delivery of IT and innovative solutions across the Department. The CIO also leads enterprise services, including IT shared services delivery for the Department. The Office of the CIO supports the accountability strategic goal by providing leadership on all matters associated with the Department's IT portfolio. In addition, the Office supports the Safety and Infrastructure strategic goals by leading in the innovative application of data and technology to achieve our safety outcomes and improve the condition of the Nation's infrastructure. In support of the Innovation strategic goal, the Office monitors and advises on digital transformation in the transportation sector, generally, and assists the Secretary and the Operating Administrations (OAs) in fostering innovation in the transportation system. Under Federal Information Technology Acquisition Reform Act (FITARA), the DOT CIO is responsible for all Information Technology (IT) planning, budgeting, acquisition, implementation and operations in the Department.

The OCIO programs are needed to address the evolving and increasing complexity of IT infrastructure and services, and steer agency efforts to identify and eliminate duplicative spending, and strengthen accountability for programming and performance of IT expenditures. The OCIO must create and maintain an agile, reliable, innovative and scalable IT environment, and deliver business services that align requests with the mission and overall strategic goals of DOT. The OCIO focuses on ensuring projects and investments are planned, administered, completed and delivered in a standardized manner across the Department.

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

IT Governance, Risk, and Compliance – OCIO works with the Office of Budget, the Office of the Senior Procurement Executive, and the Operating Administrations to ensure that the

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.

Department effectively and efficiently procures and provides lifecycle management and oversight of its IT investments, and ensure effective governance of privacy risk, records management, and other agency information.

Departmental IT Strategy – The OCIO leads the management and rationalization of technology and innovative solutions for the Department to increase cybersecurity, leverage effective shared services, reduce duplication, increase efficiencies and enable Operating Administrations to focus on mission.

IT Consolidation and Shared Services Strategy – The CIO leads the consolidation of IT across the Department to improve cybersecurity, increase efficiency of IT, and improve mission systems.

- The threat to the DOT network and the data contained within it continues to increase, and the expectations of Office of Management and Budget, Department of Homeland Security and the public regarding our ability to protect our network and respond quickly to threats also continues to increase. Centralizing network controls will help inhibit risks and allow for informed decision making while adequately protecting and effectively enabling the safety mission of the Department.
- Efficiency must be realized in the management of DOT's IT program to strengthen the mission focus of DOT to deliver the highest quality customer experience and service. The current decentralized operating model is highly inefficient, duplicative, and lacks a standard and consistent process for service delivery. OCIO currently delivers enterprise IT services through the Common Operating Environment (COE). As part of this shared services approach, OCIO will consolidate all IT services across the Department. Under the redefined model, OCIO will be responsible for the full life-cycle of services and technology tools, including acquisition and management of devices. OCIO believes that greater efficiency can be realized in DOT's management of IT services when all Department IT tasks are centrally managed.
- Shared services will also improve DOT's ability to collect and track reporting data to gain a better understanding of performance and customer needs.

Technology Modernization and enterprise service delivery – OCIO provides leadership for the digitization and modernization of Departmental IT by articulating a roadmap for systems modernization that addresses known weaknesses in cyber security, reduces unnecessary duplication in systems capabilities, retires out of date systems and focusses new investments on modern technology solutions that can transform how DOT interacts with its customers and stakeholders.

Intermodal data-driven decision making – The OCIO leads efforts for the National Information Exchange Model, 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. In Collaboration with the Office of the Undersecretary for Transportation Policy, the Office of the Chief Information Officer, and other key stakeholders across the OAs, OCIO is working to build insights and visualizations to assist those subject matter experts with their key decisions.

Cybersecurity and Information Assurance – The OCIO enforces the business strategy to make targeted investments in policy, people, processes, and technology that will strengthen the Department’s ability to ensure the confidentiality, integrity, and availability of its vital data and assets. Priority Cybersecurity and Information Assurance activities include: education, training, and awareness; requirements, standards, policies, and directives; information security continuous monitoring; situational awareness and incident response; independent verification and validation and security assessment and authorization.

Anticipated FY 2018 Accomplishments:

In FY 2018, the OCIO will continue to make progress in key areas including:

- Continuing to identify opportunities for consolidation of technology and innovative solutions at DOT including enterprise delivery of shared services
- Continuing to focus on improving the Department’s Cybersecurity posture and resilience, and reducing cybersecurity risk;
- Finalizing the roadmap and begin implementation of the target-state Enterprise Architecture to realize efficiencies;
- Improving the management of software throughout the Department;
- Continuing to move forward with the network modernization initiative;
- Continuing development of phase one of a national address database that will liberate data regarding safety, crowd-sourcing, and infrastructure investment dollars;
- Streamlining the investment management program to increase modal accountability and improve DOT IT management performance.

The FY 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments for Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation as well as an estimated 50 FTEs and associated costs.

What benefits will be provided to the American public through this request and why is this program necessary?

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 reinforces an IT focus on effective business-outcome-driven pursuits and balances operational demands with longer-term strategy. The programs and activities funded through the OCIO are necessary 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 mission systems, enable adaptation to continually evolving threats and risks, and enable integrated management and mitigation of risk.

The OCIO promotes collaboration and data sharing with the public and throughout the Department, and ensures data and information is available to the public. 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 what does this funding level support?

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 information available to the public regarding the Department's efforts to enhance safety, upgrade the Nation's transportation infrastructure, capitalize on technology innovations, implement regulatory reform 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 fiscal year (FY) 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation as well as an estimated 15 FTEs and associated costs.

What benefits will be provided to the American public through this request and why is this program necessary?

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 to 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.

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 (DOT) 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.

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

What is this program and what does this funding level support?

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.

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 Department of Transportation's (DOT) 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. 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 FMFIA and A-123 Internal Control program, develops performance measures under the Department's strategic goals, and tracks actual outcomes against those measures.

Fiscal Year 2018 Anticipated Accomplishments

In Fiscal Year (FY) 2018, 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 2018 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 FY 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments to the Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation as well as an estimated 56 FTEs and associated costs.

What benefits will be provided to the American public through this request and why is this program necessary?

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 what does this funding level support?

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 while also providing supervision, coordination, and review of the legal work of the Chief Counsel Offices in the Department. The Office of the General Counsel is composed of eight offices and the Center for Alternate Dispute Resolution to carry out functions to ensure the legality of DOT's actions.

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 reviews; and transportation trade issues (such as North American Free Trade Agreement and interdiction of contraband). In addition, the Office chairs the North Atlantic Treaty Organization 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 Office of Management and Budget (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 also leads the Department's efforts in supporting the Regulatory Reform Task Force and implementing the President's regulatory reform agenda. 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 the Office of Information and Regulatory Affairs at 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. Many of the Office's practice areas involve issues affecting all modes of transportation, such as environmental law and Freedom of Information Act (FOIA) therefore the Office works closely not only with clients in OST, but also with the OA's Chief Counsel Offices to support Departmental 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, Small Community Air Service Development Program 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)** functions in three general areas that support DOT's Economic Competitiveness and Quality of Life in Communities Strategic Goals 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 2018 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; and provide advice to the OAs on numerous significant enforcement matters.
- 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 150 significant rulemakings and deregulatory actions. Consistent with the Department's safety mission, the Office of Regulation will take cost-saving action on 18 rulemakings that were pending on January 20, 2017. Rulemakings reviewed by the Office of Regulation in fiscal year 2018 are anticipated to result in a net total of at least \$500 million in cost savings to the regulated public.
- 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 SCASDP, and address legal issues as they arise from the administration of about 100 active SCASDP grants. The Office will 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 Build America Bureau assisting the Bureau 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 Departmental 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.

The FY 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments for Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation as well as an estimated 111 FTEs and associated costs.

What benefits will be provided to the American public through this request and why is this program necessary?

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

- Reviewing and handling 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 percent 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.
- Re-evaluating regulations to reduce unnecessary burden

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

What is this program and what does this funding level support?

The Office of Governmental Affairs serves as the liaison between the Department of Transportation (DOT) 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 Operating 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.

The fiscal year (FY) 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments for Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation as well as an estimated 17 FTEs and associated costs.

What benefits will be provided to the American public through this request and why is this program necessary?

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 what does funding level support?

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; real and personal property assets; facilities operations, information services; business support; security; acquisitions and grants 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.

In addition, 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 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, human resource (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 HR 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 Office formulates Departmental policy, controls, and standards to ensure that procurement and financial assistance programs are in accord with applicable laws, regulations, and best business practices. As the Chief Sustainability Officer, the Office leads the Department's energy and resources efficiency, including implementation of energy and environmental laws and executive orders. Further, the Office provides policy and oversight to ensure compliance with applicable laws, promote standards, and gain efficiencies across the Department's real and personal property assets

The Assistant Secretary is designated as the Senior Agency Official in Federal Regulations, charged with providing oversight and direction for the Department's Classified National Security Information program while ensuring the safety, security, and protection of DOT personnel, information, facilities, and other assets. In addition, the Office is responsible for establishing and maintaining uniform Federal Government standards for Federal agencies transportation fringe benefit programs.

FY 2018 Anticipated Accomplishments

The Departmental Office of Human Resource Management's focus will be on integrating and aligning human capital initiatives with the Department's strategic goals, closing competency gaps in the Department's mission critical occupations, creating efficiencies by reducing redundant activities, and ensuring the timely hiring of quality candidates through use of electronic systems. The Office will maintain and institutionalize ongoing Human Capital programs while integrating Human Capital practices, technologies, and programs to contribute to organizational mission accomplishment. It also will continue to play a key role in addressing issues identified in the Annual Federal Employee Viewpoint Survey to strengthen employee engagement throughout DOT. In addition, the Departmental Office of Human Resources will:

- Implement a robust performance management program that ensures employee performance deficiencies are addressed and tracked Department-wide and appropriately recognizes employees for their contributions. Continue to foster a performance culture where DOT's Operating Administrations have performance appraisal and award systems that are linked to agency mission, goals and outcomes; where fairness and equity is the perception of employees; and where HR 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.
- Develop and implement the Department of Transportation fiscal year (FY) 2018 – FY 2019 Human Capital Operating Plan, which incorporates human capital initiatives in the Department's strategic goals, measures success through quarterly reporting of HR STAT, and integrates the HR accountability program with Departmental initiatives.
- Leverage resources and share best practices in the DOT HR Community through knowledge sharing, enhanced communications and resources, such as the establishment of the DOT Recruitment Council, enhanced HR Policy library, the development of standardized hiring packages and onboarding programs that integrate new DOT employees into the workforce.
- Ensure the Strategic Workforce Planning toolkit provides DOT managers and employees with multiple resources that help to forecast future workforce needs, identify gaps, assess results and update plans, monitor ongoing results, and create solutions to close gaps.
- 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. Implement a One DOT learning management system for all Operating Administrations, including organizations that provide services to external sources (such as State organizations.)

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:

- Expanding the DOT Strategic Sourcing initiative into a comprehensive Category Management program, pursuing efficiencies and leveraging Best in Class contract vehicles and demand management policies as applicable and building on the DOT Strategic Sourcing plan.
- Providing engagement with Operating Administrations 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. PMRs enables the OSPE to have a holistic approach to Operating Administration engagement and oversight
- Evolving the Acquisition Strategy Review Board (ASRB) to ensure compliant, innovative and coordinated acquisition strategies for our major acquisitions. Establishing procedures to provide OSPE visibility into major program execution.
- Pursuing opportunities to leverage automation to gain efficiencies in administrative processes and procedures.
- Updating outdated procurement regulations and instituting a routine process to ensure regulations and guidance are as current as possible.
- Updating outdated Department-wide financial assistance and suspension and debarment guidance and policies, to incorporate government-wide regulations and provide a standardized foundation for modal financial assistance awards, and government-wide reporting
- Creating a long-term initiative to better shape the workforce and re-balance the entry, mid and senior level employees. Assisting the Operating Administrations by facilitating communications and establishing processes to access VA Warrior to Workforce interns and developing a methodology to estimate the required level of acquisition workforce needed to support operations.
- Working with the Federal Acquisition Institute, Office of Federal Procurement Policy and the Operating Administrations to refine and build out the Program/Project Managers' Certification program. Aligning policy with Office of Management and Budget (OMB) guidance and incorporating changes due to the Program Management Improvement Accountability Act as implemented through OMB.
- Continuing responsibility as the ESC PRISM System Owner in accordance with DOT Cybersecurity Policy DOT Order 1351.37. ESC PRISM is used by the DOT acquisition workforce to process requisitions, contracts, IAAs, and select financial assistance agreements, minimizing data entry and maximizing efficiency through electronic routing, workflow and workload management. The integration between Delphi and EC PRISM enhances Spend Management and allows real-time data look-up between the applications, including real-time checking of funds availability. Managing end-to-end functional testing of all system changes and enhancements; representing the Department to the ESC and Federal PRISM Working Groups, and managing the DP2 Integrated Project Team sharing lessons learned and prioritizing change requests and new requirements.
- Representing DOT's requirements with the Federal Integrated Acquisition Environment Change Control Board and System for Award Management providing functional system administration and oversight of a portfolio of acquisition and financial assistance systems.

- Managing Departmental procurement and financial assistance award reporting ensuring compliance with OMB and Data Act requirements and leveraging robust data management strategies, processes, and tools to ensure DOT's acquisition and financial assistance award data are reliable, accurate, current, and complete.

The Assistant Secretary for Administration 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 GSA.

The FY 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments to GSA rent; (4) adjustments to Working Capital Fund; and (5) an increase for an estimated 1.020 percent inflation as well as an estimated 51 FTEs and associated costs. The funding request includes funding for Departmental Human Resources, Acquisitions, Energy and Resource Efficiency, Departmental Fleet Management, 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).

Rental Locations	FY 2018 Rental		FY 2019	
	Payments	Rental	Payments	Net Increase/Decrease
Southeast Federal Center, WDC	\$ 9,574,883		9,887,383	\$ 312,500
Des Plaines, IL	\$ 77,803		78,122	\$ 319
Operations and Maintenance	\$ 25,239		25,239	\$ -
Total:	\$ 9,677,925		9,990,744	\$ 312,819

What benefits will be provided to the American public through this request and why is this program necessary?

The Office of the Senior Procurement Executive (OSPE) serves as the focal point for accountability as it relates to OA procurement performance. Programs such as PMRs and ASRBs are key to the department's efforts to move a large portfolio of existing contracts to Best in Class contract vehicles. PMRs and ASRBs serve as enforcement tools that allow the OSPE to measure OA efforts to move existing contractual requirements to Best in Class contracts that will result in significant savings to the department. ASRBs are especially critical in both the early stages of program planning and in sustained program execution. This on-going oversight is designed to ensure Operating Administration program offices are executing their contracts as planned without significant deviation from OSPE approved acquisition plans. The goal of both the PMR

and ASRB program is cost containment in both the strategic and operational phases of a department procurement. Another initiative of OSPE in FY 2018 is the updating of outdated procurement and financial assistance regulations and instituting a routine process to ensure regulations and guidance are as current as possible. This falls in line with the administration's efforts to reduce unnecessary regulations and practices in order to provide efficiencies in both the procurement and financial assistance processes within the Department.

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 HR support to the Department and convey to government-wide efforts as well.

The Office of Facilities, Information and Asset Management will implement targeted initiatives in the areas of building energy and vehicle fleet management. The OFIAM Energy and Resource Efficiency Program will lead engagement with each Operating Administration to achieve reductions in energy, water use and to reduce costs through operational efficiencies across the Department's 31 million square feet of building assets. These initiatives will enhance operational resilience and, strengthen the Department's ability to carry out its mission. OFIAM will continue to provide policy and oversight across the Department's 6,000 vehicles, with a continued focus toward 'right sizing' the fleet. Departmental fleet policy will be updated to reflect process improvements and procedures to better evaluate and document the business purpose and need for Operating Administration vehicles. This careful stewardship and evaluation of building energy and vehicle utilization, will optimize DOT's ability to focus resources toward critical mission requirements that impact citizens on a daily basis.

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. 32CFR Part 2002, the CUI Program, was effective in November, 2016. This regulation established a specific timeline for all Departments' CUI policy development and program implementation. Also, a number of existing DOT Orders must be updated to incorporate new 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 Security will continue to participate in NARA's interagency CUI Council and will implement a new DOT Order on CUI in compliance with 32 CFR Part 2002. This new 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.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES & EXPENSES

PROGRAM AND FINANCING
(In thousands of dollars)

Identification code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0102-0-1-407			
Obligations by program activity:			
0001 General Administration	112,076	117,688	116,496
0002 SCASDP Grants	1,430	13,000	10,945
0005 Corres. System Repl. & IT Network Assess.	0	0	0
0100 Direct program activities, subtotal	113,507	130,688	127,441
0801 Reimbursable program	5,222	17,600	9,200
0900 Total new obligations	118,729	148,288	136,641
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	5,695	16,030	11,277
1012 Unobligated balance transfers between expired/un	0	0	0
1021 Resources available from recoveries of prior year	1,942	0	0
1050 Unobligated balance (total)	7,637	16,030	11,277
Budget Authority: appropriations, discretionary			
1100 Appropriation	114,000	113,226	113,842
1130 Appropriations permanently reduced (disc)	0	0	0
1160 Appropriations, discretionary (Total)	114,000	113,226	113,842
Spending authority from offsetting			
1700 Collected	17,031	30,254	11,854
1701 Change in uncollected payments, Federal sources	340	0	0
1723 New/Unob. Balances Temp Reduced	0	0	0
1750 Total Spending authority	17,371	30,254	11,854
1900 Budget Authority (Total)	131,371	143,480	125,696
1930 Total Budgetary Resources Available	139,009	159,510	136,973
Memorandum (non-add) entries:			
1940 Unobligated Balance Expiring	-4,250	56	0
1941 Unexpired unobligated balance, end of year	16,030	11,277	332
Change in obligated balance:			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	52,130	47,133	16,618
3010 Obligations incurred, unexpired accounts	118,729	148,288	136,641
3011 Obligations incurred, expired accounts	594	0	0
3020 Obligated balance, Outlays (gross)	-120,921	-178,803	-125,633
3040 Recoveries of prior year unpaid obligations, unexp	-1,942	0	0
3041 Recoveries of prior year unpaid obligations, expir	-1,457	0	0
3050 Unpaid obligations, end of year	47,133	16,618	27,626
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward	308	-212	-212
3070 Change in uncollected pymts, Fed sources, unexpi	-340	0	0
3071 Change in uncollected pymts, Fed sources, expire	-179	0	0
3090 Uncollected pymts, Fed sources, end of year	-212	-212	-212
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	52,438	46,921	16,406
3200 Obligated balance, end of year	46,921	16,406	27,414
Budget Authority and outlays, net:			
4000 Budget authority, gross	131,371	143,480	125,696
Outlays, gross:			
4010 Outlays from new discretionary authority	101,050	132,157	114,311
4011 Outlays from discretionary balances	19,872	46,646	11,323
4020 Outlays, gross (Total)	120,921	178,803	125,633
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-16,340	-27,600	-9,200
4033 Non-Federal sources	-1,413	-2,654	-2,654
4040 Total offsetting collection (cash)	-17,753	-30,254	-11,854
Additional offsets against gross budget authority only:			
4050 Chg in Uncollected pymts, Fed Sources (unexpire	-340	0	0
4051 Chg in Uncollected pymts, Fed Sources (expired)	0	0	0
4052 Offsetting collections credited to expired accounts	722	0	0
4060 Additional offsets against budget authority only (t	382	0	0
4070 Budget authority, net (discretionary)	114,000	113,226	113,842
4080 Outlays, net (discretionary)	103,168	148,549	113,779
4180 Budget authority, net (total)	114,000	113,226	113,842
4190 Outlays, net (total)	103,168	148,549	113,779

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES & EXPENSES

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code		FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0102-0-1-407				
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent	44,677	50,655	50,887
11.3	Other than full-time permanent	4,819	4,907	5,058
11.5	Other personnel compensation	<u>1,424</u>	<u>613</u>	<u>757</u>
11.9	Total personnel compensation	50,920	56,174	56,702
12.1	Civilian personnel benefits	15,365	18,223	19,841
21.0	Travel and transportation of persons	985	1,072	1,167
23.1	Rent	9,472	9,678	9,991
23.3	Communications, utilities and misc.	14	245	145
24.0	Printing	297	297	297
25.1	Other services-Mgmt & Prof	9,473	5,848	5,005
25.2	Other services - Other	2,218	3,247	1,423
25.3	Other services - Federal	23,326	22,602	21,538
26.0	Supplies and materials	372	281	359
31.0	Equipment	1,065	1,022	27
41.00	Grants, subsidies and contributions	0	12,000	10,945
42.00	Insurance claims & Indemnity	<u>0</u>	<u>0</u>	<u>0</u>
99.0	Subtotal, direct obligations	113,507	130,688	127,440
99.0	Reimbursable obligations	<u>5,222</u>	<u>17,600</u>	<u>9,200</u>
99.9	Total obligations	118,729	148,288	136,640

PERSONNEL SUMMARY

Identification Code		FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0102-0-1-407				
1001	Total compensable workyears:			
	Full-time equivalent employment	408.00	457.00	457.00
2001	Reimbursable workyears:			
	Full-time equivalent employment	27.00	28.50	29.00

5th tab

Small Community Air
Service Department

OFFICE OF THE SECRETARY OF TRANSPORTATION**Small Community Air Service Development Program (SCASDP)**

(\$000)

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	\$ 488	\$ 488	\$ -
Travel	4.00	4.00	-
Other Costs	9,508.23	9,440.32	-
Programs	-	-	-
TOTAL	\$ 10,000	\$ 9,932	\$ -

STAFFING

Direct Positions	6	0	0
Direct FTEs	5	0	0
Reimbursable Positions	0	0	0
Reimbursable FTE	0	0	0

No funding is requested for the Small Community Air Service Development Program (SCASDP).

6th tab

Financial
Management Capital

OFFICE OF THE SECRETARY OF TRANSPORTATION**FINANCIAL MANAGEMENT CAPITAL****(\$000)**

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	\$ -	\$ -	\$ -
Travel	-	-	-
Other Costs	-	-	-
Programs	4,000	3,973	2,000
TOTAL	\$ 4,000	\$ 3,973	\$ 2,000

STAFFING

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

Financial Management Capital is requesting \$2 million in FY 2019 to complete the mission outlined on the following pages.

Detailed Justification for Financial Management Capital

What is this program and what does this funding level support?

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 /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 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,
- Federal Managers' Financial Integrity Act,
- Federal Information Security Management Act,
- OMB requirements, and
- Government Accountability Office standards for internal controls in the Federal Government.

DOT plans to use FMC funds to complete the deployment of Electronic Authentication (*eAuthentication*) capabilities to the vendor community. The Department will use this funding to implement an Authentication service for vendors to electronically authenticate gain access to the *eInvoicing* solution.

FY 2018 Anticipated Accomplishments

DOT received funding in the FMC account in FY 2018 to complete the implementation and deployment of *eInvoicing* capabilities to include data clean-up, *eAuthentication*, and deployment of *eInvoicing* to all DOT vendors by December 2018. The funds received for *eAuthentication* is for the planning and requirements phase of an electronic authentication solution.

