U.S. DEPARTMENT OF COMMERCE

DEPARTMENTAL MANAGEMENT

FY 2012 CONGRESSIONAL SUBMISSION

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Exhibit 1

Department of Commerce
Departmental Management
Budget Estimates, Fiscal Year 2012
Congressional Submission

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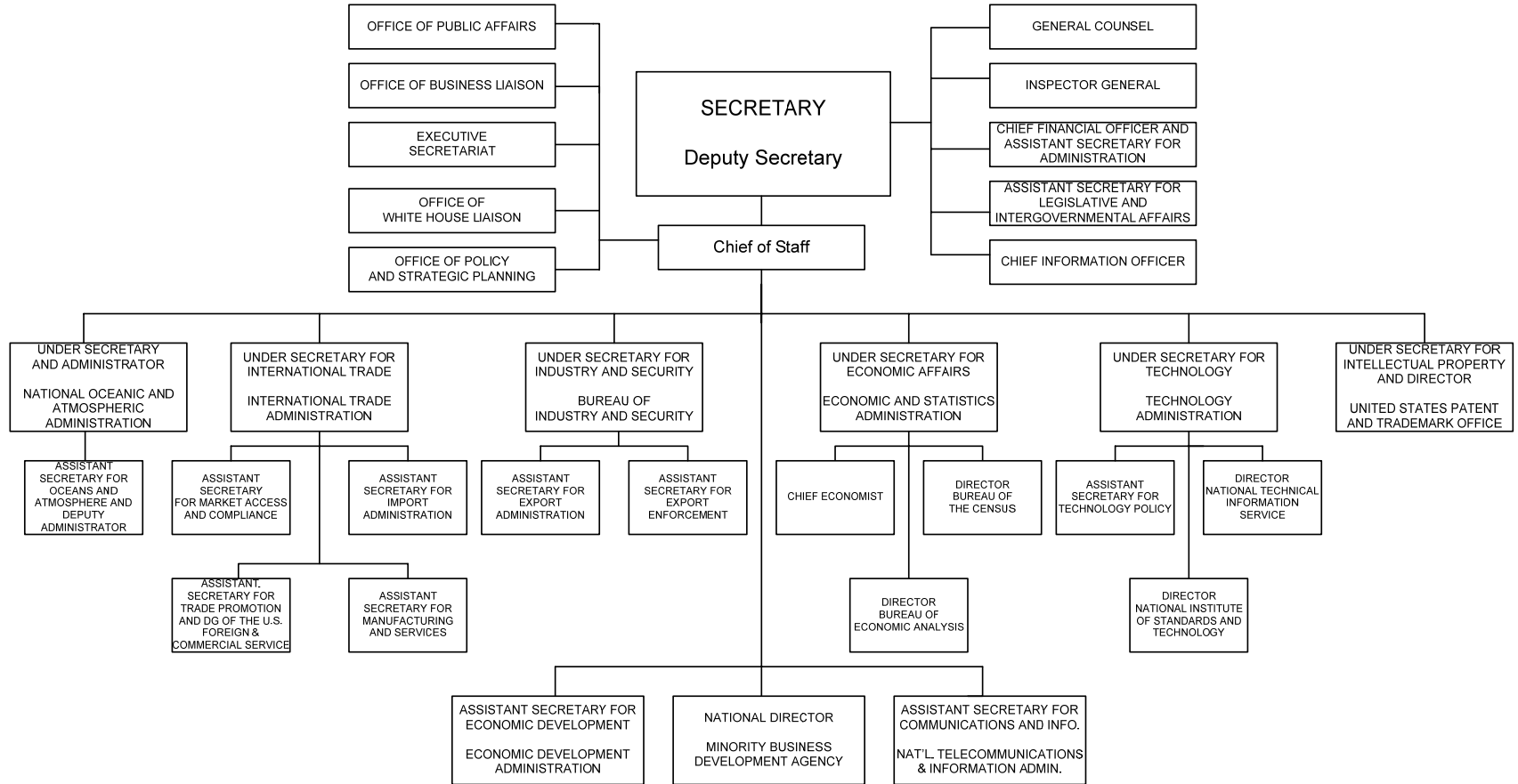# U.S. DEPARTMENT OF COMMERCE

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NAT'L. TELECOMMUNICATIONS & INFORMATION ADMIN.

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**Department of Commerce
Departmental Management**

Executive Summary

The Department of Commerce's mission is to promote job creation, economic growth, sustainable development, and improved living standards for all Americans by working in partnership with businesses, universities, communities and workers to: 1) Build for the future and promote U. S. competitiveness in the global marketplace, by strengthening and safeguarding the Nation's economic infrastructure; 2) Keep America competitive with cutting-edge science and technology and an unrivaled information base; and 3) Provide effective management and stewardship of our Nation's resources and assets to ensure sustainable economic opportunities. Commerce's business and industry-related programs can help realize the priority goals of the President in the areas of trade, technology, telecommunications networks and infrastructure, environmental infrastructure, economic development, and minority business.

Departmental Management's (DM) objective is to develop and provide policies and procedures for administrative planning, oversight, coordination, direction, and guidance to ensure implementation of the Department's mission.

Departmental Management is comprised of the following:

- The **Salaries and Expenses** appropriation provides funding for two program activities; Executive Direction and Departmental Staff Services. Executive Direction funds the development and implementation of Departmental policies and coordinates the Bureaus' program activities to accomplish the Departmental mission. Departmental Staff Services funds the development and implementation of the Department's internal policies, procedures, and other administrative guidelines. For FY 2012, the Department seeks an increase to the S&E account to fund the CommerceConnect initiative. CommerceConnect links American businesses and communities to a portfolio of DOC and other Federal, state and local partner resources that enable client companies to become globally competitive. These services are provided, faster and more comprehensively, through a coordinated one-stop Federal assistance framework consisting of a web-based portal, a call center, one dedicated field office in Michigan, existing bureau field offices, a customer relationship management (CRM) system and program knowledgebase. In addition, the headquarters office will be responsible for ensuring the resource coordinator network is established and providing the necessary program content to support the initiative.

- The **Working Capital Fund** is a reimbursable fund, providing necessary centralized services to the client Bureaus. These services fall under two program activities; Executive Direction and Departmental Staff Services. Executive Direction funds the General Counsel, the Chief Information Officer, and Public Affairs. The Departmental Staff Services funds the Security Office, Human Resource Management, Civil Rights, Financial Management, Administrative Services, Acquisition Management, and the Office of Program Evaluation and Risk Management.

- The **Herbert C. Hoover Building Renovation and Modernization** account provides no year funding for the expenses associated with the modernization of the Herbert C. Hoover Building (HCHB). The planned renovation of the Department's 76-year old headquarters by the General Services Administration (GSA) will extend the building's useful life through infrastructure upgrades, major security upgrades, and historic preservation of some features. The FY 2012 request reflects the Department's continued focus to improve major building infrastructure

components including information technology/telecommunications, emergency power requirements and fire and life safety improvements that are operating beyond their useful life and deteriorating.

- The **Enterprise Cybersecurity Monitoring and Operations** account is being requested as a separate appropriation in FY 2012. Currently, the Department lacks centralized enterprise-wide cybersecurity capabilities necessary to provide Department level situational awareness, a single, common operating picture of security for the Department's systems, remediation and response, and other centralized functions necessary to monitor and manage the Department's cybersecurity posture. Commerce plans to establish a multifunction cybersecurity center that will be responsible for security operations, assisting in incident handling and reporting, intelligence gathering, and threat/risk assessment/analysis to ensure confidentiality, integrity, and availability of Commerce data and information systems.

- The **Emergency Steel Guaranteed Loan Program and the Emergency Oil and Gas Guaranteed Loan Program** are subsidized loan programs that were enacted in 1999 to assist the steel and the oil and gas industries. Authorization for issuing guarantes of loans under the Emergency Steel Loan Program originally expired December 31, 2003, but has since been reauthorized through December 31, 2011, per P.L. 111-117, the Consolidated Appropriations Act, 2010. Rescissions of the $114.8 million, $5.2 million, and $.9 million, in FY 2001, FY 2002, and FY 2003 respectively, removed all subsidy funds from the Emergency Oil and Gas Loan Program.

Other Required Information

This request includes funding for education and training of the acquisition workforce. The requested funds will enable the Department to double the training and to develop and present some customized training for program management and acquisition professionals.

This request includes funding for the Department's Energy, Safety, and Environmental Programs to comply with Federal regulations and directives. This program increase directly reduces the Department's environmental liability, costs for managing and disposing of hazardous waste, use of toxic and hazardous chemicals, and costs of energy consumption and utilities, and addresses the Department's environmental responsibilities and overall program management capabilities.

The Department of Commerce, along with its operating units, supports and is an active participant in the Government-wide e-Government initiatives and lines of business. Each initiative or line of business is managed by another federal agency, such as the General Services Administration, and were implemented in part to avoid redundancy and duplication of government-side activities such as rulemaking, human resource servicing, financial management, grants management, etc. The e-government initiatives and lines of business play a key role in Commerce's enterprise architecture, particularly for Department-wide administrative systems. These initiatives and lines of business promote internal Commerce efficiency in acquisition and other administrative activities. Commerce external customers benefit from a single source for grant postings; grant application submission and applying for Commerce benefit programs. Commerce e-government participation provides better services to the citizen, promotes transparency, and actively supports our stakeholders in the business community.

Department of Commerce
Departmental Management
Budget Estimates for Fiscal Year 2012

Executive Summary

Departmental Management – SUMMARY OF REQUESTED APPROPRIATIONS
(Dollar amounts in thousands)

Appropriation		2011 CR (Annualized)		2012 Estimate		Increase (+) Decrease (-)	
		Personnel	Amount	Personnel	Amount	Personnel	Amount
Salaries and Expenses	Pos./ Approp.	232	58,000	248	64,871	16	6,871
	FTE	188		204		16	
HCHB Renovation and Modernization	Pos./ Approp.	5	22,500	5	16,150	0	-6,350
	FTE	5		5		0	
Enterprise Cybersecurity Monitoring and Operations	Pos./ Approp.	0	0	16	22,612	16	22,612
	FTE	0		12		12	
Emergency Steel Guaranteed Loan Program	Pos./ Approp.	0	0	0	0	0	0
	FTE	0		0		0	
Total Budget Authority	Pos./ Approp.	430	80,500	490	103,633	60	23,133

FY 2012 Annual Performance Plan
Departmental Management

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Section 1.   Mission
The Department of Commerce creates the conditions for economic growth and opportunity by promoting innovation, entrepreneurship, competitiveness, and stewardship. The organizations that make up Departmental Management support the Office of the Secretary and support and monitor the activities of bureaus and operating units.

Section 2.   Corresponding DOC Strategic Goal, Objective/Outcome
DOC Theme/Strategic Goals:
Customer Service – create a culture of outstanding communication and services to our internal and external customers
Organizational Excellence – Create a high performing organization with integrated, efficient and effective service delivery
Workforce Excellence – Develop and support a diverse, highly qualified workforce with the right skills in the right job to carry out the mission

Performance Outcomes
1. Provide a high level of customer service to our internal and external customers
2. Ensure effective resource stewardship in support of the Department's programs
3. Acquire and manage the technology resources to support program goals
4. Ensure retention of highly qualified staff in mission-critical positions

Departmental Management (DM) furthers the Department's strategic management integration goal by supporting the management infrastructure needed to carry out the Department's mission. DM is the central source for development of policies and procedures that guide the administrative management of the Department. The DM budget includes funding to support policy development and centralized services in the areas of security, information management, human resources, civil rights, financial management, administrative services, acquisitions, legal matters, and organizational management. DM's oversight of this infrastructure serves the interests of the American public by assuring judicious acquisition, oversight, and management of the resources that are essential to the accomplishment of the Department's varied missions, and by enhancing the efficiency with which the operating units administer their programs.

Section 3.   Impact of Recovery Act
Not applicable.

Section 4.   Priorities/Management Challenges

The Department continues to strengthen leadership skills through enhanced leadership development programs and comprehensive identification of competencies for mission-critical occupations, including occupations that are important to implementation of the American Recovery and Reinvestment Act of 2009. The results of these efforts will be used to refine and evaluate succession plans to maintain appropriate levels of critical workforce skill sets. These products will enable us to expeditiously fill mission-critical positions and continue to close existing competency gaps. Implementation of the Federal Equal Opportunity Recruitment Program and Disabled Verterans Affirmative Action Program plans continues to be another important priority. The Department has developed these plans in order to sustain existing diversity in the Commerce workforce and to continue our progress towards increasing the representation of minority and disabled candidates in applicant pools. Information security is another critical issue, and the Department continues its focus on implementing effective certification and accreditation practices for the information technology systems that support our work. The Department's efforts are likewise focused on the effective use of competitive sourcing and on furthering the public's electronic access to the Department's products and services. The measures associated with the DM performance goals, noted above, reflect these challenges and priorities.

Section 5. Target and Performance Summary Table

Theme – **CUSTOMER SERVICE**
Goal: Create a culture of outstanding communication and services to our internal and external customers

Outcome 1 – Provide a high level of customer service to our internal and external customers

19. Provide streamlined services and single point of contact assistance to customers through better interaction and communication utilizing CommerceConnect, partnerships, branding, and other means of stakeholder involvement
20. Promote information access and transparency through technology, understanding customer requirements, and creating new data products and services that deliver added value to customers
21. Provide a high level of customer service to our internal and external customers through effective and efficient Department functions with empowered employees

Measure: Provide an integrated and efficient process for connecting American businesses to Department and other Federal partners, information, and resources to spur job creation. (CommerceConnect)	**FY 2007 Actual**	**FY 2008 Actual**	**FY 2009 Actual**	**FY 2010 Actual**	**FY 2011 Target**	**FY 2012 Target**
Number of Companies Engaged	N/A	N/A	N/A	N/A	160	464
Number of Referrals Made to Program Partners	N/A	N/A	N/A	N/A	480	1,392

Description: Create American jobs by connecting US Businesses with DOC and other Federal programs, products and services that meet their needs in their life cycle.

Comments on Changes to Targets:

Relevant Program Change(s):	**Title:** CommerceConnect	**Exhibit 13** **Page #:** DM - 49

Validation and Verification

Data Source	**Frequency**	**Data Storage**	**Internal Control Procedures**	**Data Limitations**	**Actions to be Taken**
Customer Relationship Management (CRM) system	Quarterly			None	None

Theme – ORGANIZATIONAL EXCELLENCE
Goal: Create a high performing organization with integrated, efficient, and effective service delivery

Outcome 2: Ensure effective resource stewardship in support of the Department's programs.

22. Strengthen financial and non-financial internal controls to maximize program efficiency, ensure compliance with statute and regulation, and prevent waste, fraud, and abuse of government resources

Measure: Provide accurate and timely financial information to conform to federal standards, laws, and regulations governing accounting and financial management	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Target	FY 2012 Target
	Completed migration of Commerce Business System; completed assessment of internal controls; significant deficiency was not eliminated.	Closed 70% of prior year financial systems audit findings. Completed A-123 assessment of financial controls; significant deficiency was not eliminated.	Completed FY 2009 A-123 assessment of internal controls for financial reporting. One of two significant deficiencies was eliminated.	Eliminate any Significant Deficiency within one year of the determination that there is a Significant Deficiency. Complete FY 2010 A-123 assessment of internal controls.	Eliminate any Significant Deficiency within one year of the determination that there is a Significant Deficiency. Complete FY 2011 A-123 assessment of internal controls.	Eliminate any Significant Deficiency within one year of the determination that there is a Significant Deficiency. Complete FY 2012 A-123 assessment of internal controls.

Description: This measure ensures that the Department of Commerce is accountable to the American people, and that no Significant Deficiencies, formerly known as "Reportable Conditions," (i.e. deficiencies in the design or operation of internal controls) remain unaddressed. To determine if financial information is being provided in a timely and accurate manner, the Department will assess whether those individuals who can best use the information are receiving it within timeframes that render it relevant and useful in their day-to-day decisions.

Comments on Changes to Targets:

Relevant Program Change(s):	Title:	Exhibit 13 Page #:

Validation and Verification

Data Source	Frequency	Data Storage	Internal Control Procedures	Data Limitations	Actions to be Taken
Consolidated financial statements and Office of Inspector General (OIG) reports	Annual	Bureau or department financial statements	OIG Audits	None	Continue to comply with Federal Financial Management Improvement Act of 1996 (FFMIA)

Theme – ORGANIZATIONAL EXCELLENCE
Goal: Create a high performing organization with integrated, efficient, and effective service delivery

Outcome 2: Ensure effective resource stewardship in support of the Department's programs.

22. Strengthen financial and non-financial internal controls to maximize program efficiency, ensure compliance with statute and regulation, and prevent waste, fraud, and abuse of government resources

Measure: Effectively use commercial services management/ competitive sourcing	**FY 2007 Actual**	**FY 2008 Actual**	**FY 2009 Actual**	**FY 2010 Actual**	**FY 2011 Target**	**FY 2012 Target**
	Bureaus identified FY 2008 feasibility studies which were submitted as part of the Green Plan.	Completed several feasibility studies and planned for more in FY 2009.	Due to change in Administration, all new competitive sourcing comparison have been placed on hold. The same is true for the Green Plan. 2009 Fair Act Inventory was filed timely with OMB.	Department met the goal to increase use of competition by 2%, measure by dollars awarded. Actual accomplishment was a 33%decrease in the dollars awarded noncompetitively. The Department decreased dollars awarded on cost-reimbursement, Time and Materials and Labor Hour contracts by 15%	Increase use of competition by 2%, measured by dollars awarded. Decrease dollars awarded on cost-reimburse-ment, Time and Materials and Labor Hour contracts by 10%.	Increase use of competition by 2%, measured by dollars awarded. Decrease dollars awarded on cost-reimburse-ment, Time and Materials and Labor Hour contracts by 10%.

Description: OMB guidance has resulted in revisions to our targets. OMB Memorandum 09-25 requires agencies to use improved acquisition practices to reduce contract costs to the Government. The use of non-competitive award procedures and contract types place maximum cost risk on the Government. Limitation of

these has been specifically targeted as means to accomplish contract savings. This element will measure the Department's success in increasing competition and reducing the use of contract types that place maximum cost risk on the agency. As this is a new measure, FY 2009 actuals will be utilized to establish a baseline against which the FY 2010 and FY 2011 goals will be applied.

Comments on Changes to Targets: *This is a new measure which replaces a measure that was based on OMB guidance that is no longer in effect.

Relevant Program Change(s):		Title:			Exhibit 13 Page #:
Validation and Verification					
Data Source	**Frequency**	**Data Storage**	**Internal Control Procedures**	**Data Limitations**	**Actions to be Taken**
DOC procurement data system	Annual	DOC procurement data system	Supervisory audit	None	Request updates quarterly

Theme – ORGANIZATIONAL EXCELLENCE
Goal: Create a high performing organization with integrated, efficient, and effective service delivery

Outcome 2: Ensure effective resource stewardship in support of the Department's programs.

23. Re-engineer key business processes to increase efficiencies, manage risk, and strengthen effectiveness

Measure: Obligate funds through performance - based contracting	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Target	FY 2012 Target
	28% of eligible service contracting dollars	*28% of eligible service contracting dollars	**45% of eligible service contracting dollars	37.28% of eligible service contracting dollars	50% of eligible service contracting dollars	50% of eligible service contracting dollars

Description: To ensure that the government achieves the highest return on its procurement activities, Federal agencies are using performance-based contracting—a method of procurement in which the Federal Government defines the results it is seeking rather than the process by which those results are to be attained. With performance-based contracting, the government also defines the standards against which contractor performance will be measured and identifies the incentives that may be used.

Comments on Changes to Targets: *DOC's FY 2008 target was changed from 40% to 50% based on OMB/OFPP's FY 2008 government-wide performance goal established December 5, 2007 (see http://caoc.gov/documents/2008 Performance-Based Acq.pdf). **DOC's FY 2009 target was changed from 40% to 50% so it was no lower than OMB's FY 2008 goal. DOC's FY 2010/2011 target remains at FY 2009 target. OAM has maintained, as a target, the last goal set by OMB (50%) of eligible dollars awarded on a performance-based methodology. The 50% goal remains a stretch goal for DOC and accomplishments are being tracked on a quarterly basis and consideration of the issue is addressed in Acquisition Review Boards in an effort to improve performance.

Relevant Program Change(s):	**Title:** Acquisition Workforce	**Exhibit 13** **Page #:** DM - 43

Validation and Verification					
Data Source	**Frequency**	**Data Storage**	**Internal Control Procedures**	**Data Limitations**	**Actions to be Taken**
DOC procurement data system	Annual	DOC procurement data system	Supervisory audits	None	None

		Theme – ORGANIZATIONAL EXCELLENCE				
		Goal: Create a high performing organization with integrated, efficient, and effective service delivery				

Outcome 3: Acquire and manage the technology resources to support program goals

24. Create an IT enterprise architecture that supports mission-critical business and programmatic requirements, including addressing cyber security threats.

Measure: Improve the management of information technology.	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Target	FY 2012 Target
	Cost/ schedule overruns and performance shortfalls less than 10%. All national critical and mission critical systems are certified and accredited.	Cost/ schedule overruns and performance shortfalls less than 10%. All national critical and mission critical systems are certified and accredited with acceptable quality documentation in place.	Cost/ schedule overruns and performance shortfalls averaged under 10%. CSAM & C&A enhancements were deployed. IT security compliance in all operating units and five FISMA systems in CSAM were reviewed.	IT investments have cost/ schedule overruns and performance shortfalls averaging less than 10%. Completed security and vulnerability assessments for all operating units. Submitted findings and recommendations to operating units and OCIO for review. Implemented Cyber Security Development Program and graduated 20 candidates from the Department's first class. Enrolled candidates in the program's	IT investments have cost/schedule overruns and performance shortfalls averaging less than 10%. Perform IT Security Compliance review of all operating units, and ten FISMA systems in CSAM. Increase security training completion rate to 80% for privileged users (role-based). Deploy 80% of the required NCSD 3-10 communications capabilities. Expand cyber intelligence communications channel to all operating unit Computer Incident Response Teams.	IT investments have cost/schedule overruns and performance shortfalls averaging less than 10%. Perform IT Security Compliance review of all operating units, and ten FISMA systems in CSAM. Increase security training completion rate to 80% for privileged users (role-based). Deploy 80% of the required NCSD 3-10 communications capabilities. Expand cyber intelligence communications channel to all operating unit Computer Incident Response Teams.

					second class. More than 8 candidates have obtained or are planning to obtain security related certifications. Deployed National Security and Emergency Network in the development environment. Received official approval to connect from Defense Intelligence Agency.		

Description: The Department's significant annual investment in information technology (IT) requires careful management and monitoring as part of the overall program to manage IT resources effectively to meet the mission needs of the Department, and to fulfill obligations to the taxpayer. Through the use of Earned Value Management and Operational Analysis, systems in the development, and/or operational phases are monitored to ensure the required functionality is delivered on schedule and at the cost projected. Program offices regularly report on the progress and status of their efforts against the cost, schedule, and performance goals – a process that provides early warning signals for corrective actions. Program managers are required to develop and implement corrective actions to meet program goals.

The successful implementation of each program critical to the Department's missions depends on the adequacy and security of the Department's information technology systems. If systems security were to be compromised, the effective accomplishment of the Department's mission would be in jeopardy. To ensure that these systems are adequately protected, certification and accreditation (C&A) requirements have been established. Certification represents the complete testing of all management, operational, and technical controls that protect a system. These controls are documented in the Department's security plan. By approving the plan, the system owner warrants that the existing controls provide adequate protection for the system. A compliance review process for continuous security monitoring, vulnerability assessment and remediation, and IT security workforce improvement has been established to ensure adequate security.

Comments on Changes to Targets: Targets are changed to reflect cyber security enhancements including Security Operations and CSAM compliance.

Relevant Program Change(s):	**Title:** IT Cyber Security & Enterprise Cybersecurity Monitoring and Operations	**Exhibit 13 Page #:** DM - 54 & DM - 184 respectively

Validation and Verification					
Data Source	**Frequency**	**Data Storage**	**Internal Control Procedures**	**Data Limitations**	**Actions to be Taken**
Bureau IT Offices	Annual	Bureau IT offices, Bureau files, and DM CIO files	Departmental and outside reviews by GAO, OMB, and contractors, IT research organizations (e. g., Gartner), and various universities	None	Review bureau processes to assess need for action; review security certification and accreditation packages for completeness and conformance with National Institute of Standards and Technology SP 800-53.

Theme – WORKFORCE EXCELLENCE
Goal: Develop and support a diverse, highly qualified workforce with the right skills in the right job to carry out the mission
Outcome 4: Ensure retention of highly qualified staff in mission-critical positions.
25. Recruit, develop and retain a high-performing, diverse workforce with the critical skills necessary for mission success including growing the next generation of scientist and engineers
26. Create the best led Department in federal government by focusing on leadership development, accountability and succession planning
27. Provide an environment that empowers employees and creates a productive and safe workplace

Measure: Acquire and maintain diverse and highly qualified staff in mission critical occupations	**FY 2007 Actual**	**FY 2008 Actual**	**FY 2009 Actual**	**FY 2010 Actual**	**FY 2011 Target**	**FY 2012 Target**
	Trained post-secondary internship program applicants to increase applicant pools; trained managers to make better hiring decisions; trained employees in project management to close skill gaps.	Delivered 4 competency models for the economists, mathematical statistician, acquisition and chemist series. Exceed the 45-day hiring goal mandated by OPM with an average fill time of 31 days for non-SES positions.	Competency models in place for four series including budget analyst, meteorologist, oceanographer, and hydrologist. Average time to fill was 31 days for non-SES vacancies. 100 trainees graduated from leadership development	Competency models in place for four mission critical occupations (Physical Scientists, Electronic Engineer, Computer Scientist, and Fishery Biologist series). Established hiring baseline was 133 days.	Have new competency models in place for 3 mission-critical occupations for use in workforce recruitment, training, and development activities. Meet or exceed the 80-day hiring goals mandated by OPM.	Have new competency models in place for 3 mission-critical occupations for use in workforce recruitment, training, and development activities. Meet or exceed the 80-day hiring goals mandated by OPM.

				Programs. Department employees nationwide applied to ALDP.	Trained 98 ALDP, ELDP,and APCP participants via the leadership development programs. Trained 181 employees via Careers in Motion Program Integrated Commerce Learning Center in program administration to enhance measurement of results.	Train 100-120 participants in leadership development programs via the ALDP, ELDP, LEAD and APCP. Train 180-210* participants via Careers in Motion Program	Train 100-120 participants in leadership development programs via the ALDP, ELDP, LEAD, and APCP. Train 180-210* participants via Careers in Motion Program

Description: This measure represents a combination of indicators focusing on strategic recruitment, training and development, and the Department's efforts to achieve and maintain a diverse workforce. These indicators permit a comprehensive assessment of the Department's efforts to strategically manage its human capital. Such an assessment is critical to ensure that each hire brings the necessary skill sets to carry out the Department's mission.

Comments on Changes to Targets: The Leadership Education and Development (LEAD) Certificate Program was launched June 2010 to offer a non-competitive leadership training program and expand the formal leadership development opportunities available to employees.