The fiscal year (FY) 2019 budget request includes \$2 million. This funding will assist the Department in procuring and implementing the *eAuthentication* solution for the Department's almost 15,000 vendors.

What benefits will be provided to the American public through this request and why is this program necessary?

The FY 2019 funding will allow for implementation of the electronic authentication solution to enable vendors to electronically certify and register for access to the *e*Invoicing system. 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.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0116-0-1-407			
Obligations by program activity:			
00.01 Financial Management Capital	4,000	6,007	2,000
09.00 Total new obligations (object class 25.2)	4,000	6,007	2,000
Budgetary resources available for obligation			
10.00 Unobligated balance available, Oct 1	2,034	2,034	0
10.21 Recoveries of prior year unpaid obligations	0	0	0
10.50 Unobligated balance (total)	2,034	2,034	0
Budget Authority: Appropriations, discretionary:			
11.00 Appropriation	4,000	3,973	2,000
11.30 Appropriation permanently reduced	0	0	0
11.60 Appropriation, discretionary (Total)	4,000	3,973	2,000
Spending authority from offsetting collections, discretionary:			
17.00 Collected	0	0	0
17.50 Total Spending authority	0	0	0
19.00 Budget Authority	4,000	3,973	2,000
19.30 Total Budgetary Resources Available	6,034	6,007	2,000
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	2,063
30.10 Obligations incurred, unexpired accounts	4,000	6,007	2,000
30.20 Outlays (gross)	-4,000	-3,978	-2,395
30.40 Recoveries of prior year unpaid obligations, unexpired	0	0	0
30.50 Unpaid obligations, end of year (gross)	35	2,063	1,669
31.00 Obligated balance, start of year (net)	35	35	2,063
32.00 Obligated balance, end of year (net)	35	2,063	1,669
Budget Authority and outlays, net:			
40.00 Budget authority, gross	4,000	3,973	2,000
Outlays, gross:			
40.10 Outlays from new discretionary authority	4,000	3,178	1,600
40.11 Outlays from discretionary balances	0	800	795
40.20 Outlays, gross (total)	4,000	3,978	2,395
Offsets against gross budget authority and outlays:			
40.30 Federal sources	-32	0	0
40.33 Non-Federal sources	0	0	0
40.40 Offset against gross budget authority and outlays (total)	-32	0	0
40.50 Chg in Uncollected cust orders fm Fed Sources (unexpired)	0	0	0
40.52 Collections credited to expired accounts	32	0	0
40.60 Additional offsets against gross budget authority only (total)	32	0	0
41.80 Budget authority, net (total)	4,000	3,973	2,000
41.90 Outlays, net (total)	3,968	3,978	2,395

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0116-0-1-407			
Direct obligations:			
25.2 Non-Fed Other services	0	0	0
25.3 Fed-Other Purchases of Goods & Service	4,000	6,007	2,000
Total Obligations	4,000	6,007	2,000

PERSONNEL SUMMARY

Identification Code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0116-0-1-407			
Total compensable workyears:			
1001 Full-time equivalent employment	0	0	0

7th tab

Office of Civil Rights

OFFICE OF THE SECRETARY OF TRANSPORTATION**OFFICE OF CIVIL RIGHTS****(S000)**

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	6,282	6,831	6,890
Travel	49	49	50
Other Costs	3,421	2,805	2,530
Programs	0	0	0
TOTAL	9,751	9,685	9,470

STAFFING

Direct Positions	52	52	52
Direct FTEs	42	52	52
Reimbursable Positions	0	0	0
Reimbursable FTE	0	0	0

The Departmental Office of Civil Rights is requesting \$9.4 million and an estimated 52 FTEs to accomplish the mission on the pages to follow.

Detailed Justification for the Office of Civil Rights

What is this program and what does this funding level support?

The Departmental Office of Civil Rights (DOCR) is a key leader in assisting the Department of Transportation (DOT) in fulfilling its strategic goals. 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 2018 Anticipated Accomplishments

- Maintain the Department of Transportation's national civil rights Title VI training program aimed at educating and providing awareness regarding aligning transportation initiatives with recipients and sub recipients of federal transportation funding.
- Refine curricula and training materials for educating recipients and sub-recipients of federal funding on compliance with Title VI and related statutes.

- Develop tools and public involvement strategies to ensure and promote compliance with Title VI, ADA and other civil rights statutes by DOT financially assisted recipients. Assist DOT's modal civil rights officials in carrying out DOT's Title VI, ADA and other civil rights programs.
- Enhance DOCR's educational, training and public-facing content on Title VI, ADA, DBE and other civil rights programs for leaders, advocates and community organizations to maximize awareness regarding accessible and equitable transportation services.
- Realign DOT's anti-harassment program to proactively promote compliance with DOT's policy prohibiting harassment in the workplace.

The FY 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation as well as an estimated 52 FTEs and associated costs.

What benefits will be provided to the American public through this request and why is this program necessary?

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.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0118-0-1-407			
Obligations by program activity:			
00.01 Office of Civil Rights	9,355	9,685	9,470
09.00 Total new obligations	9,355	9,685	9,470
Budget Authority:			
Appropriations, discretionary:			
11.00 Appropriation	9,751	9,685	9,470
11.30 Appropriation permanently reduced	0	0	0
11.60 Appropriation, discretionary (Total)	9,751	9,685	9,470
19.00 Budget Authority (total)	9,751	9,685	9,470
19.30 Total Budgetary Resources Available	9,751	9,685	9,470
Memorandum (non-add) entries:			
19.40 Unobligated Balance Expiring	0	0	0
19.41 Unexpired unobligated balance, end of year	0	0	0
Change in obligated balance:			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	2,062	2,038	2,031
30.10 Obligations incurred, unexpired accounts	9,355	9,685	9,470
30.11 Obligations incurred, expired accounts	8	0	0
30.20 Outlays (gross)	-9,316	-9,691	-9,491
30.41 Recoveries of prior year unpaid obligations, expired	-72	0	0
30.50 Unpaid obligations, end of year (gross)	2,038	2,031	2,010
Uncollected payments:			
30.60 Uncollected cust pymts, brought forward Oct. 1	0	0	0
30.71 Change in uncollected cust pymts, Fed sources, expired	0	0	0
30.90 Change in uncollected pymts, Fed sources, unexpired	0	0	0
31.00 Obligated balance, start of year (net)	2,062	2,038	2,031
32.00 Obligated balance, end of year (net)	2,038	2,031	2,010
Budget Authority and outlays, net:			
40.00 Budget authority, gross	9,751	9,685	9,470
Outlays, gross:			
40.10 Outlays from new discretionary authority	7,922	8,716	8,523
40.11 Outlays from discretionary balances	1,394	975	968
40.20 Outlays, gross (total)	9,316	9,691	9,491
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
40.30 Federal sources	-3	0	0
40.33 Non-Federal sources	0	0	0
40.40 Total offsetting collection (cash)	-3	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	3	0	0
40.60 Additional offsets against gross budget authority only (total)	3	0	0
41.80 Budget authority, net (total)	9,751	9,685	9,470
41.90 Outlays, net (total)	9,312	9,691	9,491

Section 3 - FY 2019 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code		FY 2017	FY 2018	FY 2019
69-0118-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent	4,082	5,104	5,149
11.3	Other than full-time permanent	318	0	0
11.5	Other personnel compensation	58	0	0
11.9	Total personnel compensation	4,458	5,104	5,149
12.1	Civilian personnel benefits	1,361	1,726	1,741
21.0	Travel and transportation of persons	41	49	49
23.3	Communications, utilities and misc.	10	30	30
24.0	Printing	55	11	11
25.0	Other contractual services	0	0	0
25.1	Advisory and assistance	1,537	675	409
25.2	Other services	62	403	357
25.3	Other goods and services from Federal source	1,160	1,171	1,276
25.7	Operation and maintenance of equipment	587	465	395
26.0	Supplies and materials	33	52	53
31.0	Equipment	22	0	0
42.0	Insurance claims and indemnities	28	0	0
99.9	Total obligations	9,354	9,685	9,470

PERSONNEL SUMMARY

Identification Code		FY 2017	FY 2018	FY 2019
69-0118-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
1001	Total compensable workyears:			
	Full-time equivalent employment	42	52	52

8th tab

Small and Disadvantaged
Business Utilization and
Outreach

OFFICE OF THE SECRETARY OF TRANSPORTATION**SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH (SDBUO)****(\$000)**

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	\$ 608	\$ 1,454	\$ 1,740
Travel	19	19	20
Other Costs	4,019	3,141	1,729
Programs	-	-	-
TOTAL	\$ 4,646	\$ 4,614	\$ 3,488
<u>STAFFING</u>			
Direct Positions	13	13	10
Direct FTEs	7	12	10
Reimbursable Positions	0	0	0
Reimbursable FTE	0	0	0

The Small and Disadvantaged Business Utilization and Outreach is requesting \$3.488 million and an estimated 10 FTEs to accomplish the mission outlined on the pages to follow.

Detailed Justification for the Office of Small and Disadvantaged Business Utilization

What Is This Program And What Does This Funding Level Support?

The Office of Small and Disadvantaged Business Utilization (OSDBU) 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).

Public Law 95-507 requires every Federal agency to have the OSDBU, by statute and to implement the activities on behalf of SBs, accordance with Sections 8, 15, and 31 of the Small Business Act.

The Office ensures that SBs are provided maximum practicable opportunity to participate in the agency's contracting process. The responsibility of the OSDBU 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/OSDBU provides financial and technical assistance.

OSDBU provides the SB community training, counseling and procurement assistance for transportation related contracts. OSDBU ensures that SB have an equitable opportunity to participate in DOT's direct procurement and Federal financial assistance programs.

OSDBU administers DOT's Small Business Transportation Resource Center (SBTRC) program. The SBTRCs provide a 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 501 (c)(3) and (6) organizations. These partnerships create a delivery system that targets SB, including DBEs and women-owned businesses, enabling them to become competitive in the government procurement marketplace.

FY 2018 Anticipated Accomplishments:

In FY 2018, OSDBU will continue to focus on effective outreach activities to increase SB participation in DOT procurements.

The OSDBU will:

- Provide procurement assistance to small businesses, small disadvantaged businesses, women-owned small businesses, HUB Zone small businesses, and service-disabled veteran owned small businesses.
- Participate with other Federal agencies to ensure small business opportunities

- Sponsor DOT events to ensure that small businesses were prepared to compete for DOT contracts and subcontracts.
- Participate with the DOT Strategic Acquisition Council for improving the DOT acquisition procedures for small business opportunities.
- Promote and develop small business subcontractors by providing developmental assistance designed to help these businesses succeed on bidding for infrastructure projects.
- Conduct monthly Small Business Specialist Training sessions to communicate rules and regulations that impact small business contracting
- 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.

To be successful in delivering our programs and to achieve the goals set forth the fiscal year (FY) 2019 budget request is essential and it includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation, as well as an estimated 10 FTEs and associated costs.

What Benefits Will Be Provided To The American Public Through This Request and Why Is This Program Necessary?

The primary benefit to the American Public of the OSDBU will be the technical assistance provided to SB in order for them to succeed and grow their business, which is a major contributor to the overall economy by facilitating job creation in the area of infrastructure projects. Small businesses do not always stay small – they grow into large businesses often remaining in the community in which the business was first established. Having a large corporation headquartered in a community can further help provide employment and stimulate the local economy.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2017	FY 2018	FY 2019
69-0119-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
	Obligations by program activity:			
0001	Minority business outreach	4,661	7,121	3,488
0002	Bonding Assistance	593	0	0
0900	Total new obligations	5,254	7,121	3,488
	Budgetary resources available for obligation:			
1000	Unobligated balance brought forward, Oct. 1	6,710	5,744	9,720
1021	Recoveries from prior year unpaid obligations	109	0	0
1029	Unobligated balance withdrawn	0	0	0
1050	Unobligated balance (total)	6,819	5,744	9,720
	Budget authority:			
	<i>Appropriation, discretionary:</i>			
1100	Appropriation	4,646	4,614	3,488
1130	Appropriations permanently reduced (disc) (-)	-468	0	0
1160	Appropriation discretionary (total)	4,178	4,614	3,488
1900	Budget Authority (Total)	4,178	4,614	3,488
1930	Total budgetary resources available	10,997	10,358	13,208
	Memorandum (non-add) entries:			
1940	Unobligated Balance Expiring (SF-133 Line 2201)	0	0	0
1941	Unexpired unobligated balance, end of year	5,743	3,237	9,720
	Change in obligated balances:			
3000	Unpaid obligations brought forward Oct 1 (gross)	1,781	1,696	8,608
3010	Obligations incurred, unexpired accounts	5,254	7,121	3,488
3011	Obligations incurred, expired accounts	0	0	0
3020	Total outlays (gross)	-4,089	-4,571	-3,600
3040	Recoveries of prior year unpaid obligations, unexpired	-109	0	0
3041	Recoveries of prior year unpaid obligations, expired	-123	-42	0
	Obligated balance, end of year (net)			
3050	Unpaid obligations, end of year (gross)	2,191	8,608	8,496
3100	Obligated balance, start of year (net)	1,781	1,696	8,608
3200	Obligated balance end of year	2,191	8,608	8,496
	Budget authority and outlays, net:			
	Discretionary:			
4000	Budget Authority, gross	4,178	4,614	3,488
	Outlays (gross), detail:			
4010	Outlays from new discretionary authority	1,977	4,153	3,139
4011	Outlays from discretionary balances	2,112	418	461
4020	Total outlays (gross)	4,089	4,571	3,600
4180	Budget Authority, net (total)	4,178	4,614	3,488
4190	Outlays, net (total)	4,089	4,571	3,600

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

OBJECT CLASSIFICATION
(In Thousands)

Identification Code	FY 2017	FY 2018	FY 2019
69-0119-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:			
11.0 Personnel compensation	483	1,038	1,380
12.1 Civilian benefits	125	409	360
21.0 Travel and transportation of persons	19	19	20
22.0 Transportation of Things	0	0	0
23.0 Rent, Communications & Utilities	1	1	1
24.0 Printing	3	3	3
25.1 Other Services	2,454	302	6
25.2 Other Services	20	697	134
25.3 Other Services	198	167	203
26.0 Supplies & Materials	22	22	22
41.0 Grants, subsidies and contributions	1,929	4,463	1,359
42.0 Insurance claims and indemnities	0	0	0
99.9 Total obligations	5,254	7,121	3,488

PERSONNEL SUMMARY

Identification Code	FY 2017	FY 2018	FY 2019
69-0119-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	12	10	10

9th tab

Transportation Planning,
Research and Development

OFFICE OF THE SECRETARY OF TRANSPORTATION**TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT (TPR&D)**

(\$000)

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	\$ 5,652	\$ 6,469	\$ 6,570
Travel	132	172	174
Other Costs	6,216	5,277	1,135
Programs	-	-	-
TOTAL	\$ 12,000	\$ 11,919	\$ 7,879

STAFFING

Direct Positions	37	37	37
Direct FTEs	27	37	37
Reimbursable Positions	0	0	0
Reimbursable FTE	0	0	0

The Transportation Planning, Research, and Development Program (including Interagency Infrastructure Permitting and Improvement Center) is requesting \$7.879 million and an estimated 37 FTEs in FY 2019 to accomplish the mission outlined on the pages that follow.

Detailed Justification for Transportation Planning, Research and Development

What Is This Program And What Does This Funding Level Support?

The Transportation Planning, Research and Development (TPR&D) is part of the Under Secretary of Transportation Policy's Office and supports 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 fiscal year (FY) 2019, 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; regulatory modernization associated with environmental review and permitting; freight movement; environmental impacts of transportation; aviation economic policy; enable the safe testing and deployment of automated vehicles (AV's) in our nation's transportation systems; 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 shape, or adjust to a changing world and pace of technical innovation. 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 2019, the Department requests funds to continue operations of an Infrastructure Permitting Improvement Center leading to efficiencies in the review and permitting of projects. The Program requires continued funding to support future activities to implement reforms to improve interagency coordination and expedite projects related to the permitting and environmental review, including funds necessary to maintain, operate, and enhance the Permitting Dashboard.

FY 2018 Anticipated Program Accomplishments:

Airline Alliances and Joint Venture Studies:

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 initiated as well as a commissioned independent econometric study from independent economists using data collected from the airlines by the Department.

Export and Trade Promotion Initiative:

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. 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. For example, in 2017-2018, the Office of International Transportation and Trade implemented workshops and training for India, Brazil, Mexico and Canada which outlined the most current best practices in Intelligent Transportation Systems, updated to accommodate the most current planning for automated vehicle systems (AVS). This engagement is intended to influence these countries' planning of ITS and AVS to favor U.S. technology, services and products. For the same purpose, we have conducted similar technical workshops and video teleconferences with these and other international partners, focusing on infrastructure and safety best practices related to rail, ports and highways. We will continue to implement existing technical exchanges in multilateral forums as well as with targeted countries such as China, Japan, United Kingdom, Brazil, India, Canada, Mexico in order 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.

Safety Data Platform Development / Roadway Fatalities Interventions:

The Office of the Under Secretary for Policy aims to collaborate closely with the relevant Office of the Secretary of Transportation offices such as the Bureau of Transportation Statistics and the Office of the Chief Information Officer to develop a policy-focused platform and data ecosystem framework for an integrated approach to transportation safety risk management that promotes innovative data practices and evidence-based policy making. Much of DOT's safety data analysis is retrospective, and safety data are both managed and analyzed in isolation at the Operating Administration level. The Department works toward a comprehensive system for proactively and routinely identifying, prioritizing, monitoring, and communicating transportation safety risks and risk indicators, particularly those that affect more than one mode.

Furthermore, TPR&D will finance the implementation and promotion of a developed, coordinated action plan to effectively counteract the increase in roadway fatalities using previously identified effective interventions such as NHTSA's "Countermeasures That Work"

and FHWA’s “Proven Safety Countermeasures”. The large rise in traffic fatalities started a coordinated response between the Operating Administrations and OST senior leadership. Certain activities were identified as being particularly promising based on research and evidence, and these interventions require a coordinated DOT effort in which National Highway Traffic Safety Administration’s behavioral safety interventions, Federal Highway Administration’s safety countermeasures, and the Secretary’s ability to convene State and local agencies and traditional and non-traditional stakeholders are synchronized to galvanize a comprehensive, creative response to address the increase in traffic deaths. TPR&D will support identifying and disseminating best practices from State and local agencies and researchers that will lead to the most significant reductions in severe and fatal traffic injuries, as well as the effective management of this effort, and would allow the Secretary to have dedicated staffing and resources in support of this fundamental safety issue.

Forces to Flyers:

According to a Boeing pilot outlook, approximately 637,000 new airline pilots will be needed over the next 20 years, globally. In the US, this figure is 19,000 by 2020. The objective of the Forces to Flyers project is to research pathways for becoming an airline pilot and identify current barriers. A demonstration program will be designed and implemented with a final report on the program results, including suggested best practices.

Interagency Infrastructure Permitting Improvement Center and online Permitting Dashboard:

Funding for the Interagency Infrastructure Permitting Improvement Center and the Permitting Dashboard, administratively located within the Office of Policy Development, Strategic Planning, and Performance, will enable the continuation of work to reduce infrastructure permitting and review timelines by producing a more streamlined efficient process. This includes the management, enhancements and expansion of the Permitting Dashboard (Dashboard), as well as increased and more transparent interagency coordination and the implementation of other government-wide permitting reforms. Funds will also address costs for data migration and hosting needs, website operations and maintenance. Additionally, funds will address additional support staff. The staff ensures continuity of services and operations, and provides training on Dashboard operations. The Dashboard facilitates early collaboration of project reviews, builds upon existing efforts to synchronize, align and reduce time associated with permitting and environmental review timelines, when appropriate and practicable, and, increases accountability by making more project information available to the public. . 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. Other Federal agency contributions will be provided to supplement funding of the interagency elements of the Dashboard.

Significant activities include:

- Continued facilitation of data collection and reporting in conjunction with development, management, maintenance, operation, and oversight of the Dashboard. Projects will continue to be posted on the Dashboard in accordance with the requirements of the Fixing America’s Surface Transportation (FAST) Act, and Guidance issued by Office of

Management and Budget and Council on Environmental Quality that establish metrics for permitting and environmental review of all major infrastructure projects. Funds are necessary to implement significant upgrades to the Dashboard to fully expand its technical and visualization capabilities to support project management and tracking, as well as public transparency for projects across the Federal government. Funding will support the further development of a new user interface, integration of real-time reporting on performance metrics, and additional visual enhancements including data visualizations, in addition to synchronization with other federal agencies tools, as the dashboard is expanded to include a significant number of additional projects. These ongoing data visualization efforts, including real-time visual reporting of project and Federal agency performance will provide additional transparency and accountability.

- Targeted technical assistance, training, and outreach related to reform implementation across federal agencies and bureaus, as well as state, local and tribal governments. The Dashboard Project Manager oversees implementation of the FAST Act and Guidance, technical requirements and support staff; makes recommendations for policy and future guidance; and act as a central point of contact for agencies posting projects to the Dashboard.
- 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 National Environmental Policy Act documents to satisfy all environmental reviews and permits. This includes identifying additional 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.

The FY 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1.020 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.

What Benefits Will Be Provided to The American People Through This Request And Why Is The Program Necessary?

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.
- Identifying international best practices which will increase efficiency or reduce costs to improve safety, build infrastructure, identify new technology or reduce regulatory burden.
- Protecting the interests of the U.S. transportation industry and other U.S. stakeholders during international trade negotiations.
- Ensuring regulatory and standards compatibility with U.S. trading partners to ensure that U.S. firms are not locked out of foreign markets by regulatory barriers.
- Ensuring that U.S. exporters to the North American market benefit from well-planned, coordinated and connected cross border infrastructure, supporting U.S. jobs in the North American supply chain. 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.
- Studying how to address the massive scale and pace of technical innovation.
- Through continued enhancements, the Dashboard will enable federal agencies to utilize the platform to report a consistent framework of metrics for major infrastructure projects. This aligns with several goals of EO 13807, and anticipated follow-on activity including an interagency MOU on One Federal Discussion and a Permitting CAP Goal, anticipated to reduce timeframes for environmental review and achieve better project outcomes through early coordination and synchronized review.
- The analysis of metrics contained in the Dashboard will identify recommendations to further identify and promote improvements to project delivery.
- On-going data visualization within the Dashboard, including real time visual reporting, will provide additional transparency for the public and agency performance and accountability.
- Activity of the Dashboard program continues to support the Administration's Infrastructure Initiative through data analysis, visualization products, technical assistance, and other on-going support provided by program staff.
- Research and development enables new opportunities for innovation, and facilitates job creation in the areas of general aviation, commercial airlines, freight hauling, transportation infrastructure and export of U.S. produced goods and services.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0142-0-1-407				
Obligations by program activity:				
0001	Transportation policy and planning	6,463	13,990	7,440
0002	Safe Skies	269	0	0
0003	New Headquarters	0	0	0
0005	Interagency Infrastructure Permitting Improvement Center (IIPIC)	1,067	6,647	1,000
0091	Direct program activities, subtotal	7,800	20,637	8,440
0100	Total direct program	7,800	20,637	8,440
0801	Reimbursable program activity	0	0	0
0900	Total new obligations	7,800	20,637	8,440
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	5,378	10,616	1,898
1011	Unobligated balance transferred from other accounts	363		
1012	Unobligated balance, transferred between expired/unexp accts	237	0	0
1020	Adjustment of unobligated balance brought forward, October 1	0	0	0
1021	Recoveries of prior year unpaid obligations	440	0	0
10.29	Unobligated balance withdrawn	0	0	0
10.33	Recoveries of prior year paid obligations	0	0	0
1050	Unobligated balance (total)	6,418	10,616	1,898
Budget Authority:				
Appropriations, discretionary:				
1100	Appropriation	12,000	11,918	7,879
1130	Appropriation permanently reduced	0	0	0
1131	Unobligated balance of appropriations permanently reduced	0	0	0
1160	Appropriations, discretionary (total)	12,000	11,918	7,879
Spending authority from offsetting collections, discretionary:				
1700	Collected	497	0	0
1701	Change in uncollected payments, Federal sources	0	0	0
1701	Change in uncollected payments, Federal sources	-497	0	0
1711	Spending authority from offsetting collections, discretionary transfer from others (total)	0	0	0
1750	Spending authority from offsetting collections, discretionary (total)	0	0	0
1900	Budget authority (total)	12,000	11,918	7,879
1930	Total budgetary resources available	18,418	22,534	9,777
Memorandum (non-add) entries:				
1940	Unobligated Balance Expiring	-2	0	0
1941	Unexpired unobligated balance, end of year	10,616	1,898	1,338
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	3,737	1,340	10,709
3010	Obligations incurred, unexpired accounts	7,800	20,637	8,440
3020	Outlays (gross)	-9,472	-11,268	-12,019
3040	Recoveries of prior year unpaid obligations, unexpired	-440	0	0
3041	Recoveries of prior year unpaid obligations, expired	-284	0	0
3050	Unpaid obligations, end of year (gross)	1,340	10,709	7,130
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-2,699	-2,202	-2,202
3070	Change in uncollected pymts, Fed sources, unexpired	0	0	0
Obligated balance, end of year (net):				
3090	Uncollected pymts, Fed sources, end of year	-2,202	-2,202	-2,202
3100	Obligated balance, start of year (net)	1,037	-862	8,507
3200	Obligated balance, end of year (net)	-862	8,507	4,928
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	12,000	11,918	7,879
Outlays, gross:				
4010	Outlays from new discretionary authority	1,063	4,768	3,152
4011	Outlays from discretionary balances	8,409	6,500	8,868
4020	Outlays, gross (total)	9,472	11,268	12,019
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-769	0	0
4033	Non-Federal sources	272	0	0
		-497	0	
Additional offsets against gross budget authority only:				
4050	Chg in Uncollected cust orders fm Fed Sources (unexpired)	497	0	0
4060	Additional offsets against gross budget authority only (total)	497	0	0
4180	Budget authority, net (total)	12,000	11,919	7,879
4190	Outlays, net (total)	8,975	11,268	12,019

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2017	FY 2018	FY 2019
		ANNUALIZED	
69-0142-0-1-407	ACTUAL	CR	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$4,302	\$5,047	\$5,137
11.3 Other than full-time permanent	\$157	\$157	\$157
11.5 Other personnel compensation	\$7	\$7	\$7
11.9 Total personnel compensation	\$4,466	\$5,211	\$5,301
12.1 Civilian personnel benefits	\$1,186	\$1,435	\$1,179
21.0 Travel and transportation of persons	\$133	\$173	\$174
23.0 Rent and Comm, Util	\$0	\$0	\$0
24.0 Printing	\$20	\$20	\$0
25.1 Other services	\$1,255	\$12,744	\$807
25.2 Other services	\$108	\$109	\$3
25.3 Other services	\$595	\$908	\$957
26.0 Supplies and materials	\$21	\$21	\$1
31.0 Equipment	\$16	\$16	\$16
99.0 Subtotal, direct obligations	\$7,800	\$20,637	\$8,440
Reimbursable obligations:			
21.0 Travel and transportation of persons	\$0		
25.3 Other services	\$0	\$0	\$0
99.0 Subtotal, Reimbursable obligations	\$0	\$390	\$0
99.9 Total obligations	\$7,800	\$21,027	\$8,440

PERSONNEL SUMMARY

Identification Code	FY 2017	FY 2018	FY 2019
		ANNUALIZED	
69-0142-0-1-407	ACTUAL	CR	REQUEST
1001 Total compensable workyears:			
Full-time equivalent employment	32	37	37

10th tab

TIGER Grants Program
(National Infrastructure
Investments)

OFFICE OF THE SECRETARY OF TRANSPORTATION
NATIONAL INFRASTRUCTURE INVESTMENTS (Discretionary)

(\$000)

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	\$ 6,659	\$ 6,653	\$ -
Travel	808	808	-
Other Costs	12,533	12,539	-
Programs	480,000	476,605	-
TOTAL	\$ 500,000	\$ 496,605	\$ -

STAFFING

Direct Positions	7	7	7
Direct FTEs	7	7	3
Reimbursable Positions	0	0	0
Reimbursable FTE	0	0	0

The National Infrastructure Investments Program (TIGER Grants Program) is not requesting funds for FY 2019.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TIGER GRANTS PROGRAM

NATIONAL INFRASTRUCTURE INVESTMENTS
(Discretionary)

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2017	FY 2018	FY 2019
69-0143-0-1-401		ACTUAL	ANNUALIZED CR	REQUEST
Obligations by program activity:				
0001	Discretionary Grants	\$ 524,886	\$ 480,000	\$ 364,038
0002	Admin	10,767	7,389	7,585
0003	TIFIA Admin & Subsidy	-	-	-
0900	Total Obligations	535,653	487,389	371,623
Budgetary Resources available for obligation:				
Unobligated balance:				
1000	Available, start of year	916,590	879,538	888,754
1010	Transferred to other accounts (-)	(500,586)	-	-
1011	Transferred from other accounts	500,586	-	-
1021	Resources available from recoveries of prior year obligation	101	-	-
1050	Unobligated balance (total)	916,691	879,538	888,754
New Budget Authority (Gross), Detail:				
Appropriations, Discretionary:				
1100	Appropriation	500,000	496,605	-
1120	Transfers to other accounts (-)	-	-	-
1121	Transfers from other accounts	-	-	-
1130	Appropriation permanently reduced	-	-	-
1160	Appropriation, discretionary (total)	500,000	496,605	-
Appropriations, Discretionary:				
1700	Offsetting collections (cash) (unexpired only)	-	-	-
1750	Spending authority fm offsetting collections (total)	-	-	-
1900	Total new budget authority (gross)	500,000	496,605	-
1930	Total budgetary resources available for obligation	1,416,691	1,376,143	888,754
Memorandum:				
1940	Unobligated balance expiring	(1,500)	-	-
1941	Unobligated balance available, end of year	879,538	888,754	517,131
Change in obligated balance:				
3000	Ob Bal: SOY: Unpaid obs brought forwd, Oct 1	1,007,891	1,162,563	976,008
3010	Ob Bal: Obligations incurred: Unexpired accounts	535,653	487,389	371,623
3011	Ob Bal: Obligations incurred: Expired accounts	3	-	-
3020	Ob Bal: Outlays (gross)	(367,117)	(673,945)	(572,880)
3040	Ob Bal: Recov, prior year unpaid obs, unexp accts	(101)	-	-
3041	Ob Bal: Recov, prior year unpaid obs, exp accts	(13,766)	-	-
3050	Ob Bal: EOY: Unpaid obligations	1,162,563	976,008	774,751
Memorandum:				
3100	Obligated balance, start of year	1,007,891	1,162,563	976,008
3200	Obligated balance, end of year	1,162,563	976,008	774,751
Budget authority and outlays, net:				
Discretionary				
4000	Budget authority, gross	500,000	496,605	-
	Outlays, gross			
4010	Outlays from new discretionary authority	-	-	-
4011	Outlays from discretionary balances	367,117	673,945	572,880
4020	Outlays, gross (total)	367,117	673,945	572,880
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	14	-	-
4033	Non-federal sources	(14)	-	-
4180	Budget authority, net	499,986	496,605	-
4190	Outlays, net	367,103	673,945	572,880

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TIGER GRANTS PROGRAM

NATIONAL INFRASTRUCTURE INVESTMENTS
(Discretionary)

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0143-0-1-401			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$ 802	\$ 680	\$ 694
11.3 Other than full-time permanent	-	-	-
11.5 Other personnel compensation	21	-	-
11.6 Bonus/Awards	-	20	20
11.9 Total personnel compensation	822	700	714
12.1 Civilian personnel benefits	259	178	181
21.0 Travel and transportation of persons	30	30	31
22.0 Transportation of things	-	-	-
23.0 Communication and utilities	-	-	-
24.0 Printing and Reproduction	-	-	-
25.1 Advisory and assistance service	1,588	1,765	1,818
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	2	10	10
31.0 Equipment	-	-	-
41.0 Grants, subsidies, and contributions	-	-	-
94.0 Financial Transfers	-	-	-
99.0 Direct obligations	\$ 2,890	\$ 2,893	\$ 2,971
Allocation Account - direct:			
11.1 Personnel compensation: Full-time permanent	\$ 1,082	\$ 1,371	\$ 1,399
11.3 Other than full-time permanent	1	-	-
11.5 Other personnel compensation	16	-	-
11.6 Bonus/Awards	-	-	-
11.8 Special personal services payments	-	-	-
12.1 Civilian personnel benefits	355	343	350
21.0 Travel and transportation of persons	282	484	498
22.0 Transportation of Things	-	-	-
24.0 Printing and Reproduction	-	-	-
25.1 Advisory and assistance services	1,589	598	616
25.2 Other services from non-federal sources	3,874	1,448	1,491
25.3 Other goods and services from Federal sources	677	253	260
26.0 Supplies and materials	-	-	-
41.0 Grants, subsidies, and contributions	524,886	480,000	364,038
99.0 Allocation account - direct	\$ 532,763	\$ 484,496	\$ 368,652
99.9 Direct obligations	\$ 535,653	\$ 487,389	\$ 371,623

PERSONNEL SUMMARY

Identification Code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0143-0-1-401			
1001 Total compensable workyears:			
Full-time equivalent employment	7	7	3

11th tab

New Headquarters
Building

Section 3 - FY 2019 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0147-0-1-407			
Obligations by program activity:			
00.01 Direct program activity	62	8	0
09.00 Total new obligations	62	8	0
Budgetary resources available for obligations:			
10.00 Unobligated balance, brought forward Oct 1	62	8	0
10.21 Recoveries of prior year unpaid obligations	8		
10.33 Recoveries of prior year paid obligations	0	0	0
10.50 Unobligated balance (total)	70	8	0
New budget authority (gross), detail:			
Discretionary:			
Discretionary: Spending authority from offsetting collections:			
19.30 Total budgetary resources available	70	8	0
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	8	0	0
Change in obligated balance:			
30.00 Unpaid obligations, brought forward, October 1	592	116	0
30.10 Obligations incurred, unexpired accounts	62	8	0
30.20 Outlays (gross)	-530	-124	0
30.40 Recoveries of prior year obligations, unexpired accounts	-8	0	0
30.50 Unpaid obligations, end of year (gross)	116	0	0
31.00 Obligated balance, start of year (net)	592	116	0
32.00 Obligated balance, end of year (net)	116	0	0
Outlays (gross), detail:			
40.10 Outlays from new discretionary authority	0	0	0
40.11 Outlays from discretionary balances	530	124	0
40.20 Outlays, gross (total)	530	124	0
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
40.30 Federal sources	0	0	0
40.33 Non-Federal sources	0	0	0
40.40 Total offsetting collection (cash)	0	0	0
Additional offsets against gross budget authority only:			
40.50 Chg in Uncollected cust orders fm Fed Sources (unexpired)	0	0	0
40.51 Offsetting collections credited to expired accounts	0	0	0
40.53 Recoveries of prior paid obligations, unexpired accounts	0	0	0
40.60 Additional offsets against gross budget authority only (total):	0	0	0
Net budget authority and outlays:			
41.80 Budget authority (net)	0	0	0
41.90 Outlays (net)	530	124	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code		FY 2017	FY 2018	FY 2019
69-0147-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:				
25.2	Other services Non Federal Sources	62	8	0
31.7	Equipment	0	0	0
99.9	Total new obligations	62	8	0

12th tab

Minority Business
Resource Center Program

OFFICE OF THE SECRETARY OF TRANSPORTATION**MINORITY BUSINESS RESOURCE CENTER**

(\$000)

<u>FUNDING LEVELS</u>	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
Guaranteed Loan Subsidy	339	337	0
Grants and Fixed Charges	-	-	-
<u>Administrative Expenses:</u>			
<i>Personnel Compensation and Benefits</i>	182	185	187
<i>Travel</i>	4	4	4
<i>Loan Fees</i>	208	162	0
<i>Other Costs</i>	208	247	58
Subtotal, Discretionary	941	935	249
<u>Guaranteed Loan Subsidy Reestimate - Mandatory</u>	-	-	-
GRAND TOTAL	\$ 941	\$ 935	\$ 249
Guaranteed Loan Financing	[18,367]	[18,367] ^{1/}	[0,000] ^{1/}
<u>STAFFING</u>			
Direct Positions	1	1	1
Direct FTEs	1	1	1
Reimbursable Positions	0	0	0
Reimbursable FTE	0	0	0

1/ No limitation proposed

The Minority Business Resource Center is requesting \$.249 million and 1 FTE in FY 2019 to accomplish the mission outlined on the pages to follow.

Detailed Justification for the Minority Business Resource Center Program

What Is This Program and What Does This Funding Level Support?

The U.S. Department of Transportation's (DOT) Minority Business Resource Center (MBRC), which is part of the Office of Small and Disadvantaged Business Utilization (OSDBU), is a program that provides guidance to transportation-related disadvantaged businesses (Small Businesses, Disadvantaged Business Enterprises (DBE), the Small Business Administration's 8(a) certified and HubZone businesses, Women-Owned, and Service Disabled Veteran-Owned firms) on gaining access to working capital and debt financing.

The MBRC program assists disadvantaged business enterprises (DBEs) and small disadvantaged businesses (SDBs) in acquiring access to working capital and to debt financing, in order to obtain transportation-related contracts wholly or partially funded by DOT.

With a budget of \$248,553 in fiscal year (FY) 2019, the MBRC will prepare transportation-related small businesses to obtain more than \$30 million in financial capacity and counsel transportation-related small businesses on proper utilization of financial capacity for their continued growth and success.

The FY 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) additional compensable day in FY 2019; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation, as well as an estimated 1 FTE and associated costs.

What Benefits Will Be Provided to the American Public Through This Request and why is this program necessary?

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

The FY 2019 budget submission for the MBRC builds on the track record of assisting America's transportation-related small businesses by increasing and improving access to capital. The MBRC FY 2019 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.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MBRC PROGRAM ACCOUNT

PROGRAM AND FINANCING
(In thousands of dollars)

Identification code		FY 2017	FY 2018	FY 2019
69-0155-0-1-407		ACTUAL	ANNUALIZED CR	REQUEST
Obligations by Program Activity:				
0002	Guaranteed loan subsidy	0	0	0
0707	Reestimate of guaranteed loan subsidy	124	1	0
0708	Interest on reestimate of guaranteed loan subsidy	2	0	0
0709	Administrative expenses	221	663	249
0900	Total new obligations (object class 99.5)	347	664	249
Budgetary Resources:				
Budget Authority:				
<i>Appropriations, discretionary</i>				
1100	Appropriation	941	935	249
1130	Appropriation Permanently Reduced	0	0	0
1160	Appropriation Total	941	935	249
<i>Appropriations, Mandatory:</i>				
1200	Appropriation	126	1	0
1930	Total budgetary resources available	1,067	936	249
Budget resources available for obligation:				
2200	New budget authority (gross)	1,067	936	249
2395	New obligations	-347	-664	-249
2398	Unobligated balance expiring	720	272	0
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct. 1 (gross)	255	110	0
3010	Obligations incurred, unexpired accounts	347	664	249
3011	Obligation adjustments-expired accounts	0	0	0
3020	Total outlays (gross)	-371	-774	-249
3041	Recoveries of unpaid obligations-expired accounts	-121	0	0
3050	Unpaid obligations end of year	110	0	0
Budget authority and outlays, net				
Discretionary:				
Outlays, gross:				
4000	Budget Authority, gross	1,067	936	249
4010	Outlays from new discretionary authority	198	663	249
4011	Outlays from discretionary balances	47	110	0
4100	Outlays from mandatory authority	126	1	0
4020	Total outlays (gross)	371	774	249
4180	Budget authority, net (total)	1,067	936	249
4190	Outlays, net (total)	371	774	249

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 2017	FY 2018	FY 2018
69-0155-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Loan guarantee levels	0	0	0
2159 Total loan guarantee levels	0	0	0
2320 Subsidy rate	0.00	0.00	0.00
2329 Weighed average subsidy rate	0.00	0.00	0.00
2330 Subsidy BA	0	0	0
2339 Total subsidy BA	0	0	0
2340 Subsidy outlays	6	0	0
2349 Total subsidy outlays	6	0	0
2350 Upward reestimate	126	1	0
2370 Downward reestimate	21	48	0
3510 Administrative expense BA	221	663	249
3580 Administrative expense outlays from balances	41	110	0
3590 Administrative expense outlays from new authority	198	663	249

PERSONNEL SUMMARY

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

Section 3 - FY 2018 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER
GUARANTEED LOAN FINANCING ACCOUNT

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2017	FY 2018	FY 2019
69-4082-0-3-407	ACTUAL	ANNUALIZED CR	REQUEST
Program by activities:			
00.01 Default claims	0	197	0
00.02 Payment of interest to Treasury	0	0	0
08.02 Downward subsidy reestimate	20	47	0
08.04 Interest on downward subsidy reestimate	<u>1</u>	<u>2</u>	<u>0</u>
10.00 Total obligations	21	246	0
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	137	243	0
22.00 New financing authority (gross)	127	3	0
23.90 Total budgetary resources available for obligation	264	246	0
23.95 Total new obligations	<u>-21</u>	<u>-246</u>	<u>0</u>
24.40 Unobligated balance carried forward, end of year	243	0	0
New financing authority (gross), detail:			
Spending authority from offsetting collections			
Mandatory			
67.10 Borrowing authority	0	0	0
69.00 Offsetting collections (cash)	133	3	0
69.10 Change in uncollected customer payments from Federal sources	-6	0	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)	127	3	0
Change in obligated balances:			
72.40 Obligated balance, start of year	-6	0	0
73.10 Total new obligations	21	246	0
73.20 Total financing disbursements (gross)	-21	-246	0
74.00 Change in uncollected customer payments from Federal sources	<u>6</u>	<u>0</u>	<u>0</u>
74.40 Obligated balance, end of year	0	0	0
Outlays (gross), detail			
87.00 Total financing disbursements (gross)	21	246	0
Offsets			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from : Federal sources (subsidy)	6	0	0
88.00 Offsetting collections (cash) from : Federal sources (upward reestimate)	126	1	0
88.25 Interest on uninvested funds	1	2	0
88.90 Total offsetting collections (cash)	133	3	0
88.95 Change in uncollected customer payments from Federal sources	-6	0	0
Net financing authority and financing disbursements			
89.00 Financing authority	0	0	0
90.00 Financing disbursements	-21	-246	0

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 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 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	18,367	18,367	0
2150 Total guaranteed loan commitments	0	0	0
2199 Guaranteed amount of guaranteed loan commitments	0	0	0
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	632	559	0
2231 Disbursements of new guaranteed loans	250	0	0
2251 Repayments and prepayments	-323	-362	0
2263 Terminations for default that result in claim payments	0	-197	0
2264 Other adjustments, net			
2290 Outstanding, end of year	559	0	0
Memorandum:			
2299 Guaranteed amt of guaranteed loans outstanding, EOY	419	0	0
6300 Net financing disbursements	-21	-246	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER
GUARANTEED LOAN FINANCING ACCOUNT

BALANCE SHEET
(In thousands of dollars)

Identification Code	FY 2017
69-4082-0-3-407	ACTUAL
ASSETS:	
Federal assets:	
1101 Fund balances with Treasury	243
1106 Receivables, Net	0
1999 Total assets	243
LIABILITIES:	
2101 Accounts Payable	0
2103 Debt	0
2104 Resources payable to Treasury	0
2204 Non-Federal liabilities: Liabilities for loan guarantees	243
2999 Total liabilities	243
NET POSITION:	
3999 Total net position	
4999 Total liabilities and net position	243

13th tab

Cyber Security
Initiatives

OFFICE OF THE SECRETARY OF TRANSPORTATION**CYBER SECURITY INITIATIVES****(\$000)**

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	\$ -	\$ -	\$ -
Travel	20	-	-
Other Costs	14,980	14,898	10,000
Programs	-	-	-
TOTAL	\$ 15,000	\$ 14,898	\$ 10,000

STAFFING

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

The Cyber Security Initiative is requesting \$10 million in FY 2019 to accomplish the mission outlined on the pages that follow.

Detailed Justification for the Cyber Security Initiatives

What is this program and what does this funding level support?

The Department of Transportation (DOT) Chief Information Officer (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 fiscal year (FY) 2019 Cyber Security Initiatives request will be for hardware, software and support for continued operation and enhancement 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 - 2018. The funding will enable additional integration of credential, computer privilege, and behavioral data into the DOT cybersecurity platform, and correlate against end-point, and other security data sets for the purpose of identifying anomalous, abused, or compromised user credentials and network accounts and prioritizing response and mitigation efforts. A portion of the funds will be used for continued maintenance and operation of software, hardware, and network services acquired in FYs 2013 - 2018 until those expenses can be transitioned to the Working Capital Fund (WCF).

Additional areas of attention will include, but not be limited to:

- Implementation of a security solution to disable the execution of malicious and unauthorized software applications on desktop, laptop, tablet, workstation, and server computers of Common Operating Environment customers based upon information provided by knowledgeable sources of threat intelligence such as Department of Homeland Security (DHS), or as determined through DOT internal processes;
- Implementation of network admission control (NAC) enhancements to the DOT end-point management capability deployed during Continuous Diagnostics Mitigation Phase 1, with the express purpose of evaluating end points for trust and compliance, and granting or denying access to COE-managed networks based upon the results of those evaluations, and alerting upon any unauthorized access attempts for incident response;

- Implementation of the third phase of the DOT Network Assessment Risk Mitigation (NARM) initiative to rearchitect, secure, and modernize the networks managed as part of the COE to provide for elasticity, performance improvements, improved segregation between sensitive and non-sensitive network traffic, and to ensure appropriate cybersecurity monitoring, detection, and protection capabilities are deployed and operational COE-wide.