The 45-day hiring target has been revised in accordance with OPM's new "End-to-End Roadmap" which sets 80 days as the standard time to fill positions from verification of the requirement to on-boarding of the selectee.

Target is expressed as a range because of the variables involved that are not entirely under the Department's control; e.g., it is not possible to know in advance precisely how many employees will apply for and be accepted into the program.

Relevant Program Change(s):	**Title:**	**Exhibit 13 Page #:**

Validation and Verification					
Data Source	**Frequency**	**Data Storage**	**Internal Control Procedures**	**Data Limitations**	**Actions to be Taken**
Inventory transmittal letters; Department plan for strategic employee training and development; National Finance Center automated reports	Annual	Office chronology files; OHRM, bureaus	Executive Secretariat	None	Measure trends over time, such as number of days to fill jobs

Section 6.   Recovery Act – new metrics

DM did not receive any Recovery Act funding.

Section 7.   FY 2012 Program Changes

FY 2012 Program Changes

	Accompanying GPRA		FY 2012 Base		Increase/ Decrease		Page of Exhibit 13 Discussion
Program Change	**APP Page #**	**Performance Measure # Support**	**FTE**	**Amount**	**FTE**	**Amount (in $1,000)**	
Administrative Savings			0	0	-3	-1,846	
Management Efficiencies			0	0	-4	-840	
IT Cybersecurity		3	11	6,900	14	5,052	
CommerceConnect Coordination and Virtual CommerceConnect		1	0	0	3	2,410	
Acquisition Initiative		2	14	2,117	6	1,378	
Enterprise Cybersecurity Monitoring and Operations		3	0	0	12	22,612	

Section 8.   Resource Requirements Summary
Departmental Management
SUMMARY OF TARGETS AND RESOURCE REQUIREMENTS[1]

Departmental Management: Total Funding (Dollar amounts in millions)		FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Currently Available	FY 2012 Base	Increase / Decrease	FY 2012 Estimate
DM Performance Objective 19 : Provide streamlined services and single point of contact assistance to customers through better interaction and communication utilizing CommerceConnect, partnerships, branding, and other means of stakeholder involvement.									
Salaries and Expenses		0.0	0.0	0.0	0.0	0.0	0.0	2.4	2.4
Recovery Act funds		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funds		0.0	0.0	0.0	0.0	0.0	0.0	2.4	2.4
DM Performance Objective 21: Provide a high level of customer service to our internal and external customers through effective and efficient Department functions with empowered employees.									
Salaries and Expenses		8.6	6.1	7.7	7.0	7.0	7.0	-0.4	6.6
Recovery Act funds		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funds		8.6	6.1	7.7	7.0	7.0	7.0	-0.4	6.6
DM Performance Objective 22: Strengthen financial and non-financial internal controls to maximize program efficiency, ensure compliance with statute and regulation, and prevent waste, fraud and abuse of government resources.									
Salaries and Expenses		26.5	23.4	25.8	30.0	30.3	30.7	-1.1	29.7
Recovery Act funds		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funds		26.5	23.4	25.8	30.0	30.3	30.7	-1.1	29.7
DM Performance Objective 23: Re-engineer key business processes to increase efficiencies, manage risk, and strengthen effectiveness.									
Salaries and Expenses		3.2	3.0	4.0	3.6	3.5	3.6	1.2	4.8
Recovery Act funds		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funds		3.2	3.0	4.0	3.6	3.5	3.6	1.2	4.8
DM Performance Objective 24: Create an IT enterprise architecture that supports mission-critical business and programmatic requirements, including addressing cybersecurity threats.									
Salaries and Expenses		6.2	5.2	9.3	11.9	11.8	11.9	4.3	16.2
Enterprise Cybersecurity		0.0	0.0	0.0	0.0	0.0	0.0	22.6	22.6
Recovery Act funds		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funds		6.2	5.2	9.3	11.9	11.8	11.9	26.9	38.8

[1] In FY 2011 Outcome 1, provide a high level of customer service to our internal and external customers, was added to the Office of the Secretary's Strategic Plan. The FY 2007-2011 figures were adjusted to reflect the new outcome and its associated objectives 19 and 21.

Departmental Management: Total Funding (Dollar amounts in millions)									
		FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Currently Available	FY 2012 Base	Increase / Decrease	FY 2012 Estimate
DM Performance Objective 25: Recruit, develop and retain a high-performing, diverse workforce with the critical skills necessary for mission success, including growing the next generation of scientists and engineers.									
Salaries and Expenses		5.1	4.9	6.0	5.4	5.4	5.5	-.3	5.2
Recovery Act funds		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funds		5.1	4.9	6.0	5.4	5.4	5.5	-.3	5.2
Grand Total		49.6	42.6	52.8	57.9	58.0	58.7	28.7	87.5
Direct		49.6	42.6	52.8	57.9	58.0	58.7	28.7	87.5
Reimbursable		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FTE		722	723	814	863	880	880	20	900

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Exhibit 5

Department of Commerce
Departmental Management
Salaries and Expenses
SUMMARY OF RESOURCE REQUIREMENTS
Preferred Budget Level
(Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Direct Obligations
2011 CR (Annualized)	232	188	58,000	59,340
less: Obligations from prior years			0	(1,340)
plus: Restoration of base for 2011 ATBs w/o pay raise			404	404
plus: Transfers of unobligated balances			0	0
plus: 2012 Adjustments to base w/o pay raise	0	0	313	313
2012 Base	232	188	58,717	58,717
minus: Administrative Savings	(3)	(3)	(1,846)	(1,846)
minus: Management Efficiencies	(4)	(4)	(840)	(840)
plus: 2012 Program Changes	23	23	8,840	8,840
2012 Estimate	248	204	64,871	64,871

		2010 Actual		2011 CR (Annualized)		2012 Base		2012 Estimate		Increase/(Decrease) Over 2012 Base	
Comparison by activity:		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Executive Direction	Pos./BA	109	32,255	123	30,955	123	31,337	132	37,469 [1]	9	6,132
	FTE/Obl.	90	33,754	95	32,295	95		104		9	
Departmental Staff	Pos./BA	103	27,045	109	27,045	109	27,380	116	27,402 [1]	7	22
Services	FTE/Obl.	89	27,045	93	27,045	93		100		7	
TOTALS	Pos./BA	212	59,300	232	58,000	232	58,717	248	64,871	16	6,154
	FTE/Obl.	179	60,799	188	59,340	188		204		16	

Adjustments to Obligations:											
Recoveries			(13)								
Unobligated balance, start of year			(29)		(1,340)						
Unobligated balance, transferred			(3,097)								
Unobligated balance, rescission											
Unobligated balance, end of year			1,340								
Unobligated balance, expiring			300								
Financing from Transfers:											
Transfer from other accounts (-)			(1,300)								
Transfer to other accounts (+)											
Appropriation			58,000		58,000		58,717		64,871		6,154

[1] President's Budget S&E FY12 Estimate split by activity differs from what was reported in MAX

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Exhibit 7

Department of Commerce
Departmental Management
Salaries and Expenses
SUMMARY OF FINANCING
(Dollar amounts in thousands)

	2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
Total Obligations	144,776	147,320	145,717	151,871	6,154
Offsetting collections from:					
Federal funds	(82,359)	(86,000)	(87,000)	(87,000)	0
Trust funds					
Non-Federal sources					
Recoveries	(838)				
Unobligated balance, start of year	(2,802)	(3,320)			
Unobligated balance, transferred	(3,097)				
Unobligated balance, end of year	3,320				
Unobligated balance, expiring	300				
Budget Authority	59,300	58,000	58,717	64,871	6,154
Financing:					
Transfer from other accounts (-)	(1,300)	0	0	0	0
Transfer to other accounts (+)	0	0	0	0	0
Appropriation	58,000	58,000	58,717	64,871	6,154

Exhibit 9

Department of Commerce
Departmental Management
Salaries and Expenses
JUSTIFICATION OF ADJUSTMENTS TO BASE
(Dollar amounts in thousands)

	FTE	Amount
Adjustments:		
Restoration of base		404
Other Changes:		
Civil Service Retirement System (CSRS).	...	(43)

    The cost of agency contributions for CSRS will decrease slightly due to the decrease in the number of employees covered by CSRS from 16.9% in FY 2011 to 14.5% in FY 2012. The contribution rate will remain the same at 7.00% for FY 2011 and FY 2012.

FY 2012 ($25,364,000 x .145 x .0700)	257,445
FY 2011 ($25,364,000 x .169 x .0700)	300,056
Total adjustment to base	(42,611)

Federal Employees' Retirement System (FERS).   71

    The cost of agency contributions for FERS will increase from 83.1% in FY 2011 to 85.5% in FY 2012 due to the increase in the number of employees covered. The contribution rate will remain the same of 11.7% in FY 2012.

FY 2012 ($25,364,000 x .855 x .117)	2,537,288
FY 2011 ($25,364,000 x .831 x .117)	2,466,066
Total adjustment to base	71,222

Thrift Savings Plan (TSP).   25

    The cost of agency contributions for TSP will increase from 83.1% in FY 2011 to 85.5% in FY 2012 due to the increase in the number of employees covered. The contribution rate is 4.1% for both fiscal years.

FY 2012 ($25,364,000 x .855 x .0410)	889,135
FY 2011 ($25,364,000 x .831 x .0410)	864,177
Total adjustment to base	24,958

Exhibit 9

Department of Commerce
Departmental Management
Salaries and Expenses
JUSTIFICATION OF ADJUSTMENTS TO BASE
(Dollar amounts in thousands)

	FTE	Amount
Adjustments:		
Federal Insurance Contributions Act (FICA) - OASDI.	...	(17)

The OASDI tax rate will remain constant at 6.2%. The annual salary subject to the OASDI tax will increase from $106,800 in FY 2011 to $110,175 in FY 2012. The percent of salaries below the cap will decrease from 91.8% in FY 2011 to 88.0% in FY 2012. The total salaries taxable by OASDI will increase from 83.1% in FY 2011 to 85.5% in FY 2012. The combination of the above adjustments results in a net decrease of $16,446.

FERS payroll subject to FICA tax in FY 2012 ($25,364,000 x .855 x .880 x .062)	1,183,200
FERS payroll subject to FICA tax in FY 2011 ($25,364,000 x .831 x .918 x .062)	1,199,646
Subtotal	(16,446)
Other payroll subject to FICA tax in FY 2012 ($1,217,000 x .855 x .880 x .062)	56,772
Other payroll subject to FICA tax in FY 2011 ($1,217,000 x .831 x .918 x .062)	57,561
Subtotal	(789)
Total adjustment to base	(17,235)

	FTE	Amount
Health Insurance.	...	120

Effective January 2010, the cost of the U.S. Government's contribution to the Federal employee's health insurance premium increased by 8.4%. Applied against the FY 2011 estimate of $1,424,000 the additional amount required is $119,616.

	FTE	Amount
Employee Compensation	...	(3)

The Employees Compensation Fund is based on an actual billing from the Department of Labor.

	FTE	Amount
Travel, Per Diem.	...	11

General Services Administration has issued revised travel per diem rates, effective October 1, 2010, resulting in a 6.4% increase. This percentage applied against the FY 2012 estimate of $174,000 results in an increase of $11,136.

	FTE	Amount
Travel, Mileage.	...	(1)

The mileage reimbursement rate for privately-owned automobiles decreased from 55.0 cents to 50.0 cents, or 9% on January 1, 2010. A decrease of $1,440 is required to adjust this fund.

	FTE	Amount
Rental Payments to GSA.	...	69

GSA rates are projected to increase by 1.7% in FY 2012. An additional $68,918 over the FY 2011 estimate of $4,054,000 is required to fund this increase.

	FTE	Amount
Printing and Reproduction.	...	

Exhibit 9

Department of Commerce
Departmental Management
Salaries and Expenses
JUSTIFICATION OF ADJUSTMENTS TO BASE
(Dollar amounts in thousands)

	FTE	Amount
Adjustments:		
GPO has provided an estimated rate increase of 1.2%. This percentage was applied to the FY 2011 estimate of $102,000 to arrive at an increase of $1,224.		
Utilities, Pepco.	...	215
The average increase for PEPCO electricity is projected to be 27%. This percentage was applied to the 2011 electricity estimate of $798,000 for an increase of $215,000.		
Utilities, Water.	...	3
The average increase for DCWASA is projected to be 5%. This percentage was applied to the 2011 water estimate of $55,000 for an increase of $3,000.		
Utilities, Steam.		0
There was no increase for FY 2012.		
National Archives and Records Administration Storage Costs.	...	(1)
The National Archives and Records Administration (NARA) costs are expected to decrease from $27,400 in FY 2011 to $26,852 in FY 2012.		
Other Services:		
Working Capital Fund.		345
An additional $347,000 is required to fund cost increases in the Departmental Management's Working Capital Fund.		
General Pricing Level Adjustment.	...	171
This request applies OMB economic assumptions for FY 2012 of 1.2% to sub-object classes where the prices that the Government pays are established through the market system. Factors are applied to communications, utilities, and miscellaneous charges (excluding postage & FTS) ($24,636); other services ($119,040); supplies and materials ($3,600); and equipment ($23,364).		
Subtotal, Other Changes	0	966
Subtotal ATBs		1,370
Less amount absorbed		(653)
Total FY 2012 Adjustments to Base.	0	717

Exhibit 10

Department of Commerce
Departmental Management
Salaries and Expenses
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS
(Dollar amounts in thousands)

Compare by activity:		2010 Actual		2011 CR (Annualized)		2012 Base		2012 Estimate		Increase/(Decrease) Over 2012 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Executive Direction	Pos./BA	109	32,255	123	30,955	123	31,337	132	37,469	9	6,132
	FTE/Obl.	90	33,754	95		95		104	0	9	0
Departmental Staff	Pos./BA	103	27,045	109	27,045	109	27,380	116	27,402	7	22
Services	FTE/Obl.	89	27,045	93		93		100		7	0
TOTALS	Pos./BA	212	59,300	232	58,000	232	58,717	248	64,871	16	6,154
	FTE/Obl.	179	60,799	188	59,340	188		204		16	

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Department of Commerce
Departmental Management
Salaries and Expenses
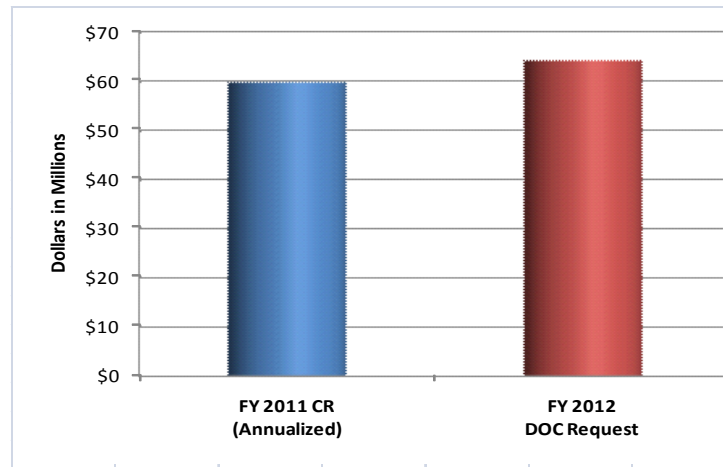
APPROPRIATION ACCOUNT: DEPARTMENTAL MANAGEMENT

BUDGET ACTIVITY: SALARIES AND EXPENSES

For FY 2012, Departmental Management requests a net increase of $6,871,000 and 16 FTE over the FY 2010 enacted level for a total of $64.871, 000 and 204 FTE for Salaries and Expenses. This increase includes $717,000 in inflationary adjustments.

BASE JUSTIFICATION FOR FY 2012:

Salaries and Expenses Overview

The Salaries and Expenses ($65 million and 204 FTE) budget is organized into 2 activities:

- The Executive Direction activity ($35 million and 104 FTE) is composed of 4 offices, which include:
    - The Office of General Counsel provides legal advice, guidance and services on matters involving Departmental programs and components. Supervises the development of the Department's legislative program and the delivery of effective legal services for the growing needs of major programs.
    - Office of the Chief Information OfficeR leads the management of information resources throughout the Department, ensuring that the Department's programs make full and appropriate use of information technology (IT). Implements Government-wide and Departmental policies, programs and activities in all aspects of information technology management, including IT security and providing analysis, design, development, support, and oversight for Department automated systems for Administration. Provides Department-wide coordination and technical support for the development and operation of information technology resources, including telecommunications. Manages the Department's IT security and critical IT infrastructure programs.

Exhibit 12 - 15

- The Chief Financial Officer oversees the Department's financial resources, human resources management and facilities. Establishes and monitors implementation of Departmental policies and procedures for administrative functions affecting program operations in Commerce's operating units. Coordinates implementation of government-wide and Departmental management reforms. Manages the Department's headquarters offices located in the Herbert C. Hoover Building in Washington, D.C.
- Executive Direction develops and implements Departmental policies and coordinates Bureau program activities to accomplish the Departmental mission. This includes the oversight, direction and coordination of the Department's many activities and the representation of the Administration before the public, the business community, the Congress and other executive agencies and departments. The offices that support this function are the Office of the Secretary, Deputy Secretary, Chief of Staff, Executive Secretariat, Office of Business Liaison, Office of Legislative and Intergovernmental Affairs, Policy and Strategic Planning, and Office of Public Affairs.

- The Departmental Staff Services activity ($30 million and 100 FTE) is composed of 9 offices which include:
    - The Office of Security plans, develops, and implements policies and procedures for managing and delivering security services for the Department. Provides counterespionage, anti-terrorism, and emergency management program support, puts forth guidance to Departmental offices and operating units regarding security matters as they relate to the protection of personnel, facilities, property and information. Specifically, establishes and enforces policies and procedures for conducting background investigations and granting security clearances; safeguarding classified and sensitive documents and information; assessing threats and determining risks to Departmental assets; and ensuring proper communications security for classified information.
    - The Office of Human Resources Management implements Government-wide and Departmental policies, programs and activities in all aspects of human resources management and administration including recruitment and placement, classification, payroll support and administration, incentive awards, training and development, employee and labor relations, department-wide oversight and evaluation of human resources management activities, unemployment and workers' compensation, employee health and safety, employee benefits and drug testing.
    - The Office of Civil Rights conducts discrimination complaint investigations and adjudications, provides equal employment program support and affirmative action program support to selected operating units.
    - The Office of Financial Management implements policies and procedures for Departmental financial management operations, provides consolidated financial reporting, develops and maintains the Commerce Business System, the Department's financial management system. Provides complete financial stewardship for all activities included in Departmental Management. Oversees and administers all budget functions for the Office of the Secretary, manages the Department's Working Capital Fund and provides financial support and guidance Department-wide.
    - The Office of Administrative Services provides Department-level management of travel, personal property, fleet motor vehicles, real property, energy and environmental programs. Provides management of the following Herbert C. Hoover Building programs and services: publications; printing; library services; mail;

Exhibit 12 - 15

messenger and distribution services; space management and use; building management including operations, maintenance, repairs, and renovations; labor services; historic preservation; and shipping/receiving.

- The Office of Acquisition Management provides contracting technical services, including acquisition strategies and guidance for the procurement of products and services in support of the Office of Secretary (OS), Office of Inspector General (OIG), selected special projects and related administrative support. Performs policy and oversight functions for the Department's acquisition and financial assistance programs. Performs federal assistance administrative duties and responsibilities to ensure that federal assistance actions comply with Departmental procedures. Manages Competitive Sourcing A-76/FAIR Act Program.

- The Office of Program Evaluation and Risk Management develops and oversees implementation of integrated, enterprise-wide policies, procedures, and strategies for assessing and managing risk; conducts evaluations of programs, processes, and administrative functions to identify opportunities for enhancing effectiveness and efficiency across the Department of Commerce; and serves as liaison with the Government Accountability Office and Office of Inspector General regarding audits and studies involved in strengthening nonfinancial internal controls.

- The Office of Privacy and Open Government develops and manages Departmental compliance with privacy policies as per the Privacy Act of 1974, the E-Government Act of 2002, and the Federal Information Security Management Act. It also coordinates the Department's response to incidents involving personally identifiable information, administers the Departmental Freedom of Information Act program, administers and coordinates the Departmental transparency and Open Government activities, manages the Department's numerous Federal Advisory Committee Act advisory committees, and manages the Department's directives system and relevant Executive Orders used to prescribe the basic management structure and organizational arrangements of the Department.

- The Office of Budget's primary responsibility is helping to prepare and defend the Department's annual budget request. The Office also supports long-range planning, conducts Department-level budget execution activities, supports development of performance measures and annual performance plans, and helps Bureaus implement Commerce budget procedures and policies.

- The Office of Small and Disadvantaged Business Utilization (OSDBU) is an advocacy and advisory office responsible for promoting the use of small, small disadvantaged, 8(a), women-owned, veteran-owned, service-disabled veteran-owned, and HUBZone small businesses within the U.S. Department of Commerce's (DOC) acquisition process.

Significant Adjustments-to-Base (ATBs):

Departmental Management requests a net increase of 0 FTE and $.7 million to fund adjustments to current programs for Salaries and Expenses activities. The increase will provide inflationary increases for non-labor activities, including service contracts, utilities, field office lease payments, and rent charges from the General Service Administration (GSA).

SUBACTIVITY: EXECUTIVE DIRECTION

The objectives of the Executive Direction subactivity are to:

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Provide overall leadership, policy direction, and coordination of bureau programs in furtherance of the Department's mission (Executive Direction, OGC, and CFO)

EXECUTIVE DIRECTION (www.commerce.gov/office-secretary/office-executive-secretariat)
- Through the Secretary and Deputy Secretary, provides leadership, managerial oversight and policy direction relating to all aspects of the Department's mission and portfolio of programs
- Ensures effective policy coordination, and proper intra-agency and inter-agency integration and support of identified goals
- Provides advice and support to senior leadership regarding DOC's Schedule C and non-career personnel

OFFICE OF GENERAL COUNCIL (www.ogc.doc.gov/)
- Coordinates matters pertaining to legislative issues, Congressional relations, and DOC's relationship with state, county, and municipal governments
- Advises the Secretary on administrative concerns and initiatives
- Provides legal services for DOC through Assistant General Counsels for Administration, Finance and Litigation, and Legislation and Regulation, the Commercial Law Development Program, and legal offices that focus on the programs and activities of their respective operating units

OFFICE OF THE CHIEF FINANCIAL OFFICER (www.osec.doc.gov/cfo/)
- Oversees the Department's financial resources, human resources management and facilities.
- Establishes and monitors implementation of Departmental policies and procedures for administrative functions affecting program operations throughout Commerce and its operating units.
- Responsible for coordinating implementation of government-wide and Departmental management initiatives.
- Manages the Department's headquarters offices located in the Herbert C. Hoover Building in Washington, DC.

SUBACTIVITY: INFORMATION TECHNOLOGY

The objectives of the Information Technology subactivity are to:

Provide administrative oversight and operational support in the development, acquisition, deployment, operation and security of information technology used to support the Department's mission. These services are provided by the Office of Chief Information Officer.

OFFICE OF CHIEF INFORMATION OFFICER (ocio.os.doc.gov/index.htm)
- Oversees the policies, procedures, and overall management of information resources throughout the Department to ensure that its programs make full and appropriate use of information technology (IT).
- Manages the capital asset management process for IT investments in order to guide their selection, maximize their value, address associated risks, and evaluate their results.
- Develops, maintains and facilitates the implementation of a sound and integrated enterprise IT architecture.
- Ensures, through the development of strategies for hiring, training, and professional development, that the workforce has the IT management and skills necessary to effectively manage IT resources.

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- Develops and implements Departmental IT security policies and programs to assure the confidentiality, integrity, and availability of information and IT resources
- Serves as Chief Infrastructure Assurance Officer and carries out government-wide critical infrastructure protection policies.
- Develops, coordinates and implements Department-wide policies and procedures relating to electronic government, and the external interchange and dissemination of information via electronic media and the Internet.
- Oversees the Department's electronic mail systems and electronic directories.
- Provides technical assistance to O/S and designated operating units.
- Provides telecommunications services to the Hoover building, and oversee the management of telecommunications services across the Department.

SUBACTIVITY: WORKFORCE EXCELLENCE

The objectives of the Workforce Excellence subactivity are to:

Provide administrative oversight and operational support in the recruitment, training, retention, and management of a diverse and highly effective workforce with the skills and abilities required to achieve the Department's mission.   These services are provided by the Office of Human Resource Management and Office of Civil Rights.

OFFICE OF HUMAN RESOURCE MANAGEMENT (hr.commerce.gov/index.htm)
- Oversees implementation of government-wide and DOC-specific policies and procedures relating to human resources management and civil rights.
- Exercises responsibility for DOC-wide strategic management of human capital, development and implementation of human resources policies and programs, and operation of the South Florida Federal Executive Board.
- Addresses strategic recruitment needs by promoting DOC as an "employer of choice" in desirable applicant pools, managing the Postsecondary Internship Program, and working with other federal agencies to promote veterans employment.
- Assists operating units in addressing critical human capital challenges such as high turnover in mission-critical occupations and gaps in competencies needed to meet emerging requirements.
- Plans, develops and coordinates DOC-wide policies, programs, tools, systems, and activities in managing executive resources, which includes providing support to the Departmental Executive Resources Board and working with OPM to retain certification of the SES and ST/SL performance management systems.
- Provides oversight of employment practices and policies for the Senior Foreign Service and the NOAA Commissioned Corps.
- Oversees DOC-wide training and knowledge management activities to create a continuous learning environment, which includes managing the SES Candidate Development Program, Executive Leadership Development Program, Aspiring Leaders Development Program, Project Management and Administrative Professional Certification Programs, and the web-based Learning Management Program.
- Administers performance management and incentive awards policies and activities, which includes managing all aspects of DOC's performance management systems, and monetary, non-monetary, and gold, silver, and bronze honor awards programs.
- Provides centralized human resources services to the Office of the Secretary, Bureau of Industry and Security, Economic Development Administration, International Trade

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Administration, Minority Business Development Agency, and National Telecommunications & Information Administration.
- Oversees workplace safety and health activities policies and procedures, workers compensation.

OFFICE OF CIVIL RIGHTS (www.osec.doc.gov/ocr/)
- Provides formal complaint processing services to enforce federal equal employment opportunity (EEO) laws, laws prohibiting discrimination in federally funded programs, and DOC 's policy prohibiting sexual orientation discrimination.
- Provides EEO counseling, alternative dispute resolution services, and affirmative employment program planning for client offices and operating units, including O/S, OGC, OIG, and operating units located in the Hoover Building.
- Develops and implements DOC-wide policies and initiatives that promote nondiscrimination, diversity, conflict resolution, and accessibility to employment opportunities and DOC programs.

SUBACTIVITY: RESOURCE STEWARDSHIP

The objectives of the Resource Stewardship subactivity are to:

Provide administrative oversight and operational support to ensure effective management of fiscal resources and business processes by which the Department carries out its responsibilities. These services are provided by the Office of Budget, Office of Financial Management, Office of Acquisition Management, Office of Small and Disadvantaged Business Utilization, and Office of Risk Management and Program Evaluation.