The investment activity supports the Office of the Chief Information Officer (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 2018 Accomplishments:

The FY 2018 funds will support execution of the second phase of the DOT NARM initiative, including architecting and implementing consolidated improvements in enterprise IT network infrastructure and services for COE customers. Additional improvements will be made in physical access controls to the data center at DOT headquarters to tie access to agency-issued Personal Identity Verification (PIV) smart cards and provide for fine-grained access controls and auditing.

The funds will also be used to operate and maintain existing cybersecurity continuous monitoring capabilities, and communications and operations at the Stennis data center. Improvements will address enhanced cybersecurity analytics and response, provide better situational awareness and visibility into operational security posture, and allow a more proactive approach in identifying and remediating vulnerabilities.

Focus will continue to be on remediation of vulnerabilities associated with the Administration cybersecurity priorities. DOT has made progress on improving Departmental scores in Continuous Monitoring, PIV implementation for logical and physical access, and boundary protection via Managed Trust Internet Protocol Service, 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.

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.

The DOT OCIO is requesting \$ 10 million of cyber security funding for FY 2019 to provide necessary resources for DOT to continue to improve the DOT's cyber security posture. In particular, DOT will focus on the following:

- Implementation of a security solution (aka. application white listing/black listing) to disable the execution of malicious and unauthorized software applications;
- Implementation of network admission control (NAC) enhancements to the DOT end-point management capability deployed during CDM Phase 1;
- Replacement and expansion of server infrastructure supporting CDM for those elements not already move to the Working Capital Fund;
- DOT will continue with the third phase of its NARM initiative to modernize and secure the networks managed as part of the DOT COE.

In FY 2019, DOT will continue to support infrastructure elements procured through this appropriation until they are successfully transitioned to the Working Capital Fund.

Funding for the maintenance and deployment of existing licenses of cybersecurity tools and infrastructure in FY 2019, not funded by the DHS CDM program office will be transferred to the Working Capital Fund.

What benefits will be provided to the American public through this request and why is this program necessary?

As reports in the media have highlighted, cyber threats continue to evolve and propagate at a pace faster than most entities, including DOT, can respond, covering the entire spectrum of network, web application, desktop, mobile, and, now, Internet-of-things infrastructures. The Cybersecurity Appropriation not only serves to support improvements to the core DOT Cybersecurity program, but also enables updates to the DOT IT infrastructure to mitigate immediate threats to critical business operations. 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 and resilience.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0159-0-1-407			
Obligations by program activity:			
0.01 General Administration	10,710	26,915	10,000
0.91 Direct program activities, subtotal	10,710	26,915	10,000
9.00 Total new obligations	10,710	26,915	10,000
Budgetary Resources:			
10.00 Unobligated balance brought forward, Oct 1	7,734	12,017	0
10.50 Unobligated balance (total)	7,734	12,017	0
Budget Authority: appropriations, discretionary			
11.00 Appropriation	15,000	14,898	10,000
11.30 Appropriations permanently reduced (disc)	0	0	0
11.60 Appropriations, discretionary (Total)	15,000	14,898	10,000
19.00 Budget Authority (Total)	15,000	14,898	10,000
19.30 Total Budgetary Resources Available	22,734	26,915	10,000
Memorandum (non-add) entries:			
19.40 Unobligated Balance Expiring	-6	0	0
19.41 Unexpired unobligated balance, end of year	12,017	0	0
Change in obligated balance:			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	1,346	6,321	17,775
30.10 Obligations incurred, unexpired accounts	10,710	26,915	10,000
30.20 Obligated balance, Outlays (gross)	-5,720	-15,462	-11,959
30.40 Recoveries of prior year unpaid obligations, unexpired	0	0	0
30.41 Recoveries of prior year unpaid obligations, expired	-15	0	0
30.50 Unpaid obligations, end of year	6,321	17,775	15,815
Uncollected payments:			
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	1,346	6,321	17,775
32.00 Obligated balance, end of year	6,321	17,775	15,815
Budget Authority and outlays, net:			
40.00 Budget authority, gross	15,000	14,898	10,000
Outlays, gross:			
40.10 Outlays from new discretionary authority	1,533	8,939	6,000
40.11 Outlays from discretionary balances	4,187	6,523	5,959
40.20 Outlays, gross (Total)	5,720	15,462	11,959
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.)	15,000	14,898	10,000
41.90 Outlays, net (disc. and mand.)	5,720	15,462	11,959

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-0159-0-1-407			
Direct obligations:			
21.0 Travel and transportation of persons	0	20	0
23.3 Communications, utilities, and miscellaneous charges	643	6,586	3,340
25.1 Advisory and assistance services	5,526	6,848	3,840
25.2 Other services	387	0	0
25.3 Other purchases of goods and services from Government accts.	0	0	0
25.4 Operation and maintenance of facilities	0	0	
25.7 Operation and maintenance of equipment	768	2,000	2,000
31.0 Equipment	3,387	11,461	820
99.9 Total obligations	\$10,710	\$26,915	\$10,000

14th tab

National Surface
Transportation and
Innovative Finance Bureau

OFFICE OF THE SECRETARY OF TRANSPORTATION**NATIONAL SURFACE TRANSPORTATION INNOVATIVE FINANCE BUREAU****(\$000)**

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	\$ 596	\$ 1,573	\$ 2,159
Travel	13	20	30
Other Costs	2,391	1,387	798
Programs	-	-	-
TOTAL	\$ 3,000	\$ 2,980	\$ 2,987

STAFFING

Direct Positions	12	12	12
Direct FTEs	0	12	12
Reimbursable Positions	0	0	0
Reimbursable FTE	0	0	0

The National Surface Transportation Innovative Finance Bureau is requesting \$2.987 million and an estimated 12 FTEs in FY 2019 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 and What Does This Funding Level Support?

Among the provisions included in the FAST Act was the establishment of the National Surface Transportation and Innovative Finance Bureau (referred to as the Build America Bureau or the Bureau), within the Office of the Under Secretary of Transportation for Policy. The Bureau facilitates targeted federal investments in infrastructure by streamlining the U.S. Department of Transportation's (DOT) innovative finance programs. The Bureau aligns the DOT Credit programs (Transportation Infrastructure Finance Innovation Act (TIFIA), Railroad Rehabilitation Improvement Financing (RRIF), Private Activity Bonds (PABs) programs) and the Infrastructure for Rebuilding America (INFRA) grants program. The Bureau provides technical assistance and facilitates innovative best practices focused on expediency in procurement, environmental review, permitting, project delivery, and monitoring. The 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.

The Bureau directly supports efforts to rebuild and modernize the Nation's transportation infrastructure by leveraging State, local, and private funds. The Bureau currently manages a loan portfolio of over \$30 billion for nearly \$99 billion in overall project costs, including over 35 projects that are still under construction, and expects to close at least \$3 billion in project loans annually going forward. One dollar of TIFIA subsidy leverages roughly \$40 in project value.

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 Bureau's expert analyses directly support the ongoing work of the Council.

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

- Provide long-term loans with attractive rates and terms that are a critical component of many large transportation infrastructure project financings, including most P3s.
- 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 P3s, which aligns infrastructure development with entities best suited to provide sustained and efficient investment;
- Administer the DOT infrastructure finance programs and the INFRA program, including the implementation of strategies to expedite access to financing and funding;

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

The FY 2019 Budget also proposes to move the administration of the Federal Ship Financing Program (Title XI) from the Maritime Administration to the Bureau. The Budget does not provide additional budget authority for this program, but the administration of existing loan guarantees portfolio can benefit from the guidance and oversight of the Bureau in mitigating defaults and improving the process for modeling of the risk to the Federal Government.

These funds are requested to independently support the administrative and personnel costs to operate the National Surface Transportation and Innovative Finance Bureau.

The FY 2019 budget request for the Bureau's General Fund includes the following baseline changes from FY 2018: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments to Working Capital Fund; and (4) an increase for an estimated 1.020 percent inflation, as well as an estimated 12 FTEs and associated costs.

What Benefits Will Be Provided to the American Public through this Request and Why is the Program Necessary?

The work of the Bureau provides financing that is important for modernization of the nation's inventory of transportation infrastructure. The Bureau provides efficient processing of state and local requests for DOT financing assistance, which leverages state, local, and private funds; accelerates national infrastructure construction; and increases the number of infrastructure projects that are built. The Bureau's customer-focused approach to infrastructure financing and funding supports responsible stewardship of taxpayer funds. The Bureau advances the development and streamlined delivery of projects in the highway, rail, transit, and port sectors, which significantly increases national 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, including promotion of programs and projects that attract private sector capital through P3s.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NATIONAL SURFACE TRANSPORTATION & INNOVATIVE FINANCE BUREAU

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2017	FY 2018	FY 2019
	ACTUAL	ANNUALIZED CR	REQUEST
69-0170			
Obligations by program activity:			
0001 National Surface Transportation & Innovative Finance Bureau	887	5,374	3,115
0900 Total new obligations (object class 25.2)	887	5,374	3,115
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	0	2,710	315
1011 Unobligated balance transferred from other accounts	307	0	0
1012 Unobligated balance, transferred between expired/unexp acc	0	0	0
1020 Adjustment of unobligated balance brought forward, October	0	0	0
1021 Recoveries of prior year unpaid obligations	0	0	0
10.3 Unobligated balance withdrawn	0	0	0
10.33 Recoveries of prior year paid obligations	0	0	0
1050 Unobligated balance (total)	307	2,710	315
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	3,000	2,980	2,987
1121 Appropriation transferred from other accounts	290	0	0
1160 Appropriation, discretionary (total)	3,290	2,980	2,987
Spending authority from offsetting collections, discretionary:			
1700 Collected	0	0	0
1701 Change in uncollected payments, Federal sources	0	0	0
1701 Change in uncollected payments, Federal sources	0	0	0
1711 Spending authority from offsetting collections, discretionary tra	0	0	0
1750 Spending authority from offsetting collections, discretionary (to	0	0	0
1900 Budget Authority (total)	3,290	2,980	2,987
1930 Total budgetary resources available	3,597	5,690	3,302
Memorandum (non-add) entries:			
1940 Unobligated Balance Expiring	0	-2	0
1941 Unexpired unobligated balance, end of year	2,710	315	188
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	0	628	2,392
3010 Obligations incurred, unexpired accounts	887	5,374	3,115
3020 Outlays (gross)	-259	-3,610	-5,696
3040 Recoveries of prior year unpaid obligations, unexpired	0	0	0
3041 Recoveries of prior year unpaid obligations, expired	0	0	0
3050 Unpaid obligations, end of year (gross)	628	2,392	-189
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	0	0	0
3070 Change in uncollected pymts, Fed sources, unexpired	0	0	0
Obligated balance, end of year (net):			
3090 Uncollected pymts, Fed sources, end of year	0	0	0
3100 Obligated balance, start of year (net)	6,835	628	2,392
3200 Obligated balance, end of year (net)	628	2,392	-189
Budget authority and outlays, net:			
Discretionary:			

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

OBJECT CLASSIFICATION
(In Thousands)

Identification Code	FY 2017	FY 2018	FY 2019
		ANNUALIZED	
69-0170	ACTUAL	CR	REQUEST
.			
Direct obligations:			
11.0 Personnel compensation	286	1,020	1,513
12.1 Civilian benefits	75	553	645
21.0 Travel and transportation of persons	13	20	30
22.0 Transportation of Things	0	0	0
23.0 Rent, Communications & Utilities	500	0	0
24.0 Printing	0	0	0
25.1 Other Services	0	0	0
25.2 Other Services	0	3,771	858
25.3 Other Services	0	0	57
26.0 Supplies & Materials	3	10	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	877	5,374	3,114

PERSONNEL SUMMARY

Identification Code	FY 2017	FY 2018	FY 2019
		ANNUALIZED	
69-xxxx	ACTUAL	CR	REQUEST
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	3	12	12

15th tab

Research and Technology

OFFICE OF THE SECRETARY OF TRANSPORTATION

RESEARCH & TECHNOLOGY

(\$000)

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	\$ 3,641	\$ 2,637	\$ 3,724
Travel	91	71	70
Other Costs	1,050	2,042	959
Programs	8,218	8,162	2,218
TOTAL	\$ 13,000	\$ 12,912	\$ 6,971

STAFFING

Direct Positions	20	20	20
Direct FTEs	18	20	20
Reimbursable Positions	31	35	35
Reimbursable FTE	31	35	35

Research and Technology is requesting \$6.9 million and 20 FTEs in FY 2019 to accomplish the mission outlined on the pages that follow.

What Is This Program And What Does This Funding Level Support?

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 working to transform the future of transportation for the public good. OST-R coordinates research and technology transfer (T2) across the Department to leverage and maximize the approximately \$730 million annual investment in DOT-wide transportation research, development, and technology (RD&T) activities. The Assistant Secretary for OST-R ensures that the Secretary's research and technology priorities and policies are implemented across the Department by guiding the development of cross-modal strategic work plans to meet goals. OST-R also leads and administers the Department's multimodal statistics and data programs, and University Transportation Center grants; 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 T2 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, industry, universities, stakeholder organizations, transportation professionals, system operators and international partners. OST-R supports the Department's strategic priorities by providing advice to policymakers concerning the research needed to achieve goals and priorities, identifying gaps in research by topic and type, and executing multimodal research, engineering and T2.

Research and Technology (R&T): This program manages and conducts congressionally-mandated strategic planning, coordination, facilitation, and review for all Departmental research, development and technology activities; and coordinates research and engineering work on cross-modal topics such as infrastructure; automated vehicles; positioning, navigation, and timing; and radiofrequency spectrum management to ensure collaborative, non-duplicative efforts on research that benefits all modes. The coordination and leadership that R&T provides are pivotal to ensuring the most efficient and effective application of the Department's research investments. R&T contributes directly to the Secretary's safety, infrastructure and innovation goals by working across all Operating Administrations (OAs) to ensure that research investments support Secretarial priorities, and that research projects initiated have clear goals and T2 plans. R&T programs identify synergies, gaps and opportunities to apply research cross-modally, which prevents the duplication of research efforts and waste of Federal resources. R&T is DOT's primary facilitator of T2, maximizing the impact of Federal research investments by accelerating the deployment of new technologies. This program also awards research funding to small businesses to enhance their potential for product commercialization.

OST-R manages and provides programmatic direction to the following critical transportation research and statistical programs:

Bureau of Transportation Statistics (BTS): The BTS Director is designated as the senior advisor to the Secretary on data and statistics by 49 USC 6302(b). BTS is a designated Federal statistical agency established in 49 USC Chapter 63 to serve the transportation community, including all levels of government and the private sector, by providing independent policy-neutral information that analyzes safety data and trends; assesses infrastructure usage and condition; enables infrastructure and operations investment planning, and supports accountability. BTS employs innovative data collection processes and rigorous statistical analysis to facilitate evidence-based 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 operations budget, and a reimbursable Confidential Close Calls Reporting System program.

University Transportation Centers (UTC) Program: The UTC program awards competitive grants to university consortia across the U.S. to advance state-of-the-art transportation research and to develop the next generation of transportation professionals. The UTC program provides DOT with the opportunity to fund advanced, transformative research that it would not otherwise be able to execute, in the environment best suited for such research. UTCs are also valuable assets for industry and State DOTs, executing research that neither group could conduct themselves and providing each group with new talent on the high end of the workforce scale. To this end, the UTC program advances Departmental priorities through baseline grant funding for multimodal university-based transportation education, research, and T2. The UTC program is funded through an allocation from the FHWA.

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. Volpe employs 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 engineering programs to ensure a 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 governments, the private sector, and foreign transportation professionals on a cost-recovery ("fee-for-service") basis.

Explanation of Research and Technology:

The General Fund appropriation supports OST-R's R&T program and associated administrative staff. OST-R's organizational performance is measured by its ability to provide high-quality cross-modal results in strategic research planning, program management, and program support services.

The R&T Program addresses the Secretary's innovation priority by coordinating the Department's RD&T portfolio and ensuring that the Department's research investments are effectively deployed throughout the Nation's transportation system. The requested funding will allow the R&T Program to continue its congressionally-mandated primary mission of coordinating the Department's research portfolio across the Operating Administrations, actively pursuing technology transfer agreements and activities, and engaging in research collaborations with other federal agencies that support Secretarial priorities.

The R&T Program has allocated funding to support the Forces to Flyers to Flyers research project. According to a Boeing pilot outlook, approximately 637,000 new airline pilots will be needed over the next 20 years, globally. In the U.S. this figure is 19,000 by 2020. The objective of the Forces to Flyers research project is to research pathways for becoming an airline pilot and identify current barriers. A demonstration program will be designed and implemented with a final report on the program results, including suggested best practices.

Technology Transfer (T2) Program

FY 2019 funding will be used for coordinating, collaborating, documenting, and supporting T2 activities across the Department to ensure that the Department's research outputs are effectively deployed throughout the Nation's transportation system, including coordinating Departmental T2 activities and opportunities for collaboration with Federal partners and the private sector to ensure the effective deployment of the Department's research products.

Positioning, Navigation and Timing (PNT) and Spectrum Management

DOT coordinates 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 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 all private sector GPS uses and requirements. The Secretary's role also includes ensuring that GPS public safety services meet or exceed international performance standards, and promoting the use of GPS services for transportation safety.

FY 2019 funding will be used to develop and coordinate the 2019 *Federal Radionavigation Plan* (FRP), which is developed biennially by DOT in conjunction with the Departments of Defense and Homeland Security, and is required by the 1998 National Defense Authorization Act. The FRP is signed by the Secretaries of Transportation, Defense, and Homeland Security and reflects national policies and plans for U.S. government radionavigation systems. The FRP is used as a reference document both nationally and internationally.

The FY 2019 budget request includes baseline changes from FY 2018 for the following items: (1) annualization of the 1.900 percent pay raise for 2018; (2) one additional compensable day in FY 2019; (3) adjustments for Working Capital Fund; and (5) an increase for an estimated 1.020 percent inflation as well as an estimated 20 FTEs and associated costs.

What benefits will be provided to the American Public through this request and why is this program necessary?

The Department-wide research coordination function is driven by OST-R. The R&T mission is to coordinate, collaborate, and maximize the effectiveness of the DOT research portfolio as well as to enhance the data collection and statistical analysis programs supporting 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, industry, 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 or duplicative research, and allow the Nation's transportation research enterprise to move forward in a coherent fashion.

Explanation of Allocation Accounts:

Bureau of Transportation Statistics (BTS)

BTS was authorized by the 1991 Intermodal Surface Transportation Efficiency Act as a designated principal Federal statistical agency (part of the OMB-coordinated U.S. Federal statistical system) to collect, analyze, and disseminate transportation-related information to inform policy issues requiring a cross-modal, system-wide perspective.

Our Nation relies on objective, credible statistics to support and inform 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 the Department, state DOTs, 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 nation's transportation infrastructure and operations. Through the application of statistics and analytical tools, BTS continues to provide transportation decision-makers trusted resources and provide them with valuable insight on how our transportation system is performing.

This funding allows BTS programs to provide the mechanism for continuous innovation and improvement of data collection, and the analysis that supports improvements in transportation decision-making.

FY 2018 Anticipated Accomplishments:

- Complete collection and validation of the Nation's only freight survey, the 2017 Commodity Flow Survey.
- In addition to existing data, develop new statistics for the Port Performance Freight Statistics Program.
- Develop visual 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).

What benefits will be provided to the American Public through this request and why is this program necessary?

Key benefits include, but are not limited to:

- BTS' Commodity Flow Survey data and TransBorder freight 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), which is critical to targeted investments and the future efficient movement of goods.
- To receive funding under the National Highway Freight Program (23 USC 167), the FAST Act requires each state to develop a state freight plan that comprehensively addresses the state's freight planning activities and investments. BTS' comprehensive freight flow estimates undergird 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 indicators, policy makers, investors and planners can understand transportation-based 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 proposed airline mergers by conducting competitive analysis studies.
- The Confidential Close Calls program improves workplace safety by implementing safety management systems and protocols, the results of which are 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.
- BTS leads the implementation of the Department's public access plan, which makes DOT-funded research and supporting data sets available to and useable by industry, the public, and the scientific community; and catalyzes innovation.

University Transportation Centers

The UTC program awards competitive grants to university consortia across the U. S. to advance state-of-the-art transportation research and to develop the next generation of transportation professionals. The UTC program provides DOT with the opportunity to fund advanced,

transformative research that the DOT would not otherwise be able to execute, in the environment best suited for such research. The UTCs are also valuable assets for industry and the state DOTs as they, execute research that neither group could conduct themselves and provide each group with new talent at the high end of the workforce scale. To this end, the UTC program advances Departmental priorities through baseline grant funding for multimodal university-based transportation education, research, and T2.

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 49 USC 5505(d).

What benefits will be provided to the American Public through this request and why is this program necessary?

Funding the UTC program will result in a safer, more advanced surface transportation system through transformative technologies. The research and technology transfer activities conducted by these centers will ultimately save lives and reduce injuries. The monetary savings impact the public through increased safety of transportation systems and 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 addresses the challenges of advancing future technologies and replacing an aging workforce unfamiliar with newer transportation industry technologies.

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

**PROGRAM AND FINANCING
(In thousands of dollars)**

Identification code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-1730			
Obligations by program activity:			
0001 Salaries and administrative expenses	4,571	4,750	4,753
0002 Alternative fuels research & development	347	0	
0003 Research development & technology coordination	543	0	
0004 Nationwide differential global positioning system	0	0	0
0005 Positioning navigation & timing	775	0	0
0006 Research and Technology		5,226	2,218
0007 Civil Signal Monitoring		11,162	
0100 Direct program by activities, subtotal	6,236	21,138	6,971
0799 Total Direct Obligations	6,236	21,138	6,971
0802 Transportation Safety Institute	12,420	20,000	20,000
0803 Other Programs	538	1,000	1,000
0809 Reimbursable program by activities, subtotal	12,958	21,000	21,000
0899 Total Reimbursable Obligations	12,958	21,000	21,000
0900 Total new obligations	19,194	42,138	27,971
Budgetary Resources:			
10.00 Unobligated balance brought forward, Oct 1	7,255	14,125	4
10.10 Unobligated balance transferred to other accounts	0	0	0
10.12 Unobligated balance transfers between expired/unexpired	0	0	0
10.21 Resources available from recoveries of prior year obligations	658	0	0
10.33 Recoveries of prior year paid obligations			0
10.50 Unobligated balance (total)	7,913	14,125	4
Budget Authority: appropriations, discretionary			
11.00 Appropriation	13,000	21,138	6,971
11.30 Appropriations permanently reduced (disc)	0	0	0
11.60 Appropriations, discretionary (Total)	13,000	21,138	6,971
Spending authority from offsetting collections,			
17.00 Collected	13,069	21,000	21,000
17.01 Change in uncollected payments, Federal sources	-239	0	
17.23 New\Unob. Balances Temp Reduced	0	0	
17.50 Total Spending authority	12,830	21,000	21,000
19.00 Budget Authority (Total)	25,830	42,138	27,971
19.30 Total Budgetary Resources Available	33,743	55,418	27,975
Memorandum (non-add) entries:			
19.40 Unob Bal: Memo: Unob bal expiring	-212		
19.41 Unexpired unobligated balance, end of year	14,337	13,280	4
	14,125	13,280	4

Section 3 – FY 2019 Budget Request by Appropriation

Change in obligated balance:				
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	17,663	5,460	5,460
30.10	Obligations incurred, unexpired accounts	19,195	42,138	27,971
30.11	Obligations incurred, expired accounts	28	0	
30.20	Obligated balance, Outlays (gross)	-22,212	-46,324	-28,574
30.30	Obligations incurred, unexpired accounts	0	0	
30.31	Obligations incurred, expired accounts	0	0	
30.40	Recoveries of prior year unpaid obligations, unexpired	-658	0	
30.41	Recoveries of prior year unpaid obligations, expired	-451	0	
30.50	Unpaid obligations, end of year	13,565	1,274	4,857
		13,563		
Uncollected payments:				
30.60	Uncollected pymts, Fed sources, brought forward Oct 1	-2,654	-2,284	-2,284
30.70	Change in uncollected pymts, Fed sources, unexpired	238	0	0
30.71	Change in uncollected pymts, Fed sources, expired	132	0	0
30.90	Uncollected pymts, Fed sources, end of year	-2,284	-2,284	-2,284
Memorandum (non-add) entries:				
31.00	Obligated balance, start of year	15,009	2,000	2,000
32.00	Obligated balance, end of year	11,280	3,000	3,000
Budget Authority and outlays, net:				
40.00	Budget authority, gross	25,830	42,138	27,971
Outlays, gross:				
40.10	Outlays from new discretionary authority	8,354	40,024	27,274
40.11	Outlays from discretionary balances	13,857	6,300	1,300
40.20	Outlays, gross (Total)	22,211	46,324	28,574
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
40.30	Federal sources	-9,816	-21,000	-21,000
40.33	Non-Federal sources	-3,264	0	0
40.40	Total offsetting collection (cash)	-13,080	-21,000	-21,000
Additional offsets against gross budget authority only:				
40.50	Chg in Uncollected pymts, Fed Sources (unexpired)	239	0	0
40.51	Chg in Uncollected pymts, Fed Sources (expired)	0	0	0
40.52	Offsetting collections credited to expired accounts	11	0	0
40.53	Recoveries of prior paid obligations, unexpired accounts	0		
40.54	Recoveries of prior paid obligations, expired accounts			
40.60	Additional offsets against budget authority only (total)	250	0	0
41.80	Budget authority, net (disc. and mand.)	13,000	21,138	6,971
41.90	Outlays, net (disc. and mand.)	9,131	25,324	7,574

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 2017	FY 2018	FY 2019
69-1730-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$2,349	\$2,243	\$2,244
11.3 Other than full-time permanent	\$21	\$174	\$174
11.5 Other personnel compensation	\$63	\$65	\$61
11.9 Total personnel compensation	\$2,433	\$2,482	\$2,479
12.1 Civilian personnel benefits	\$737	\$2,268	\$1,245
21.0 Travel and transportation of persons	\$55	\$91	\$70
23.0 Rent	\$551	\$624	\$379
24.0 Printing	\$1	\$1	\$1
25.1 Other services	\$784	\$0	\$0
25.2 Other services	\$0	\$426	\$1,219
25.3 Other services	\$0	\$6,903	\$1,554
26.0 Supplies and materials	\$11	\$15	\$15
31.0 Equipment	\$0	\$102	\$9
99.0 Subtotal, direct obligations	\$4,572	\$12,912	\$6,971
99.0 Reimbursable obligations:	\$14,622	\$21,000	\$21,000
99.9 Total obligations	\$19,194	\$33,912	\$27,971

PERSONNEL SUMMARY

Identification Code	FY 2017	FY 2018	FY 2019
69-1730-0-1-407	ACTUAL	ANNUALIZED CR	REQUEST
1001 Total compensable workyears:			
Full-time equivalent employment	18	20	20
2001 Reimbursable workyears:			
Full-time equivalent employment	31	35	35
3001 Allocation	69	80	80

16th tab

Essential Air Service

OFFICE OF THE SECRETARY OF TRANSPORTATION**Essential Air Service (EAS)****(Mandatory)****(\$000)**

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	\$ 2,123	\$ 2,157	\$ 2,244
Travel	7	7	7
Other Costs	640	688	1,117
Programs	119,031	127,908	136,809
TOTAL	\$ 121,801	\$ 130,760	\$ 140,177

STAFFING

Direct Positions	14	14	14
Direct FTEs	13	14	14
Reimbursable Positions	0	0	0
Reimbursable FTE	0	0	0

The Essential Air Service program (mandatory) is requesting \$140 million and an estimated 14 FTEs in FY 2019 to accomplish the mission on the pages to follow.

OFFICE OF THE SECRETARY OF TRANSPORTATION**PAYMENTS TO AIR CARRIERS
(Discretionary)****(\$000)**

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	\$ -	\$ -	\$ -
Travel	-	-	-
Other Costs	-	-	-
Programs	150,000	148,981	93,000
TOTAL	\$ 150,000	\$ 148,981	\$ 93,000

STAFFING

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

The Payments to Air Carriers program (discretionary) is requesting \$93 million in FY 2019 to accomplish the mission on the pages to follow.

Detailed Justification for the Essential Air Service (EAS) Program

What is this program and what does this funding level support?

The EAS program was established at the time the Airline Deregulation Act (ADA) was passed in 1978. Under the Act, small and more isolated communities were assured that, for 10 years, they would continue to receive scheduled service to a hub airport -- by Federally subsidized flights if necessary. (The program was later extended for 10 years, and ultimately made permanent.)

In the fiscal year (FY) 2012 Department of Transportation (DOT) Appropriations Act, (PL 112–55), Congress first capped the program in the lower 48 states and Puerto Rico. Congress subsequently affirmed that provision in the Federal Aviation Administration Modernization and Reform Act (P.L.112-95). In 2018, about 178 communities across the country, including 62 in Alaska receive subsidized scheduled air service.

Below is a historical list of the annual EAS budget and the number of communities subsidized:

Year	# of Communities	Budget in Millions	Average Subsidy per Community in Millions
1996	97	22.6	.23
1997	95	25.9	.27
1998	101	50.0	.50
1999	100	50.0	.50
2000	106	50.0	.47
2001	115	50.0	.43
2002	123	113.0	.92
2003	126	101.8	.81
2004	140	101.7	.73
2005	146	101.6	.70
2006	152	109.4	.72
2007	147	109.4	.74
2008	146	109.4	.75
2009	153	138.4	.90
2010	159	200.0	1.26
2011	155	199.7	1.29
2012	163	215.5 ¹	1.32
2013	160	255.0 ²	1.59
2014	160	268.0	1.68
2015	169	263.0	1.56
2016	177	278.0 ³	1.57
2017	177	254.0	1.44

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

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

³Enacted amount

The requested FY 2019 program level of \$233 million reflects reforms that adjust the eligibility for the EAS program (see description below). The Budget proposal assumes approximately 173 small communities across the nation, including about 65 in Alaska would receive EAS in 2019.

In October 2014, the Department issued a notice of enforcement policy that announced how the Department intends, going forward, to enforce compliance with the requirements of the Department of Transportation and Related Agencies Appropriations Act, 2000, which prohibits the Department from subsidizing EAS to communities located within the 48 contiguous States receiving per passenger subsidy amounts exceeding \$200, unless the communities are located more than 210 miles from the nearest large or medium hub airport. In addition, communities not in Alaska and Hawaii that are within 175 miles of the nearest large or medium hub airport are required to maintain 10 enplanements per service day. In December 2018, using data from FY 2016, the Department issued an order terminating Jamestown, NY from the program for failure to comply with the statutory requirements.

Kamuela, HI will no longer be subsidized as of January 2018 because the community did not negotiate the required local cost share. The Department also received a subsidy-free proposal for Kalaupapa, HI, which, if accepted, would begin in June 2018.

In addition to enforcement of existing compliance requirements, the Department has proposed new reform policies to take effect in FY 2019. The proposal includes 6 potential reforms which would create the amount of savings necessary to operate under the requested \$233 million-dollar budget.

The proposed reforms include capping eligibility for communities not currently receiving subsidy, eliminating options for non-eligible communities, and limiting eligibility for communities located more than 50 driving miles from a small hub, 75 miles from a medium hub, and 100 miles from a large hub. The proposal also includes reforms to existing requirements by increasing the subsidy-per-passenger cap from \$200 to \$250, but removing the waiver petition, repealing the possibility of restoration of EAS to communities that were eliminated due to non-compliance with the 10-enplanement requirement or the subsidy cap, and requiring that communities comply with the 10-enplanement requirement in at least one of the previous two Fiscal Years to maintain their EAS eligibility. Again, the reforms would lead to savings that the program needs to operate.

What benefits will be provided to the American public through this request and why is this program necessary?

Eligible communities will continue to receive subsidized scheduled air service. A table follows on the next page showing all subsidized EAS communities as of October 1, 2017, annual subsidy rates as proposed by the carrier and awarded by the Department, and maximum annual subsidy rates if carriers completed 100 percent of their flights at a community.

Section 3 – FY 2019 Budget Request by Appropriation

			Annual contract
			Subsidy rates
Count	State	<u>EAS Community</u>	<u>Feb. 1, 2018</u>
1	AK	Adak	\$2,907,935
1	AK	Akhiok	\$227,987
1	AK	Akutan	\$890,001
1	AK	Alitak	\$36,655
1	AK	Amook Bay	\$36,655
1	AK	Angoon	\$303,298
1	AK	Atka	\$990,578
1	AK	Central	\$162,474
1	AK	Chatham	\$6,048
1	AK	Chignik	\$367,582
1	AK	Chignik Lake	\$367,582
1	AK	Chisana	\$93,018
1	AK	Circle	\$162,474
1	AK	Clark's Point	\$116,093
1	AK	Cordova	\$3,107,161
1	AK	Diomedes*	\$190,476
1	AK	Egegik	\$393,788
1	AK	Ekwok	\$102,288
1	AK	Elfin Cove	\$124,795
1	AK	Excursion Inlet	\$30,792
1	AK	False Pass	\$220,753
1	AK	Funter Bay	\$14,040
1	AK	Gulkana	\$206,128
1	AK	Gustavus	\$776,790
1	AK	Healy Lake	\$113,082
1	AK	Hydaburg	\$195,319
1	AK	Igiugig	\$200,933
1	AK	Kake	\$181,621
1	AK	King Cove	\$638,087
1	AK	Kitoi Bay	\$36,655
1	AK	Koliganek	\$394,399
1	AK	Lake Minchumina	\$102,300
1	AK	Levelock	\$191,692
1	AK	Manley	\$41,819
1	AK	Manokotak	\$451,859
1	AK	May Creek	\$130,964
1	AK	McCarthy	\$130,964
1	AK	Minto	\$41,819
1	AK	Moser Bay	\$36,655
1	AK	New Stuyahok	\$487,739
1	AK	Nikolski	\$331,986
1	AK	Olga Bay	\$36,655
1	AK	Pelican	\$348,103
1	AK	Perryville	\$629,853
1	AK	Petersburg	\$470,525
1	AK	Pilot Point	\$212,971
1	AK	Port Alexander	\$99,364

Section 3 – FY 2019 Budget Request by Appropriation

			Annual contract
			Subsidy rates
Count	State	EAS Community	Feb. 1, 2018
1	AK	Port Bailey	\$36,655
1	AK	Port Heiden	\$512,938
1	AK	Port Williams	\$36,655
1	AK	Seal Bay	\$36,655
1	AK	South Naknek	\$139,998
1	AK	Tatitlek	\$102,779
1	AK	Tenakee	\$152,127
1	AK	Twin Hills	\$227,121
1	AK	Uganik	\$36,655
1	AK	Ugashik	\$212,971
1	AK	West Point	\$36,655
1	AK	Wrangell	\$470,525
1	AK	Yakutat	\$3,107,161
1	AK	Zachar Bay	\$36,655
1	AL	Muscle Shoals	\$2,779,632
1	AR	El Dorado/Camden	\$2,306,627
1	AR	Harrison	\$2,397,188
1	AR	Hot Springs	\$2,378,312
1	AR	Jonesboro	\$1,923,462
1	AZ	Page	\$2,282,818
1	AZ	Prescott	\$2,657,002
1	AZ	Show Low	\$1,535,940
1	CA	Crescent City	\$3,244,293
1	CA	El Centro	\$2,440,634
1	CA	Merced	\$2,991,546
1	CO	Alamosa	\$2,593,050
1	CO	Cortez	\$3,580,480
1	CO	Pueblo	\$2,548,067
1	GA	Macon	\$4,687,979
1	HI	Hana	\$114,099
1	HI	Kalaupapa	\$690,463
1	IA	Burlington	\$2,316,502
1	IA	Fort Dodge	\$2,949,904
1	IA	Mason City	\$2,949,904
1	IA	Waterloo	\$1,829,458
1	IL	Decatur	\$2,915,638
1	IL	Marion/Herrin	\$2,840,958
1	IL	Quincy/Hannibal, MO	\$2,659,328
1	KS	Dodge City	\$3,621,182
1	KS	Garden City	\$968,313
1	KS	Hays	\$3,482,353
1	KS	Liberal/Guy mon, OK	\$3,747,998
1	KS	Salina	\$1,999,905
1	KY	Owensboro	\$2,107,191
1	KY	Paducah	\$2,170,549
1	MD	Hagerstown	\$1,785,638

Section 3 – FY 2019 Budget Request by Appropriation

			Annual contract
			Subsidy rates
<u>Count</u>	<u>State</u>	<u>EAS Community</u>	<u>Feb. 1, 2018</u>
1	ME	Augusta/Waterville	\$2,045,122
1	ME	Bar Harbor (Labor Day to Memorial Day)	\$1,777,937
1	ME	Bar Harbor (Memorial Day to Labor Day)	\$466,799
1	ME	Presque Isle/Houlton	\$5,201,724
1	ME	Rockland	\$2,127,026
1	MI	Alpena	\$2,348,781
1	MI	Escanaba	\$2,832,133
1	MI	Hancock/Houghton	\$1,633,954
1	MI	Iron Mountain/Kingsford	\$3,924,019
1	MI	Ironwood/Ashland, WI	\$3,411,470
1	MI	Manistee/Ludington	\$2,328,104
1	MI	Muskegon	\$2,418,759
1	MI	Pellston	\$1,245,071
1	MI	Sault Ste. Marie	\$1,998,416
1	MN	Bemidji	\$1,244,219
1	MN	Brainerd	\$1,653,672
1	MN	Chisholm/Hibbing	\$2,867,406
1	MN	International Falls	\$3,274,852
1	MN	Thief River Falls	\$3,537,394
1	MO	Cape Girardeau/Sikeston	\$2,984,760
1	MO	Fort Leonard Wood	\$3,182,419
1	MO	Joplin	\$839,513
1	MO	Kirksville	\$1,989,635
1	MS	Greenville	\$2,724,153
1	MS	Laurel/Hattiesburg	\$3,133,072
1	MS	Meridian	\$2,985,821
1	MS	Tupelo	\$4,292,405
1	MT	Butte	\$881,665
1	MT	Glasgow	\$2,194,011
1	MT	Glendive	\$2,132,813
1	MT	Havre	\$2,212,162
1	MT	Sidney	\$4,124,531
1	MT	West Yellowstone	\$580,957
1	MT	Wolf Point	\$2,327,384
1	ND	Devils Lake	\$3,990,807
1	ND	Dickinson	\$4,162,080
1	ND	Jamestown (ND)	\$2,798,531
1	NE	Alliance	\$2,251,337
1	NE	Chadron	\$2,046,128
1	NE	Grand Island	\$907,348
1	NE	Kearney	\$3,513,473
1	NE	McCook	\$2,373,939
1	NE	North Platte	\$3,575,926
1	NE	Scottsbluff	\$3,152,294
1	NH	Lebanon/White River Jct.	\$3,343,904
1	NM	Carlsbad	\$2,981,576
1	NM	Clovis	\$3,184,393
1	NM	Silver City/Hurley/Deming	\$3,368,032
1	NY	Massena	\$2,870,608
1	NY	Ogdensburg	\$2,617,277
1	NY	Plattsburgh	\$3,068,490
1	NY	Saranac Lake/Lake Placid	\$1,832,064
1	NY	Watertown (NY)	\$2,631,598

Section 3 – FY 2019 Budget Request by Appropriation

			Annual contract
			Subsidy rates
Count	State	<u>EAS Community</u>	<u>Feb. 1, 2018</u>
1	OR	Pendleton	\$2,273,823
1	PA	Altoona	\$2,371,942
1	PA	Bradford	\$2,045,826
1	PA	DuBois	\$2,967,587
1	PA	Franklin/Oil City	\$1,442,788
1	PA	Johnstown	\$2,912,558
1	PA	Lancaster	\$2,504,174
1	PR	Mayaguez	\$1,505,712
1	SD	Aberdeen	\$1,037,667
1	SD	Pierre	\$4,524,131
1	SD	Watertown (SD)	\$2,268,256
1	TN	Jackson	\$1,884,399
1	TX	Victoria	\$2,660,000
1	UT	Cedar City	\$2,645,932
1	UT	Moab	\$3,991,840
1	UT	Vernal	\$3,324,848
1	VA	Staunton	\$3,797,780
1	VT	Rutland	\$1,360,481
1	WI	Eau Claire	\$2,221,305
1	WI	Rhineland	\$1,714,307
1	WV	Beckley	\$2,828,034
1	WV	Clarksburg/Fairmont	\$2,850,452
1	WV	Greenbrier/W. Sulphur Sps	\$4,731,866
1	WV	Morgantown	\$2,989,432
1	WV	Parkersburg/Marietta, OH	\$1,938,219
1	WY	Cody	\$938,050
1	WY	Laramie	\$2,182,244
173			\$306,797,870

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-5423-0-2-402				
Obligations by program activity:				
0001	Essential Air Service and Rural Airport	135,549	181,490	167,330
0900	Total new obligations	135,549	181,490	167,330
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	65,224	77,883	27,153
1010	Unobligated balance transferred to other accounts [69-5422]	0	0	0
1021	Recoveries of prior year unpaid obligations	26,407	0	0
1050	Unobligated balance (total)	91,631	77,883	27,153
Budget Authority:				
Appropriations, mandatory:				
1221	Transferred from other accounts [69-5422]	130,828	140,000	140,177
1232	Appropriations temporarily reduced	-9,027	-9,240	0
1260	Appropriations, mandatory (total)	121,801	130,760	140,177
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)	121,801	130,760	140,177
1930	Total budgetary resources available	213,432	208,643	167,330
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	77,883	27,153	0
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	38,721	26,189	80,107
3010	Obligations incurred, unexpired accounts	135,549	181,490	167,330
3020	Outlays (gross)	-121,674	-127,572	-136,106
3040	Recoveries of prior year unpaid obligations, unexpired	-26,407	0	0
3050	Unpaid obligations, end of year (gross)	26,189	80,107	111,331
3100	Obligated balance, start of year (net)	38,721	26,189	80,107
3200	Obligated balance, end of year (net)	26,189	80,107	111,331
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	121,801	130,760	140,177
Outlays, gross:				
4100	Outlays from new mandatory authority	42,195	78,600	84,106
4101	Outlays from mandatory balances	79,479	48,972	52,000
4110	Outlays, net (total)	121,674	127,572	136,106
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4120	Federal sources	0	0	0
4090	Budget authority, gross (mandatory)	121,801	113,290	140,177
4170	Outlays, gross (total)	121,674	127,572	136,106
4180	Budget authority, net (total)	121,801	113,290	140,177
4190	Outlays, net (total)	121,674	127,572	136,106

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-5423-0-2-402			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	1,508	1,659	1,729
11.5 Other personnel compensation	31	0	0
11.9 Total personnel compensation	1,540	1,659	1,729
12.1 Civilian personnel benefits	468	497	515
21.0 Travel and transportation of persons	7	7	7
23.0 Communication and utilities	0	0	0
25.0 Other services	1,178	533	957
26.0 Supplies and materials	16	3	3
31.0 Equipment	10	152	156
41.0 Grants, subsidies, and contributions	132,330	178,638	163,962
0.0 Transfers	0	0	0
99.0 Subtotal, direct obligations	135,549	181,490	167,330
99.0 Reimbursable obligations	0	0	0
99.9 Total new obligations	135,549	181,490	167,330

PERSONNEL SUMMARY

Identification Code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-5423-0-2-402			
1001 Total compensable workyears:	13	14	14
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 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
69-8304-0-7-402			
Obligations by program activity:			
0001 Payments to Air Carriers	197,412	151,528	93,000
0900 Total new obligations (Object class 41.0)	197,412	151,528	93,000
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3,992	2,547	0
1021 Recoveries of prior year unpaid obligations	45,966	0	0
1050 Unobligated balance (total)	49,958	2,547	0
Budget Authority:			
Appropriations, discretionary:			
1101 Appropriation (trust fund)	150,000	148,981	93,000
1132 Appropriation permanently reduced (trust fund)	0	0	0
1160 Appropriations, discretionary (total)	150,000	148,981	93,000
Discretionary spending authority from offsetting collections:			
1700 Offsetting collections (cash) (unexpired only)	0	0	0
1900 Budget Authority Total (disc. And mand.)	150,000	148,981	93,000
1930 Total budgetary resources available	199,958	151,528	93,000
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	2,547	0	0
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	57,489	52,222	59,593
3010 Obligations incurred, unexpired accounts	197,412	151,528	93,000
3020 Outlays (gross)	-156,713	-144,157	-115,393
3040 Recoveries of prior year unpaid obligations, unexpired	-45,966	0	0
3050 Obligated balance end of year	52,222	59,593	37,200
3100 Obligated balance, start of year (net)	57,489	52,222	59,593
3200 Obligated balance, end of year (net)	52,222	59,593	37,200
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	150,000	148,981	93,000
Outlays, gross:			
4010 Outlays from new discretionary authority	116,052	89,389	55,800
4011 Outlays from discretionary balances	40,661	54,768	59,593
4020 Outlays, gross (total)	156,713	144,157	115,393
Offsetting collections (cash) from:			
4030 Federal Sources	0	0	0
4180 Budget authority, net (total)	150,000	148,981	93,000
4190 Outlays, net (total)	156,713	144,157	115,393

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 2017	FY 2018	FY 2019
69-8304-0-7-402		ACTUAL	ANNUALIZED CR	REQUEST
Direct obligations:				
41.0	Grants, subsidies and contributions	<u>197,412</u>	<u>151,528</u>	<u>93,000</u>
99.9	Total new obligations	197,412	151,528	93,000

17th tab

Working Capital Fund

Detailed Justification for the Working Capital Fund

What Is This Program and What Does This Funding Level Support?

FY 2019 WORKING CAPITAL FUND BUDGET ESTIMATE (\$000)

<u>Program</u>	<u>FY 2017 Actual</u>	<u>FY 2018 Annualized CR</u>	<u>FY 2019 Request</u>
WCF DOT Activities	\$ 190,389	\$ 202,245	\$ 203,883
WCF Non-DOT Activities	363,295	321,022	321,257
Total	<u>\$ 553,684</u>	<u>\$ 523,267</u>	<u>\$ 525,140</u>

Staffing

Reimbursable Positions	261	293	293
Reimbursable FTE	219	271	271

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 Fiscal Year (FY) 2019, the WCF estimates \$525.140 million in obligations, 293 positions, and 271 FTEs in this request.