OFFICE OF BUDGET (www.osec.doc.gov/bmi/budget/)
- Oversees implementation of government-wide and Department-specific policies and procedures relating to budget formulation and execution.
- Manages the formulation and justification of a cohesive budget as required to carry out the Department's mission and programs; advises the Department's leadership on the operating units' budget requests; represents the Department in all budget-related matters involving OMB, Congressional committees and other government agencies; and coordinates preparations for appropriations hearings that involve the Secretary.
- Formulates and executes the budget for Departmental Management, and manages all O/S budgetary accounts.
- Oversees implementation of performance measurement and reporting under the Government Performance and Results Act, and provides operational support for Departmental Management.

OFFICE OF FINANCIAL MANAGEMENT (www.osec.doc.gov/ofm/**)**
- Provides Department-wide financial management of fiscal policy, external financial reporting, and financial systems.
- Coordinates development of the Department's annual financial statements and other external financial reports.
- Works collaboratively with the operating units on the annual assessment of internal controls for financial and nonfinancial activities.
- Oversees the operation and maintenance of the Commerce Business Systems and ensures that they maximize the efficiency of the Department's financial operations.

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OFFICE OF ACQUISITION MANAGEMENT (oamweb.osec.doc.gov/index.html**)**
- Oversees the Department's purchase card program, the delegation of contracting authority, and Departmental review of major acquisitions.
- Provides operational support for acquisitions for O/S and other elements of the Department.
- Promotes contracting opportunities for small, minority, women-owned, historically underutilized business zone, and service-disabled veteran-owned small businesses.

OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION (www.osec.doc.gov/osdbu/**)**
- Counsels small businesses on how to do business with the Department, sponsors networking events for stakeholders, and assists acquisition officials in developing acquisition strategies.
- Negotiates and monitors small business prime and subcontract goals for DOC and its operating units.

OFFICE OF PROGRAM EVALUATION AND RISK MANAGEMENT (New Office)
- Develops and oversees implementation of integrated, enterprise-wide policies and procedures for assessing and managing risk
- Conducts evaluations of programs, processes, and administrative functions to identify opportunities for enhancing effectiveness and efficiency across the Department of Commerce
- Serves as liaison with the Government Accountability Office and Office of Inspector General regarding audits and studies involved in strengthening nonfinancial internal controls.

OFFICE OF PRIVACY AND OPEN GOVERNMENT (New Office)
- Develops and manages Departmental compliance with privacy policies as per the Privacy Act of 1974, the E-Government Act of 2002, and the Federal Information Security Management Act.
- Coordinates the Department's response to incidents involving personally identifiable information
- Administers the Departmental Freedom of Information Act program
- Administers and coordinates the Departmental transparency and Open Government activities
- Manages the Department's numerous Federal Advisory Committee Act advisory committees
- Manages the Department's directives system and relevant Executive Orders used to prescribe the basic management structure and organizational arrangements of the Department

SUBACTIVITY: DEPARTMENTAL FACILITIES

The objectives of the Department Facilities subactivity are to:

Provide administrative oversight and operational support to ensure the effective management and security of the facilities and property used to administer the Department's programs.   These services are provided by the Administrative Office and Security Office.

OFFICE OF ADMINISTRATIVE SERVICES (www.osec.doc.gov/oas/)
- Oversees implementation of government-wide and Department-specific policies and procedures for managing real property, personal property, official travel, motor vehicle fleets, energy conservation, environmental stewardship and historic preservation.
- Administers the Building Delegation Program for the Department, which includes approximately 4 million square feet in 25 buildings.

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- Manages the Herbert C. Hoover Building – the Department's headquarters facility – including building renovations, maintenance, repairs, and alternations; space, parking, and mass transit benefits management; and janitorial, moving, landscaping, food, mail, publication, transportation, and conference support services.
- Manages the inventory of gifts available for presentation by the Secretary to foreign dignitaries and monitors gifts received by the Secretary.

OFFICE OF SECURITY (www.osec.doc.gov/osy/)

- Oversees the security of the Department's domestic facilities, property, information and personnel and works collaboratively with the State Department to ensure the security of U.S. and Foreign Commercial Service operations overseas.
- Provides personal protection to the Secretary, visiting foreign officials, and other official guests.
- Helps ensure the Department's mission-critical programs and activities continue in the event of an emergency through coordination of Continuity of Government, Continuity of Operations Planning, and Occupant Emergency Planning activities; and management of the Department's Emergency Operations Center.
- Assists in implementing Homeland Security Presidential Directive12.
- Facilitates security clearances for personnel, and assists in verifying and evaluating adverse information that may potentially affect suitability determinations.
- Oversees development and implementation of Department-wide policies and procedures that relate to protecting and using classified information.
- Investigates threats to the Department's mission, operations and activities, and coordinates with other law enforcement and national security entities regarding criminal intelligence, protective intelligence, counterintelligence, and counterterrorism as they impact the Department.

ADMINISTRATIVE COST SAVINGS:

The Administration is pursuing an aggressive government-wide effort to curb non-essential administrative spending called the Administrative Efficiency Initiative. In order to be good stewards of taxpayer money, the Federal Government should continue to seek ways to improve the efficiency of programs without reducing their effectiveness. As such, the President directed each agency to analyze its administrative costs and identify savings where possible. After reviewing its administrative costs, Departmental Management has identified $1,846,000 in administrative savings, with an additional $982,000 in savings identified through the Department's Working Capital Fund (see the Departmental Management Working Capital Fund section for more details). The Departmental Management reductions include downgrades of positions, vacancies left unfilled, reduction of travel expenses, reduction of supplies, eliminating FTE, and reducing non-critical contracts such as administrative support and technical support. The Department continues to find alternative solutions to work smarter with less while increasing efficiency with existing resources. The $2,828,000 in administrative savings identified above represent real reductions to Departmental Management's funding level and will help reduce overall spending by the Federal government.

Exhibit 12 - 15

PROGRAM CHANGE FOR FY 2012

Administrative Savings (Program Base: 0 FTE and $0 Million; **Program Change:** -3 FTE and -$1.846 million**)**

Proposed Actions:

A reduction of $1.8 million and 3 FTE is being proposed. In these tough economic times and in an effort to support the objective to reduce non-security discretionary spending, Departmental Management assessed the priorities and programs within the organization to identify areas for reduction. A review of the organization's activities along with prioritization of functions was made resulting in identification of areas for reduction. As a result of these efforts, difficult decisions were made and areas targeted to trim costs.

The reductions are identified by program and include downgrades of personnel, vacancies left unfilled (but not removed – may be filled at a later date depending on greatest need), eliminating FTE, and reducing non-critical contracts such as administrative support and technical support. Other reductions include discontinuation of subscriptions and eliminating intern programs. We continue to explore the most feasible alternatives in order to meet this challenging proposal to cut base programs.

Statement of Need and Economic Benefits:

The proposed budget cuts will put a strain on existing programs. The Department continues to find alternative solutions to work smarter with less while increasing efficiency with existing resources.

Base Resource Assessment:

In addition to this proposed 5.8% reduction to the FY 2011 continual resolution level (annualized) of $58.0 million an additional $.653 million is being absorbed in the adjustments to base.

Performance Goals and Measurement Data:

Performance goals will continue to be met in each of the programs within Departmental Management.

Exhibit 12 - 15

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Executive Direction & Departmental Staff Services
Subactivity: Executive Direction, IT, Workforce Excellence, Resource Stewardship
               & Departmental Facilities
Program: All

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Various Positions	Washington, DC		-3	-140,259	420,777
			0	0	0
			0	0	0
			0	0	0
			0	0	0
Total			-3		420,777
Total full-time permanent (FTE)			-3		420,777

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	-3
Other than full-time permanent	0
Total	-3
Authorized Positions:	
Full-time permanent	-3
Other than full-time permanent	0
Total	-3

Exhibit 12 - 15

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Executive Direction & Departmental Staff Services
Subactivity: Executive Direction, IT, Workforce Excellence, Resource Stewardship
                      & Departmental Facilities
Program: All

Object Class		2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	-$421
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	-421
12	Civilian personnel benefits	-155
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	-1,270
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	-1,846

Department of Commerce
Departmental Management
Salaries and Expenses

PROGRAM CHANGE FOR FY 2012

Management Efficiencies (Program Base: 0 FTE and $0 Million**; Program Change:** -4 FTEs and -$.840 million**):**   Departmental management requests a decrease of $.8 million and 4 FTEs as part of the consolidated savings effort to reduce costs and increase efficiencies.

Proposed Actions:

An additional reduction of $.8 million and 4 FTE is being proposed. In these tough economic times and in an effort to support the objective to reduce non-security discretionary spending, Departmental Management assessed priorities and programs within the organization to identify areas for further reductions. A review of the organization's activities along with prioritization of functions was made resulting in identification of additional areas for reduction.

The reductions include eliminating FTE, travel expenses, and reducing non-critical contracts. Departmental Management will continue efforts to explore feasible alternatives for reducing non-security discretionary spending, and to be good stewards of taxpayer funding.

Statement of Need and Economic Benefits:

The proposed budget cuts will put a strain on existing programs. The Department continues to find alternative solutions to work smarter with less while increasing efficiency with existing resources.

Base Resource Assessment:

In addition to this proposed reduction to the FY 2011 continuing resolution level (annualized) of $58 million an additional $.7 million is being absorbed in the adjustments to base.

Performance Goals and Measurement Data:

Performance goals will continue to be met in each of the programs within Departmental Management.

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Departmental Staff Services
Subactivity: Departmental Facilities
Program: Management Efficiencies

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Various Positions	Washington, DC		-4	112,224	-448,896
			0	0	0
			0	0	0
			0	0	0
			0	0	0
Total			-4		-448,896
Total full-time permanent (FTE)			-4		-448,896

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	-4
Other than full-time permanent	0
Total	-4
Authorized Positions:	
Full-time permanent	-4
Other than full-time permanent	0
Total	-4

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Departmental Staff Services
Subactivity Departmental Facilities
Program: Management Efficiencies

Object Class		2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	-$449
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	-449
12	Civilian personnel benefits	-135
13	Benefits for former personnel	0
21	Travel and transportation of persons	-108
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	-148
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	-840

Department of Commerce
Departmental Management
Salaries and Expenses

PROGRAM CHANGES FOR FY 2012

Acquisition Workforce (Program Base: 14 FTE and $2.117 Million**; Program Change:** +6 FTEs and +$1.378 million**):** Departmental Management requests an increase of $1.4 million and 6 FTEs for a total of $3.5 million and 20 FTEs to support efforts to increase acquisition workforce capacity and capabilities.

Proposed Actions:

As part of a government-wide effort to increase acquisition workforce capacity and capabilities, we are requesting six full-time positions, comprising of five contracting specialists and one IT specialist, totaling $.8 million, including overhead costs. This would allow OAM to address the following deficiencies: increased focus on strategic acquisition planning, increased focus on proactive contract administration, and increased focus on closing-out completed contracts. In addition, one of the five contracting specialists will be the Subject Matter Expert (SME) and will be responsible for ongoing content review of all data and references in the Acquisition Process Guide (APG); ongoing review and impact assessment of published laws, regulations, guidelines and policies issued internally and externally; and oversight of the implementation of all changes to the APG based on these analyses. Finally, the IT specialist would have the appropriate Web-building skills to support the operation and maintenance of the Department's Office of Acquisition Management (OAM) webpage and the APG.

The APG concept was initially introduced and implemented by NOAA's Eastern Region Acquisition Office. NOAA published the APG in November 2008; but it has not been updated since then due to competing priorities. OAM requests $.2 million to update, expand and modify the APG to serve all the Department's bureaus. OAM plans to use the APG to serve as a focal point for the latest acquisition guidance, policies, training and information for the Department's acquisition community, its program developers, and the public. It will also serve as a repository for samples and examples of required acquisition-related forms and documents, needed by acquisition customers and acquisition service providers. The long-term goal for APG is to provide a continuously updated single interface that combines all applicable regulation and policy with recommended templates, guidance, and references to serve the needs of all the Department's program development and procurement activities. The APG will be continuously updated to reflect current guidance contained in the Federal Acquisition Regulation; Commerce Acquisition Policy and Regulation; the Department's Bureau Acquisition Policy and Regulation; and other applicable statutes, regulations and policies.

The implementation of the APG will be a process of continual improvements, as current policies and regulations are constantly updated and new policies, procedures, and best practices are incorporated into the APG content and Web architecture.

Also included in this request is funding necessary to revise, update and maintain the OAM webpage. Existing acquisition workforce data resides in multiple systems, making it difficult for the Department's bureaus to integrate the information necessary to support acquisition workforce planning. The OAM webpage provides current information to the Department's procurement community, its program developers, and the public. This includes training opportunities, policy documents, and other public information related to procurement activities at

the Department. The OAM webpage offers a standard, convenient method to provide this information to stakeholders, consistently and economically.

As part of this initiative $.3 million is requested for acquisition training. Although a substantial portion of required acquisition training is available on-line for free from the Federal Acquisition Institute, it is often necessary to obtain and provide members of the Department's extended acquisition workforce classroom training to meet established certification requirements. The requested funds will enable OAM to double the training available and to develop and present some customized training for program management and acquisition professionals on key points in the acquisition process where there is a particular need for joint participation (e.g., planning, requirements development, offer evaluation, administration). The Department will tailor this training to model the complexities of its actual acquisitions, providing relevant knowledge and experience to the Department's program management and acquisition personnel.

This increase also includes $.1 million to fund increased oversight. This funding will be utilized to conduct periodic acquisition management reviews to increase oversight and to identify systemic policy and process gaps or to identify specific training needs across the Department. This will further our efforts to work with the Office of the Inspector General to ensure that quality acquisitions are processed and effective contract administration is occurring, ensuring that appropriate management controls exist within each of the Department's acquisition offices.

Statement of Need and Economic Benefits:

During the last decade, the Federal government has increased its reliance on obtaining needed goods and services from contractors. However, as acquisition workload has increased, the number of acquisition specialists within the Federal government has not kept up to pace. The Administration identifies acquisition workforce development as a pillar for strengthened agency acquisition practices and improved government performance.

OAM is currently leading an acquisition improvement project in response to direction from the Department's Secretary to address issues which led to significant deficiencies in four of the Department's highly visible and critical acquisitions. The Logistics Management Institute has conducted an independent analysis of the issues which led to the deficiencies and provided a set of recommendations which address steps needed to address the deficiencies and, as well, provided additional recommendations designed to strategically strengthen the acquisition function Department-wide. Those recommendations will be, in part, addressed by this increase.

The Department's acquisition career management budget for training and development has remained static since Fiscal Year 1998, which was developed based on a GS-1102 workforce of 162 employees, allowing for one training course per employee. As the current size of the Department's acquisition workforce has increased to nearly 2,000, and includes not only 1102s, but Contracting Officers, regardless of series, Contracting Officer Representatives and Program/Project Managers, the current budget is not sufficient to address training and development needs to close competency gaps.

In summary, a well-equipped acquisition workforce is the backbone of the Federal acquisition system. As acquisition spending and complexity grows, we must take affirmative steps towards a more strategic, more targeted human capital process that supports the lifecycle of our acquisitions – from planning, through execution, to performance management.

Base Resource Assessment:

Base resource is funded through the Working Capital Fund.

Schedule and Milestones:

Acquisition Process Guide (APG) – Complete full interface by 9/30/2012
Training – Complete training by 12/31/2012
Oversight – Complete acquisition assessment/management reviews by 9/30/2012
Acquisition – Hire staff by 12/31/2011

Deliverables:

APG – Having a single interface that combines all applicable regulation and policy within recommended templates, guidance, and references to serve the needs of all the Department's program development and procurement activities.

Training – Achieve 100% Warrant Certifications for Contracting Officers, Contracting Officer's Representatives, and Program Managers. Develop a series of customized training courses specific to: requirements development; contract oversight; performance metrics; complex cost/price analysis; written and oral communication skills; and integrated acquisition workshops in acquisition planning and contract administration as well as specialized training for IT acquisition consistent with the Federal Chief Information Officer's direction for agencies to establish specialized IT acquisition corps.

While the Department will continue to utilize training provided at no costs through the Federal Acquisition Institute, Defense Acquisition University and the Commerce Learning Center, the Department must also utilize commercial training resources to address the acquisition workforce's individual developmental needs, targeted areas to close competency, and Federal Acquisition Certification program training requirements.

Oversight – Conduct 5 annual acquisition assessments/management reviews of acquisition operations to determine compliance with federal and Commerce regulations including the requirements under OMB Circular A-123, Acquisition Assessment. This bi-annual assessment schedule is consistent with the recommendations for acquisition management oversight reviews provided by Logistics Management Institute.

Acquisition –Improve the timeliness of contract awards, increase the number of completed contract close-outs, and ensure timely de-obligations of unexpended funds. The increase in FTEs will improve the quality of overall customer service and mission support through: reduced acquisition cycle times and need for re-work, provide greater customer outreach and assistance; target more opportunities for greater savings through enhanced contract administration and oversight activities; identify areas of non-compliance and more effectively implement acquisition improvement strategies through policy reform and training; significantly reduce risk to the quality of the acquisitions performed; enhance sustainment and growth potential of contracting professionals; lessen some of the workload and overwhelming administrative reporting responsibilities on the existing workforce through re-distribution; and enhance morale.

Performance Goals and Measurement Data:

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	N/A	92%	92%	92%	92%	92%
Without Increase	90%	90%	90%	90%	90%	90%
Description: Meet established Procurement Actions Lead Time (PALT) for 90% of requested procurement actions.						

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	N/A	96%	97%	97.5%	98%	98%
Without Increase	95%	95%	95%	95%	95%	95%
Description: Assist O/S customers to ensure 95% of invoices are paid on time.						

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	N/A	6%	7%	7%	7%	7%
Without Increase	5%	5%	5%	5%	5%	5%
Description: Reduce high-risk contract awards by 5%						

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	N/A	60	60	60	60	60
Without Increase	72	72	72	72	72	72
Description: Maintain and update OAM website within 72 hours of published changes to acquisition policies.						

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	N/A	50%	50%	50%	50%	50%
Without Increase	25%	25%	25%	25%	25%	25%
Description: Ensure that 25% of the Department's procurement offices are reviewed annually.						

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	N/A	80	120	160	160	160
Without Increase	40	40	40	40	40	40
Description: Hours of specialized training made available to the Department's participants in the acquisition process.						

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Departmental Staff Services
Subactivity: Resource Stewardship
Program: Acquisition Worforce

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Contracting Specialist	Washington, DC	GS-14	1	119,238	119,238
Contracting Specialist	Washington, DC	GS-13	1	100,904	100,904
IT SpecialistWeb Master	Washington, DC	GS-13	1	100,904	100,904
Contracting Specialist	Washington, DC	GS-12	1	84,855	84,855
Contracting Specialist	Washington, DC	GS-07	2	47,838	95,676
Total			6		501,577
Total full-time permanent (FTE)			6		501,577

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	6
Other than full-time permanent	0
Total	6
Authorized Positions:	
Full-time permanent	6
Other than full-time permanent	0
Total	6

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Departmental Staff Services
Subactivity Resource Stewardship
Program: Acquisition Worforce

	Object Class	2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$502
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	502
12	Civilian personnel benefits	132
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	60
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	447
25.3	Purchases of goods & services from Gov't accounts	220
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	6
31	Equipment	11
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	1,378

Department of Commerce
Departmental Management
Salaries and Expenses

PROGRAM CHANGES FOR FY 2012

<u>**Commerce Connect Coordination (Program Base:** 0 FTE and $0 Million**; Program Change:**
+3 FTEs and +$2.410 million**):**</u> Departmental Management requests an increase of $2.4 million
and 3 FTEs to support the CommerceConnect operation center activity.

Proposed Actions:

CommerceConnect will provide assistance to U.S. businesses by efficiently and effectively
connecting them with the Department's programs, products and services. Funding is needed to
permanently fund a headquarters office to manage and provide oversight to the overall initiative.
This office will consist of 3 FTEs and will work to implement the CommerceConnect work plan,
establish metrics and track outcomes, and develop policy parameters. In addition, the
headquarters office will be responsible for ensuring the resource coordinator network is
established and providing the necessary program content to support the initiative including the
web-based portal, the call center, and the fully integrated (cloud-based) customer relationship
management (CRM) system and knowledgebase.

CommerceConnect will implement a robust information technology (IT) infrastructure to support
the initiative including: 1) transitioning the current CommerceConnect website from static
program resource descriptions and contact information into an interactive virtual assistance
center which will intuitively direct businesses to the programs, products and services that best
meet their needs; 2) support for the initiative's internally-facing CRM system, which will track
Commerce service to each business client and metrics on performance; and, 3) the
development and maintenance of a robust program knowledgebase that is used by all the other
facets of the initiative including the field and call center staff, the website, and by federal, state
and local partner organizations.

Statement of Need and Economic Benefits:

The world economic environment is changing due to rapid technology transformation and
domestic/international competition. U.S. businesses and communities are impacted by these
changes which are seeking to more effectively leverage federal information and resources to
compete in the world economy. This reality requires the Department to adapt to address
challenges faced by its client companies in order to support U.S. business innovation and
entrepreneurship; enhance economic resiliency; assist job creation; and help American firms
transform themselves into globally competitive enterprises.

CommerceConnect links American business and communities to a portfolio of the Department
and other partner resources that enable client companies to become globally competitive.
These services are provided, faster and more comprehensively, through a coordinated one-stop
federal assistance framework which includes multiple touch points:

- Web-based Portal – Externally-facing Virtual CommerceConnect web-based portal with
  robust program content.

- Call Center – Initial client support provided through existing US Patent and Trademark Office (USPTO) telephone call center operations.

- Dedicated Field Office – CommerceConnect Specialists (case managers) in Michigan provide face-to-face client interaction and program referrals and support national field operations.

- National Field Operations – Existing bureau offices provide Department program information and referrals to US businesses.

Base Resource Assessment:

The initial funding for this effort was provided by the bureaus in order to stand up the pilot program. CommerceConnect is currently in the start-up phase of a multi-phased pilot approach to test methodology and be of immediate support to businesses in Michigan. Beginning in 2009, a staff of case manager experts from the Department representing National Institute of Standards and Technology (NIST), International Trade Administration (ITA), Minority Business Development Agency (MBDA) and Departmental Management – worked from donated NIST Manufacturing Extension Partnership and ITA space in Michigan, interacting with a select group of businesses that were willing to participate in the pilot to help refine the process of client engagement and develop a method to evaluate client outcomes. These on-the-ground experts were responsible for assessing business needs and connecting businesses with the most relevant services. Client information, services and outcomes are tracked by means of a robust customer relationship management system.

This program has proven to be successful, as a customer stated: "CommerceConnect introduced me to government programs that I would not have researched myself, and arranged meetings and interviews with program staffers that could provide answers for me." This client was introduced to Small Business Administration (SBA) Guaranteed Loans, Manufacturing Extension Partnership (MEP) SourceOne Research and Development (R&D) Tax Credit, Oakland County Medical Mainstreet, and the Small Business Technology Development Center (SBTDC) for Small Business Innovation Research grants. Accomplishments such as this have proven this program a success and oversight is needed while the program takes shape and grows. Oversight and coordination are desperately needed in order to launch the remainder of the resource centers.

Schedule and Milestones:

CommerceConnect plans to establish new operations across the United States through existing bureau offices to help address local and regional economic challenges. These local and regional offices will continue to introduce American businesses and communities to a portfolio of the Department's and other partner resources that enable client companies to become globally competitive.

Deliverables:

The objective of CommerceConnect is to foster an environment that will create American jobs by connecting U.S. Businesses with the Department's and other partner programs, products and services that meet their needs in their life cycle. We can evaluate CommerceConnect's impact in the business community as a whole, and with individual client companies, through the establishment of a robust customer relationship management system that is capable of

measuring performance including a mix of data and outcome-based metrics such as: number of clients serviced by the Department's specialists, and number of client referrals made to the Department or other partner information, products or services.

Performance Goals and Measurement Data:

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	18	29	41	53	65	77
Without Increase	2	1	1	1	1	1
Description: Number of CommerceConnect Locations						

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Executive Direction
Program: Executive Direction
Subactivity: CommerceConnect Coordination

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Director	Washington, DC	GS-15	1	123,758	123,758
Deputy Director	Washington, DC	GS-14	1	119,238	119,238
Management Analyst	Washington, DC	GS-14	1	105,211	105,211
			3		348,207
Total full-time permanent (FTE)			3		348,207

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	3
Other than full-time permanent	0
Total	3
Authorized Positions:	
Full-time permanent	3
Other than full-time permanent	0
Total	3

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Executive Direction
Program: Executive Direction
Subactivity: CommerceConnect Coordination

	Object Class	2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	348
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personal compensation	348
12	Civilian personnel benefits	92
13	Benefits for former personnel	0
21	Travel and transportation of persons	22
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental payments to others	19
23.3	Communications, utilities and misc. charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	1,124
25.3	Purchases of goods & services from gov't accounts	800
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	5
25.99	Other contractual services - misc contracts not otherwise identified	0
31	Equipment	0
32	Lands and structures	0
33	Investment and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total Obligations	2,410

Department of Commerce
Departmental Management
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PROGRAM CHANGES FOR FY 2012

IT Cyber Security (Program Base: 11 FTEs and $6.900 Million**; Program Change:** +14 FTEs and +$5.052 million**):** Departmental Management requests an increase of $5.1 million and 14 FTEs for a total of $12 million and 25 FTEs to support the Department's Information Technology Security Program.

Proposed Actions:

Enhancement 1: Enterprise-level forensics support and security augmentation.

This enhancement is designed to reduce the Department's vulnerability to cyber attacks by quickly and effectively isolating and correcting IT security incidents and providing real-time, enhanced monitoring of critical network segments. Funds are requested to acquire experienced and capable IT Security expertise to develop improved IT forensics capabilities. Our requested staff increase is required to provide resources to adequately staff and maintain the Department's overarching IT security program in order to improve operational security and incident response capability. Deploying state of the art automated tools will help the Department develop standard forensic practices, provide investigative processes that are consistent in structure and depth of analysis, and provide overall situational awareness of the Departmental IT security posture.

Enhancement 2: Cyber Security (National Security Systems).

Several national level cyber security initiatives sponsored by the Department of Homeland Security (DHS) and the intelligence community necessitate that the Department invests in additional IT security related capabilities. Due to the classified nature of this initiative, few details can be provided in an unclassified format.

Enhancement 3: Trusted Internet Connections.

Under OMB Memorandum 08-05, Federal agencies are required to reduce their risk of exposure to Internet-based cyber attacks by reducing the number of external connections used by these agencies. The Department is implementing a plan that will reduce its direct internet connections from hundreds to a controlled eight trusted internet connection access points over the next three years. This additional funding is required to enhance the capabilities and services identified in the FY 2010 initial operating capability implementation plan and provide overall Departmental program management.

Statement of Need and Economic Benefits:

The purpose of the Department's Information Technology (IT) Security Program is to ensure that adequate controls are in place to protect the confidentiality, integrity, and availability of non-national security and national security IT systems. The Department must leverage a common infrastructure to provide access to secure cyber security, counter-terrorism, and national emergency operations information between the Department, the Department of Homeland Security (DHS), federal, state and local law enforcement officials, the intelligence community, and the national command structure. Existing funding, tools, and staffing levels are substantially inadequate to ensure compliance with IT Security laws, directives, recent OMB mandates, as well as industry and government best practices.