Shared Services Overview:

The WCF is authorized under 49 U.S.C. 327 to support the Department by strategically providing high quality, timely administrative shared services to the Department of Transportation (DOT) customers which enable the Operating Administrations to focus on core transportation infrastructure goals.

To achieve its vital nationwide mission, DOT's operations must be supported by world-class acquisition, human resources (HR), and information technology (IT) services to provide the right products, services, and people that enable mission delivery at every point. DOT seeks to continually enhance its mission delivery by improving the effectiveness and efficiency of support services such as acquisition, HR and IT. Such efforts include identifying strategies to reduce cost and improve service delivery by consolidating separate, overlapping, and duplicative processes and functions.

DOT's acquisition, HR, and IT processes are complex and under consistent pressure to meet mission objectives with increased efficiency, effectiveness, and quality of service. Adding

to the complexity of the current model for service delivery are the disparate processes, policies, and procedures in use across each Operating Administration, causing functional silos, duplication of effort, and inconsistency of service.

These silos pose a significant cybersecurity threat to the Department. The current decentralized structure can also thwart communications with customers and the sharing of best practices across the organization, as well as negatively affect retention and professional development of staff. In addition, the duplication of effort drains Operating Administration resources and, from an enterprise perspective, misses opportunities to leverage economies of scale available with DOT-wide or government-wide ordering instruments. And finally, the inconsistency of service can negatively affect engagement with the stakeholders and customers who are involved in the development of requirements and are the link between the acquisition function and the mission.

Therefore, the Department has embarked on an enterprise review of acquisition, HR, and IT requirements and is moving to shared services to deliver mission-enabling services, reduce duplicative efforts, and make available resources for mission-critical accomplishments Department-wide. As an existing shared services provider within the Department, the WCF is the logical place for acquisition, HR, and IT to be performed or managed. The WCF already delivers these services for several Operating Administrations and as such, has the infrastructure in place to provide Department-wide.

The Department is actively performing assessments of services, systems, and applications across the DOT to find efficiencies and is preparing a roadmap that presents opportunities for a centralized approach.

This current request does not include the new or expanded service areas that will be consolidated into the WCF starting in FY 2019. The WCF is requesting an exemption to the limitation that will provide the WCF flexibility with the consolidation of services.

Programmatic Overview:

The WCF provides a wide range of technical and administrative shared 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 OST 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 HR 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 114 agencies Nationwide.

The **Office of the Chief Information Officer (OCIO)** delivers IT 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.

The WCF reduces costs by consolidating administrative management structures and this positions the WCF to achieve economies of scale, eliminate redundancies, promote consistency in service, and reduce administrative costs across the Department. 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 and why is this program necessary?

The OASA and the OCIO are 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 acquisitions, HR, IT, , facilities and print management, and physical security arenas.

The OCIO utilizes a shared services vision for the Department that delivers mission enabling IT services that improve the cybersecurity posture of the Department, creates greater efficiency for IT operations, and presents a strategic advantage to the mission accomplishment of the Department. To this end, when the shared services are delivered, the OCIO ensures that:

- They are well-managed for cybersecurity risks,
- DOT is getting the best value on goods and services, and
- Services meet customers' quality expectations.

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:

- OCIO fixes for cyber security weaknesses and/or gaps – Examples include costs associated with Managed Trusted Internet Protocol Services (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.
- Replacement 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 shared services 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.

The FY 2019 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.

NON-DOT obligation estimates increased \$.23 million. A decrease of \$.46 million in Transit Benefits and Parking is the result of changes in the enrolled customer base and projected utilization of Fare Media which was offset by a \$.42 million increase due to the addition of the Surface Transportation Board as a NON-DOT customer. A \$.27 increase in Headquarters Services Management is the result of the planned increase in rates in the DOT Fitness center.

DOT obligations increase by \$1.63 million overall, with significant increases and decreases in several areas.

Procurement Operations is decreasing \$.21 million as a result of the transition of the Surface Transportation Board to a NON-DOT agency.

DOT Cross Functional Activities is decreasing by \$.49 million due to lower than anticipated contribution requests for the Government-wide Councils and the Cross-Agency Priority Goals initiatives.

An increase of \$.49 is requested in financial Management, Accounting & Administration for anticipated increases in Salaries; Accounting Services provided by the Federal Aviation Administration and pre-negotiated contracts in the Office of Financial Management and IdeaHub.

HQ Facility Operations & Management decreased \$.73 million due to refined utility cost estimates and reassignment of staff to DOT Property and Space Management.

A decrease of \$.65 million for HR Systems is the result of a reduction in the Employee Express program related to the loss of a DOT customer (FAA) and the transition of the Surface Transportation Board to a NON-DOT agency.

Substance Abuse Awareness & Testing decreased by \$.48 million to account for the decrease in voluntary testing requirements identified within the program. Testing levels are expected to be much closer to mandatory levels than in the past.

Transit Benefits and Parking decreased by \$.25 million as a result of the changes in the enrolled customer base and projected utilization of Fare Media.

The CIO's Business Management and IT Administration area is decreasing by \$.47 million as a result of decreases in costs due to the delayed deployment of the Financial Tracking/Business Intelligence software.

Cyber Security as a Service is increasing by \$2.44 million for implementation, operations, and maintenance of Phase 1 and 2 of the Department of Homeland Security (DHS) Continuous Diagnostics and Mitigation tools and services. The CDM program includes the deployment of agency-level dashboards that provide agencies with near real-time reporting of their organization's cybersecurity posture, thus allowing for more effective risk-based decision making and provides DHS with visibility into Federal networks allowing DHS to better assist departments and agencies in protecting their networks.

The Desktop Services estimate is increasing in three areas: \$1 million for Tech Refresh due to the life cycle change from 5 years to 4 years which has increased equipment replacement costs; \$.80 million for additional Adobe software licenses, and \$.48 million in non-capitalized equipment to fulfill Common Operating Environment (COE) customer requirements.

An increase of \$.88 is required in the Enterprise Licensing business line to cover the increased annual costs and additional users of Microsoft licenses for the Department.

Voice, Cable and Wireless is requesting \$.97 million to cover the costs of the MTIPS and Netbond Circuits required by OST to provide support for the Cyber Security Initiative.

Server & Messaging Services is decreasing by \$1.07 million due to cost savings realized by a slower than anticipated ramp-up for web support and data services, which resulted in a reduction in contract costs.

Other small increases and decreases resulting in a net decrease of \$1.07 million have been incorporated in various programs and are reflected in the revenue estimates to the WCF customers.

Without the DOT WCF, each operating administration would have to assume responsibility for the common administrative services provided by the WCF. Not providing these activities through the WCF would NOT eliminate the need for them. Instead, it would lead to inherent inefficiencies as each administration would strive to procure services individually. In programs like Copier, Printing & Multi-media, economies of scale would be lost as each mode would be forced to negotiate with a service provider for individual printing services.

OCIO will continue to improve the stability and integrity of the infrastructure through its ongoing shared services modernization efforts and use of cloud-based technology as appropriate. The OCIO will focus on improving cybersecurity and the security of the DOT IT environment by working closely with the CIOs across the Department to redefine the IT shared services to eliminate duplicative services and centralize commodity services. OCIO will update the IT shared services environment to more effectively implement accountability to the OAs as consumers of IT shared services, and to reflect recent technology changes, with an immediate focus on the following categories:

- Cloud Computing
- Field Services
- Wireless (phones and other mobile workforce productivity services)
- Disaster Recovery
- Network
- Circuits
- Basic utility services (server administration, help desk services, storage, back-up/recovery)
- Websites and Collaboration spaces
- Cybersecurity (governance, risk, and compliance; continuous diagnostics and mitigation; security operations center services and incident response)

FY2019 WORKING CAPITAL FUND REQUEST
WCF DOT & NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)

<u>Description</u>	<u>DOT</u> <u>Obligations</u>	<u>Non-DOT</u> <u>Obligations</u>	<u>2019 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	\$ 5,175	\$ 249	\$ 5,425
Building Security	14794	0	14794
Commerical Services Management	0	59	59
Disability Resource Center	3154	280	3434
DOT Cross Functional Activities	1360	0	1360
DOT Property & Space Management	3984	53	4037
E-Gov Initiatives	4938	0	4938
Emergency Response Programs	1799	0	1799
Financial Mgmt, Accounting, & Administration	8978	0	8978
Headquarters Services Management	4402	618	5020
HQ Facility Operations & Management	15030	0	15030
HR Systems	21884	71	21955
Human Resource Services	6085	75	6160
Information & Records	7916	9	7925
Security Operations	7148	49	7197
Substance Abuse Awareness & Testing	3383	4275	7658
Transit Benefits and Parking	11065	315520	326586
Unemployment Compensation	2066	0	2066
Assistant Secretary for Admin Subtotal:	\$ 123,163	\$ 321,257	\$ 444,420
Chief Information Officer			
Business Management and IT Administration	\$ 7,980	\$ 0	\$ 7,980
Campus Area Network (CAN)	10,581	0	10,581
Cyber Security as a Service	6,531	0	6,531
Data & Digital Services	0	0	0
Desktop Services	16,929	0	16,929
Enterprise Dashboard	664	0	664
Enterprise Licenses	4,240	0	4,240
Privacy as a Service	0	0	0
Records Management as a Service	0	0	0
Server & Messaging Services	17,627	0	17,627
Voice, Cable & Wireless	16,168	0	16,168
Chief Information Office Subtotal:	\$ 80,720	\$ 0	\$ 80,720
Grand Total:	\$ 203,883	\$ 321,257	\$ 525,140

**FY2018 WORKING CAPITAL FUND ANNUALIZED CR
WCF DOT & NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

Description	DOT Obligations	Non-DOT Obligations	2018 Total
Assistant Secretary for Administration			
Acquisition & Procurement Operations	\$ 5,381	\$ 0	\$ 5,381
Building Security	14869	0	14869
Commerical Services Management	0	65	65
Disability Resource Center	2865	280	3145
DOT Cross Functional Activities	1857	0	1857
DOT Property & Space Management	4174	0	4174
E-Gov Initiatives	4902	0	4902
Emergency Response Programs	1856	0	1856
Financial Mgmt, Accounting, & Administration	8485	0	8485
Headquarters Services Management	4475	355	4830
HQ Facility Operations & Management	15763	0	15763
HR Systems	22532	0	22532
Human Resource Services	6007	69	6076
Information & Records	7988	11	7999
Security Operations	7541	0	7541
Substance Abuse Awareness & Testing	3867	4275	8142
Transit Benefits and Parking	11310	315967	327277
Unemployment Compensation	2066	0	2066
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)	10679	0	10679
Cyber Security as a Service	3888	0	3888
Data & Digital Services	500	0	500
Desktop Services	14649	0	14649
Enterprise Dashboard	681	0	681
Enterprise Licenses	3358	0	3358
Privacy as a Service	100	0	100
Records Management as a Service	100	0	100
Server & Messaging Services	18703	0	18703
Voice, Cable & Wireless	15203	0	15203
Chief Information Office Subtotal:	\$ 76,307	\$ 0	\$ 76,307
Grand Total:	\$ 202,245	\$ 321,022	\$ 523,267

FY2017 WORKING CAPITAL FUND ACTUAL
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	14685	0	14685
Commerical Services Management	0	65	65
Disability Resource Center	2598	280	2878
DOT Cross Functional Activities	842	0	842
DOT Property & Space Management	3844	0	3844
E-Gov Initiatives	4704	0	4704
Emergency Response Programs	1842	0	1842
Financial Mgmt, Accounting, & Administration	8153	0	8153
Headquarters Services Management	4940	870	5810
HQ Facility Operations & Management	16159	0	16159
HR Systems	21605	0	21605
Human Resource Services	5451	93	5544
Information & Records	7819	194	8013
Security Operations	7322	0	7322
Substance Abuse Awareness & Testing	4365	3440	7805
Transit Benefits and Parking	10822	358353	369175
Unemployment Compensation	2066	0	2066
Assistant Secretary for Admin Subtotal:	\$ 121,346	\$ 363,295	\$ 484,641
Chief Information Officer			
Business Management and IT Administration	\$ 8,258.37	\$ 0.00	\$ 8,258.37
Campus Area Network (CAN)	9,357	0	9,357
Cyber Security as a Service	3,338	0	3,338
Data & Digital Services	0	0	0
Desktop Services	15,041	0	15,041
Enterprise Dashboard	704	0	704
Enterprise Licenses	3,198	0	3,198
Privacy as a Service	0	0	0
Records Management as a Service	0	0	0
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:	\$ 190,389	\$ 363,295	\$ 553,684

**FY 2019 ASSISTANT SECRETARY FOR ADMINISTRATION
WORKING CAPITAL FUND
BUDGET ESTIMATE
(\$000)**

<u>Program</u>	<u>FY 2017 Actual</u>	<u>FY 2018 Annualized CR</u>	<u>FY 2019 Request</u>
DOT Activities	\$ 121,346	\$ 125,938	\$ 123,163
Non-DOT Activities	363,295	321,022	321,257
Total	<u>\$ 484,641</u>	<u>\$ 446,960</u>	<u>\$ 444,420</u>
<u>Staffing</u>			
Reimbursable Positions	201	201	201
Reimbursable FTE	185	198	198

The Office of the Assistant Secretary for Administration (OASA) 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.

The Department of Transportation (DOT) supports a variety of missions including promoting economic activities, maintaining vital infrastructure, and ensuring the safety and quality of life of citizens and communities across the nation. As varied as they are, each of these missions relies on similar mission support functions to enable mission delivery. The OASA is pursuing a higher level of shared services offerings for the Human Resource (HR) and acquisition functions.

Shared services offer the ability to improve internal processes and better enable the effective delivery of core missions by combining currently separate, overlapping, or duplicative mission support processes and systems. The current initiative is designed to create new shared service offerings and improve existing operations to meet industry standards. Ultimately, this will lead to higher performing, more responsive programs that properly allocate resources to improve the quality of service.

MISSION/VISION/VALUES

The OASA provides the Department with a competitively priced, comprehensive range of administrative shared services while continuously improving administrative activities to ensure effective performance through the use of best practices. The Office provides expertise to the Department on HR 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 HR 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.

This current request does not include new or expanded service areas that will be consolidated into the WCF for a more centralized approach to HR and acquisition support services and is subject to change in the year of execution. As the consolidations are completed, the WCF will add them to requests in subsequent budget cycles.

FY 2019 BUSINESS LINES BY PROGRAM

Acquisitions & Procurement Operations

\$ 5.425 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 an integrated procurement system (PRISM) which has consolidated multiple Operating Administration's procurement systems with DOT's accounting system (DELPHI) and significantly enhances Department-wide spend analysis and contract efficiency initiatives while reducing the cost of software maintenance, application support and system hosting, and provides systematic real time accounting and funds control validations and status of funds reporting. The consolidated PRISM environment supports approximately 2,000 departmental personnel who process and manage over \$2 billion in annual procurement obligations.

The Program Management Office (PMO) serves as DOT's Departmental representative to the Enterprise Service Center's PRISM Working Group (EPWG) and the Federal PRISM Group, and is DOT's lead for business process standardization (i.e. clause templates and global report requirements) and development of requirements for PRISM enhancement requests.

Building Security**\$14.794 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 Federal Aviation Administration 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**\$.059 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**\$3.434 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

\$ 1.360 million

Cross Agency Priority Goals:

Each fiscal year funds from each Executive Branch agency are collected via Interagency Agreement with General Services Administration (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 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 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 (FY) 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 Operating Administrations based on actual usage information provided by OPM.

Government-Wide Councils:

Each FY 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

\$ 4.037 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:

The Personal Property program provides personal property management services and governance to several Operating Administrations (OST, Maritime Administration, Federal Railroad Administration, Office of the Inspector General, 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 program 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, GSA, 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.

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 to GSA, 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

\$4.938 million

In response to the E-Government Act of 2002, the OMB 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 E-Gov Initiative agreements.

Emergency Response Programs

\$1.799 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

\$8.978 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 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 Operating Administrations 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 26,000 users, 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. Employee 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**\$ 5.020 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 Headquarters 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 National Institute for the Severely Handicapped (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, dependable motor vehicle service and support to the Operating Administrations 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 Operating Administrations; and provides innovative fleet solutions ensuring safe, dependable, transportation utilizing 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 Facilities Operations & Management

\$15.030 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 Federal and contractor support 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**\$21.955 million**

The Departmental Office of Human Resource Management (DOHRM) 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. 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 Oracle Business Intelligent Enterprise Edition, the Learning Management System (LMS) 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 Oracle Business Intelligent Enterprise Edition 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 Oracle Business Intelligent Enterprise Edition is also used to facilitate workforce planning and estimate workforce projections.
- LMS 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 includes additional automated solutions to align with the goals and objectives of the HRLOB Modernization Initiative under the OPM's Business Reference Model. An example of this is the USA SES Performance system that provides automated performance plans for Senior Executives to develop performance, track and monitor performance, provide feedback, electronically sign the plan and final copy to flow into eOPF. These systems are 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*.

Human Resource Services

\$6.160 million

Human Resources Operations:

The Human Resources Operations Program provides human resource services to the Office of the Secretary (OST), including the Office of Assistant Secretary for Research and Technology Headquarters personnel. 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.

Human Capital Planning and Solutions:

The Human Capital Planning and Solutions Program Office assures that DOT satisfies statutory and regulatory requirements to conduct workforce analyses and planning, competency management 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).

Human Capital Planning and Solutions 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

\$7.925 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 transformed to provide primarily electronic services and has reduced its 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. 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.

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**\$7.197 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, including all new Federal Investigative Standards (FIS), pertaining to personnel security. The staff also provides DOT liaison with other federal agencies on behalf of the OAs.

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:

DOT issues Identity (ID) Media, which includes Temporary Badges and Official Credentials to employees (Federal and Contractor) located in the DOT headquarters and in regional, field and area offices with the exception of FAA, the Volpe Center, and a few Operating Administrations. 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 DOT 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 sponsors. DOT Employees (Federal and Contractor) perform duties associated with the registration, enrollment and issuance of DOT PIV Cards. DOT federal employees are responsible for initiating background investigations in order complete the minimum verification requirements for the issuance of PIV cards. FAA is the HSPD-12 PIV Card 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 (with the exception of FAA) and Secretarial offices, which 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 or no advance notice and it is essential for the Office of Security to respond expeditiously to the passport and visa requests. Requirements for U.S. citizens to have passports for 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 900 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 Secretary IP 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**\$7.658 million**

The DOT Federal Employee Drug and Alcohol Testing Program, mandated by Executive Order 12564 and the Omnibus Employee Transportation 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**\$326.586 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 shared services provider for transit benefits to 114 Federal agencies with over 155 thousand participants receiving \$315 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, “for Home to Work to Home Mass Transit Commutes Only”.

- TRANServe operates a highly-sophisticated program (the Program) for providing the transit benefit to 114 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 Card thus reinforcing a low cost, efficient framework to deliver the transit benefit.
- The shift to electronic distribution strengthens internal controls and meets Transit Authorities changing fare collection technology.

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. TRANServe maintains the same strong controls over the program that were validated by the Government Accountability Office during their May 2015 audit. TRANServe’s strong governance helps ensure the transit benefit is used as intended resulting in positive impacts to the nation’s roads, bridges, and tunnels by reducing strain from personal vehicles that overburden America’s transit infrastructure during periods of commuter traffic.

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 2019 OFFICE OF THE CHIEF INFORMATION OFFICER
WORKING CAPITAL FUND
BUDGET ESTIMATE
(\$000)**

<u>Program</u>	<u>FY 2017 Actual</u>	<u>FY 2018 Annualized CR</u>	<u>FY 2019 Request</u>
DOT Activities	\$ 69,043	\$ 76,307	\$ 80,720
Non-DOT Activities	0	0	0
Total	<u>\$ 69,043</u>	<u>\$ 76,307</u>	<u>\$ 80,720</u>

Staffing

Reimbursable Positions	60	92	92
Reimbursable FTE	34	73	73

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 is focused on cybersecurity. Coordinating with a dozen organizations that control different parts of the network results in too much risk to the department's vital IT services that could be catastrophic. Furthermore, the decentralized model inhibits a strategic approach to providing network services due to the constant state of tactical siloed decision making. The network must be centrally managed and operated in order to adequately protect and effectively enable the safety mission of the department.

Efficiency must be realized in the management of DOT's IT program to strengthen the mission focus of DOT to deliver the highest quality customer experience and customer service. The current decentralized operating model is highly inefficient, duplicative, and lacks a standard and consistent process for service delivery. As part of the Department's shared services approach, OCIO is already working to consolidate all IT services across the Department. Under the redefined model, OCIO will be responsible for the full life-cycle of services and technology tools, including acquisition and management of devices. Greater efficiency can be realized in DOT's management of IT services when all Departmental IT tasks are centrally managed.

The OCIO is committed to securely offering shared services that meet customer needs and provide efficiencies so Operating Administrations can focus on mission systems rather than commodity IT.

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 80.7 million in IT services delivered to the Department's OAs on a cost recovery basis. This amount is subject to change as it does not include any new or expanded service areas that will be consolidated into the WCF for a more centralized approach to IT services. As the consolidations are completed, the WCF will add them to requests in subsequent budget cycles.

In FY 2019, the WCF will be used to fund cybersecurity related operations and maintenance activities previously funded through the Departmental Cybersecurity appropriation. Remediation of significant cybersecurity vulnerabilities and weaknesses may also be addressed through the WCF in cases where there is a compelling need. In addition, OCIO will leverage the IT shared services initiative to identify costs savings and efficiency gains in commodity IT functions across the Department.

MISSION/VISION/VALUES

WCF OCIO 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 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 staff designs, implements, operate, maintain and oversee all lifecycle ITSM phases of the core IT infrastructure for the DOT.

FY 2019 OCIO BUSINESS LINES BY PROGRAM

Business Management and IT Administration

\$7.980 million

IT Admin & Special Projects supports the overall management of the IT shared service programs and certain special projects. The program costs are recovered through an equitable distribution to each OCIO program.

Financial Management Group provides business management and full back-end financial support to the OCIO programs and special projects. The program costs are recovered through an equitable distribution to each OCIO program.

Logistics & Support Services include direct management and oversight of OCIO programs, Continuity of Operations (COOP) and Disaster Recovery (DR) activities for OCIO programs, Inventory Management/Help Desk software implementation and maintenance, Stockroom, and Administrative services. The program costs are recovered through an equitable distribution to the IT Shared Services programs.

Campus Area Network (CAN)**\$10.581 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 OCIO. 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 OCIO programs. OCIO will move forward with enhancing our 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 FY2019, OCIO will focus on

- Field network consolidation
- Secure cloud connectivity
- Enhanced Remote Access solutions, and
- Enhanced network security.

Cyber Security as a Service (CAS)**\$6.531 million**

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 DOTs 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 OCIO program team. The SA&A process within OCIO 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.