Increased malicious activities targeting government information systems require the Department to implement enhancements to ensure stringent monitoring and reporting of network activity coupled with an enhanced incident response capability. The Department must also strengthen systems access control. Specifically, increases over the FY 2010 enacted budget are required to address shortfalls in the area of Information Technology Cyber Security (IT Cyber) Operations in support of the Comprehensive National Cyber-security Initiative (CNCI) to include the Trusted Internet Connections initiative.

Base Resource Assessment:

Existing Department national security systems are operated within specific mission areas and most mission area IT support personnel are not familiar with specialized rules, policies and procedures that afford the appropriate protections to national security information. In order to affect consistent security controls across these systems, the Department will provide centralized management, operation, and maintenance of these systems with staff experienced in the protection of these systems. This centralization will allow for more effective utilization of resources by provision of shared common services and centralized system ownership and authorization. The Department's OUs are overwhelmed by responding to targeted attacks, meeting IT security mandates, and internally and externally driven priorities that drive the use of bureau IT spending to support bureau-level systems and security operations, and therefore limiting their ability to support "specialized" operating capabilities. While the Department will continue to leverage available resources toward developing an enterprise IT security architecture using CNSS and CNCI standardized products, progress will be slow, solely driven by coordinating technology refresh efforts and limited to areas where OUs have already made investments. If not funded, Department-wide national security protections will continue to be inconsistent with national policy.

Schedule and Milestones:

Enterprise Forensics Support and Augmentation:
Phase 1 – Develop CONOP, Architecture & Implementation Plan – FY12 Q1
Phase 2 – Hire Rapid Response Team Personnel – FY12 Q2 – FY12 Q3
Phase 3 – Out-of-Band (OOB) Monitoring Network – FY12 Q2 – FY13 Q4
Phase 4 – Connect OOB Network to Enterprise Cybersecurity Center – FY14 Q3

National Security Systems:
Phase 1 – Implement Expansion Requirements – FY12 Q2 – FY13 Q1
Phase 2 – Integrate CNCI/CNSS Requirements – FY12 Q3 – ongoing
Phase 3 – Integrate Emergency Communications Capabilities – FY12 Q3 – FY12 Q4
Phase 4 – Full Operating Capability – FY13 Q2
Phase 5 – Cross-Domain Capability – FY14 Q2 – FY15 Q2

Trusted Internet Connection Service Enhancements:
Phase 1 – Develop Enterprise TIC Architecture – FY12 Q2 – FY13 Q1
Phase 2 – Conduct GAP Analysis – FY13 Q1 – FY13 Q3
Phase 3 – Develop Implementation Plan – FY13 Q4 – FY14 Q1
Phase 4 – Implement Plan – FY14 Q2 -- ongoing

Deliverables:

Capabilities/deliverables provided by this initiative are:

- Enterprise Cybersecurity Rapid Response Team that will provide advanced cybersecurity forensic and investigative capabilities in response to significant cybersecurity incidents including response to advanced persistent threats.
- Enterprise out-of-band cybersecurity monitoring network to provide audit and monitoring data streams without impacting mission networks.
- Expanded (nationwide) national security system to satisfy multiple Departmental missions and emergency communications requirements.
- Pilot implementation of an identity management system.
- Deployment of advanced protections meeting Committee for National Security Systems and CNCI requirements.

Performance Goals and Measurement Data:

Performance Goal: Out-of-band monitoring	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	0	25%	100%	100%	100%	100%
Without Increase	0	0	0	0	0	0
Description: Percentage of the Department's networks with out-of-band monitoring capability.						

Performance Goal: CNSS/CNCI Compliance	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	0	50%	75%	100%	100%	100%
Without Increase	0	25%	25%	25%	25%	25%
Description: Percentage of the Department's National Security Systems in compliance with CNSS/CNCI policies.						

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Executive Direction
Subactivity: Information Technology
Program: IT Cyber Security

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Information Technology Specialist	Washington, DC	GS-15	4	144,385	577,540
Information Technology Specialist	Washington, DC	GS-14	3	126,251	378,753
Information Technology Specialist	Washington, DC	GS-13	3	103,872	311,616
Information Technology Specialist	Washington, DC	GS-11	2	74,958	149,916
Budget Analyst	Washington, DC	GS-13	1	106,839	106,839
Admin Assistant	Washington, DC	GS-7	1	50,653	50,653
Total			14		1,575,317
Total full-time permanent (FTE)			14		1,575,317

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	14
Other than full-time permanent	0
Total	14
Authorized Positions:	
Full-time permanent	14
Other than full-time permanent	0
Total	14

PROGRAM CHANGE DETAIL BY OBJECT CLASS

(Dollar amounts in thousands)

Activity: Executive Direction
Subactivity: Information Technology
Program: IT Cyber Security

Object Class		2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$1,575
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	95
11.8	Special personnel services payments	0
11.9	Total personnel compensation	1,670
12	Civilian personnel benefits	499
13	Benefits for former personnel	0
21	Travel and transportation of persons	30
22	Transportation of things	0
23.1	Rental payments to GSA	182
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	10
25.1	Advisory and assistance services	500
25.2	Other services	1,610
25.3	Purchases of goods & services from Gov't accounts	526
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	25
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	5,052

Exhibit 16

Department of Commerce
Departmental Management
Salaries and Expenses
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Object Class		2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
11	Personnel compensation:					
11.1	Full-time permanent	20,987	23,063	23,063	24,618	1,555
11.3	Other than full-time permanent	20	20	20	20	0
11.5	Other personnel compensation	1,257	1,177	1,177	1,272	95
11.9	Total personnel compensation	22,264	24,260	24,260	25,910	1,650
12.1	Civilian personnel benefits	5,138	6,067	5,720	6,153	433
13	Benefits for former personnel	204	120	120	120	0
21	Travel and transportation of persons	759	1,076	990	934	(56)
23.1	Rental payments to GSA	3,759	3,732	3,701	3,943	242
23.2	Rental payments to others	19	17	17	36	19
23.3	Communication, utilities and miscellaneous charges	581	1,042	1,270	1,270	0
24	Printing and reproduction	91	93	94	104	10
25.1	Consulting services	0	100	100	600	500
25.2	Other services	12,889	9,779	9,780	11,543	1,763
25.3	Purchase of goods and services from Gov't accounts	14,766	11,793	12,087	13,644	1,557
26	Supplies and materials	167	161	165	201	36
31	Equipment	162	1,100	413	413	0
32	Land Structures	0	0	0	0	0
99	Total obligations	60,799	59,340	58,717	64,871	6,154
	Less prior year recoveries	(13)				
	Unobligated balance, start of year	(29)	(1,340)			
	Unobligated balance, transferred	(3,097)				
	Unobligated balance, end of year	1,340				
	Unobligated balance, expiring	300				
	Transfers from other accounts	(1,300)				
	TOTAL BUDGET AUTHORITY	58,000	58,000	58,717	64,871	6,154

Exhibit 16

Department of Commerce
Departmental Management
Salaries and Expenses
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Personnel Data	2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
Full-Time Equivalent Employment:					
Full-time Permanent	140	149	149	165	16
Other than full-time permanent	39	39	39	39	0
Total	179	188	188	204	16
Authorized Positions:					
Full-time permanent	165	185	185	201	16
Other than full-time permanent	47	47	47	47	0
Total	212	232	232	248	16

Note: Other than full-time permanent FTE and positions include political appointees classified as full-time temporary.

Exhibit 33

Department of Commerce
Departmental Management
Salaries and Expenses
Appropriation Language and Code Citation

<u>FY 2012:</u>

<u>Salaries and Expenses</u>

1.   For expenses necessary for the Departmental Management of the Department of Commerce provided for by law.

15 U.S.C. 1501

15 U.S.C. 1501 provides that: "There shall be...the Department of Commerce, and a Secretary of Commerce, who shall be the head thereof…" The sections which follow 15 U.S.C. 1501 establish various Assistant Secretaries and define general powers and duties of the Department.

2.   Including not to exceed $5,000 for official entertainment.

No Specific Authority

5 U.S.C. 5536 prohibits additional pay or allowance to employees unless the appropriation therefore specifically states that it is for the additional pay or allowance.

Exhibit 34

Department of Commerce
Departmental Management
Salaries and Expenses
Consulting and Related Services
(Dollar amounts in thousands)

	2010 Actual	2011 CR (Annualized)	2012 Estimate
Consulting services	0	0	500
Management and professional services	0	0	0
Special studies and analyses	0	0	0
Management and support services for research and development.	0	0	0
Total	0	0	500

Exhibit 35

Department of Commerce
Departmental Management
Salaries and Expenses
Periodicals, Pamphlets, and Audiovisual Products
(Dollar amounts in thousands)

	2009 Actual	2010 Actual	2011 CR (Annualized)	2012 Estimate
Periodicals	0	0	0	0
Pamphlets	0	0	0	0
Audiovisuals	0	0	0	0
Total	0	0	0	0

Exhibit 36

Department of Commerce
Departmental Management
Salaries and Expenses
Average Grade and Salaries

	2010 Actual	2011 CR (Annualized)	2012 Estimate
Average ES Grade	0.00	0.00	0.00
Average GS/GM Grade	12.58	12.52	12.52
Average GS/GM Salary	$102,108	$102,865	$102,865

*Average ES Grade entered as zero for FY 10, 11, and 12 because ES Salary Table does not show grade levels (depicted as a range)
*Due to federally mandated two-year freeze on pay increase, 2012 Salary estimate does not include a 2% pay increase

Exhibit 5

Department of Commerce
Departmental Management
Working Capital Fund
SUMMARY OF RESOURCE REQUIREMENTS
(Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Reimbursable Obligations
Operating Plan, FY2011	716	610		148,661
less: Unobligated balance, start of year	0	0		0
plus: 2012 Adjustments to base	0	0		3,118
2012 Base	716	610		151,779
less: Administrative Savings	-17	-17		-6,384
less: Unobligated balance, start of year				0
plus: Program increases	21	19		20,335
2012 Estimate	720	612		165,730

		2010 Actual		2011 Operating Plan		2012 Base		2012 Estimate		Increase/(Decrease) Over 2012 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Comparison by activity:											
Executive Direction	Pos./BA	271		269		269		266		-3	
	FTE/Obl.	227	55,364 [1]	225	55,384	225	56,313	222	61,060	-3	4,747
Departmental Staff Services	Pos./BA	450		447		447		454		7	
	FTE/Obl.	388	87,611 [1]	385	93,277	385	95,466	390	104,670	5	9,204
	Pos./BA	721		716		716		720		4	
TOTALS	FTE/Obl.	615	142,975	610	148,661	610	151,779	612	165,730	2	13,951

Adjustments t Recoveries
Unobligated balance, start of year		(5,591)		(2,704)							
Unobligated balance, end of year		2,704									

Total Reimbursable Authority		140,088		145,957		151,779		165,730		13,951	

[1] President's Budget WCF FY10 Actual split by activity differs from what was reported in MAX

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Exhibit 9

Department of Commerce
Departmental Management
Working Capital Fund
JUSTIFICATION OF ADJUSTMENTS TO BASE
(Dollar amounts in thousands)

	FTE	Amount
Restoration of base		
		1,688

Other Changes:

Civil Service Retirement System (CSRS). . . . .   (119)

The cost of agency contributions for CSRS will decrease slightly due to the decrease in the number of
employees covered by CSRS from 16.9% in FY 2011 to 14.5% in FY 2012. The contribution rate will
remain the same at 7.00% for FY 2011 and FY 2012.

FY 2012 ($70,811,000 x .145 x .0700)	718,732
FY 2011 ($70,811,000 x .169 x .0700)	837,694
Total adjustment to base	(118,962)

Federal Employees' Retirement System (FERS).   199

The cost of agency contributions for FERS will increase due to the increase in the number of employees
covered by FERS from 83.1% in FY 2011 to 85.5% in FY 2012. The contribution rate will remain the same at 11.7%.

FY 2012 ($70,811,000 x .855 x .117)	7,083,578
FY 2011 ($70,811,000 x .831 x .117)	6,884,741
Total adjustment to base	198,837

Thrift Savings Plan (TSP).   34

The cost of agency contributions to the Thrift Savings Plan will increase slightly due to the number of employees
covered increasing from 83.1% in FY 2011 to 85.5% in FY 2012. The contribution rate will remain the same at 2%.

FY 2012 ($70,811,000 x .855 x .02)	1,210,868
FY 2011 ($70,811,000 x .831 x .02)	1,176,879
Total adjustment to base	33,989

Federal Insurance Contributions Act (FICA) - OASDI.   4

The OASDI tax rate will remain constant at 6.2%. The annual salary subject to the OASDI tax will decrease from

Exhibit 9

Department of Commerce
Departmental Management
Working Capital Fund
JUSTIFICATION OF ADJUSTMENTS TO BASE
(Dollar amounts in thousands)

	FTE	Amount

$114,975 in FY 2011 to $110,175 in FY 2012. The percent of salaries below the cap will decrease from 93.0% in FY 2011 to 90.5% in FY 2012. The total salaries taxable by OASDI will increase from 83.1% in FY 2011 to 85.5% in FY 2012. The combination of the above adjustments results in a net increase of $4,285.

FERS payroll subject to FICA tax in FY 2012 ($70,811,000 x .855 x .905 x .062)	3,397,090
FERS payroll subject to FICA tax in FY 2011 ($70,811,000 x .831 x .930 x .062)	3,392,942
Subtotal	4,148
Other payroll subject to FICA tax in FY 2012 ($2,345,000 x .855 x .905 x .062)	112,499
Other payroll subject to FICA tax in FY 2011 ($2,345,000 x .831 x .930 x .062)	112,362
Subtotal	137
Total adjustment to base	4,285

Health Insurance.   349

    Effective January 2010, the cost of the U.S. Government's contribution to the Federal employee's health insurance premium increased by 8.1%. Applied against the FY 2012 estimate of $4,313,000, the additional amount required is $349,353.

Travel, Per Diem.   22

    General Services Administration has issued revised travel per diem rates, effective as of October 1, 2009, resulting in a 6.4% increase. This percentage applied against the FY 2012 estimate of $346,000 results in an increase of $22,144.

Mileage. . . . .   (2)

    The mileage reimbursement rate for privately-owned automobiles decreased from 55.0 cents to 50.0 cents, or 9% on January 1, 2010. A decrease of $1,620 is required to adjust this fund.

Rental Payments to GSA.   65

    GSA rates are projected to increase in FY 2012. An additional increase of $64,918 is required to fund this increase.

Commerce Business System   194

Exhibit 9

Department of Commerce
Departmental Management
Working Capital Fund
JUSTIFICATION OF ADJUSTMENTS TO BASE
(Dollar amounts in thousands)

	FTE	Amount

Costs associated with the Commerce Business System will increase from $11,992,000 in FY 2011
to $12,186,000 in FY 2012.   This results in an increase of $194,000.

Postage.   0
   Effective May 03, 2010, the Governors of the Postal Service has not implemented a rate increase for first class mail from
   44 cents. Therefore, no increase will be requested.

Other Services:

General Pricing Level Adjustment.   684
   This request applies OMB economic assumptions for FY 2012 of 1.2% to sub-object classes where the prices
   that the Government pays are established through the market system. Factors are applied to communications ($20,884);
   printing ($3,660); other services ($608,756); supplies and materials ($19,716); and equipment ($30,492).

Subtotal, Other Changes   0   1,430

Total FY 2012 Adjustments to Base.   0   3,118

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Department of Commerce
Departmental Management
Working Capital Fund
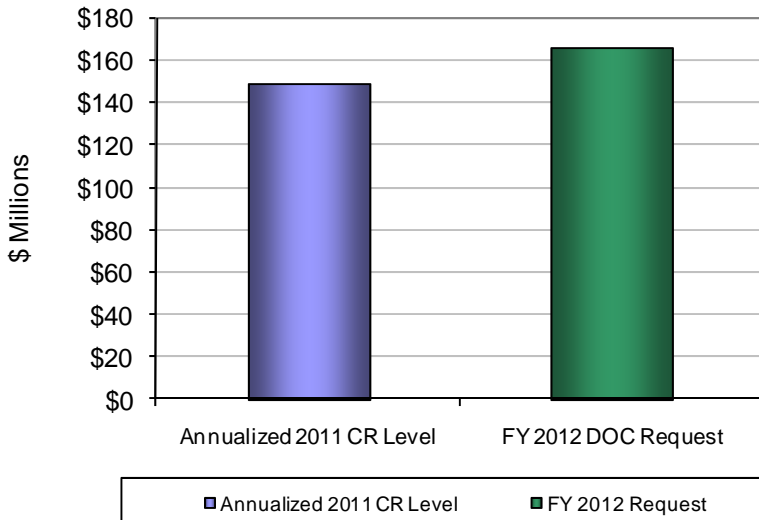
APPROPRIATION ACCOUNT: DEPARTMENTAL MANAGEMENT

BUDGET ACTIVITY: WORKING CAPITAL FUND

For FY 2012, Departmental Management requests an increase of $17,069,000 and 2 FTE (4 POS) over the FY 2010 Operating Level for a total of $165,730,000 and 612 FTE for the Working Capital Fund. This increase includes $3,118,000 in inflationary adjustments.

BASE JUSTIFICATION FOR FY 2012:

Working Capital Fund Overview:

The Working Capital Fund is a non-appropriated account which finances, on a reimbursable basis, Department-wide administrative functions that are more efficiently and economically performed on a centralized basis.

The Working Capital Fund ($148.6 million and 610 FTE) account budget is organized into 2 activities:

- The Executive Direction activity ($55.4 million and 225 FTE) is composed of 4 offices, which include:
    - The Office of General Counsel (OGC) provides legal advice, guidance and services on matters involving Departmental programs and components. Supervises the development of the Department's legislative program and the delivery of effective legal services for the growing needs of major programs.
    - The Office of Public Affairs (OPA) promotes public understanding and support of Department's programs, services and consumer issues. Ensures continuity and cost-effective management of Departmental Public Affairs programs. Acts as the primary point of contact on Departmental issues for the White House and Federal departments and agencies.

- Office of the Chief Information Officer (CIO) leads the management of information resources throughout the Department, ensuring that the Department's programs make full and appropriate use of information technology (IT). Implements Government-wide and Departmental policies, programs and activities in all aspects of information technology management, including IT security and providing analysis, design, development, support, and oversight for Department automated systems for Administration. Provides Department-wide coordination and technical support for the development and operation of information technology resources, including telecommunications. Manages the Department's IT security and critical IT infrastructure programs.
- Office of the Chief Financial Officer (CFO) oversees the Department's financial resources, human resources and facilities. Establishes and monitors implementation of Departmental policies and procedures for administrative functions affecting program operations in Commerce's operating units. Coordinates implementation of government-wide and Departmental management reforms. Manages the Department's headquarters offices located in the Herbert C. Hoover Building in Washington, D.C.

- The Departmental Staff Services activity ($93.2 million and 385 FTE) is composed of 7 offices which include:
  - The Office of Security plans, develops, and implements policies and procedures for managing and delivering security services for the Department. Provides counterespionage, anti-terrorism and emergency management program support, puts forth guidance to Departmental offices and operating units regarding security matters as they relate to the protection of personnel, facilities, property and information. Specifically, establishes and enforces policies and procedures for conducting background investigations and granting security clearances; safeguarding classified and sensitive documents and information; assessing threats and determining risks to Departmental assets; and ensuring proper communications security for classified information.
  - The Office of Human Resource Management (OHRM) implements Government-wide and Departmental policies, programs and activities in all aspects of human resources management and administration including recruitment and placement, classification, payroll support and administration, incentive awards, training and development, employee and labor relations, Department-wide oversight and evaluation of human resources management activities, unemployment and workers' compensation, employee health and safety, employee benefits and drug testing.
  - The Office of Civil Rights (OCR) conducts discrimination complaint investigations and adjudications, provides equal employment program support and affirmative action program support to selected operating units.
  - The Office of Financial Management (OFM) implements policies and procedures for Departmental financial management, provides consolidated financial reporting, develops and maintains the Commerce Business System and the Department's financial management system. Provides complete financial stewardship for all activities included in Departmental Management. Oversees and administers most budget functions for the Office of the Secretary, manages the Department's Working Capital Fund and provides financial support and guidance Department-wide.
  - The Office of Administrative Services (OAS) provides Department-level management of travel, personal property, fleet motor vehicles, real property, energy and environmental programs. Provides management of the following Herbert C. Hoover

Building programs and services: publications; printing; library services; mail; messenger and distribution services; space management and use; building management including operations, maintenance, repairs, and major and minor renovations; labor services; historic preservation; and shipping/receiving.

- The Office of Acquisition Management (OAM) provides contracting technical services, including acquisition strategies and guidance for the procurement of products and services in support of the Office of Secretary (OS), Office of Inspector General (OIG), selected special projects and related administrative support. Performs policy and oversight functions for the Department's acquisition and financial assistance programs. Performs federal assistance administrative duties and responsibilities to ensure that federal assistance actions comply with Departmental procedures. Manages Competitive Sourcing A-76/FAIR Act Program.

- The Office of Program Evaluation and Risk Management (OPERM) develops and oversees implementation of integrated, enterprise-wide policies, procedures, and strategies for assessing and managing risk; conducts evaluations of programs, processes, and administrative functions to identify opportunities for enhancing effectiveness and efficiency across the Department; and serves as liaison with the Government Accountability Office and Office of Inspector General regarding audits and studies involved in strengthening nonfinancial internal controls.

- The Office of Privacy and Open Government (OPOG) develops and manages Departmental compliance with privacy policies as per the Privacy Act of 1974, the E-Government Act of 2002, and the Federal Information Security Management Act. It also coordinates the Department's response to incidents involving personally identifiable information, administers the Departmental Freedom of Information Act program, administers and coordinates the Departmental transparency and Open Government activities, manages the Department's numerous Federal Advisory Committee Act advisory committees, and manages the Department's directives system and relevant Executive Orders used to prescribe the basic management structure and organizational arrangements of the Department.

Significant Adjustments-to-Base (ATBs):

Departmental Management requests a net increase of 0 FTE and $3.1 million to fund adjustments to current programs for Working Capital Fund activities. The increase will provide inflationary increases for non-labor activities, including service contracts, utilities, field office lease payments, and rent charges from the General Service Administration (GSA).

SUBACTIVITY: EXECUTIVE DIRECTION

The objectives of the Executive Direction subactivity are to:

Provide overall leadership, policy direction, and coordination of bureau programs in furtherance of the Department's mission (CFO, OPA, and OGC)

OFFICE OF THE CHIEF FINANCIAL OFFICER (www.osec.doc.gov/cfo/)
- Oversees the Department's financial resources, human resources and facilities.
- Establishes and monitors implementation of Departmental policies and procedures for administrative functions affecting program operations throughout Commerce and its operating units.

- Responsible for coordinating implementation of government-wide and Departmental management initiatives.
- Manages the Department's headquarters offices located in the Herbert C. Hoover Building in Washington, DC.

OFFICE OF PUBLIC AFFAIRS (www.commerce.gov/office-secretary/office-public-affairs)
- Performs outreach activities to facilitate interaction with the business community
- Exercises responsibility for the Department's overall public information program
- Coordinates incoming correspondence addressed to and all material prepared for the attention of the Secretary and Deputy Secretary

OFFICE OF GENERAL COUNCIL (www.ogc.doc.gov/)
- Coordinates matters pertaining to legislative issues, Congressional relations, and the Department's relationship with state, county, and municipal governments
- Advises the Secretary on administrative concerns and initiatives
- Provides legal services for the Department through Assistant General Counsels for Administration, Finance and Litigation, and Legislation and Regulation, the Commercial Law Development Program, and legal offices that focus on the programs and activities of their respective operating units

SUBACTIVITY: INFORMATION TECHNOLOGY

The objectives of the Information Technology subactivity are to:

Provide administrative oversight and operational support in the development, acquisition, deployment, operation and security of information technology used to support the Department's mission. These services are provided by the Office of Chief Information Officer.

OFFICE OF CHIEF INFORMATION OFFICER (ocio.os.doc.gov/index.htm)
- Oversees the policies, procedures, and overall management of information resources throughout the Department to ensure that its programs make full and appropriate use of information technology (IT)
- Manages the capital asset management process for IT investments in order to guide their selection, maximize their value, address associated risks, and evaluate their results
- Develops, maintains and facilitates the implementation of a sound and integrated enterprise IT architecture
- Ensures, through the development of strategies for hiring, training, and professional development, that the workforce has the IT management and skills necessary to effectively manage IT resources
- Develops and implements Departmental IT security policies and programs to assure the confidentiality, integrity, and availability of information and IT resources
- Serves as Chief Infrastructure Assurance Officer and carries out government-wide critical infrastructure protection policies
- Develops, coordinates and implements Department-wide policies and procedures relating to electronic government, and the external interchange and dissemination of information via electronic media and the Internet
- Oversees the Department's electronic mail systems and electronic directories
- Provides technical assistance to Office of the Secretary and designated operating units
- Provides telecommunications services to the Hoover building, and oversee the management of telecommunications services across the Department

SUBACTIVITY: WORKFORCE EXCELLENCE

The objectives of the Workforce Excellence subactivity are to:

Provide administrative oversight and operational support in the recruitment, training, retention, and management of a diverse and highly effective workforce with the skills and abilities required to achieve the Department's mission.   These services are provided by the Office of Human Resource Management and Office of Civil Rights.

OFFICE OF HUMAN RESOURCE MANAGEMENT (hr.commerce.gov/index.htm)
- Oversees implementation of government-wide and Department-specific policies and procedures relating to human resources management and civil rights
- Exercises responsibility for Department-wide strategic management of human capital, development and implementation of human resources policies and programs, and operation of the South Florida Federal Executive Board
- Addresses strategic recruitment needs by promoting the Department as an "employer of choice" in desirable applicant pools, managing the Postsecondary Internship Program, and working with other Federal agencies to promote Veterans employment
- Assists operating units in addressing critical human capital challenges such as high turnover in mission-critical occupations and gaps in competencies needed to meet emerging requirements
- Plans, develops and coordinates Department-wide policies, programs, tools, systems, and activities in managing executive resources, which includes providing support to the Departmental Executive Resources Board and working with OPM to retain certification of the SES and Senior Level/Scientific & Professional position performance management systems
- Provides oversight of employment practices and policies for the Senior Foreign Service and the NOAA Commissioned Corps
- Oversees Department-wide training and knowledge management activities to create a continuous learning environment, which includes managing the SES Candidate Development Program, Executive Leadership Development Program, Aspiring Leaders Development Program, Project Management and Administrative Professional Certification Programs, and the web-based Learning Management Program
- Administers performance management and incentive awards policies and activities, which includes managing all aspects of the Department's performance management systems, and monetary, non-monetary, and gold silver, and bronze honor awards programs
- Provides centralized human resources services to Office of the Secretary (O/S), BIS, EDA, ITA, MBDA, and NTIA
- Oversees workplace safety and health activities policies and procedures and workers compensation

OFFICE OF CIVIL RIGHTS (www.osec.doc.gov/ocr/)
- Provides formal complaint processing services to enforce federal EEO laws, laws prohibiting discrimination in Federally funded programs, and the Department's policy prohibiting sexual orientation discrimination
- Provides EEO counseling, alternative dispute resolution services, and affirmative employment program planning for client offices and operating units, including O/S, OGC, OIG, and operating units located in the HCHB

- Develops and implements Department-wide policies and initiatives that promote nondiscrimination, diversity, conflict resolution, and accessibility to employment opportunities and Department programs

SUBACTIVITY: RESOURCE STEWARDSHIP

The objectives of the Resource Stewardship subactivity are to:

Provide administrative oversight and operational support to ensure effective management of fiscal resources and business processes by which the Department carries out its responsibilities. These services are provided by the Office of Budget, Office of Financial Management, Office of Acquisition Management, Office of Small and Disadvantaged Business Utilization and Office of Management and Organization.

OFFICE OF BUDGET (www.osec.doc.gov/bmi/budget/)
- Oversees implementation of government-wide and Department-specific policies and procedures relating to budget formulation and execution; manages the formulation and justification of a cohesive budget as required to carry out the Department's mission and programs; advises the Department's leadership on the operating units' budget requests; represents the Department in all budget-related matters involving OMB, Congressional committees and other government agencies; and coordinates preparations for appropriations hearings that involve the Secretary
- Formulates and executes the budget for Departmental Management, and manages all O/S budgetary accounts
- Oversees implementation of performance measurement and reporting under the Government Performance and Results Act, and provides operational support for Departmental Management

OFFICE OF FINANCIAL MANAGEMENT (www.osec.doc.gov/ofm/**)**
- Provides Department-wide financial management of fiscal policy, external financial reporting, and financial systems
- Coordinates development of the Department's annual financial statements and other external financial reports
- Works collaboratively with the operating units on the annual assessment of internal controls for financial and nonfinancial activities
- Oversees the operation and maintenance of the Commerce Business Systems and ensures that they maximize the efficiency of the Department's financial operations

OFFICE OF ACQUISITION MANAGEMENT (oamweb.osec.doc.gov/index.html**)**
- Oversees the Department's purchase card program, the delegation of contracting authority, and Departmental review of major acquisitions
- Provides operational support for acquisitions for O/S and other elements of the Department
- Promotes contracting opportunities for small, minority, women-owned, historically underutilized business zone, and service-disabled veteran-owned small businesses

**OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION
(**www.osec.doc.gov/osdbu/**)**
- Counsels small businesses on how to do business with the Department, sponsors networking events for stakeholders, and assists acquisition officials in developing acquisition strategies

- Negotiates and monitors small business prime and subcontract goals for the Department and its operating units

OFFICE OF PROGRAM EVALUATION AND RISK MANAGEMENT (New Office)
- Develops and oversees implementation of integrated, enterprise-wide policies and procedures for assessing and managing risk
- Conducts evaluations of programs, processes, and administrative functions to identify opportunities for enhancing effectiveness and efficiency across the Department.
- Serves as liaison with the Government Accountability Office and Office of Inspector General regarding audits and studies involved in strengthening nonfinancial internal controls.

OFFICE OF PRIVACY AND OPEN GOVERNMENT (New Office)
- Develops and manages Departmental compliance with privacy policies as per the Privacy Act of 1974, the E-Government Act of 2002, and the Federal Information Security Management Act.
- Coordinates the Department's response to incidents involving personally identifiable information
- Administers the Departmental Freedom of Information Act program
- Administers and coordinates the Departmental transparency and Open Government activities
- Manages the Department's numerous Federal Advisory Committee Act advisory committees
- Manages the Department's directives system and relevant Executive Orders used to prescribe the basic management structure and organizational arrangements of the Department

SUBACTIVITY: DEPARTMENTAL FACILITIES

The objectives of the Department Facilities subactivity are to:

Provide administrative oversight and operational support to ensure the effective management and security of the facilities and property used to administer the Department's programs.   These services are provided by the Administrative Office and Security Office.

OFFICE OF ADMINISTRATIVE SERVICES (www.osec.doc.gov/oas/)
- Oversees implementation of government-wide and Department-specific policies and procedures for managing real property, personal property, official travel, motor vehicle fleets, energy conservation, environmental stewardship and historic preservation
- Administers the Building Delegation Program for the Department, which includes approximately 4 million square feet in 25 buildings
- Manages the Herbert C. Hoover Building – The Department's headquarters facility – including building renovations, maintenance, repairs, and alternations; space, parking, and mass transit benefits management; and janitorial, moving, landscaping, food, mail, publication, transportation, and conference support services
- Manages the inventory of gifts available for presentation by the Secretary to foreign dignitaries and monitors gifts received by the Secretary

OFFICE OF SECURITY (www.osec.doc.gov/osy/)
- Oversees the security of the Department's domestic facilities, property, information and personnel and works collaboratively with the State Department to ensure the security of U.S. and Foreign Commercial Service operations overseas

- Provides personal protection to the Secretary, visiting foreign officials, and other official guests
- Helps ensure the Department's mission-critical programs and activities continue in the event of an emergency through coordination of Continuity of Government, Continuity of Operations Planning, and Occupant Emergency Planning activities; and management of the Department's Emergency Operations Center
- Assists in implementing Homeland Security Presidential Directive12
- Facilitates security clearances for personnel, and assists in verifying and evaluating adverse information that may potentially affect suitability determinations
- Oversees development and implementation of Department-wide policies and procedures that relate to protecting and using classified information
- Investigates threats to the Department's mission, operations and activities, and coordinates with other law enforcement and national security entities regarding criminal intelligence, protective intelligence, counterintelligence, and counterterrorism as they impact the Department.

ADMINISTRATIVE COST SAVINGS:

The Administration is pursuing an aggressive government-wide effort to curb non-essential administrative spending called the Administrative Efficiency Initiative. In order to be good stewards of taxpayer money the Federal Government should continue to seek ways to improve the efficiency of programs without reducing their effectiveness. As such, the President directed each agency to analyze its administrative costs and identify savings where possible. After reviewing its administrative costs, WCF has identified $6,384,000 in administrative savings. The WCF reductions include eliminating FTE, filling positions at lower grades, reducing contracts, supplies and overtime. The benefits to these reductions reside with the bureaus that will be able to use these costs savings as part of their administrative savings and apply the funds toward the highest priority programs in the Department. The $6,384,000 in administrative savings identified above represent real reductions to DM's WCF funding level and will help reduce overall spending by the Federal government.

PROGRAM CHANGE FOR FY 2012:

Administrative Savings (Program Base: 0 FTE and $0 million; **Program Change:** -17 FTE (17 POS) and -$6.384 million)**:** Departmental Management requests a decrease of $6.4 million and 17 FTE as part of the consolidated savings effort to reduce costs and increase efficiencies. The reductions include eliminating FTE, filling positions at lower grades, reducing contracts, supplies and overtime.

Proposed Actions:

A reduction of $6.4 million and 17 FTE is being proposed. In these tough economic times and in an effort to support the objective to reduce non-security discretionary spending, Departmental Management assessed the priorities and programs within the organization to identify areas for reduction. A review of the organization's activities along with prioritization of functions was made resulting in identification of areas for reduction. As a result of these efforts, difficult decisions were made and areas targeted to trim costs.

The reductions include downgrades of personnel, vacancies left unfilled (but not removed – may be filled at a later date depending on greatest need), reduction of travel expenses, reduction of supplies,

eliminating FTE, and reducing non-critical contracts such as administrative support and technical support. Included in the cuts is a proposal to close one or more entrances to the Herbert C. Hoover Building in order to reduce contracted guard expenses. Other reductions include discontinuation of subscriptions and eliminating intern programs. We continue to explore the most feasible alternatives in order to meet this proposal to cut base programs.

Statement of Need and Economic Benefits:

The benefits to these reductions reside with the bureaus.   As a result of these reductions, the bureaus will be able to reduce their overall funding requirement or reinvest the savings in high priority programs that support the Department's mission.

Base Resource Assessment:

The Department continues to find alternative solutions to work smarter with less while increasing efficiency with existing resources.

Performance Goals and Measurement Data:

Performance goals will continue to be met in each of the programs within Departmental Management.

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Executive Direction & Departmental Staff Services
Subactivity: Executive Direction, IT, Workforce Excellence, Resource Stewardship
                & Departmental Facilities
Program: All

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Photographer	Washington, DC	GS-11	1	70,794	70,794
Attorney	Washington, DC	GS-14	4	119,238	476,952
IT Specialist	Washington, DC	GS-14	3	119,238	357,714
Management/Program Analyst	Washington, DC	ZA-IV	5	119,238	596,190
Building Services Support	Washington, DC	ZA-III	2	89,586	179,172
Contract/Grant Specialist	Washington, DC	ZA-IV	2	119,238	238,476
Total			17		1,919,298

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	17
Other than full-time permanent	0
Total	17
Authorized Positions:	
Full-time permanent	17
Other than full-time permanent	0
Total	17

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Executive Direction & Departmental Staff Services
Subactivity: Executive Direction, IT, Workforce Excellence, Resource Stewardship
                  & Departmental Facilities
Program: All

	Object Class	2012 Decrease
11	Personnel compensation	0
11.1	Full-time permanent	-$1,919
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	-1,919
12	Civilian personnel benefits	-480
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	-3,819
25.3	Purchases of goods & services from Gov't accounts	-108
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	-8
31	Equipment	-50
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	-6,384

Note: The distribution of administrative savings reflected in this table is based on current estimates. As the review and implementation processes proceed, the distribution of these savings may change the funding level for this account.

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGE FOR FY 2012:

Enterprise Application Systems (EAS) (Base Funding: 0 FTE and $0 million**; Program Change:** +0 FTE (0 POS) and + $3.800 million**):** Departmental Management requests an increase of $3.8 million and 0 FTE to cover operation and maintenance costs associated with the maintenance and hosting of Office of the Secretary EAS systems. These systems were formerly hosted at the Office of Computer Services in Springfield, Virginia, but due to the lease expiration, these systems were migrated to the Department of Transportation, Federal Aviation Administration, Enterprise Services Center (DOT/FAA/ESC) during FY 2010.

Proposed Actions:

This funding increase is requested for the continued infrastructure support needs of the EAS. The infrastructure support includes services provided by the DOT/FAA/ESC and the Office of Financial Management/Commerce Business Systems Solutions Center (OFM/CSC). The DOT/FAA/ESC provides host data center and disaster recovery services to the Department for these systems. The OFM/CSC provides database administration, application administration, domain creation and management, help desk support and account administration for these systems. In order to address security concerns and technology changes DOT purchased all new hardware and will spread the costs of the technology refresh every four years. In addition, EAS has one consolidated infrastructure resulting in a security plan that includes continuous monitoring in accordance with NIST security standards. The Department also maintains redundant data network lines between HCHB, the CSC and DOT.

Statement of Need and Economic Benefits:

The consolidation of the EAS at DOT/FAA/ESC and the provision of applications support services provides for the continuation of an efficient and effective long-term solution for infrastructure and application support needs. Due to the urgency of finding an efficient and effective solution for the EAS infrastructure support needs, within a very aggressive timeframe, the Chief Financial Officer/Assistant Secretary for Administration (CFO/ASA) utilized the result of the business case developed for the OFM/CSC Infrastructure Migration effort in FY 2009 to make a decision regarding the EAS. The business case identified multiple options for migrating OFM/CSC's existing development and test infrastructure to a dedicated certified data center. The business case demonstrated that the DOT/FAA/ESC provided the OFM/CSC with an efficient and effective solution for infrastructure support.

In January 2009, DOT/FAA/ESC was designated as an Information Systems Security Line of Business (ISSLoB) Shared Service Center for Certification and Accreditation (C&A) and is a certified data center that meets current and continually evolving security and data center requirements. DOT/FAA/ESC provides for network architecture that leverages up-to-date technology, provides for timely refreshment of technology, and is supported by a highly qualified and trained staff.   Through the consolidation of EAS at DOT/FAA/ESC, these critical systems receive essential technical support services and maintenance, ensuring their compliance with federal regulations in the areas of access control, security management and configuration management.

The OFM/CSC provides technical support services and maintenance for EAS, including customer account management and system administration support; security monitoring, auditing and patching; disaster recovery support services; software management services; and network and telecommunication administrative services. These services provide customers required support in order to use the systems and generate information and data from these systems.

Base Resource Assessment:

The servers currently support crucial systems including:

- Office of Financial Management: Commerce Business Systems (CBS), CBS Solutions Center (CSC) Portal, CBS Version Manager, CBS Application Requests Tracking System (CARTS) (Serena TeamTrack/Mashups), and Hyperion Financial Reporting System
- Office of Acquisition Management: C.Buy, C.Request, TIBCO, C.Award, OAM Public Website, Acquisition Process Guide (APG) Website, and Federal Assistance Award Data System (FAADS)
- Office of Administrative Services: Personal Property Management System (PPMS) and Federal Real Property Management (FRPM)
- Office of Human Resource Management: Web Time and Attendance (Web TA), Performance Payout System (PPS), Automated Classification System (ACS), Executive Resource Information System (ERIS) – Senior Executive Service (SES) End of Year and Top Level, Honor Award Nominee System (HANS) and Staffing Timeliness Measurement (STM) and Commerce Learning Center (CLC) Staging Database
- Office of Performance Evaluation and Risk Management: Audit Management System (AMS)

Schedule and Milestones:

EAS system availability requirements, including system support, are documented in the DOT/FAA/ESC Service Level Agreement (SLA) with the Department. The timing of and documentation for service level reviews, meetings, reporting schedules and service and support requests are documented in the SLA. The Letter of Agreement (LOA) between the OFM/CSC and the CFO/ASA directorates documents the customer requirements; service environment; and specific service agreements, including application and database administration services, software license management, change management, database and application security services, disaster recovery services, and Help Desk services.

Deliverables:

This initiative provides an efficient and effective solution for infrastructure needs through economies of scale by consolidating infrastructure and application support services to the EAS. The efficiencies are gained through advanced technology, enhanced security and compliance with regulations, and state-of-the art data center services.   These include the following:

- New servers to ensure increased performance and availability of applications and planned technology refreshes including hardware refreshes.
- Databases that are housed on Solaris UNIX servers which provide end users with better performance and opportunities for improved license management.

- All database servers connected to the Storage Area Network (SAN) for provision of additional storage capacity and room for future growth. This also facilitates backup and restores management.
- Architecture that allows for sharing of servers resulting in the reduction of operating costs.
- Provision of architecture that provides for a Domain Structure with more controls implemented for privileged access to customer applications.
- A consolidated Application Certification & Accreditation package that provides standardization, a streamlined security posture, and cost savings from conducting only one accreditation effort from one Security Testing and Evaluation source.

The DOC requirements are documented in an SLA between DOT/FAA/ESC and DOC for the hosting services and in an LOA between the CFO/ASA directorates and the OFM/CSC for the technical support services and maintenance.

Performance Goals and Measurement Data:

The SLA and LOA are reviewed annually and updated as necessary to reflect requirement changes. At that time, the out year targets may be modified to reflect these changes. If EAS does not receive the requested funding, we will be unable to meet these performance metrics and provide the services required for these critical systems.

Performance Goal: EAS Availability	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Without Increase	0%	0%	0%	0%	0%	0%
Description: Maintain server and operating system availability during core business hours, Monday through Friday, from 6am to 6pm Central Time (7am to 7pm Eastern Time).						

Performance Goal: EAS Availability	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%
Without Increase	0%	0%	0%	0%	0%	0%
Description: Maintain Storage Area Network (SAN) availability during core business hours, Monday through Friday, from 6am to 6pm Central Time (7am to 7pm Eastern Time). SAN has multiple redundancies so the uptime is expected to be higher.						

Performance Goal: EAS Availability	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Without Increase	0%	0%	0%	0%	0%	0%
Description: Maintain switches/routers/firewall (network/telecommunications) availability for the devices in the EAS network path, during core business hours, Monday through Friday, from 6am to 6pm Central Time (7am to 7pm Eastern Time).						

Performance Goal: EAS Availability	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Without Increase	0%	0%	0%	0%	0%	0%
Description: Maintain Simple Main Transportation Protocol (SMPT) Relay Server for Email, during core business hours, Monday through Friday, from 6am to 6pm Central Time (7am to 7pm Eastern Time).						

Performance Goal: EAS Availability	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Without Increase	0%	0%	0%	0%	0%	0%
Description: Maintain availability of the DOT/FAA/ESC Internet Access Point (IAP), during core business hours, Monday through Friday, from 6am to 6pm Central Time (7am to 7pm Eastern Time).						

Performance Goal: Patch Management	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	Within 30 days of approval	Within 30 days of approval	Within 30 days of approval	Within 30 days of approval	Within 30 days of approval	Within 30 days of approval
Without Increase	Not applied	Not applied	Not applied	Not applied	Not applied	Not applied
Description: Apply all patches to Windows Servers and UNIX/Linux Servers.						

Performance Goal: Vulnerability Scanning	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	100% within 30 days	100% within 30 days	100% within 30 days	100% within 30 days	100% within 30 days	100% within 30 days
Without Increase	0%	0%	0%	0%	0%	0%
Description: Mitigate and accept high vulnerabilities from the DOT/FAA/ESC and EAS scans.						

Performance Goal: Backup & Recovery	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Without Increase	0%	0%	0%	0%	0%	0%
Description: Complete weekly tape backups approved by EAS within the scheduled window.						

Performance Goal: Backup & Recovery	**FY 2011 Target**	**FY 2012 Target**	**FY 2013 Target**	**FY 2014 Target**	**FY 2015 Target**	**FY 2016 Target**
With Increase	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Without Increase	Never	Never	Never	Never	Never	Never
Description: Test tape accuracy from a weekly backup and restore a database.						

Performance Goal: Backup & Recovery	**FY 2011 Target**	**FY 2012 Target**	**FY 2013 Target**	**FY 2014 Target**	**FY 2015 Target**	**FY 2016 Target**
With Increase	100%	100%	100%	100%	100%	100%
Without Increase	0%	0%	0%	0%	0%	0%
Description: Send tapes required for Windows and Solaris backups offsite.						

Performance Goal: Facility Power & Cooling	**FY 2011 Target**	**FY 2012 Target**	**FY 2013 Target**	**FY 2014 Target**	**FY 2015 Target**	**FY 2016 Target**
With Increase	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
Without Increase	N/A	N/A	N/A	N/A	N/A	N/A
Description: Maintain availability of power to all servers 24 X 7.						

Performance Goal: Facility Power & Cooling	**FY 2011 Target**	**FY 2012 Target**	**FY 2013 Target**	**FY 2014 Target**	**FY 2015 Target**	**FY 2016 Target**
With Increase	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%
Without Increase	N/A	N/A	N/A	N/A	N/A	N/A
Description: Maintain an average of 75 degrees or less for the facility 24 X 7.						

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Dapartmental Staff Services
Subactivity: Resource Stewardship
Program: Enterprise Application Systems

	Object Class	2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$0
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	0
12	Civilian personnel benefits	0
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	3,800
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	3,800

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGE FOR FY 2012:

Space Management (Base Funding: 8 FTE and $1.154 million**; Program Change:** +2 FTE (2 POS) and +$.176 million**):** Departmental Management requests an increase of $.2 million and 2 FTEs for a total of $1.3 million and 10 FTEs to support space management in the Herbert C. Hoover Building (HCHB).

Proposed Actions:

The increase requested is to fully fund 2 positions in the Space Management Office, a Space Management (Draftsman) and an entry level technician, in order to update drawings and improve customer service.

Statement of Need and Economic Benefits:

As each phase of the HCHB renovation is completed, the Space Management Division will receive updated architectural drawings and schematics to maintain the baseline of the building. If the future updated drawings are not maintained, the Department will lose configuration control of the plumbing, electrical wiring, architectural floor plans and life safety alarms schematics, resulting in increased costs and time to survey each work request before any remodeling or refurbishment task is completed. The increased costs for all future office refurbishments and inefficient space planning will be passed on to the bureaus and agencies and will be an ongoing cost and burden in the out years.

Funding for these two positions will improve customer service by providing customer focused, quality support services and reduced task completion times for amendments and updates to the Department's and HCHB architectural baseline drawings and space management allocation and tracking updates. They will improve information sharing throughout the Department by integrating architectural and space management technology into the Office of Administrative Services and the Department's business processes and enhance business practices through results orientated products and greater process efficiency.

These positions will also provide greater efficiency in assisting and responding to space management and architectural deliverables and tasks related to the modernization of the Herbert C. Hoover Building, through the Department's Renovations Division and General Services Administration, resulting in increased savings and efficiencies to the Department.

Base Resource Assessment:

Due to the increase in Space Management tasks created by the ongoing renovation of the building, if these positions are not funded there will be ongoing delays in the processing of work requests and an unacceptable level of Space Planning services provided, as the current resources will not be able to accommodate the demand.

Updated architectural drawings have not been maintained due to lack of resources. As we approach milestones in the renovation of this historic building, having accurate drawings is essential to streamlining operations and projecting costs. Additionally, the new Space

Management software is currently underutilized due to lack of resources, resulting in inefficiencies and a delay in space planning tasks.

Schedule and Milestones:

Updated drawings will be maintained on an ongoing basis along with the renovation of the building. The plumbing, electrical wiring, architectural floor plans and life safety alarms schematics will be updated as the renovation phases are completed.

Deliverables:

A Space Management Analyst (Draftsman) will:

- assist with maintaining the architectural, mechanical and electrical drawings for the Herbert C. Hoover Building (HCHB);

- assist with managing the space assignments and drawings with specialized facilities software; and

- perform routine administrative duties for the Space Planning office.

.An Entry Level Technician will:

- assist with general space management tasks;

- generate scope of work and task orders for office refurbishments; and

- perform routine administrative duties for the Space Planning office.

Performance Goals and Measurement Data:

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	50%	75%	100%	100%	100%	100%
Without Increase	0	0	0	0	0	0
Description: Percent of architectural, mechanical and electrical drawings updated.						

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Departmental Staff Services
Subactivity: Departmental Facilities
Program: Space Management

Title	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Technical Specialist	Washington, DC	GS-12	1	65,910	65,910
Draftsman	Washington, DC	GS-12	1	71,994	71,994
			2		137,904

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	2
Other than full-time permanent	0
Total	2
Authorized Positions:	
Full-time permanent	2
Other than full-time permanent	0
Total	2

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Departmental Staff Services
Subactivity: Departmental Facilities
Program: Space Management

Object Class	2012 Increase
11 Personnel compensation	
11.1 Full-time permanent	138
11.3 Other than full-time permanent	0
11.5 Other personnel compensation	0
11.8 Special personnel services payments	0
11.9 Total personal compensation	138
12 Civilian personnel benefits	38
13 Benefits for former personnel	0
21 Travel and transportation of persons	0
22 Transportation of things	0
23.1 Rental payments to GSA	0
23.2 Rental payments to others	0
23.3 Communications, utilities and misc. charges	0
24 Printing and reproduction	0
25.1 Advisory and assistance services	0
25.2 Other services	0
25.3 Purchases of goods & services from gov't accounts	0
25.4 Operation and maintenance of facilities	0
25.5 Research and development contracts	0
25.6 Medical care	0
25.7 Operation and maintenance of equipment	0
25.8 Subsistence and support of persons	0
26 Supplies and materials	0
25.99 Other contractual services - misc contracts not otherwise identified	0
31 Equipment	0
32 Lands and structures	0
33 Investment and loans	0
41 Grants, subsidies and contributions	0
42 Insurance claims and indemnities	0
43 Interest and dividends	0
44 Refunds	0
99 Total Obligations	176

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGE FOR FY 2012

Elevator Maintenance and Building Management (Program Base: 0 FTE and $.328 million; **Program Change:** +1 FTE (1 POS) and +$.307 million**):** Departmental Management requests an increase of $.3 million and 1 FTE for a total of $.6 million and 1 FTE to award a new elevator contract with an expanded scope to keep up with the growing demand on aging equipment, and one new building maintenance FTE to administer the additional work generated by the change of the scope of the contract.

Proposed Actions:

A new elevator contract will be awarded, with an expanded scope of work, to ensure the safe and reliable operation of the 36 elevators in the Herbert C. Hoover Building (HCHB). To conduct all planned and preventative maintenance on 36 HCHB elevators requires 120 hours of labor per week, as opposed to the current 60 hours. One new building maintenance FTE is required by the Building Management Division to administer the additional work generated by the change of scope of the contract, as well as administering new performance measures in environmental and energy conservation.

Statement of Need and Economic Benefits:

The funding increase is required to accommodate the higher costs for the HCHB elevator maintenance contract and to upgrade a vacant clerical position to an analyst who can provide the required additional Government oversight. Due to the HCHB elevators' age and high usage, the current level of maintenance is insufficient to accomplish all the necessary tasks. GSA has not included an overhaul of the elevators in the HCHB renovation project and the Department will continue to be responsible for ongoing maintenance and repairs. In addition, as the elevators age, the level of maintenance and number of repairs will increase. To adequately perform all the required planned and preventative maintenance, to conduct inspections, as well as attend to defects and emergency calls, the contract scope must be increased from the current level of 60 hours to 120 hours per week of skilled labor.

Base Resource Assessment:

The current level of effort to support the HCHB elevators will be insufficient to keep up with the growing demand on aging equipment. To conduct all planned and preventative maintenance on 36 HCHB elevators, 24 hours per day, 7 days per week, answer trouble calls within 10 minutes and respond to emergency defects, requires 120 hours of labor per week, as opposed to the current 60 hours.

The FTE who is currently performing the Elevator Contracting Officer Technical Representative (COTR) duties is also responsible for managing the Chiller Maintenance contract, the Advanced Power contract, the water quality monitoring contract, and the Carolina Automatic Door control contracts. Each of these contracts have increased environmental and energy conservation requirements and require greater level of monitoring and metrics reporting.

Schedule and Milestones:

Contract with expanded scope released for bids June 10th 2010. Technical reviews of proposals received and completed. A contract will be awarded upon approval of this initiative and receipt of funds.   .

Deliverables:

New Contract
The additional building maintenance FTE for the Building Management Division will:
- administer the additional work generated by the change of scope of the contract;
- administer the new performance measures in environmental and energy conservation;
- provide quality customer service during the on-going General Service Administration sponsored renovation of the HCHB;
- be the COTR for the Elevator contract, whose duties include: monitoring the preventative maintenance schedule and metrics, defect trends and contract performance metrics; implementing a long-term life cycle program for future upgrades and refurbishments of the elevators and monitoring expenditures related to the elevators outside of the contract; and
- assist in monitoring the Building Management general defect phone line enter in help desk tickets, escort general contractors, and oversee the safety aspects of the elevator maintenance.

Performance Goals and Measurement Data:

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	95% availability	95% availability	95% availability	95% availability	95% availability	95% availability
Without Increase	80% availability	80% availability	80% availability	80% availability	80% availability	80% availability

Description: The contractor will be required to guarantee at least 95% availability of the elevators during the core hours of 6:00 am to 6:00 pm and will be required to demonstrate improved reliability and availability over current metrics.