Desktop Services

\$16.929 million

The OCIO desktop, laptop, and engineering PC program provides quality, cost effective seat management, and related support under Service Level Agreements (SLA) with customers. In FY 2019, OCIO will provide desktop support for all regional and field users. In total, OCIO will manage more than 15,000 devices that support the mission of DOT.

Enterprise Dashboard

\$0.664 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

\$4.240 million

OCIO 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.

Server and Messaging Services

\$17.627 million

Server Operations:

The OCIO server operation consists of the following functional areas: Departmental Internet, Server Administration, Storage, Backup, and Server Hosting, professional services, Geographic Information System (GIS), 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 OCIO 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 Directory services provide secure authentication to authorized DOT users. OCIO currently manages more than 12,000 user and administrative accounts.

OCIO 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.

Voice, Cable & Wireless

\$16.168 million

The OCIO 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.

The OCIO VCW program also 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.

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.

Section 3 – FY 2019 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
021-04-4520-0				
Obligations by program activity:				
08.01	DOT service center activity	183,870	202,245	203,833
08.02	Non-DOT service center activity	220,909	321,022	321,257
09.00	Total new obligations	404,779	523,267	525,090
Budgetary resources available for obligations:				
10.00	Unobligated balance available, start of year	77,705	104,274	104,274
10.21	Recoveries of prior year unpaid obligations	12,996	0	0
10.29	Unobligated balance withdrawn	0	0	0
10.50	Unobligated balance (total)	90,701	104,274	104,274
New budget authority (gross), detail:				
Spending from offsetting collections:				
Discretionary				
17.00	Collected	416,420	523,267	525,090
17.01	Change in uncollected payments, Federal Sources	1,932	0	0
17.50	Spending authority from offsetting collections (total)	418,352	523,267	525,090
19.30	Total budgetary resources available	509,053	627,541	629,364
19.41	Unexpired unobligated balance, end of year	104,274	104,274	104,274
Change in obligated balances:				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	50,393	72,702	62,628
3001	Adjustments to unpaid obligations, brought forward, Oct 1 (+ or -)	0	0	0
3010	Obligations incurred, unexpired accounts	404,779	523,267	525,090
3020	Outlays (gross)	-369,487	-533,341	-534,341
3040	Recoveries of prior year unpaid obligations, unexpired	-12,983	0	0
3050	Unpaid obligations, end of year (gross)	72,702	62,628	53,377
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	-18,888	-21,000	-21,000
3061	Adjustments to uncollected pymts, fed sources, brought forward, Oct 1 (+ or -)	0	0	0
3070	Change in uncollected pymts, Fed sources, unexpired	-1,932	0	0
3090	Uncollected pymts, Fed sources, end of year	-20,820	-20,820	-20,820
3100	Obligated balance, start of year (net)	31,505	51,882	41,628
3200	Obligated balance, end of year (net)	51,882	41,628	32,377
Outlays (gross), detail:				
40.00	Budget authority (gross)	418,352	523,267	525,141
40.10	Outlays from new discretionary authority	331,717	507,372	509,374
40.11	Outlays from discretionary balances	37,770	26,369	25,369
40.20	Total outlays (gross)	369,487	533,741	534,743
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
40.30	Federal Sources	-413,637	-520,767	-522,769
40.33	Non-Federal Sources	-2,796	-2,500	-2,500
40.40	Offsets against gross budget authority and outlays (total)	-416,433	-523,267	-525,269
Against gross budget authority only:				
40.50	Change in uncollected customer payments from Federal sources (unexp	-1,932	0	0
40.60	Additional offsets against budget authority only (total)	13	0	0
40.80	Outlays, net (discretionary)	-46,946	10,474	9,602
41.90	Outlays, net (total)	-46,946	10,474	9,602

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
021-04-4520-0			
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$ 22,918	\$ 28,142	\$ 30,336
11.2 Accrued leave	68	61	82
11.3 Other than full-time permanent	183	324	343
11.5 Other personnel compensation	465	379	369
11.8 Special personal services payments	0	0	0
11.9 Total personnel compensation	<u>\$ 23,634</u>	<u>\$ 28,906</u>	<u>\$ 31,130</u>
12.1 Civilian personnel benefits	\$ 7,345	\$ 9,317	\$ 10,010
13.0 Benefits for former personnel	2,066	2,066	2,066
21.0 Travel and transportation of persons	217	516	309
22.0 Transportation of things	88	239	184
23.1 Rental payments to GSA	7,964	8,300	8,481
23.3 Communications, utilities, and miscellaneous charges	6,558	9,019	6,798
24.0 Printing and reproduction	0	0	0
25.1 Advisory and assistance services	216	0	0
25.2 Other services	74,352	75,766	71,668
25.3 Other purchases of goods and services from Gov. accts.	37,867	44,173	47,844
25.4 Operation and maintenance of facilities	1,443	0	0
25.7 Operation and maintenance of equipment	13,962	14,797	15,801
26.0 Supplies and materials	210,575	319,793	319,259
31.0 Equipment	8,549	10,376	11,589
42.0 Insurance claims and indemnities	0	0	1
44.0 Refunds	9,942	11	0
99.9 Total obligations	<u>\$ 404,779</u>	<u>\$ 523,267</u>	<u>\$ 525,140</u>

PERSONNEL SUMMARY

Identification Code	FY 2017 ACTUAL	FY 2018 ANNUALIZED CR	FY 2019 REQUEST
021-04-4520-0			
2001 Reimbursable civilian full-time equivalent employment	219	271	271

18th tab

Volpe Transportation Center
Working Capital Fund

OFFICE OF THE SECRETARY OF TRANSPORTATION

Volpe Transportation Center Working Capital Fund (Non-Add)

	(\$000)		
FUNDING LEVELS	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
Personnel Compensation and Benefits	\$ 87,921	\$ 88,356	\$ 88,370
Travel	4,000	4,000	4,000
Other Costs	238,079	242,644	267,630
Programs	-	-	-
TOTAL	\$ 330,000	\$ 335,000	\$ 360,000

STAFFING

Direct Positions	0	0	0
Direct FTEs	0	0	0
Reimbursable Positions	633	633	633
Reimbursable FTE	570	570	570

Volpe is estimating \$360.000 million in reimbursable authority and 570 FTEs in FY 2019 to accomplish the mission outlined on the pages that follow.

What Is This Program And What Does This Funding Level Support?

Volpe Transportation Center Working Capital Fund 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 Volpe Center's most valuable asset. These employees represent an expansive variety of disciplines ranging from engineering to the physical and social sciences.

The Volpe Center 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.

The Volpe Center programs are funded through its Working Capital Fund (WCF) on a full cost-reimbursable basis. The Volpe Center WCF receives no direct appropriations and its costs are paid by its customers via interagency and/or reimbursable agreements. The Volpe Center's purpose is to advance transportation innovation for the public good. 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 U.S.C. 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.

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

The Volpe Center 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.

What benefits will be provided to the American public through this request and why is this program necessary?

The Volpe Center 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. The Volpe Center also undertakes new research to address emerging issues and advance innovation in transportation. Its multimodal experience enables the Volpe Center 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, the Volpe Center serves as an integral collaborator that can function as an extension of staff, internalizing sponsor goals and objectives. The Volpe Center 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, and delivers innovative solutions in infrastructure, advanced transportation systems, and technologies to support the global transportation mission.

Section 3 – FY 2019 Budget Request by Appropriation

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 2017	FY 2018	FY 2019
69-4522-0-4-407		Actual	Annualized CR	Estimate
Obligations by program activity:				
0801	Working Capital Fund (Reimbursable)	340,715	335,000	360,000
Budgetary Resources:				
1000	Unobligated balance brought forward, October 1	233,300	228,032	228,032
1021	Recoveries of PY unpaid obligations	7,697	-	-
1033	Recoveries of prior year paid obligations	191	-	-
1050	Total Unobligated balance	241,187	228,032	228,032
Spending authority from offsetting collections, discretionary:				
1700	Collected	317,332	335,000	360,000
1701	Change in uncollected payments, fed sources	26,068	-	
1750	Spending authority from offsetting collections	343,399	335,000	360,000
1750-63	End of PY Balances		201,000	50,000
1910	Total budgetary resources available	584,586	563,032	588,032
2170	New obligations, unexpired accounts	356,554	335,000	360,000
2412	Unexpired unobligated balance, end of year	228,032	228,032	228,032

Section 3 – FY 2019 Budget Request by Appropriation

Change in Obligated Balance:				
3000	Unpaid obligations, brought forward, Oct 1	157,780	165,772	165,772
3010	New Obligations, unexpired accounts	356,554	335,000	360,000
3020	Outlays (gross)	(340,865)	(335,000)	(360,000)
3030	Unpaid obligations transferred to other accounts (-)	-	-	-
3040	Recoveries of prior year unpaid obligations, unexpired accounts (-)	(7,697)	-	-
3050	Unpaid obligations end of year (gross)	165,772	165,772	165,772
Uncollected payments:				
3060	Uncollected payments, fed sources, brought forward	(42,881)	(68,949)	(68,949)
3070	Change in uncollected payments, fed sources, unexpired	(26,068)	-	-
3090	Unpaid obligations end of year (gross)	(68,949)	(68,949)	(68,949)
Memorandum (non-add) entries:				
3100	Obligation balance, start of year	114,899	96,823	96,823
3200	Obligation balance, end of year	96,823	96,823	96,823
Budget Authority and Outlays Net:				
4000	Budget Authority (gross)	343,399	335,000	360,000
Outlays, gross:				
4010	Outlays from new discretionary authority	243,423	134,000	144,000
4011	Outlays from discretionary balances	97,442	201,000	150,000
4020	Outlays, gross (total)	340,865	335,000	294,000

Section 3 – FY 2019 Budget Request by Appropriation

Offsets against gross budget authority and outlays:

	Offsetting collections (collected) from:			
	Offsetting collections from federal sources	(287,204)	(335,000)	(360,000)
4030				
4032	Interest on uninvested funds (disc)	-	-	-
4033	Non-Federal sources (-)	(30,319)	-	-
4034	Offsetting governmental collections (-)	-	-	-
4040	Offsets against gross budget authority and outlays	(317,522)	(335,000)	(360,000)

Additional offsets against gross budget authority only:

4050	Change in uncollected payments, fed sources, unexpired	(26,068)	-	-
4053	Recoveries of prior paid obligations, unexpired accounts	191	-	-
4060	Additional offsets against budget authority only (total)	(25,877)	-	-
4070	Budget authority, net (discretionary)	(0)	-	-
4080	Outlays, net (discretionary)	23,343	-	(66,000)
4180	Budget authority, net (total)	(0)	-	-
4190	Outlays, net (total)	23,343	-	(66,000)

Section 3 – FY 2019 Budget Request by Appropriation

WORKING CAPITAL FUND
VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER

OBJECT CLASS CLASSIFICATION
(In thousand of dollars)

Identification Code		FY 2017	FY 2018	FY 2019
69-4522-0-4-407		Actual	Estimate	Estimate
	Reimbursable Obligations			
	Personnel compensation			
11.1	Full-time permanent	56,631	59,500	59,500
11.3	Terminal Leave	0	0	0
11.5	Other than full-time permanent	4,688	5,550	5,550
11.8	Other personnel compensation	1,429	1,520	1,520
11.9	Persons Not reportable as Federal Employees	108	0	0
	Total personnel compensation	62,857	66,570	66,570
12.1	Civilian personnel benefits	21,399	21,800	21,800
13.0	Benefits for former personnel	116	0	0
21.0	Travel & transportation of persons	4,086	4,000	4,000
22.0	Transportation of things	52	0	0
23.3	Commun, utilities & misc. charges	3,475	3,000	3,000
24.0	Printing and reproduction	-3	0	0
25.1	Advisory and assistance services	979	0	0
25.2	Other services	24,372	24,000	24,000
25.3	Purch of G&S from Govt accounts	8	450	450
25.4	O&M of facilities	3,625	5,000	5,000
25.5	R&D Contracts	212,517	198,630	223,630
25.7	O&M of equipment	211	550	550
26.0	Supplies and materials	920	0	0
31.0	Equipment	5,271	10,000	10,000
32.0	Land and structures	830	1,000	1,000
99.9	Total new obligations	340,715	335,000	360,000

Section 3 – FY 2019 Budget Request by Appropriation

Identification Code		FY 2017	FY 2018	FY 2019
69-4522-0-4-407		Actual	Estimate	Estimate
2001	Reimbursable workyears:			
	Full-time equivalent employment	570	570	570

19TH TAB

SECTION 4: RESEARCH,
DEVELOPMENT, AND
TECHNOLOGY

EXHIBIT IV-1
FY 2018 RESEARCH, DEVELOPMENT & TECHNOLOGY BUDGET REQUEST BY GOAL
DEPARTMENT OF TRANSPORTATION
BUDGET AUTHORITY
(in thousands of dollars)

	FY 2017	FY 2018	FY 2019	FY 2019	FY 2019	FY 2019
		Annualized				
	<u>Actual</u>	<u>CR</u>	<u>Request</u>	<u>Applied</u>	<u>Development</u>	
A. Transportation Planning, Research & Development	<u>12,000</u>	<u>11,919</u>	<u>7,879</u>	<u>0</u>	<u>7,879</u>	
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY						
B. Research & Development	<u>5,426</u>	<u>5,427</u>	<u>5,046</u>	<u>3,086</u>	<u>1,960</u>	
Salaries and Administrative Expenses	2,808	2,827	2,828	2,156	672	
Research & Technology Programs	2,618	2,600	2,218	930	1,288	
Competitive University Transportation Center (UTC) Consortia (FHWA) ^{1/}	[68,803]	[75,000]	[77,500]	[77,500]	[0]	

^{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 2019 RD&T PROGRAM SUMMARY

RD&T PROGRAM: Transportation Planning Research and Development

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:

Airline Alliances and Joint Venture Studies:

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 initiated as well as a commissioned independent econometric study from independent economists using data collected from the airlines by the Department.

Export and Trade Promotion Initiative:

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. 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. For example, in 2017-2018, the Office of International Transportation and Trade implemented workshops and training for India, Brazil, Mexico and Canada which outlined the most current best practices in Intelligent Transportation Systems, updated to accommodate the most current planning for automated vehicle systems (AVS). This engagement is intended to influence these countries' planning of ITS and AVS to favor U.S. technology, services and products. For the same purpose, we have conducted similar technical workshops and video teleconferences with these and other international partners, focusing on infrastructure and safety best practices related to rail, ports and highways. We will continue to implement existing technical exchanges in multilateral forums as well as with targeted countries such as China, Japan, United Kingdom, Brazil, India, Canada, Mexico in order 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.

Safety Data Platform Development / Roadway Fatalities Interventions:

The Office of the Under Secretary for Policy aims to collaborate closely with the relevant Office of the Secretary of Transportation offices such as the Bureau of Transportation Statistics and the Office of the Chief Information Officer to develop a policy-focused platform and data ecosystem framework for an integrated approach to transportation safety risk management that promotes innovative data practices and evidence-based policy making. Much of DOT's safety data analysis is retrospective, and safety data are both managed and analyzed in isolation at the Operating Administration level. The Department works toward a comprehensive system for proactively and routinely identifying, prioritizing, monitoring, and communicating transportation safety risks and risk indicators, particularly those that affect more than one mode.

Furthermore, TPR&D will finance the implementation and promotion of a developed, coordinated action plan to effectively counteract the increase in roadway fatalities using previously identified effective interventions such as NHTSA's "Countermeasures That Work" and FHWA's "Proven Safety Countermeasures". The large rise in traffic fatalities started a

coordinated response between the Operating Administrations and OST senior leadership. Certain activities were identified as being particularly promising based on research and evidence, and these interventions require a coordinated DOT effort in which National Highway Traffic Safety Administration's behavioral safety interventions, Federal Highway Administration's safety countermeasures, and the Secretary's ability to convene State and local agencies and traditional and non-traditional stakeholders are synchronized to galvanize a comprehensive, creative response to address the increase in traffic deaths. TPR&D will support identifying and disseminating best practices from State and local agencies and researchers that will lead to the most significant reductions in severe and fatal traffic injuries, as well as the effective management of this effort, and would allow the Secretary to have dedicated staffing and resources in support of this fundamental safety issue.

Forces to Flyers:

According to a Boeing pilot outlook, approximately 637,000 new airline pilots will be needed over the next 20 years, globally. In the US, this figure is 19,000 by 2020. The objective of the Forces to Flyers project is to research pathways for becoming an airline pilot and identify current barriers. A demonstration program will be designed and implemented with a final report on the program results, including suggested best practices.

Interagency Infrastructure Permitting Improvement Center and online Permitting Dashboard:

Funding for the Interagency Infrastructure Permitting Improvement Center and the Permitting Dashboard, administratively located within the Office of Policy Development, Strategic Planning, and Performance, will enable the continuation of work to reduce infrastructure permitting and review timelines by producing a more streamlined efficient process. This includes the management, enhancements and expansion of the Permitting Dashboard (Dashboard), as well as increased and more transparent interagency coordination and the implementation of other government-wide permitting reforms. Funds will also address costs for data migration and hosting needs, website operations and maintenance. Additionally, funds will address additional support staff. The staff ensures continuity of services and operations, and provides training on Dashboard operations. The Dashboard facilitates early collaboration of project reviews, builds upon existing efforts to synchronize, align and reduce time associated with permitting and environmental review timelines, when appropriate and practicable, and, increases accountability by making more project information available to the public. 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. Other Federal agency contributions will be provided to supplement funding of the interagency elements of the Dashboard.

Significant activities include:

- Continued facilitation of data collection and reporting in conjunction with development, management, maintenance, operation, and oversight of the Dashboard. Projects will continue to be posted on the Dashboard in accordance with the requirements of the Fixing America's Surface Transportation (FAST) Act, and Guidance issued by Office of Management and Budget and Council on Environmental Quality that establish metrics for

permitting and environmental review of all major infrastructure projects. Funds are necessary to implement significant upgrades to the Dashboard to fully expand its technical and visualization capabilities to support project management and tracking, as well as public transparency for projects across the Federal government. Funding will support the further development of a new user interface, integration of real-time reporting on performance metrics, and additional visual enhancements including data visualizations, in addition to synchronization with other federal agencies tools, as the dashboard is expanded to include a significant number of additional projects. These ongoing data visualization efforts, including real-time visual reporting of project and Federal agency performance will provide additional transparency and accountability.

- Targeted technical assistance, training, and outreach related to reform implementation across federal agencies and bureaus, as well as state, local and tribal governments. The Dashboard Project Manager oversees implementation of the FAST Act and Guidance, technical requirements and support staff; makes recommendations for policy and future guidance; and act as a central point of contact for agencies posting projects to the Dashboard.
- 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 National Environmental Policy Act documents to satisfy all environmental reviews and permits. This includes identifying additional 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.

OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY

RESEARCH & TECHNOLOGY PROGRAM

Project: *Research, Development and Technology (RD&T) Coordination*

DOT Strategic Goal: Innovation (Strategic Objective 1: Development of Innovation)

FY 2019 Administration Research and Development Budget Priority:

- *Increasing Government Accountability and Efficiency*
- *Maximizing Interagency Coordination*

Objective: Coordinate, facilitate and review the Department’s investments in research, development and technology (RD&T).

Description: The Research and Technology (R&T) program conducts Congressionally-mandated coordination of the Department’s Research, Development and Technology (RD&T) programs through the RD&T Planning Team. The RD&T Planning Team is chaired by OST-R’s Director of the Office of Research, Development and Technology and provides a forum for intra-agency and interagency coordination. The R&T 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 (49 USC Chapter 65). In addition to coordinating mandated annual RD&T reporting to Congress, 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 (OSTP) and the National Science and Technology Council (NSTC). R&T Program activities directly address and facilitate the achievement of the Secretary’s safety and innovation goals.

Outputs:

- 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 Research Performance Reports mandated by the FAST Act, for submission in conjunction with the President’s Budget Request, and ensuring 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 (project “twinning”) that address global and domestic transportation issues and make better use of limited resources.
- Leading Departmental representation to the International Transport Forum’s Joint Transport Research Centre (ITF/JTRC).
- Coordinating Departmental responses to Federal Government-wide S&T 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 (OAs) and 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*

DOT Strategic Goal: Innovation:

- *Strategic Objective 1: Development of Innovation*
- *Strategic Objective 2: Deployment of Innovation*

FY 2019 Administration Research and Development Budget Priority:

- *Increasing Government Accountability and Efficiency*
- *Maximizing Interagency Coordination*

Objective: To provide project-level research information for all Department-funded research. This critical information is used to foster research coordination and collaboration, promote excellence in research management, and increase RD&T transparency within the Department, and with public and 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 centralized repository of RD&T project records obtained from each OA (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, the Office of Management and Budget (OMB) and Congress. FY 2019 funding will be used to implement new functionality and content required for the database to be used as a performance measurement tool for the

implementation of the new DOT Strategic Plan (innovation section), maintain up-to-date database content, and continue to meet the “Consolidated Research Database” requirements cited in the FAST Act..

Outputs:

- Increasing 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 answering inquiries concerning the Department’s RD&T activities and research topics.
- Ensuring transparency by providing public access to the Department’s research portfolio.
- Conducting cross-modal reviews of the Department’s research portfolio to ensure the optimal allocation of future research resources.
- Performance measurement on the new DOT Strategic Plan’s innovation goal

RD&T Partners:

- The Department’s OAs and Secretarial Offices.
- Department-funded researchers, including the OST-R University Transportation Centers (UTCs) and Federal Aviation Administration’s (FAA) Centers of Excellence.
- Stakeholders including 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 (T2) Program*

DOT Strategic Goal: Innovation (Strategic Objective 2: Deployment of Innovation)

FY 2019 Administration Research and Development Budget Priority:

- *Increasing Government Accountability and Efficiency*
- *Maximizing Interagency Coordination*

Objective: The T2 Program activities focus on leveraging the Department’s research products to facilitate commercialization and subsequent “real world” benefits. The program works with the OAs to assist them in understanding and implementing best practices in research product development and deployment and in building technology transfer mechanisms 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 OAs.
- 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 the availability of technologies for application with potential users.

Project: *Hampton Roads Infrastructure Resiliency Quantification Initiative (IRQI) – Phase 4*

DOT Strategic Goal: Innovation (Strategic Objective 1: Development of Innovation)

FY 2019 Administration Research and Development Budget Priority:

- *American Security*
- *Maximizing Interagency Coordination*

The Hampton Roads Infrastructure Resiliency Quantification Initiative (IRQI) aims to develop a nationally applicable modelling tool that can quantify both the direct and indirect costs incurred by frequent systemic disruptions to transportation infrastructure. The Hampton Roads region in Virginia was selected as the study location due to its complex multimodal transportation system, significant federal, military and port presence, tourism, and exposure to physical disruptions such as the frequent coastal flooding that occurs in the region. Additionally, the strong partnership-base in Hampton Roads with the Department of Defense, Department of Homeland Security, local business leaders, and other stakeholders indicates the urgent need for this initiative. The

resulting modelling tool will be used by federal, state and local decision-making agencies in the region to determine how to cost-effectively respond to the region's significant infrastructure integrity issues and related impacts on national security. The IRQI is being developed and tested to ensure applicability in other coastal regions and U.S. locations with transportation systems that suffer from similar forms of disruption.