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Departmental Staff Services
Subactivity: Departmental Facilities
Program: Elevator Maintenance and Building Management

Title	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Facilities Analyst	Washington, DC	GS-12	1	65,910	65,910
			1		65,910

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	1
Other than full-time permanent	0
Total	1
Authorized Positions:	
Full-time permanent	1
Other than full-time permanent	0
Total	1

PROGRAM CHANGE DETAIL BY OBJECT CLASS

(Dollar amounts in thousands)

Activity: Departmental Staff Services
Subactivity: Departmental Facilities
Program: Elevator Maintenance and Building Management

Object Class	2012 Increase
11 Personnel compensation	
11.1 Full-time permanent	66
11.3 Other than full-time permanent	0
11.5 Other personnel compensation	0
11.8 Special personnel services payments	0
11.9 Total personal compensation	66
12 Civilian personnel benefits	18
13 Benefits for former personnel	0
21 Travel and transportation of persons	0
22 Transportation of things	0
23.1 Rental payments to GSA	0
23.2 Rental payments to others	0
23.3 Communications, utilities and misc. charges	0
24 Printing and reproduction	0
25.1 Advisory and assistance services	0
25.2 Other services	223
25.3 Purchases of goods & services from gov't accounts	0
25.4 Operation and maintenance of facilities	0
25.5 Research and development contracts	0
25.6 Medical care	0
25.7 Operation and maintenance of equipment	0
25.8 Subsistence and support of persons	0
26 Supplies and materials	0
26 Other contractual services - misc contracts not otherwise identified	0
31 Equipment	0
32 Lands and structures	0
33 Investment and loans	0
41 Grants, subsidies and contributions	0
42 Insurance claims and indemnities	0
43 Interest and dividends	0
44 Refunds	0
99 Total Obligations	307

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGE FOR FY 2012:

Energy and Environmental Program Execution (Program Base: 7 FTE, $1.902 million**;
Program Change:** +1 FTE (0 POS) and +$.557 million)**:** Departmental Management requests a
increase of $.6 million and 1 FTE for a total of $2.5 million and 8 FTE to increase execution of
the Department's Energy and Environmental Programs. The funding increase will enable the
Department to execute the following environmental program elements: Environmental Reporting
System (ERS) ($.1 million), Environmental Management System (EMS) ($.1 million), and
National Environmental Policy Act (NEPA) Program Support ($.3 million).

Proposed Actions:

The increased funding will assist the Department in complying with Executive Order (EO)
13514, Federal Leadership in Environmental, Energy, and Economic Performance mandates
and Environmental Protection Agency (EPA) regulations. The funding will also facilitate the
Department's ability to collaborate with all Bureaus in an effort to build a comprehensive
implementation plan indicating if and how the Department will meet the President's goals for
energy conservation and electronic stewardship. The Department will implement projects that
will address environmental responsibilities and provide a reporting tool that measures and
reports environmental compliance. The Department will also implement a system to manage the
requirements for sustainable buildings.

Statement of Need and Economic Benefits:

Executive Order 13514 has imposed a combination of new requirements for many energy and
environmental programs as well as mandated goals that increase each year.   The Department
must continue to increase its efforts to comply with these annually increasing goals.
Additionally, EO 13423 significantly increased energy conservation and environmental
stewardship responsibilities for all Federal agencies. The EO sets forth new and increased
standards and specific dates for Federal agencies to meet compliance goals. In addition, the
EPA regulations impose specific requirements that each Agency is required to meet through the
implementation and management of specific programs.

These program funding increases directly reduce the Department's environmental liability, life-
cycle costs for managing and disposing of hazardous waste, and life-cycle costs of facility
energy consumption.

Base Resource Assessment:

Environmental Reporting System (ERS)- Currently, there are numerous reporting requirements
that are not being fulfilled and there is no centralized reporting system to assist the Department
and Bureau Environmental Managers with meeting the reporting requirements and
demonstrating compliance. The online reporting system developed and implemented through
this base adjustment will enable the Department to meet the continually increasing
environmental compliance reporting requirements. Absent funding for this initiative, there is a
signficant risk and a high probability of non-compliance with Federal environmental regulations
(many of which carry monetary penalties from federal and state enforcement agencies),

increased risk to the workforce, negative publicity for the Department, and an increase in the possibility of litigation that would be difficult to defend. The Department also risks failing to meet several EO mandates that are tracked by the Office of Management and Budget on the "Energy and Sustainability Scorecard". The likely result will be that the Department will receive a Scorecard in outyears with (more) "red" scores. The Department's (and Bureaus') operating costs are likely to increase due to lack of an oversight, management and reporting system.

Environmental Managemnet System (EMS)- A failure to increase the base budget will prevent the Department from continuing to maintain a "conforming" EMS program. In FY 2010, without a base adjustment, the Department was able to put the EMS structure in place required by EO 13423. However, requirements for "operating" a conforming EMS program increase significantly over those initial "stand-up" requirements. Furthermore, EO 13514, requires that the Department utilize EMS as the management tool to attain of all Strategic Sustainability Performance Plan (SSPP) goals. Some of the efforts that will be unattainable without this budget increase include: sustaining a functioning EMS Executive Steering Committee, publishing an EMS Implementation Guide for all Bureaus, comprehensively incorporating EMS principles into a Department-wide environmental compliance program that is aligned with and supports the Bureaus' programs, publishing a Departmental Toxic Management Plan, overseeing the effective development and stand-up of lower-tier EMSs at all Bureaus, and integration and management of SSPP goals.

National Environmental Policy Act (NEPA) Program Support - National Environmental Policy Act (NEPA) requires all Federal agencies to integrate environmental values into their decision-making processes by considering the environmental impacts of their proposed actions and the reasonable alternatives to those actions. All Bureaus will benefit from these services because NEPA's review is required for all major Federal actions. If this project is not funded, the Department could be in violation of Federal laws and could be at significant risk for civil lawsuits which would result in halting a project until a proper NEPA review is conducted.

Schedule and Milestones:

FY 2012 and outyear ERS Goals and Milestones:

- ERS decision on type and version of software/system to pursue and purchase – 3rd Qtr. , FY 2011
- Funding the purchase, installation, training, and initial setup of ERS – 1st and 2nd Qtr., FY 2012
- First round of compliance audits – 4th Qtr., FY 2012
- Continuing audits with monitoring and follow-up corrective action plans – FY 2013 and beyond

FY 2012 EMS Goals and Milestones:

- Integration of annual Greenhouse Gas Inventory into measurable goals for inclusion in the Department's Strategic Sustainability Plan – 2nd Qtr., FY 2012 and beyond
- Integegration of lower tier EMSs under the Department's first-tier EMS – Ongoing, FY 2012 and beyond as new systems are brought online
- Development of Strategic Sustainability Performance Plan (SSPP) "Implementation Plan" – 2nd Qtr, FY 2012 and beyond
- Integration of SSPP Intermediate Goals into EMS – 2nd Qtr., FY 2012 and beyond

- Execution and management of Department SSPP Implementation Plan and auditing of each Bureau's process and progress to assess their facilities and programs and then identify/execute meaningful projects - Ongoing throughout the FY and beyond
- Annual Trend Analysis and revisions to EMS Targets and Objectives and System organization – 2nd Qtr., FY 2012 and beyond
- Annual valadation of Department Environmental Aspects – 1st Qtr. FY 2012 and beyond
- Research, analysis, and program revisions based on new or changed legal requirements – Ongoing throughout the FY and beyond
- Annual EMS Awareness Training content update, fielding and compliance - Ongoing throughout the FY and beyond
- Development of an EMS Communication Plan – 3rd Qtr., FY 2012
- Management of Controlled Documents - Ongoing throughout the FY and beyond
- Management of nonconformities, corrective and preventive actions - Ongoing throughout the FY and beyond.

Deliverables:

Environmental Reporting System ($.1 million) - When implemented, a new web-based reporting system will serve as the central reporting mechanism for the Department. A Department-wide environmental compliance reporting system will :
- signficantly expand the Department's capability for environmental reporting to include areas where reporting is required but is currently not being done;
- standardize the current reporting requirements and streamline the current reporting procedures to increase reporting ease and effieciency for the Bureaus; and
- enable the Department to conduct annual facility surveys; to perform external, internal, or self audits; to document the corrective actions required to resolve violations; and to track corrective actions through to closure.
- Enable the Department to proactively engage the Environmental Protection Agency to reduce and eliminate Notices of Violation (NOVs).

Environmental Management System (EMS) ($.1 million) - The EMS will serve as the primary management approach for addressing environmental aspects of internal agency operations and activities, including aspects of environmental, energy and transportation functions. EO 13423 requires that, once implemented, an EMS be reviewed and updated annually or more frequently as appropriate. The Department-wide EMS was implemented in FY 2010. This request is for recurring funds to annually maintain and update the HQ-level EMS program and retain "conformance" required by EO.

National Environmental Policy Act (NEPA) Program Support ($.3 million) – The purpose of the Department of Commerce's (DoC's) NEPA program is to ensure that the Department is proactive in meeting Federal stewardship responsibilities while carrying out its many missions. The NEPA Program Support initiative will:

- Establish an Environmental Planning Division (EPD) within the Office of Real Estate, Policy and Major Programs (OREPMP) in the Office of Administrative Services to implement and manage the NEPA and Historic Preservation programs.
- Support the planning, development, and implementation of polices; the independent management of the NEPA program at the Department level; and the coordination of NEPA actions with the Operating Units.

- Assist the Bureaus in promoting environmental policy coordination and ensuring Department and Operating Units actions' comply with NEPA and related environmental legislation.
- Support the preparation, and/or review of Department policies, categorical exclusions, administrative records, records of environmental consideration, Findings of No Significant Impact, environmental assessments, environmental impact analyses, environmental baseline surveys, natural and culture resource assessments, historic preservation analyses, and other program documents.

Performance Goals and Measurement Data:

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	Conform and Compliance	Conform and Compliance	Conform and Compliance	Conform and Compliance	Conform and Compliance	Conform and Compliance
Without Increase	Non-Conform and Non-Compliance	Non-Conform and Non-Compliance	Non-Conform and Non-Compliance	Non-Conform and Non-Compliance	Non-Conform and Non-Compliance	Non-Conform and Non-Compliance

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Departmental Staff Services
Subactivity: Departmental Facilities
Program: Energy and Environmental Program Execution

Title	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Environmental Protection Specialist	Washington, DC	GS-14	1	105,211	105,211
			1		105,211

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	1
Other than full-time permanent	
Total	1
Authorized Positions:	
Full-time permanent	1
Other than full-time permanent	
Total	1

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Departmental Staff Services
Subactivity: Departmental Facilities
Program: Energy and Environmental Program Execution

Object Class	2012 Increase
11 Personnel compensation	
11.1 Full-time permanent	105
11.3 Other than full-time permanent	0
11.5 Other personnel compensation	0
11.8 Special personnel services payments	0
11.9 Total personal compensation	105
12 Civilian personnel benefits	39
13 Benefits for former personnel	0
21 Travel and transportation of persons	5
22 Transportation of things	0
23.1 Rental payments to GSA	0
23.2 Rental payments to others	0
23.3 Communications, utilities and misc. charges	0
24 Printing and reproduction	11
25.1 Advisory and assistance services	0
25.2 Other services	395
25.3 Purchases of goods & services from gov't accounts	2
25.4 Operation and maintenance of facilities	0
25.5 Research and development contracts	0
25.6 Medical care	0
25.7 Operation and maintenance of equipment	0
25.8 Subsistence and support of persons	0
26 Supplies and materials	0
26 Other contractual services - misc contracts not otherwise identified	0
31 Equipment	0
32 Lands and structures	0
33 Investment and loans	0
41 Grants, subsidies and contributions	0
42 Insurance claims and indemnities	0
43 Interest and dividends	0
44 Refunds	0
99 Total Obligations	557

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGE FOR FY 2012:

Human Resources Management System (HRMS) (Base Funding: 0 FTE and $0 million**; Program Change:** +0 FTE (2 POS) and +$4.779 million**):** Departmental Management requests an increase of $4.8 million and 0 FTE to implement a Human Resources Management System (HRMS) that complies with the e-gov Human Resources Line of Business (HR LOB) blueprint developed by the Office of Personnel Management (OPM).The vision of the HRMS coincides with that of the HR LOB and is to provide a Department-wide, modern, cost-effective, standardized, and interoperable HR solution that delivers common, core functionality to support the strategic management of human capital and addresses the manual and inefficient processing of HR transactions across the Department.

Proposed Actions:

The HRMS will be obtained through an HR LOB service provider. The HRMS will provide an automated web-based system that enables managers and employees to easily manage personnel information and make strategic decisions while reengineering the core personnel processes provided by HR professionals. Self-service functionality will dramatically transform and streamline how employees, managers and HR staff perform their work.

Phased deployment of the HRMS system, based on an OPM certified HR LOB solution, will provide substantial benefits and efficiencies in each of the 45 defined HR processes and 218 supporting activities. The resulting organizational transformation will significantly expand the availability of real-time information for management decision-making and deliver cost efficiencies and process improvements to the Department.

Statement of Need and Economic Benefits:

The Department is one of only two cabinet level agencies (including the Department of Justice) that either has not deployed an HR LOB solution or does not have an integrated system supporting its HR functions, processes and activities. As a result, the activities supporting HR functions and processes are primarily manual and the development of non-standardized cuff systems - in house developed or purchased systems that the Department bought to supplement its needs - has proliferated throughout the various bureaus. Deployment of a HR LOB solution is critical to address the manually intensive and non-standardized HR processes across the enterprise that result in increased costs, increased risk of loss of privacy data, and inefficient organizational management.

The heavy reliance on paper and redundant data entry increases cycle times and error rates for all processes. The proliferation of these labor intensive and non-standardized processes cuff systems exacerbates the lack of standardization and creates an environment of increased complexity and security risk. A modern HR management system, leveraging a HR LOB solution, will deliver significant qualitative benefits to the Department, including:
- Eliminate inefficiencies of manual transaction processing, duplicate data entry and manual reporting processes,
- Reduce probability of loss of Personally Identifiable Information (PII) and associated costs,
- Address the proliferation of cuff systems that exacerbate the lack of standardization that creates an environment of increased complexity and security risk,

- Deliver standardized HR processes and workflow based on best business practices that eliminates redundant transaction processing
- Reduce level of effort to complete administrative tasks and enable shift of focus towards more strategic portions of Human Capital management, and
- Result in a robust Human Capital organizational structure well-positioned to support the Inspector General community, the Administration's fiscal responsibility and technology objectives, support activities of the Department's Labor-Management Forum and improve delivery of Government services.

In addition to the substantial qualitative benefits, the Department will realize quantitative benefits in both cost avoidance and true cost savings. It is anticipated that the cost savings realized by deploying a Department-wide HR LOB solution provides for investment payback half-way through FY2015 (the first year of steady state operations) and a return on investment of 15.2% by the end of FY2016. It is anticipated that the quantitative benefits and return on investment will be substantially higher once the full benefit of process standardization and data consistency has been realized.

Base Resource Assessment:

The Department does not currently have an automated web-based HR management system. As previously stated, the Department is one of only two cabinet level agencies that do not have a robust technology solution supporting its HR functions, processes and activities. The current HR system of record, known as the NFC Entry Processing Inquiry and Correction (EPIC) System, provides limited functionality that minimally supports two HR activities (e.g., personnel and payroll actions processing) and provides limited and costly reporting. Lack of a modern, enterprise-wide HRMS results in the following functional, cost, service and organization deficiencies:

- Limited validation functionality that leads to inability to trap numerous system errors prior to processing through the payroll interface resulting in re-work, additional labor costs, inaccurate payments, etc.;
- Manually intensive and non-standardized HR processes across the enterprise that results in inefficient and ineffective processing, increased labor costs, and reduced data confidence,
- Labor intensive user interaction with limited system of record that is not user friendly or easily/inherently navigated;
- Increased complexity and cost related to the development and maintenance of supporting systems (cuff systems) to substitute for lack of functionality in the current HR information system;
- Duplication of effort and increased labor costs given inability to leverage work completed by customers;
- Excessive labor costs given lack of a paperless workflow (end-to-end) process that tracks the actions for employee records;
- Increased level of effort and associated costs to perform workforce analysis and employee trend analyses given lack of analysis tools and reporting capability;
- Prolonged staff acquisition cycles that negatively impact mission operations and business and administrative support requirements;
- Limited customer ability to view status of their own actions and independently generate employment reports and analyses;
- Inability to view real-time, multi-pay period data thereby limiting decision-making efficiency,
- Continued loss of organizational knowledge of the existing system given attrition of staff seeking opportunities to develop skills not afforded via current HR system and supporting processes; and,

- Significant increase in risk of privacy breaches given paper transfer of PII in order to process HR actions.

Schedule and Milestones:

The HRMS will be deployed in a phased approach; consistent with OMBs capital planning guidance to define milestones that deliver useful components/modules (i.e., *an economically and programmatically separate component of a capital investment that provides a measurable performance outcome for which the benefits exceed the costs*) within each fiscal year. The phased deployment schedule for the HRMS includes the following key milestones:
- Phase 1 – FY2011
  - Readiness Assessments and Gap Analyses. The gap analysis is the process where human resource offices will compare how their process "fits" into the system to determine if any customization is needed. – DOC Human Resource Operation Center (DOCHROC), Patent and Trademark Office (PTO), Office of Inspector General (OIG), International Trade Administration (ITA)/ Foreign Commercial Services (FCS)
- Phase 2 – FY2012
  - Deploy Workforce Analytics – All
  - Deploy HR LOB Shared Service Center (SCC) – DOCHROC, PTO, OIG, ITA/FCS
  - Readiness Assessment and Gap Analysis – National Institute of Standards and Technology (NIST)
- Phase 3 – FY2013
  - Deploy HR LOB SSC – NIST
  - Readiness Assessments and Gap Analyses – Census, National Oceanic and Atmospheric Administration (NOAA)
- Phase 4 – FY2014
  - Deploy HR LOB SSC – Census, NOAA
- Phase 5 – FY2015
  - Operations and Maintenance – Steady State
- Phase 6 – FY2016
  - Operations and Maintenance – Steady State

Deliverables:

The key HRMS deliverables include:
- Department-wide, modern, cost-effective, standardized, and interoperable HR solution that delivers common, core functionality
- Automated web-based HR management environment that supports multiple HR functions in a single enterprise system
- Re-engineering and standardization of HR processes supporting:
  - Benefits Management
  - Compensation Management
  - Employee Relations
  - Human Resources Development
  - Human Resources Strategy
  - Labor Relations
  - Organization and Position Management
  - Performance Management
  - Separation Management

- o Staff Acquisition
- Decommissioning of redundant systems and interfaces
- Enhanced security and protection of PII data

Performance Goals and Measurement Data:

The performance measures included in the tables below are consistent with OPMs HR LOB performance reference model and support measurement of performance of the processes included in human capital management.

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		80%	85%	90%	95%	95%
Without Increase		70%	70%	70%	70%	70%

Description:
Percent of personnel transactions completed within appropriate time frame (time frame is dependent on type of action).

This is a measure of both operational efficiency and customer service. The measure reflects the opportunity for process improvement and it indicates the health of the process to complete a transaction in a timely manner. The HRMS will deliver performance improvements resulting in the ability to gather information more quickly and from richer sources that will allow managers to make more timely decisions, respond to labor and employee relations inquiries in a timelier manner and accelerate the staff acquisition cycle.

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		15%	10%	5%	5%	5%
Without Increase		20%	20%	20%	20%	20%

Description:
Percentage of retroactive payroll adjustments as compared to total number of payroll transactions.

This is a measure of both quality and operational efficiency. The measure reflects the effectiveness of the payroll transaction processing operation. The HRMS will deliver performance improvements in all Compensation Management activities including the administration of bonus and award programs and the processing of pay and leave.

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		50%	55%	60%	65%	65%
Without Increase		25%	25%	25%	25%	25%

Description:
Of the total personnel transactions available through self-service, the percent of personnel transactions actually initiated in self-service.

This is a measure of operational efficiency and customer service. This measure will be particularly relevant during the initial stages of deployment within each bureau as the self-service capability is a significant source of cost avoidance. The HRMS will provide the opportunity for employees or managers to access system, input data, make changes, or update information that will allow users to initiate and edit personnel actions in a secure automated solution.

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Departmental Staff Services
Subactivity: Workforce Excellence
Program: Human Resource Management System

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Program Manager	Washington, DC	GS-15	1	150,155	150,155
Technical Support Staff	Washington, DC	GS-14	1	132,069	132,069
					0
Total			2		282,224
less Lapse		75%	2		212,166
Total full-time permanent (FTE)			0		70,058

Personnel Data	Number
Full-Time Equivalent Employmen	
Full-time permanent	0
Other than full-time permanent	0
Total	0
Authorized Positions:	
Full-time permanent	2
Other than full-time permanent	0
Total	2

Note: Two positions are proposed to start in the 4th quarter of FY2012 and continue for the life of the project. The annual lapse for FY2012 of 75% reflects a total of zero FTE . Full funding for the positions and FTE in the out years will come from other objects.

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Departmental Staff Services
Subactivity: Workforce Excellence
Program: Human Resource Management System

	Object Class	2012 Increase
11	Personnel compensation	0
11.1	Full-time permanent	$70
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	70
12	Civilian personnel benefits	24
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	510
25.2	Other services	2,750
25.3	Purchases of goods & services from Gov't accounts	1,425
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	4,779

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGE FOR FY 2012:

<u>**Injury and Illness Reporting System (IIRS) (Program Base:** 0 FTE and $0 Million, **Program Change:** +0 FTE (0 POS) and +$ .691 million**):** Departmental Management requests an increase of $.7 million and 0 FTE to purchase an Injury and Illness Reporting System (IIRS) that is a single point of entry for reports of work-related injuries and illnesses, workers' compensation, property damage (from motor vehicles, air craft, vessels, etc.) and first aid.

Proposed Actions:

The Office of Human Resources Management (OHRM) is seeking a program increase to purchase licenses and necessary support to implement a Department-wide, web-based, vendor-hosted injury/illness and vehicle accident reporting system. The IIRS would capture all incidents and near misses, enable investigation of near misses so they do not become incidents, and enable managers to identify trends so they can target funds to help prevent future incidents. In addition, the IIRS will:

- Put the Department in compliance with the injury recordkeeping requirements of the Occupational Safety and Health Administration (OSHA) injury reporting standard (29 CFR 1904).
- Provide easy access to injury data so bureaus and their sub-organizations, as well as all levels of managers, could identify injury trends and more effectively direct scarce resources to prevent future injuries and workers' compensation cases.
- Shorten reporting time between when an injury/incident occurs and when it is reported.

Statement of Need and Economic Benefits:

Purchasing an IIRS would assist the Department in meeting the following:
- Strategic Management of Human Capital – a single point of entry reporting system would make it easier for the Department and the bureaus to track the progress of injured workers so they could be brought back to work as soon as they are able.
- Expanded Electronic Government – An Injury and Illness Reporting System will enable the Department and the bureaus to submit injury reports electronically, which will save time, provide more accurate reporting, create only one file for each injury, and speed the workers' compensation claims process. It also would enable the Department and the bureaus to keep track of the lost work days when an employee is out due to a work-related injury. The Department currently has no mechanism to track lost work days and relies on our workers' compensation and the Department of Labor for this data, which results in significantly less reliable data and does not support timely and effective analysis and management decision-making (e.g., enabling the Department to identify which bureaus are sustaining the most lost work days and implementing processes to reduce the exposure to losses and their associated costs).
- Improved Financial Performance – With this system, a bureau would be able to allocate injuries down to its organizational components. In addition, the Department would be able to trend its workers' compensation costs, enabling the Department and/or bureau to take action to reverse the trends.

Base Resource Assessment:

The Department currently does not have an electronic system for reporting and tracking work-related injuries and illnesses. The current paper-based method of injury reporting results in incomplete and inaccurate data and is not useful for determining injury and incident treads. Such trending is essential for DOC to target specific areas to prevent future injuries or incidents. Additionally, the current system does not support reporting of motor vehicle incidents. Without an electronic injury and illness reporting system, DOC will lose opportunities to identify and reverse injury trends and ultimately reduce its workers' compensation costs. DOC would not be in compliance with OSHA and runs the risk of receiving OSHA citations.

Schedule and Milestones:

 The deployment schedule for the IIRS includes the following key milestones:

FY 2011 – Planning Activities
- Implement updated data collection/reporting policy
- Continue to conduct Market Research

FY 2012 – Procurement and Implementation of System
- Conduct procurement activities and award contract
- Establish an IIRS Steering Committee
- Perform Business Process Analysis and Configuration/Customization Activities
- Conduct Data migration
- Conduct User Acceptance Testing Conduct Training
- Deploy in Production

FY 2013 – Operations and Maintenance (Steady State)

Deliverables:

The key IIRS deliverables include:
- Department-wide, modern, cost-effective, standardized, and interoperable risk management solution that delivers common, core functionality
- Web-based Injury and Illness Reporting System that provides accurate injury/illness and motor vehicle incident data that safety coordinators and managers could use to identify trends and ultimately prevent recurrences of injuries.
- Generation of management reports, with just a few key strokes, to assist safety coordinators and managers in assessing lost work days and determining where to more appropriately target scarce safety resources.
- Allocate work-related injury, illness, and motor vehicle accident costs down to the lowest organizational level.
- Electronic generation of the Occupational Safety and Health Administration (OSHA) 300 Log (required by OSHA) and the OSHA 300A Annual Summary (required by OSHA).
- Compliance with the OSHA injury reporting standards (29 CFR 1904).

Performance Goals and Measurement Data:

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase			2	5	9	13
Without Increase	1	1	1	1	1	1
Description: Milestone/Output/Outcome Measures FY 2011 – Number of bureaus with electronic injury and illness reporting systems (IIRS); develop requirements and begin the acquisition process. FY 2012 – Number of bureaus with electronic IIRS (one bureau and Office of the Secretary); complete the acquisition process and begin system customization. FY 2013 – Number of bureaus with electronic IIRS. FY 2014 – Number of bureaus with electronic IIRS. FY 2015 – Number of bureaus with electronic IIRS. FY 2016 – Number of bureaus with electronic IIRS.						

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Departmental Staff Services
Subactivity: Workforce Excellence
Program: OHRM Injury and Illness Reporting System

Object Class		2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$0
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	0
12	Civilian personnel benefits	0
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	691
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	691

Department of Commerce
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PROGRAM CHANGE FOR FY 2012:

Investigations and Intelligence Programs (IIP) (Base Funding: 6 FTE and $.816 million; **Program Change** +10 FTE (10 POS) and +$ 2.720 million**):** Departmental Management requests an increase of $2.7 million and 10 FTEs for a total of $ 3.5 million and 16 FTEs to enable the Office of Security to continue detecting, preventing, and/or mitigating persistent, evolving, and rapidly expanding mission-critical threats to the Department of Commerce through a cross-cutting effort that protects all Commerce bureaus and operating units.

Proposed Actions:

Funds would be used to recruit additional staff and deploy special agents as residents at major Departmental facilities of concern, as well as provide for necessary infrastructure to support coordinated headquarters and field operations (10 new FTEs). Eight FTEs will serve as Department of Commerce special agents appointed by the Office of Security to perform field investigative assignments that identify, assess, and/or manage mission-critical threats, in accordance with Department Orders 20-6 and 207-11. Two FTEs will serve as headquarters support staff conducting intelligence research and program/management analyses, respectively.