FY 2019 funding will be used to complete Phase 4 of the initiative, scheduled to commence in January 2020. This task will focus on expanding the tool to a regional-level application and refining the tool for use in other regions of the country facing similar challenges.

Project: *Automated Vehicles and Related Technology*

DOT Strategic Goal: Innovation:

- *Strategic Objective 1: Development of Innovation*
- *Strategic Objective 2: Deployment of Innovation*

FY 2019 Administration Research and Development Budget Priority:

- *American Prosperity*
- *Maximizing Interagency Coordination*

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 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 OAs, research offices and outside stakeholders helps to 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. 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. 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, as affects the transportation sector.
- Analyzing current transportation models (or the need for new models) and their capacity to include AV&RT.
- Developing and cataloging low-cost infrastructure, mapping, and network improvements

that can provide a more seamless and affordable adoption of automated vehicles and new vehicle platforms into existing transportation systems.

- Developing regional pilots focused on the deployment of AV&RT at scale.
- Issuing technical publications focused on increasing scientific and practical knowledge of AV&RT.

RD&T Partners:

- The Department's OAs 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, TRB, 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*

DOT Strategic Goals: Safety and Innovation (Strategic Objective 1: Development of Innovation and Strategic Objective 2: Deployment of Innovation)

FY 2019 Administration Research and Development Budget Priorities:

- *American Security*
- *American Prosperity*
- *Maximizing Interagency Coordination*
- *Modernizing and Maximizing Research Infrastructure*

Objective: To coordinate 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 and Spectrum Management program coordinates Departmental PNT technology, policy, and radiofrequency 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.

Focus areas include PNT capability gaps such as interference to GPS and the need for PNT resiliency, including cyber resiliency, as well as identification and evaluation of transformative technologies to ensure safety for automated vehicles and other transformative technologies.

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.

These entities guide national level interagency space-based and complementary PNT investment and implementation decisions. The Assistant Secretary for Research and Technology also represents DOT spectrum interests at the National Telecommunications and Information Administration (NTIA) Policy and Plans Steering Group (PPSG).

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*
- Evaluation of technologies and techniques to ensure PNT resilience for safety-critical transportation applications, as well as innovative means to implement and deploy those technologies (e.g., public private partnerships). Identification and evaluation of transformative navigation technologies to ensure safety for automated vehicles.
- Spectrum-sharing studies to examine the impacts of various technologies with existing or planned systems that support safety-critical transportation applications, including Dedicated Short Range Communications (DSRC) and GPS.
- Coordination and participation in support of the World Radio Conference (WRC) 2019.
-
- Participating in the Civil GPS Service Interface Committee (CGSIC) meetings.

RD&T Partners:

- The Department's OAs and Secretarial offices.
- 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:

- Conduct an analysis of alternatives considering alternative mixes of global (space and non-space based) capabilities, backup systems, PNT augmentations, and autonomous PNT capabilities to achieve PNT resiliency. Identify and evaluate transformative navigation technologies for automated vehicles,
- Collaborate across the interagency, in particular with DHS and DoD to conduct research, development, and testing of PNT capabilities to ensure resiliency, including cyber resiliency, and explore technology transfer for civil applications. Also, it is essential to partner and leverage capabilities from academia and the private sector.
- Coordinate analysis through PNT Research Hub of ongoing civil efforts to address PNT capability gaps mapped to the National PNT Architecture Implementation Plan.
- Work with DOT partners, as well as NTIA and FCC to conduct spectrum sharing and protection analyses and testing on radiofrequency-dependent technologies essential to transportation applications.
-

UNIVERSITY TRANSPORTATION CENTERS PROGRAM

Project: *University Research Grants*

DOT Strategic Goal: Innovation:

- *Strategic Objective 1: Development of Innovation*

FY 2019 Administration Research and Development Budget Priority:

- *Modernizing and Maximizing Research Infrastructure*
- *American Security*
- *American Prosperity*

Objective:

To utilize the talents and facilities of universities to execute research that the DOT or industry are not able to conduct, and to provide well trained engineers and professionals for the transportation workforce.

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 the DOT with the opportunity to fund advanced, transformative research that the DOT would not otherwise be able to execute. The UTCs are valuable assets for industry and state DOTs, conducting research that neither group could conduct on their own. The program 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.

Outputs:

- Highly-qualified university graduates specializing in the transportation sector.
- Transformative technologies and products for application to transportation systems.
- Technical reports and presentations at national technical conferences on new technologies and their applications.
- Technical seminars and workshops that will expand the use of new technologies.

RD&T Partners:

- The Department's OAs.
 - Industry partners: Owners and operators, contractors, engineering firms.
- External stakeholders, including other Federal agencies, academic institutions, state DOTs, transit authorities, local, regional and state planning entities, local, state and regional governmental entities.

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.

20TH TAB

SECTION 5: ADDITIONAL JUSTIFICATION

**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.

The Department is actively performing assessments of services, systems and applications across the Department to find efficiencies and is preparing a roadmap that presents opportunities for a centralized approach to mission support services. However, because of the limitation on funds and the timeframes associated with the normal appropriation, the WCF will be limited in implementing expanded/new shared services offerings if a limitation on funds applies to those services.

The WCF is requesting an exemption to the limitation that will provide the WCF flexibility with the consolidation of services. As the consolidations are completed, the WCF will add them to requests for subsequent budget cycles.

INTRODUCTION

The Working Capital Fund (WCF) was authorized under the Department of Transportation (DOT) Act, Public Law 89-670, enacted October 15, 1966, to provide technical and administrative services that allow the DOT Operating Administrations (OAs) to focus on core missions while reducing costs by consolidating administrative management structures. The WCF is funded through negotiated agreements with its customers. The WCF is an intra-governmental revolving fund established in order to finance a cycle of operations in which the customers reimburse the costs of goods and services received. Costs reimbursed by customers include direct and indirect costs including accrued annual leave and capital asset depreciation. To extend efficiencies and to increase economies of scale, the WCF also services customers outside of the DOT. These Non DOT customers include the Department of Homeland Security, specifically Coast Guard and Transportation Security Administration, and more than 100 agencies nationwide, including the House of Representatives, that use the WCF to manage transit benefits to their employees.

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

economies of scale, eliminate redundancies, promote consistency in service, and reduce administrative costs across the Department.

The WCF is a fee-for-service operation which normally receives no direct appropriations. Instead, the WCF is a fully self-sustaining organization and must achieve full cost recovery which includes an equitable distribution of overhead and indirect costs. During the budget formulation stage, the WCF provides cost estimates to the WCF customers based on historical data and projected demand and service levels. During the year of execution, customers are billed for actual use of common services.

A WCF Steering Committee (Committee) was established in fiscal year (FY) 2003 to facilitate shared accountability by both WCF and the operating administrations, and ensure a transparent and effective working environment that invites everyone involved to operate with shared responsibilities. The Committee ensures common goods and services are provided in the most cost effective and efficient manner. The Committee is comprised of Associate Administrators of Administration and Chief Financial Officers/Budget Officers from each OA. Specific functions and activities of the Committee include: recommending goods and services that comprise the WCF; approving all WCF funding levels for each service; evaluating the WCF performance in meeting service plans; ensuring that systematic measures of performance against approved service plans are in place; and evaluating and approving capital asset purchases in excess of \$50,000.

The Office of the Assistant Secretary for Administration administers funds for the Working Capital Fund, receives appropriations for Salaries and Expenses for non-WCF functions, and administers a Reimbursable Program. The Office of the Chief Information Officer provides IT services, technical management, and business support through the WCF. The OCIO also receives Salaries and Expenses and Cyber Security Initiatives appropriations.

The following table shows the breakout of funds for both offices.

TOTAL OBLIGATIONAL AUTHORITY BY OFFICE

(In thousands of dollars)

	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
Assistant Secretary for Administration			
Salaries and Expenses	\$ 29,356	\$ 27,783	\$ 29,244
Working Capital Fund			
DOT	121,346	125,938	123,163
NON-DOT	363,295	321,022	321,257
Reimbursable	1,846	1,982	2,115
TOTAL	\$ 515,843	\$ 476,725	\$ 475,779
 Chief Information Officer			
Salaries and Expenses	\$ 18,485	\$ 16,745	\$ 16,687
Cyber Security Initiatives	15,000	10,000	10,000
WCF DOT Activities	69,043	76,307	80,720
WCF NON-DOT Activities	0	0	0
TOTAL	\$ 102,528	\$ 103,052	\$ 107,407

Major Responsibility
Source of Funds
FY 2019 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 2019, 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 2019
(\$000)**

Assistant Secretary for Administration - Salaries and Expenses \$29,244

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 \$444,420

DOT: \$123,163
NON-DOT: \$321,257

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 is requesting an exemption to the limitation set by Congress. This exemption will provide flexibility for a more centralized approach to HR and acquisition support services. As the consolidations are completed, the WCF will add them to requests for subsequent budget cycles.

Assistant Secretary for Administration - Reimbursable Program

Office of Hearings

\$2,119

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:

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 Cyber Security Initiatives appropriation.

A specific breakdown of the uses of this funding request follows.

**FY 2019
(\$000)**

Office of the Chief Information Officer - Salaries and Expenses \$16,687

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 \$10.0 million of cyber security funding for FY 2019 to provide necessary resources for DOT to continue to maintain and improve the DOT’s cyber security posture. Major areas of focus will be:

- Maintenance of communications and operational capabilities at the Stennis data center;
- Implementation of a security solution (aka. application white listing/black listing) to disable the execution of malicious and unauthorized software applications;
- Implementation of network admission control (NAC) enhancements to the DOT end point management capability deployed during CDM Phase 1;
- Replacement and expansion of server infrastructure supporting CDM for those elements not already moved to the WCF;
- DOT will continue with the third phase of its NARM initiative to modernize and secure the networks managed as part of the DOT COE.

In FY 2019, DOT will continue to support infrastructure elements procured in FYs 2012 - 2018.

Office of the Chief Information Officer - Working Capital Fund \$ 80,720

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 is requesting an exemption to the limitation set by Congress. This exemption will provide flexibility for a more centralized approach to IT support services. As the consolidations are completed, the WCF will add them to requests for subsequent budget cycles.

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 (FTPs) to realize increased efficiency and improve the infrastructure of OCIO services. The realignment will include updated processes that improve efficiencies and eliminate redundancies.

In FY 2019, the WCF will be used to fund cybersecurity related operations and maintenance activities previously funded through the Departmental Cybersecurity Appropriation. Remediation of significant cybersecurity vulnerabilities and weaknesses may also be addressed through the WCF in cases where there is a compelling need. In addition, OCIO will leverage the IT shared services initiative to identify costs savings and efficiency gains in commodity IT functions across the Department.

The following tables show the Budget Estimates, with a break out for both offices, for FY 2019, FY 2018, and FY 2017:

FY 2019 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	\$ 9,208	\$ 30,507	\$ 1,418
Travel	26	299	5
Other Costs	20,010	413,614	692
TOTAL	<u>\$ 29,244</u>	<u>\$ 444,420</u> ^{1/}	<u>\$ 2,115</u>

1/ Of the \$444 million, \$326.6 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	\$ 8,942	\$ 10,633	\$ -	\$ 0
Travel	15	10	0	0
Other Costs	7,730	70,077	10,000	0
TOTAL	<u>\$ 16,687</u>	<u>\$ 80,720</u>	<u>\$ 10,000</u>	<u>\$ 0</u>

STAFFING

Direct Positions	50	0	0	0
Reimbursable Positions	0	92	0	0

This current request does not include new or expanded service areas that will be consolidated into the WCF for a more centralized approach to HR, acquisition, and IT support services and is subject to change in the year of execution. As the consolidations are completed, the WCF will add them to requests in subsequent budget cycles.

FY 2018 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	\$ 7,678	\$ 30,782	\$ 1,363
Travel	26	469	5
Other Costs	<u>20,079</u>	<u>415,708</u>	<u>614</u>
TOTAL	<u>\$ 27,783</u>	<u>\$ 446,960</u> ^{1/}	<u>\$ 1,982</u>

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	\$ 8,923.00	\$ 7,440.00	\$ 0.00	\$ 0.00
Travel	15	47	0	0
Other Costs	<u>7,807</u>	<u>68,820</u>	<u>10,000</u>	<u>0</u>
TOTAL	<u>\$ 16,745</u>	<u>\$ 76,307</u>	<u>\$ 10,000</u>	<u>\$ -</u>

STAFFING

Direct Positions	50	0	0	0
Reimbursable Positions	0	92	0	0

FY 2017 ACTUAL LEVEL 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>21,632</u>	<u>455,386</u>	<u>565</u>
TOTAL	<u>\$ 29,356</u>	<u>\$ 484,641</u> ^{1/}	<u>\$ 1,846</u>

1/ Of the \$485 million, \$369 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	\$ 6,654	\$ 6,544	\$ 0	\$ 0
Travel	15	15	0	0
Other Costs	<u>11,816</u>	<u>62,483</u>	<u>15,000</u>	<u>0</u>
TOTAL	<u>\$ 18,485</u>	<u>\$ 69,043</u>	<u>\$ 15,000</u>	<u>\$ 0</u>

STAFFING

Direct Positions	43	0	0	0
Reimbursable Positions	0	60	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 2019 BUDGET ESTIMATE**
(In thousands of dollars)

Program	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
DOT Activities	\$ 121,346	\$ 125,938	\$ 123,163
Non-DOT Activities	363,295	321,022	321,257
Total	\$ 484,641	\$ 446,960	\$ 444,420

Staffing

Reimbursable Positions	201	201	201
Reimbursable FTE	185	198	198

**OFFICE OF THE CHIEF INFORMATION OFFICER
WORKING CAPITAL FUND
FY 2019 BUDGET ESTIMATE**
(In thousands of dollars)

Program	FY 2017 Actual	FY 2018 Annualized CR	FY 2019 Request
DOT Activities	\$ 69,043	\$ 76,307	\$ 80,720
Non-DOT Activities	0	0	0
Total	\$ 69,043	\$ 76,307	\$ 80,720

Staffing

Reimbursable Positions	60	92	92
Reimbursable FTE	34	73	73

The following tables display the WCF/OCIO cost estimates by Operating Administration:

**Working Capital Fund
Operating Administration Costs
And Other Expenses Estimate
(\$000)**

	FY 2017 Actual Level			FY 2018 Annualized CR			FY 2019 Request		
	WCF	WCF		WCF	WCF		WCF	WCF	
Operating Administration	Administration	OCIO	Total	Administration	OCIO	Total	Administration	OCIO	Total
OST	\$ 10,635	\$ 10,415	\$ 21,050	\$ 11,284	\$ 9,208	\$ 20,492	\$ 11,532	\$12,544	\$ 24,076
FAA	43,186	9,743	52,929	45,694	9,061	54,755	44,122	11,166	55,288
FHWA	12,727	17,375	30,102	12,998	18,865	31,863	12,940	19,358	32,298
FRA	3,899	4,423	8,322	4,441	4,981	9,422	4,444	6,054	10,498
NHTSA	5,508	6,749	12,257	5,496	8,506	14,002	5,338	8,431	13,769
FTA	3,582	4,939	8,521	3,996	5,881	9,877	3,895	6,478	10,373
SLSDC	307	487	794	318	514	832	334	494	828
VOLPE	894	107	1,001	821	240	1,061	906	632	1,538
MARAD	4,255	3,899	8,154	4,043	4,277	8,320	3,825	4,540	8,365
OIG	2,890	1,271	4,161	2,940	1,364	4,304	2,907	1,413	4,320
FMCSA	5,570	4,484	10,054	6,057	5,304	11,361	5,991	6,402	12,393
OST-R	2,793	2,906	5,699	3,169	3,032	6,201	3,285	3,301	6,586
PHMSA	3,408	4,687	8,095	3,814	4,958	8,772	3,937	5,824	9,761
DOT Unspecified	6,513	2,104	8,617	6,658	4,144	10,802	6,027	400	6,427
SUBTOTAL	\$ 106,167	\$ 73,589	\$ 179,756	\$ 111,729	\$80,335	\$ 192,064	\$ 109,483	\$87,037	\$ 196,520
Other Expenses									
Capital Assets	\$ 568	\$ 5,220	\$ 5,788	\$ 167	\$ 5,220	\$ 5,387	\$ -	\$ 5,220	\$ 5,220
Depreciation	(286)	(5,338)	(5,624)	(238)	(4,747)	(4,985)	(238)	(5,100)	(5,338)
Net NON-DOT Intrafund Costs	8,721	0	8,721	9,415	0	9,415	9,143	0	9,143
Net WCF Intra Fund Costs	6,176	(4,428)	1,748	4,865	(4,501)	364	4,775	(6,437)	(1,662)
TOTAL	\$ 121,346	\$ 69,043	\$ 190,390	\$ 125,938	\$76,307	\$ 202,246	\$ 123,163	\$80,720	\$ 203,883

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 2019</i> <i>(\$000)</i>
DOT Customer Total	\$ 190,093
DOT Unspecified	<u>6,427</u>
DOT Operating Administrations' Costs	\$ <u>196,520</u>
Capital Assets	\$ 5,220
Depreciation	(5,338)
Net Non-DOT Intra Fund Costs	9,143
Net WCF Intra Fund Costs	<u>(1,180)</u>
Total WCF Obligations	\$ <u>203,883</u>

The DOT unspecified amounts in FY 2019 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
Parking Management & Transit Benefits	\$5,520	Changes in Participation/Rate Increases and Addition of New Customer
Special Facilities Services	\$26	Unkown Customer Usage
Desktop Services	\$400	Changes in Customer Demand
Total	\$5,946	

Capital Asset obligations will be expensed over the expected life of the asset and collected in the future as asset replacement reserve. A breakout of these amounts being purchased is provided in the following chart:

Program Area	Asset Description	Budgeted Asset Value (\$000)	Useful Life (Months)
Logistics and Support	IT Services Management System	\$ 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	Enterprise search Appliance	\$ 250	24
Directory & Messaging	Messaging Enhancements	\$ 400	48
	Total FY 2019 Assets	\$ 5,220	

The following tables show WCF obligations by business line:

**FY 2019 WORKING CAPITAL FUND REQUEST
DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

Description	DOT Obligations	Non-DOT Obligations	2019 Total
Assistant Secretary for Administration			
Acquisition & Procurement Operations	\$ 5,175	\$ 249	\$ 5,425
Building Security	14794	0	14794
Commerical Services Management	0	59	59
Disability Resource Center	3154	280	3434
DOT Cross Functional Activities	1360	0	1360
DOT Property & Space Management	3984	53	4037
E-Gov Initiatives	4938	0	4938
Emergency Response Programs	1799	0	1799
Financial Mgmt, Accounting, & Administration	8978	0	8978
Headquarters Services Management	4402	618	5020
HQ Facility Operations & Management	15030	0	15030
HR Systems	21884	71	21955
Human Resource Services	6085	75	6160
Information & Records	7916	9	7925
Security Operations	7148	49	7197
Substance Abuse Awareness & Testing	3383	4275	7658
Transit Benefits and Parking	11065	315520	326586
Unemployment Compensation	2066	0	2066
Assistant Secretary for Admin Subtotal:	\$ 123,163	\$ 321,257	\$ 444,420
Chief Information Officer			
Business Management and IT Administration	\$ 7,980	\$ 0	\$ 7,980
Campus Area Network (CAN)	10,581	0	10,581
Cyber Security as a Service	6,531	0	6,531
Data & Digital Services	0	0	0
Desktop Services	16,929	0	16,929
Enterprise Dashboard	664	0	664
Enterprise Licenses	4,240	0	4,240
Privacy as a Service	0	0	0
Records Management as a Service	0	0	0
Server & Messaging Services	17,627	0	17,627
Voice, Cable & Wireless	16,168	0	16,168
Chief Information Office Subtotal:	\$ 80,720	\$ 0	\$ 80,720
Grand Total:	\$ 203,883	\$ 321,257	\$ 525,140

**FY 2018 WORKING CAPITAL ANNUALIZED CR
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	14869	0	14869
Commerical Services Management	0	65	65
Disability Resource Center	2865	280	3145
DOT Cross Functional Activities	1857	0	1857
DOT Property & Space Management	4174	0	4174
E-Gov Initiatives	4902	0	4902
Emergency Response Programs	1856	0	1856
Financial Mgmt, Accounting, & Administration	8485	0	8485
Headquarters Services Management	4475	355	4830
HQ Facility Operations & Management	15763	0	15763
HR Systems	22532	0	22532
Human Resource Services	6007	69	6076
Information & Records	7988	11	7999
Security Operations	7541	0	7541
Substance Abuse Awareness & Testing	3867	4275	8142
Transit Benefits and Parking	11310	315967	327277
Unemployment Compensation	2066	0	2066
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)	10679	0	10679
Cyber Security as a Service	3888	0	3888
Data & Digital Services	500	0	500
Desktop Services	14649	0	14649
Enterprise Dashboard	681	0	681
Enterprise Licenses	3358	0	3358
Privacy as a Service	100	0	100
Records Management as a Service	100	0	100
Server & Messaging Services	18703	0	18703
Voice, Cable & Wireless	15203	0	15203
Chief Information Office Subtotal:	\$ 76,307	\$ 0	\$ 76,307
Grand Total:	\$ 202,245	\$ 321,022	\$ 523,267

**FY 2017 WORKING CAPITAL FUND ACTUAL LEVEL
DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT Obligations</u>	<u>Non-DOT Obligations</u>	<u>2017 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	\$ 4,129	\$ 0	\$ 4,129
Building Security	14685	0	14685
Commerical Services Management	0	65	65
Disability Resource Center	2598	280	2878
DOT Cross Functional Activities	842	0	842
DOT Property & Space Management	3844	0	3844
E-Gov Initiatives	4704	0	4704
Emergency Response Programs	1842	0	1842
Financial Mgmt, Accounting, & Administration	8153	0	8153
Headquarters Services Management	4940	870	5810
HQ Facility Operations & Management	16159	0	16159
HR Systems	21605	0	21605
Human Resource Services	5451	93	5544
Information & Records	7819	194	8013
Security Operations	7322	0	7322
Substance Abuse Awareness & Testing	4365	3440	7805
Transit Benefits and Parking	10822	358353	369175
Unemployment Compensation	2066	0	2066
Assistant Secretary for Admin Subtotal:	\$ 121,346	\$ 363,295	\$ 484,641
Chief Information Officer			
Business Management and IT Administration	\$ 8,258.37	\$ 0.00	\$ 8,258.37
Campus Area Network (CAN)	9,357	0	9,357
Cyber Security as a Service	3,338	0	3,338
Data & Digital Services	0	0	0
Desktop Services	15,041	0	15,041
Enterprise Dashboard	704	0	704
Enterprise Licenses	3,198	0	3,198
Privacy as a Service	0	0	0
Records Management as a Service	0	0	0
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:	\$ 190,389	\$ 363,295	\$ 553,684

Note: Total may not add due to rounding