Statement of Need and Economic Benefits:

This increase is anticipated to directly reduce the impact of: hostile intelligence activities on Departmental policy and research developments, which may ultimately result in weakened American competitiveness; sophisticated criminal activity that can leverage the Department to divert policy objectives, corrupt markets, or destabilize United States geopolitical interests; and persons motivated by ideologically or psychologically driven violence whose actions may result in loss of life or destruction of property. Without funding, near-term objectives (such as the Department's roles in cyber security, the 2020 decennial census, and effectively promoting American products, services and ideas domestically and internationally), mid-term objectives (including strengthening our Nation's ability to compete in the global economy through free and fair trade, and producing cutting edge, reliable science), and long-term objectives (involving understanding climate change and protecting the global ecosystem) are vulnerable if left without dedicated, proactive, and consistent protection from mission-critical threats. Without this increase, the Department's ability to effectively execute its mission, achieve important Administration objectives, and support United States national security interests in the near, mid, and long terms is jeopardized.

Base Resource Assessment:

In the 2009 National Intelligence Strategy, the Office of the Director of National Intelligence (ODNI) characterized the economy, technological advancement, and the environment as strategic challenges to national security that could hinder or help the United States. ODNI also articulated in its 2009 Annual Threat Assessment that the global economic crisis is a national security concern, emphasized that restoring strong economic growth and maintaining our scientific and technological edge is essential to United States world leadership, and judged that global climate change will have important and extensive implications for national security interests over the next 20 years.

The Department exists to promote the Nation's economic development, advance technology, and ensure stewardship of the environment. Mission-critical threats emanate from foreign intelligence services, sophisticated criminal organizations, and violent extremists whose actions impact Departmental personnel, assets, and activities in furtherance of their own economic, technological, or environmental agendas. The Office of Security is the only operating unit specifically chartered to protect the Department from these types of threats, as well as the only governmental entity functioning in this capacity that is directly focused on the Department.

Using a proactive approach to effectively identify, assess, and manage these threats, the Office of Security has uncovered matters associated with the Department's economic, technological, and environmental missions that went unrecognized by other government agencies. Through its mission-critical threat functions, the Office of Security supports 1) applicable national strategies, including the National Intelligence Strategy, National Counterintelligence Strategy, Law Enforcement Strategy to Combat International Organized Crime, and National Strategy for Homeland Security; and 2) important collaboration within the Intelligence and Law Enforcement Communities.

Currently OSY has funding for six centrally located special agents to counter a threat spectrum that impacts approximately 60,000 personnel, 860 worldwide facilities, and an array of high profile programs. These six agents are managing a significant caseload of sensitive and complex investigations involving Commerce personnel, assets, or activities, and perform both headquarters and field functions, as well as all enabling, supervisory, and administrative tasks. Additionally, they are responsible for representing the Department through regular intergovernmental liaison with national and regional offices, centers, and working groups to coordinate threat management strategies, and monitor and disseminate daily intelligence reporting with a Commerce security nexus. These agents have limited field deployment, and lack an appropriate degree of infrastructure (including basic supervisory and administrative support, information technology support, and case-dependent overtime and travel budgets) comparable to other existing Departmental investigative components with national security or law enforcement responsibilities.

Schedule and Milestones:

Program will be enhanced immediately upon budget receipt by obtaining the necessary infrastructure and equipment to support upgrades to existing capabilities and new hires.

10 FTE will be recruited in FY 2012.

Deliverables:

Full implementation is anticipated within 1 year from initial budget receipt. Assuming receipt of funding by 10/01/2011, the following completion dates are anticipated:

- Case Management System Procurement Process Starts 10/01/2011
- Case Management System Procurement Process Completed 02/01/2012
- Recruitment of 10 FTE Completed 10/01/2012
- Fully Operational 10/01/2012

Performance Goals and Measurement Data:

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	96	78	78	78	78	78
Without Increase	96	96	96	96	96	96

Description:

The Office of Security is responsible for security services to safeguard DOC personnel, assets and critical information by measuring the reduction of counterespionage and anti-terrorism risks as well as increased emergency management effectiveness. Investigations and Intelligence Programs personnel detect, prevent, and/or mitigate persistent, evolving, and rapidly expanding mission-critical threats to the Department of Commerce thereby reducing the risk posed by these threats to the Department's core mission, Administration objectives, and United States national security interests.

Performance targets represent the Department's Risk Targets related to Counter-Espionage. The risk model currently employed by the Office of Security had previously estimated that full implementation would yield an 18-point change in risk which represents an 18.75% reduction in risk.

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Departmental Staff Services
Subactivity: Departmental Facilities
Program: Investigations and Intelligence Programs (IIP)

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Special Agent	Suitland/Gaithersb	ZA-III	6	89,586	537,516
Special Agent	Alexandria, VA	ZA-IV	1	122,759	122,759
Supervisory Special Agent	Washington, DC	ZA-V	1	144,000	144,000
Intelligence Research Specialist	Washington, DC	ZA-IV	1	122,759	122,759
Program & Management Analyst	Washington, DC	ZA-IV	1	122,760	122,760
Total			10		1,049,794

	Number	Total
Total full-time permanent (FTE)	10	1,049,794

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	10
Other than full-time permanent	0
Total	10
Authorized Positions:	
Full-time permanent	10
Other than full-time permanent	0
Total	10

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Departmental Staff Services
Subactivity: Departmental Facilities
Program: Investigations and Intelligence Programs (IIP)

	Object Class	2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$1,050
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	435
11.8	Special personnel services payments	0
11.9	Total personnel compensation	1,485
12	Civilian personnel benefits	387
13	Benefits for former personnel	0
21	Travel and transportation of persons	136
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	21
25.1	Advisory and assistance services	0
25.2	Other services	0
25.3	Purchases of goods & services from Gov't accounts	409
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	21
31	Equipment	261
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	2,720

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGES FOR FY 2012:

CommerceConnect Field Offices (Program Base: 0 FTE and $0 million; **Program Change:** +5 FTE (5 POS) and +$.830 million**):** Departmental Management requests an increase of $.8 million and 5 FTEs to support the CommerceConnect activity.

Proposed Actions:

CommerceConnect will provide assistance to American businesses by efficiently and effectively connecting U.S. businesses with Department of Commerce programs, products and services. Funding is being requested for personnel, training, travel, IT support and marketing to operate the CommerceConnect Field Offices. Dedicated CommerceConnect specialists will provide "one-stop" face-to-face interaction with businesses supported by Virtual tools and Call Center operations, to direct businesses and communities to where they can best be served in a faster and comprehensive manner.

Statement of Need and Economic Benefits:

The world economic environment is changing rapidly due to rapid technological transformation and national competitiveness. U.S. businesses and communities are impacted by these changes and are seeking to more effectively leverage federal information and resources to compete in the world economy. This reality requires that the Department adapt to address challenges faced by its client companies in order to support U.S. business innovation and entrepreneurship; enhance economic resiliency; assist job creation; and help American firms transform themselves into globally competitive enterprises.

CommerceConnect links American businesses and communities to a portfolio of the Department's and other Federal resources that enable client companies to become globally competitive. These services are provided, faster and more comprehensively, through a coordinated one-stop Federal assistance framework:

- Web-based Portal – Externally-facing Virtual CommerceConnect web-based portal with robust program content.

- Call Centers – Telephone support, initially by CommerceConnect Specialists in the Michigan Field Office, then through call centers.

- Stand Alone Field Offices – Dedicated CommerceConnect Specialist case managers to provide face-to-face interaction and support in regions of greatest need (e.g., Michigan).

Base Resource Assessment:

Funding will continue to establish the business resource network and formalize the resource coordination. The initial funding for this effort was provided by the bureaus in order to stand up the pilot program. CommerceConnect is currently in the start-up phase of a multi-phased pilot approach to test methodology and be of immediate support to businesses in Michigan. Beginning in 2009 a

staff of case manager experts from DOC – representing the National Institute of Standards and Technology (NIST), Census Bureau, International Trade Administration (ITA), Minority Business Development Agency (MBDA), and Departmental Management – have worked from donated NIST Manufacturing Extension Partnership space in Plymouth, Michigan, interacting with a select group of businesses that are willing to participate in the pilot to help refine the process of client engagement and develop a method to evaluate client outcomes. These on-the-ground experts are responsible for assessing business needs and connecting businesses with the most relevant services. This program has proven to be successful as a customer stated: "CommerceConnect introduced me to government programs that I would not have researched myself, and arranged meetings and interviews with program staffers that could provide answers for me." This client was introduced to the Small Business Administration (SBA) Guaranteed Loans, Manufacturing Extension Partnership (MEP) SourceOne Research and Development (R&D) Tax Credit, Oakland County Medical Mainstreet, Small Business and Technology Development Center (SBTDC) for Small Business Innovation Research grants. Accomplishments such as this have proven this program a success and oversight is needed while the program takes shape and grows. Oversight and coordination are desperately needed in order to launch the remainder of the resource centers.

Schedule and Milestones:

CommerceConnect plans to expand to other locations across the United States to help address local and regional economic challenges. These local and regional offices will introduce American businesses and communities to a portfolio of Department and other Federal resources that enable client companies to become globally competitive.

Deliverables:

The objective of CommerceConnect is to create American jobs by connecting U.S. businesses with Department and other Federal programs, products and services that meet their needs at every point in their life cycle. We can evaluate CommerceConnect's impact in the Business Community as a whole, and with individual client companies, using performance measures that include a mix of data based and outcome based metrics such as number of clients contacted by CommerceConnect specialists and number of client referrals made to Department of Commerce or other Federal information, products or services.

Performance Goals and Measurement Data:

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	160	464	774	1,050	1,207	1,388
Without Increase	0	0	0	0	0	0
Description: Number of Companies Engaged						

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	480	1,392	2,321	3,149	3,621	4,164
Without Increase	0	0	0	0	0	0
Description: Number of Referrals Made to Program Partners						

PROGRAM CHANGE PERSONNEL DETAIL

Activity: Executive Direction
Subactivity: Resource Stewardship
Program: CommerceConnect Filed Offices

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Case Worker	Detroit, Michigan	GS-13	4	100,904	403,616
Supervisor	Detroit, Michigan	GS-14	1	119,238	119,238
Total			5		522,854
Total full-time permanent (FTE)			5		522,854

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	5
Other than full-time permanent	0
Total	5
Authorized Positions:	
Full-time permanent	5
Other than full-time permanent	0
Total	5

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Executive Direction
Subactivity: Resource Stewardship
Program: CommerceConnect Filed Offices

Object Class		2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$523
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	523
12	Civilian personnel benefits	130
13	Benefits for former personnel	0
21	Travel and transportation of persons	98
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	21
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	58
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	830

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGE FOR FY 2012:

Paperwork and Regulation Information Management Environment (Base Funding: 0 FTE and $0 million**; Program Change:** +0 FTE (0 POS) and + $.500 million**):** Departmental Management requests an increase of $.5 million and 0 FTE to integrate the Paperwork and Regulation Information Management Environment (PRIME), which tracks the review and clearance of the Department's regulatory actions, into the Department's Electronic Data Management System (EDMS), an enterprise solution that is being developed to support the document management and workflow system needs of all offices within the Office of General Counsel and several offices in other bureaus at the Department. This request also includes funding for the certification and accreditation of the new system, funding for substantive software improvements in FY 2012, and funding for training the new users of this system.

Proposed Actions:

The funding increase is requested to improve and incorporate PRIME's functionality with the EDMS. The combined EDMS is currently being developed and will soon be implemented within the Office of the General Counsel.

Statement of Need and Economic Benefits:

While the integration of the regulatory tracking system will require an investment of $.5 million, a properly functioning system will result in major improvements in internal efficiency and service to client bureaus, with on-going costs that are very similar or only increased slightly over those associated with the current system.

Absent this investment, the system's performance will continue to deteriorate. The Regulatory Division will have to devote increased personnel time to correcting errors and keeping a manual inventory of pending regulations. The ability of the office to review and clear regulations on time will decline due to the inefficiencies introduced by use of the current system and the necessity of devoting increasing portions of FTEs to making up for the system's shortcomings. This will have significant negative impacts on client bureaus that depend upon the Regulatory Division to review and clear regulations within a reasonable period, and to facilitate clearance of those regulations by OMB.

Obtaining a functioning, more user-friendly system will have major benefits for the Regulatory Division in terms of being able to fulfill its requirements; it will also result in improved efficiency for all client bureau users who must now spend a great deal of time uploading information and correcting errors within the current system. NOAA, in particular, should see major improvements in their ability to process regulations on time, along with BIS, NTIA, NIST, MBDA, ESA, and ITA, who all issue smaller numbers of regulations each year.

Use of the new regulatory tracking system will allow the Regulatory Division to:

(1) successfully publish in the Federal Register a summary of all regulatory actions under consideration that could have a significant economic impact on a substantial number of small entities, as required by 5 U.S.C. section 602, no later than Spring 2012;

(2) prepare an agenda of all regulations under development or review, including standard tracking numbers and summaries, as required by Executive Order 12866, no later than spring 2012;

(3) create and maintain an inventory of all pending Departmental regulations, as required by Department Organization Order (D.O.O). 10-6, no later than December 31, 2012.

Base Resource Assessment:

The Regulatory Division of the Office of Assistant General Counsel for Legislation and Regulation serves as the primary contact for all regulatory matters concerning the Department of Commerce. As part of this responsibility, the Division is required to: (1) publish in the Federal Register a summary of all regulatory actions under consideration that could have a significant economic impact on a substantial number of small entities (5 U.S.C. section 602); (2) prepare an agenda of all regulations under development or review, including standard tracking numbers and summaries (Executive Order 12,866 section 4(b)); and (3) maintain an inventory of all Departmental regulations setting forth the status of regulations proposed or being considered for proposal and the status of reviews of existing regulations, and review and/or coordination and management of the review by Departmental operating units of Departmental regulations (D.O.O. 10-6 section 4(g)).

The Regulatory Division currently depends upon a web-based system that was obtained from the Department of Transportation with the hope that it could be customized to meet the Department's requirements at a low cost. While the system has some limited ability to support requirements (1) and (2) described above, the system contains programming "bugs" that result in numerous errors which has increased the workload of system users in the Division (i.e. reviewing the data for quality and completeness after it has been entered into the system). In addition, the current system contains few functions to support requirement (3). For example, it does not have the ability to provide basic information, such as the number of regulations currently reviewed by the Regulatory Division or the number of regulations that were reviewed within a given time period. This information must be compiled manually using a spreadsheet created to track the status of the review and clearance of draft regulatory actions. Furthermore, the system is not a user-friendly application, which has prompted several bureaus to refuse to use the system.

This has resulted in a greatly increased workload for the four regulatory attorneys and one paralegal, who now spend time uploading information from their client bureaus into the system. Finally, the system's performance has been deteriorating as more information is entered into the system, indicating that it may not be capable of handling the amount of data generated by the regulatory review and clearance process.

Schedule and Milestones:

Analyze PRIME Application	Project Start
Plan creation of PRIME functionality in EDMS	3 Months
Define, model, and execute standup of functionality in EDMS	4 Months
Migrate legacy data for testing	5 Months
Test and confirm successful development	6 Months
Complete standup of PRIME functionality in EDMS	7 Months
Train DOC HQ and Regional users – phased roll-in	7-12 Months
EDMS/PRIME Operations & Maintenance	7-12 Months
EDMS/PRIME Help Desk Ticket System Changes/Enhancements	7-12 Months

EDMS/PRIME Annual Performance Assessment   12 Months
EDMS/PRIME OMB Data Exposure/Transmission   12 Months

Deliverables:

- A regulatory tracking system, to track the review and clearance of the Department's regulatory actions; and
- Certification and accreditation of the new system.

Performance Goals and Measurement Data:

- Improved efficiency and usability: timely submission and processing of regulatory data and documents, retrieval of information on status of regulations, and development of metrics. The goal is to improve efficiency by a total of 3000 hours a year, or an average of 6 hours for each of the 498 current users.
- Improved consistency and dependability of system to minimize the number of hours system is not available to users. A future system improvement goal is undetermined at this time.
- Improved cost effectiveness to maintain system: O&M, C&A and other related costs; incorporation of PRIME with EDMS reduces O&M and C&A costs for PRIME since it will be sharing these expenses with all offices in OGC. Currently these expenses average $50,673 per year. A future cost savings goal is undetermined at this time.

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	100%	100%	100%	100%	100%	100%
Without Increase	85%	80%	75%	70%	65%	60%
Description: With the implementation of EDMS we expect to meet 100% of our performance goals as described in the performance goals measurement section (above). Without this increase we will be required to continue to use PRIME in its present state, but as PRIME ages its performance will continue to deteriorate and the percentage of performance goals will decline at an increasing rate.						

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Executive Direction
Subactivity: Executive Direction
Program: Paperwork and Regulation Information Management Environment

Object Class		2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$0
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	0
12	Civilian personnel benefits	0
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	500
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	500

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGE FOR FY 2012:

Information Technology Customer Service Center (ITCSC) and Help Desk Support Initiatives (Base Funding: 0 FTE and $.950 Million**; Program Change:** +0 FTE (0 POS) and +$ .957 million**):** Departmental Management requests an increase of $1.0 million and 0 FTE for a total of $ 1.9 million and 0 FTE to support the IT Customer Service and Help Desk services contracts.

Proposed Actions for ITCSC:

Office of Chief Information Officer (OCIO) will enter into an interagency agreement (IAA) with the General Services Administration's Federal Systems Integration and Management Center (FEDSIM). FEDSIM will provide the acquisition-related to support the Customer Service and Help Desk contracts. The current contract is set to expire September 30, 2011.

Proposed Action for Help Desk Support:

This funding increase is requested to provide additional help desk support to troubleshoot IT issues for desktops and servers; PC and mobikey installation and support; blackberry phone programming and technical issues; and providing technical support to O/S customers over the telephone, which has increased over 50% over the last 4 years.

Statement of Need and Economic Benefits ITCSC:

The Department's OCIO requires acquisition-related support on a temporary basis to prepare, analyze, and write the Request for Proposal for awarding a task order for the new IT Customer Service Help Desk Support contract. The Help Desk Support contract will ensure the OCIO has sufficient funding to provide pre-award support in defining requirements, conducting market research, drafting an acquisition plan (all drafts are for Department approval), ensure appropriate documentation to evident compliance with Federal laws, regulations and policies, draft a statement of work or statement of objectives, draft a request for proposal, release a synopsis to FedBizOpps, review and analyze proposals, prepare a draft executive summary analysis and recommendation for award to OCIO, and award a contract to the vendor OCIO selects.

Statement of Need and Economic Benefits Help Desk Support:

ITCSC is responsible for resolution of desktop hardware and software (Microsoft Office, standard and non-standard operating system applications, operating system and network login) problems reported through the telephone customer support phone number, trouble ticketing system, or email for the Office of the Secretary (OSEC) and Economic & Statistics Administration (ESA) PC users. The increase is necessary to cover base contract costs along with requirements to increase services.

Base Resource Assessment ITCSC:

The Department needs funding for the IT Help Desk due to insufficient resources to procure help desk and related IT and phone network services beyond the current contract. There is no legal basis to extend the existing contract beyond the maximum of three months specified in the Federal Acquisition Regulation (FAR) "Continuity of Services" clause (FAR clause 52.237-3).

Base Resource Assessment Help Desk Support:

Since the Help Desk inception in 2005, additional Operating Units have been added to the Help Desk supporting requirements. The number of customers serviced has increased from approximately 900 to 1,200 people. Additionally, new requirements within the scope of the original task have been added by Office of the Secretary (OS) and the Department's OCIO management.   The increased funds are necessary to provide additional Help Desk Support, to include troubleshooting IT issues from desktops to servers, RSA SecurID token management and distribution and imaging of laptops and PCs for the Office of the Secretary to meet standards.

The ITCSC contractors serve, to various degrees, all occupants of the Herbert C. Hoover Building. All Operating Units may contact the ITCSC via the Office of the Secretary intranet with problems related to telephones. Employees of the OS and the ESA receive fully functional help desk services and may contact the ITCSC with problems related to desktop hardware and software, e-mail, Internet access, Blackberries, etc. This funding increase is needed to provide support to the increasing needs for new PC installations, Mobikey installation and support, Blackberry issues, and to answer monthly phone calls that have increased 50% over the past 4 years. With the increasing demands for technology, the Help Desk must have these funds to keep up with the increasing calls for assistance.

Schedule and Milestones ITCSC:

OCIO will enter into an interagency agreement (IAA) with the General Services Administration's Federal Systems Integration and Management Center (FEDSIM) in FY 2011. FEDSIM will provide the acquisition-related support in FY 2011 utilizing funds allocated for OCIO's Information Technology initiatives.   OCIO will have to postpone software/hardware or contracts in order to fund this item as the current contract is set to expire September 30, 2011.

Schedule and Milestones Help Desk Support:

OCIO will enter into an interagency agreement (IAA) with the General Services Administration in order to procure additional Help Desk resources in the 1st Quarter of FY 2012, provided funding is available for this increase.

Deliverables ITCSC:

The funding will provide for a new IT services contract providing overall customer service that meets or exceeds the needs of the OCIO and the Deparment's operating units.

Performance Goals and Measurement Data:

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		1/89	1/89	1/89	1/89	1/89
Without Increase	1/156	1/156	1/156	1/156	1/156	1/156
Description: According to Gartner's 2008 report, industry best practices state there should be one IT technician per 50 users. - Currently, with appropriately 1250 users and 8 Help Desk staff in the Office of the Secretary and ESA, the ratio is 1 technician to 156 users. With the increase to 14 Help Desk staff, the ratio will be 1 technician per 89 users.						

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Executive Direction
Subactivity: Information Technology
Program: IT Customer Service Center and Help Desk Support

Object Class		2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$0
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	0
12	Civilian personnel benefits	0
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	957
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	957

Exhibit 13-15

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGE FOR FY 2012:

IT Hosting of the Office of the Chief Information Officer (Base Funding: 0 FTE and $0 million**; Program Change:** +0 FTE (0 POS) and +$.700 million**):** Departmental Management requests an increase of $.7 million and 0 FTE to support the software, hardware, and labor to operate and maintain nine systems that have been temporarily migrated to the Herbert C. Hoover Building (HCHB) due to the GSA termination of the lease in the Springfield VA Office of Computer Services (OCS) data center.

Proposed Actions:

This funding increase is requested to cover the restoration of systems in the new hosting environment and the operation and maintenance costs of the hosting of Office of the Chief Information Officer (OCIO) Information Technology (IT) systems, required as a result of the migration of the servers from OCS.

Statement of Need and Economic Benefits:

The migration was necessary due to GSA terminating the existing lease and the fact that the space was considered inadequate to physically support IT systems.

Base Resource Assessment:

Nine OCIO IT systems have been migrated due to the GSA termination of the lease in the existing Sprinfield VA OCS data center. The current space was considered inadequate to support IT systems. After migration of the systems to a new location, the hosting system will provide more efficiency due to the advanced technology. This will result in better security, better compliance and better overall hosting services.

These 9 systems are identified below:
1. Content Management System for managing Department's websites
2. CD-410 Tracking System
3. DNS server for ODSD subdomain
4. Email server for sending/receiving mail from systems
5. Website Analytics
6. SVN Repository
7. Trac Project Collaboration System
8. WebTA Extract
9. CTMan for responding to FOIA requests

Schedule and Milestones:

This additional funding is to provide contractor support to meet requirements defined within the contract. Once funding is provided the following schedule will be followed:
• Obtain contract support for web design and development
• Obtain contract support for Content Migration effort

Exhibit 13-15

- Obtain contract support for Database Administration to migrate data from an unsupported platform
- External hosting of DOC and other internal website for redundancy

Deliverables:

Operation and maintenance of nine OCIO information systems

Performance Goals and Measurement Data:

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase	Compliant	Compliant	Compliant	Compliant	Compliant	Compliant
Without Increase	Non compliant	Non compliant	Non compliant	Non compliant	Non compliant	Non compliant
Description: This request is solely for contractor support and security for the migration of the OCIO systems from the OCS data center.						

Exhibit 13-15

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Executive Direction
Subactivity: Information Technology
Program: IT Hosting and Relocation

	Object Class	2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$0
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	0
12	Civilian personnel benefits	0
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	700
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	700

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGE FOR FY 2012:

Information Technology Support for Network Operations (Base Funding: 0 FTE and $4.443 million; **Program Change** +0 FTE (0 POS) and +$4.118 million**):** Departmental Management requests an increase of $4.1 million and 0 FTE for a total of 0 FTE and $8.6 million to mitigate a series of IT security weaknesses documented by the National Security Administration (NSA) in late 2009, to transition from obsolete technologies, stabilize the eroding Operations and Maintenance base and respond to new customer requirements.

Proposed Actions:

The NSA documented numerous critical gaps in the Department headquarters' IT security program. In response to those weaknesses, the proposed budget increase will enable the Department Office of the Chief Information Officer (OCIO) to undertake the following actions:

- Implementation of a more rigorous enterprise Patch Management Program
- Strengthening endpoint security on desktop computers and servers
- Deployment of network infrastructure devices to mitigate certain classes of security vulnerabilities
- Enhancement of continuous monitoring and analysis of security incidents/events
- Support for the consolidated Herbert C. Hoover Building (HCHB, Department of Commerce Headquarters) campus Active Directory and email environment
- Enhancement of management and access control of publicly-accessible network zones

In addition to the actions aimed at improving IT security identified above, the proposed budget increase will make improvements to core IT services through the following actions:

- Enhancement of the HCHB network backbone by replacing telecommunications data circuits that use an outdated protocol (Transport Layer Security) with a more modern protocol (Multi-Protocol Label Switching)
- Providing network engineering services to support the HCHB Renovation Project
- Deployment and maintenance of email disaster recovery capability
- Response to growth in requirements associated with support of the Department's financial systems

These improvements include additional staffing to implement and maintain NSA recommended remediation actions as well as the supporting hardware and software infrastructure.

Statement of Need and Economic Benefits:

The existing contract vehicle awarded in 2004 for network operations covered known requirements at that time and will expire at the end of FY 2011. Since then, additional services and workload demands have added to the Network Operations Center (NOC) and IT Customer Service Center (ITCSC) support requirements that were not part of the original contract scope. Both IT security requirements and threats have also grown substantially during this period of time. With the heightened emphasis on cybersecurity demands and direct support to the

HCHB Renovation Project, our analysis shows a 50% increase in staff workload over initial contract staffing requirement.

Some of the services driven by workload demands that were not part of the initial contract include:

- Increased IT security demands, including dedicated engineering evaluation of new technologies; deployment and support for two-factor Authentication; consultation, planning, cost estimation, and network engineering support to the HCHB Renovation Project; deployment of enhanced security measures of the Department's Internet domain name infrastructure; and providing increased IT security analytical capability as well as ongoing support of tools implemented to enhance the security posture of the HCHB network infrastructure. ($3.2 million)

- Consolidated system administration, including system engineering and support for an HCHB Active Directory that consolidates IT hardware/software resources, and facilitates data redundancy for continuity of operations, and also serves as an enabler for more effectively managed centralized infrastructure for authentication, security patch management and antivirus using best industry practices. ($.3 million)

- The existing telecommunications data circuits utilize Transport Layer Security (TLS), an outdated protocol that lacks Quality of Service controls, and other more modern capabilities. A newer technology, Multi-Protocol Label Switching (MPLS), offers better quality of service that can guarantee bandwidth availability for key applications, improved performance with increased response time, and service offering both national and international presence. With the Office of Financial Management applications migration to the Federal Aviation Administration Data Center in Oklahoma City, the reliability and performance offered through the MPLS services are critical to ensuring the availability of these applications. Additionally, improving the Commerce backbone supports the goals of the Department's Cybersecurity strategic plan by ensuring that adequate bandwidth is available to collect the IT security monitoring information collected from the bureaus' dispersed locations at a centralized Security Operations Center for aggregation and analysis. ($.6 million)

Base Resource Assessment:

The current contract staff provides high-speed network engineering services to customers in the HCHB and Ronald Reagan Building. The infrastructure is controlled, maintained and enhanced by a single, central entity; the Department of Commerce headquarters Network Operations Center (NOC). These services include all aspects of external connectivity, including Internet service consisting of high speed telecommunications access, and required hardware and software to manage Internet access. Building off of the network infrastructure, additional services also include Voice over Internet Protocol (VoIP) telephone services, the Emergency Broadcast System which delivers notifications to all VoIP telephones located in employees' offices, and the public address system for issuing broadcasts in public spaces.

As described above, requirements for and demands on network operations have grown significantly since the original contract was awarded. Without the requested funding increase, network engineering services will continue to operate in a degraded capacity; support for the HCHB Renovation Project, the DoC financial systems and the human resource systems (including Web Time and Attendance) hosted in Oklahoma City will be less effective, and implementation of domain name security, network access control, and two factor authentications will be significantly slowed.

The Department's Security Operations Center (SOC) was established to provide better protection of the headquarters campus IT infrastructure and critical resources. The Department's SOC is required to be staffed by trained Security Engineers/Analysts who are tasked with providing a variety of security functions, including security event monitoring, security alert analysis, incident investigation response and mitigation, network security trending and reporting, antivirus updates, vulnerability scans, anti-spyware and malware filtering, recommendation of upgrades to mitigate new or emerging threats as they are identified, managing/analyzing/reporting data flowing from IT security tools, and making IT security improvement recommendations for the HCHB.

Current staffing levels are at a bare minimum that is not sufficient for effectively providing these services. Full funding of this request will enable a significant improvement to service levels for these services, as well as an expansion of SOC operations to full time (24 hours per day, 7 days a week, 365 days a year) in accordance with best practices as well as to better meet time-response requirements relating to OMB's Trusted Internet Connections mandate.

Currently, the HCHB network backbone utilizes the TLS protocol. Existing base resources are sufficient for maintaining TLS service. Migrating to a more modern MPLS protocol-based network requires hardware upgrades as well as sustained increases to provide higher service costs associated with MPLS services under the Networx Federal telecommunications contracts.) Without the requested funding increase the upgrade to an MPLS-based network backbone will not be possible.

Schedule and Milestones:

Milestone	Start	Completion
Augment existing NOC staff to sustain increased workload demands and to support new technologies	FY 2012 Q1	FY 2012 Q1
Augment existing security operations center to enhance security monitoring and detection/prevention of malicious activities	FY 2012 Q1	FY 2012 Q4
Provide ongoing security engineering support of the tools implemented to improve the Department of Commerce headquarters security posture	FY 2012 Q1	Ongoing
Support Network Admission Control to enhance access control by preventing unauthorized computers from accessing HCHB network infrastructure	FY 2012 Q1	FY 2016 Q4
Implement Defense-in-Depth strategy by deploying multiple product solution to reduce single-point vulnerabilities associated with a single product	FY 2012 Q1	FY 2016 Q1
Sustain operations and maintenance of the Consolidated Active Directory and email environment.	FY 2012 Q1	FY 2016 Q4
Provide 24x7x365 security operations coverage	FY 2012 Q1	Ongoing

Deliverables:

- Endpoint security on desktops and servers
- Enhanced architecture, management and access control for the public-facing network zones
- Complete implementation of domain name infrastructure security improvements
- Greatly enhanced support for Security Operations Center functions (analysis, reporting, alert/incident response, mitigation, etc.), and 24x7x365 coverage for the center's services
- Replace outdated TLS with MPLS circuits for enhancement of the HCHB network backbone
- Engineering services provided in support of the HCHB Renovation Project
- More consistent service levels for network engineering and network operations requirements
- Deploy and maintain email disaster recovery capability

Performance Goals and Measurement Data:

Note: Percentages shown indicate the percentage of service level objectives achieved by year with funding increase, and without (i.e., current levels relative to desired levels), with some outyear improvements anticipated in some cases even without new funding due to efficiencies and process improvement.

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		50%	80%	90%	100%	100%
Without Increase		5%	10%	15%	20%	25%

1. **Reliable network infrastructure**
   - Including patching, log monitoring, timeliness of component and system maintenance, enhanced system availability monitoring, strengthening fail-over, replication, backup and recovery procedures

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		40%	50%	75%	100%	100%
Without Increase		10%	20%	30%	40%	50%

2. **Maintain network infrastructure and its components (with minimum downtime)**
   - Including process improvements for maintenance and post maintenance testing, improved contingency planning for critical maintenance activities, improved configuration management.

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		30%	45%	90%	100%	100%
Without Increase		5%	5%	5%	5%	5%

3. Improved security operations

- Including security event monitoring, security alert analysis, incident investigation response and mitigation, network security trending and reporting, IT security tool management, managing/analyzing/reporting data flowing from IT security tools.

Performance Goal:	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		75%	100%	100%	100%	100%
Without Increase		30%	32%	34%	36%	38%

4. More timely resolution of network related tickets and trouble calls

- Reducing response time and ticket closure time for network engineering, operations and support requests.

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Executive Direction
Subactivity: Information Technology
Program: Information Technology Support for Network Operations

	Object Class	2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$0
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	0
12	Civilian personnel benefits	0
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	384
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	3,504
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	230
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	4,118

Department of Commerce
Departmental Management
Working Capital Fund

PROGRAM CHANGE FOR FY 2012:

Enterprise Personal Property Management System (PPMS) (Program Base: 0 FTE and $.877 million**; Program Change:** +0 FTE (0 POS) and +$ .200 million**):** Departmental Management requests an increase of $.2 million and 0 FTE for a total of $1.1 million and 0 FTE to purchase a Fleet Management Information System (FMIS).

Proposed Actions:

The funding increase is to acquire a software solution to manage vehicle fleet data. The Office of Administrative Services (OAS) has primary responsibility for managing the fleet inventory across the Department. This solution will establish an efficient way to compile and manage fleet data for roughly 2,500 vehicles worldwide.

Statement of Need and Economic Benefits:

OAS has a requirement for a Fleet Management Information System (FMIS) that must be capable of collecting information to manage the fleet to support internal reporting requirements to respond to annual budget requests and conform to the minimum standards identified in the FMR (41 CFR 102-34.347). The General Services Administration (GSA) initiated a bulletin, Federal Management Regulation – 15 (FMR B-15) for Motor Vehicle Management to the heads of all Federal Agencies on September 21, 2007. This bulletin provides the minimum recommendations of a centralized system to identify, collect, and analyze motor vehicle data with respect to costs incurred for operation, maintenance, acquisition, and disposition of motor vehicles. To be in accordance with Government-wide reporting requirements, it is essential that all Federal agencies' FMISs conform to the minimum standards identified in the FMR. Additionally, this requirement was cited in a recent OIG audit report, OIG-11-004-A, *Commerce Should Strengthen Accountability and Internal Controls in Its Motor Pool Operations*, in which it recommends the Department develop a centralized FMIS to oversee the fleet inventory and associated costs.

The FMIS will be web-based and will identify, collect, and store all data and costs associated with the operation and inventory of the Department's worldwide fleet. The focus for this system initially is to collect and maintain data on the Department's fleet; however, the system will have the capability to upload and download flat files with the intent of uploading information into the following systems:

- The Department's Personal Property Management Systems (PPMS) – Sunflower to capture fleet inventory
- Unique property systems at the Department's Census Bureau, National Institute of Standards and Technology (NIST), and the Patent and Trademark Office (PTO)
- Federal Automotive Statistical Tool (FAST) for reporting
- General Services Administration's (GSA) Automotive Programs
- JP Morgan Chase PaymentNet and GSA fraud monitoring tools

The system will be designed to provide the following:

- Management of fleet operations and maintenance

- o Vehicle identification
- o Fuel requirements
- o Utilization
- o Repairs and servicing
- o Accident reporting
- o Disposal
- Training
- Reporting

Base Resource Assessment:

Currently, the Department does not have a centralized FMIS to properly oversee the fleet inventory and associated costs, and largely relies on the individual Bureaus to manage its respective fleets. The lack of a FMIS places the Department at risk for fraud and/or misuse of government vehicles and fleet credit cards, and makes it extremely difficult to reconcile and validate the Departmental fleet inventory to the data entered into the GSA FAST system.

Schedule and Milestones:

The following details the estimated schedule and milestones of the FMIS development and implementation, with an anticipated start date in the first quarter of FY 2012:

- Contract Award (2 months)
- Receipt of Project Management Plan (within 5 days of award)
- Kickoff meeting (5 days after award)
- Final Project Management Plan (7 days after award)
- Initial download of DOC Fleet information (1 month after award)
- FMIS operational (3 months after award)

Deliverables:

The FMIS shall provide for the following:

- Management of fleet operations and maintenance
- Fuel requirements
- Utilization
- Repairs and servicing
- Accident reporting
- Disposal
- Training
- Reporting

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: Departmental Staff Services
Subactivity: Departmental Facilities
Program: Enterprise Personal Property Management System

Object Class		2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$0
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	0
11.8	Special personnel services payments	0
11.9	Total personnel compensation	0
12	Civilian personnel benefits	0
13	Benefits for former personnel	0
21	Travel and transportation of persons	0
22	Transportation of things	0
23.1	Rental payments to GSA	0
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	0
24	Printing and reproduction	0
25.1	Advisory and assistance services	0
25.2	Other services	200
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	200

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Exhibit 16

Department of Commerce
Departmental Management
Working Capital Fund
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Object Classes		2010 Actual	2011 Operating Plan	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
11	Personnel compensation:					
11.1	Full-time permanent	59,764	67,956	68,333	68,366	33
11.3	Other than full-time permanent	611	642	642	642	0
11.5	Other personnel compensation	2,775	2,735	2,735	3,170	435
11.9	Total personnel compensation	63,150	71,333	71,710	72,178	468
12.1	Civilian personnel benefits	16,799	18,368	19,474	19,630	156
13	Benefits for former personnel	0	0	0	0	0
21	Travel and transportation of persons	723	741	769	1,008	239
22	Transportation of things	222	53	54	54	0
23.1	Rental payments to GSA	5,884	6,270	6,420	6,420	0
23.2	Rental payments to others	0	0	0	21	21
23.3	Communication, utilities and miscellaneous charges	2,437	2,351	3,338	3,722	384
24	Printing and reproduction	246	248	254	286	32
25.1	Consulting services	415	730	730	1,240	510
25.2	Other services	36,682	34,574	34,953	44,912	9,959
25.3	Purchase of goods and services from Gov't accounts	11,613	10,179	10,179	11,907	1,728
26	Supplies and materials	3,666	1,620	1,652	1,665	13
31	Equipment	1,138	2,194	2,246	2,687	441
41	Grants, subsidies and contributions	0	0	0	0	0
43	Interest and dividends	0	0	0	0	0
99	Total obligations	142,975	148,661	151,779	165,730	13,951
	Unobligated balance, start of year	(5,591)	-2,704	0	0	0
	Unobligated balance, end of year	2,704	0	0	0	0
	TOTAL REIMBURSABLE AUTHORITY	140,088	145,957	151,779	165,730	13,951

Exhibit 16

Department of Commerce
Departmental Management
Working Capital Fund
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Personnel Data	2010 Actual	2011 Operating Plan	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
Full-Time Equivalent Employment:					
Full-time permanent	581	576	576	578	2
Other than full-time permanent	34	34	34	34	0
Total	615	610	610	612	2
Authorized Positions:					
Full-time permanent	657	652	652	656	4
Other than full-time permanent	64	64	64	64	0
Total	721	716	716	720	4

Department of Commerce
Departmental Management
Working Capital Fund
DIRECT COST BY OFFICE
(Dollar amounts in thousands)

	2010 Actual			2011 Operating Plan			FY 2012 Estimate		
	POS	FTE	Amount	POS	FTE	Amount	POS	FTE	Amount
Offices:									
Human Resources Management	90	77	$ 16,932	90	77	$17,515	92	77	$ 22,098
Civil Rights	32	24	4,128	27	19	4,106	27	19	4,126
Financial Management	52	42	16,510	48	38	17,353	48	38	21,576
Security	133	127	23,985	132	126	23,434	142	136	26,282
Administrative Services	113	95	20,230	113	95	24,652	110	92	24,709
Acquisition Management	28	21	5,030	28	21	4,719	26	19	4,384
Office of Privacy and Open Government	-	-	-	2	2	328	2	2	325
Office of Program Evaluation and Risk Managment	-	-	-	7	7	1,170	7	7	1,170
Management and Organization	2	2	796	-	-	-	-	-	-
Subtotal, Departmental Staff Services	450	388	87,611	447	385	93,277	454	390	104,670
General Counsel	216	183	39,957	216	183	40,145	212	179	40,290
Chief Information Officer	42	34	13,229	40	32	12,833	37	29	17,682
Chief Financial Officer	-	-	-	-	-	-	5	5	830
Public Affairs	13	10	2,178	13	10	2,406	12	9	2,258
Total Working Capital Fund	721	615	$142,975	716	610	$148,661	720	612	165,730

Department of Commerce
Departmental Management
Working Capital Fund
DISTRIBUTION BY BUREAU
(Dollar amounts in thousands)

	2010 Actual	2011 Operating Plan	2012 Estimate
Office of the Secretary	$10,089	10,531	11,934
International Trade Administration	30,898	32,396	35,062
Economic Development Administration	2,446	3,098	3,637
National Telecommunications and Information Administration	4,977	4,997	5,575
National Technical Information Service	299	309	303
Bureau of the Census	24,929	27,128	29,012
Economic and Statistics Administration	2,951	2,917	3,168
National Oceanic and Atmospheric Administration	39,364	40,326	44,478
National Institute of Standards and Technology	10,159	10,967	12,496
Patent and Trademark Office	3,375	2,823	5,512
Minority Business Development Agency	1,493	1,647	1,916
Bureau of Industry and Security	8,941	9,172	9,945
Technology Administration	-	-	-
Office of Inspector General	2,256	1,832	2,176
Office of Computer Services	279	-	0
Total Commerce Bureaus	$142,456	148,143	165,214
Other Agencies	519	518	516
Total	$142,975	$148,661	$165,730

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Exhibit 34

Department of Commerce
Departmental Management
Working Capital Fund
Consulting and Related Services
(Dollar amounts in thousands)

	2010 Actual	2011 Operating Plan	2012 Estimate
Consulting services	0	0	510
Management and professional services	0	0	0
Special studies and analyses	0	0	0
Management and support services for research and development.	0	0	0
Total	0	0	510

The Department has approved a funding request to implement an HR Management System (HRMS) that is based on an HR LOB SSC solution. The vision of the HRMS is to provide an Agency-wide, modern, cost-effective, standardized, and interoperable HR solution that delivers common, core functionality to support the strategic management of human capital and addresses the manual and inefficient processing of HR transactions across the Department. Consulting services will be necessary to provide project management support for the planned phased deployment.

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Exhibit 5

Department of Commerce
Departmental Management
Franchise Fund
SUMMARY OF RESOURCE REQUIREMENTS
(Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Reimbursable Obligations
2011 Operating Plan	0	0	0	2,274
less: Obligations from prior years				(2,274)
less: Change in reimbursable activity	0	0	0	0
2012 Base	0	0	0	0
plus: program increase				0
2012 Estimate	0	0		0

		2010 Actual		2011 Operating Plan		2012 Base		2012 Estimate		Increase/(Decrease) Over 2012 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Office of Computer Services	Pos./BA	11		0		0		0		0	
	FTE/Obl.	11	5,861	0	2,274	0	0	0	0	0	0
TOTALS	Pos./BA	11		0		0		0		0	
	FTE/Obl.	11	5,861	0	2,274	0	0	0	0	0	0
Adjustments to Obligations:											
Recoveries			(184)								
Unobligated balance, start of year			(3,542)		(2,274)						
Unobligated balance, end of year			2,274								
Unobligated balance, expiring											
Financing from Transfers:											
Transfer from other accounts (-)											
Transfer to other accounts (+)											
Reimbursable Authority			4,409		0		0		0	0	0

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Exhibit 12

Department of Commerce
Departmental Management
Franchise Fund

APPROPRIATION ACCOUNT: DEPARTMENTAL MANAGEMENT

BUDGET ACTIVITY: FRANCHISE FUND

The Department closed the Office of Computer Services (OCS) at the beginning of FY 2011. The building lease expired on September 30, 2010 and all hosting services have moved to other providers. Although OCS services will no longer exist, the franchise fund authority remains. Departmental Management is currently considering the advisability of retaining the franchise fund, its operations and the proper location of the services.

BASE JUSTIFICATION FOR FY 2012:

SUBACTIVITY: Office of Computer Services

The goal of the Commerce Franchise Fund is to promote entrepreneurial business activities in common administrative services across the Federal Government.

Congress established the Franchise Fund Pilot Program in the Government Management Reform Act (GMRA) of 1994 to allow market forces to improve the delivery of common administrative services. In 1996, the Department's Office of Computer Services (OCS) began operating as a federal franchise fund, providing Information Technology (IT) support services to organizations within the Department and other federal agencies. In FY 2004, Commerce's authorization to operate a federal franchise fund was made permanent.

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Exhibit 5

Department of Commerce
Departmental Management
Emergency Steel Guaranteed Loan Program
SUMMARY OF RESOURCE REQUIREMENTS
(Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Direct Obligations
2011 CR (Annualized)	0	0	0	48,271
less: Obligations from prior years			0	0
less: Mandatory appropriations			0	0
less: Unobligated balances			0	0
plus: Unobligated balances, end of year			0	0
plus: 2011 Adjustments to Base - Restoration of rescission	0	0	0	0
2012 Base	0	0	0	48,271
less: Program change	0	0	(43,000)	(43,000)
2012 Estimate	0	0	(43,000)	5,271

		2010 Actual		2011 CR (Annualized)		2012 Base		2012 Estimate		Increase/(Decrease) Over 2012 Base	
Comparison by activity:		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Guaranteed Loan Limit		0	0	0	0	0	0	0	0	0	0
Loan Subsidy	Pos./BA	0	0	0	0	0	0	0	(43,000)	0	(43,000)
	FTE/Obl.	0	0	0	0	0	0	0	0	0	0
Administrative Expenses	Pos./BA	0	0	0	0	0	0	0	0	0	0
	FTE/Obl.	0	59	0	0	0	0	0	0	0	0
Modification Costs	Pos./BA	0	0	0	0	0	0	0	0	0	0
	FTE/Obl.	0	0	0	0	0	0	0	0	0	0
Credit Reestimates	Pos./BA	0	0	0	0	0	0	0	0	0	0
	FTE/Obl.	0	0	0	0	0	0	0	0	0	0
TOTALS	Pos./BA	0	0	0	0	0	0	0	(43,000)	0	(43,000)
	FTE/Obl.	0	59	0	0	0	0	0	0	0	0
Adjustments to Obligations:											
Mandatory Appropriations					0		0		0		0
Recoveries/Refund			(28)		0		0		0		0
Unobligated balance, start of year			(48,302)		(48,271)		(48,271)		(48,271)		0
Unobligated balance, lapsing			0				0		0		0
Unobligated balance, end of year			48,271		48,271		48,271		5,271		
Unobligated balance, withdrawn			0				0		(43,000)		(43,000)
Financing from Transfers:											
Transfer from other accounts (-)											
Transfer to other accounts (+)											
Budget Authority (Proposed Rescission)			0		0		0		(43,000)	0	(43,000)

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Exhibit 7

Department of Commerce
Departmental Management
Emergency Steel Guaranteed Loan Program
SUMMARY OF FINANCING
(Dollar amounts in thousands)

	2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
Total Obligations (includes Discretionary and Mandatory balances)	59	0	0	(43,000)	(43,000)
Offsetting collections from:					
Federal funds					
Trust funds					
Technical Adjustment					
Recoveries/Refund	(28)	0	0	0	0
Mandatory Appropriations	0	0	0	0	0
Unobligated balance, start of year	(48,302)	(48,271)	(48,271)	(48,271)	0
Unobligated balance, end of year	48,271	48,271	48,271	5,271	0
Unobligated balance, withdrawn	0	0	0	(43,000)	(43,000)
Budget Authority/(Rescission)	0	0	0	(43,000)	(43,000)

Exhibit 16

Department of Commerce
Departmental Management
Emergency Steel Guaranteed Loan Program
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Object Classes	2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
11 Personnel compensation:					
11.1 Full-time permanent	0	0	0	0	0
11.3 Other than full-time permanent	0	0	0	0	0
11.5 Other personnel compensation	0	0	0	0	0
11.9 Total personnel compensation	0	0	0	0	0
12.1 Civilian personnel benefits	0	0	0	0	0
13 Benefits for former personnel	0	0	0	0	0
21 Travel and transportation of persons	0	0	0	0	0
22 Transportation of things	0	0	0	0	0
23.1 Rental payments to GSA	0	0	0	0	0
23.2 Rental payments to others	0	0	0	0	0
23.3 Communication, utilities and miscellaneous charges	0	0	0	0	0
24 Printing and reproduction	0	0	0	0	0
25.1 Consulting services	0	0	0	0	0
25.2 Other services	59	0	0	0	0
25.3 Purchase of goods and services from Gov't accounts	0	0	0	0	0
26 Supplies and materials	0	0	0	0	0
31 Equipment	0	0	0	0	0
41 Grants, subsidies and contributions	0	0	0	0	0
43 Interest and dividends	0	0	0	0	0
99 Total obligations	59	0	0	0	0
Mandatory Appropriations	0	0			
Recoveries/Refund	(28)	0	0	0	0
Unobligated balance, start of year	(48,302)	(48,271)	(48,271)	(48,271)	0
Plus Unobligated Balance End of Year	48,271	48,271	48,271	5,271	(43,000)
TOTAL BUDGET AUTHORITY/(RESCISSION)	0	0	0	(43,000)	(43,000)

Exhibit 32

Department of Commerce
Departmental Management
Emergency Steel Guarantee Loan Program
Justification of Proposed Language Changes

Emergency Steel Guarantee Loan Program Account

(CANCELLATION)

Of the unobligated subsidy balances available under this heading from prior year appropriations,
$43,000,000 are hearby permanently cancelled: Provided, That no amounts may be cancelled
from amounts that were designated by the Congress as an emergency requirement pursuant
to the Concurrent Resolution on the Budget or the Balanced Budget and Emerrgency Deficit Control
Act of 1985 as amended.

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Exhibit 5

Department of Commerce
Departmental Management
Emergency Oil and Gas Guaranteed Loan Program
SUMMARY OF RESOURCE REQUIREMENTS
(Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Direct Obligations
2011 CR (Annualized)	0	0	0	0
less: Unobilgated balance from prior years			0	521
plus: Recoveries			0	(49)
plus: Unobligated balance, withdrawn			0	0
plus: Unobligated balance, end of year			0	(472)
plus: 2011 Adjustments to base			0	0
2012 Base	0	0	0	0
plus: Program change			0	0
2012 Estimate	0	0	0	0

		2010 Actual		2011 CR (Annualized)		2012 Base		2012 Estimate		Increase/(Decrease) Over 2012 Base	
Comparison by activity:		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Guaranteed Loan Limit		0	0	0	0	0	0	0	0	0	0
Loan Subsidy	Pos./BA	0	0	0	0	0	0	0	0	0	0
	FTE/Obl.	0	0	0	0	0		0		0	
Administrative Expenses	Pos./BA	0	0	0	0	0	0	0	0	0	0
	FTE/Obl.	0	0	0	0	0		0		0	
Credit Reestimates	Pos./BA	0	0	0	0	0	0	0	0	0	0
	FTE/Obl.	0	0	0	0	0		0		0	
TOTALS	Pos./BA	0	0	0	0	0	0	0	0	0	0
	FTE/Obl.	0	0	0	0	0		0		0	

Adjustments to Obligations:						
Mandatory Appropriations	0		0			
Recoveries	(49)					
Unobligated balance, start of year	(472)		(521)	(521)	(521)	0
Unobligated balance, transferred						
Unobligated balance, end of year	521		521	0	0	
Unobligated balance, withdrawn (unused subsidy)	0		0	521	521	0

Financing from Transfers:					
Transfer from other accounts (-)					
Transfer to other accounts (+)					
Budget Authority	0	0	0	0	0

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Exhibit 7

Department of Commerce
Departmental Management
Emergency Oil and Gas Guaranteed Loan Program
SUMMARY OF FINANCING
(Dollar amounts in thousands)

	2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
Total Obligations	0	0	0	0	0
Offsetting collections from:					
Federal funds					
Trust funds					
Non-Federal sources					
Recoveries	(49)	0	0	0	0
Mandatory Appropriations	0	0	0	0	0
Unobligated balance, start of year	(472)	(521)	(521)	(521)	0
Unobligated balance, transferred	0	0	0	0	0
Unobligated balance, end of year	521	521	521	521	0
Unobligated balance, withdrawn	0	0	0	0	0
Budget Authority	0	0	0	0	0

Exhibit 16

Department of Commerce
Departmental Management
Emergency Oil and Gas Guaranteed Loan Program
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Object Classes	2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
11 Personnel compensation:					
11.1 Full-time permanent	0	0	0	0	0
11.3 Other than full-time permanent	0	0	0	0	0
11.5 Other personnel compensation	0	0	0	0	0
11.9 Total personnel compensation	0	0	0	0	0
12.1 Civilian personnel benefits	0	0	0	0	0
13 Benefits for former personnel	0	0	0	0	0
21 Travel and transportation of persons	0	0	0	0	0
22 Transportation of things	0	0	0	0	0
23.1 Rental payments to GSA	0	0	0	0	0
23.2 Rental payments to others	0	0	0	0	0
23.3 Communication, utilities and miscellaneous charges	0	0	0	0	0
24 Printing and reproduction	0	0	0	0	0
25.1 Consulting services	0	0	0	0	0
25.2 Other services	0	0	0	0	0
25.3 Purchase of goods and services from Gov't accounts	0	0	0	0	0
26 Supplies and materials	0	0	0	0	0
31 Equipment	0	0	0	0	0
41 Grants, subsidies and contributions	0	0	0	0	0
43 Interest and dividends	0	0	0	0	0
99 Total obligations	0	0	0	0	0
Mandatory Appropriation	0	0	0	0	0
Unobligated Balance, start of year	(472)	(521)	(521)	(521)	0
Unobligated balance, end of year	521	521	521	521	0
Unobligated Balance, withdrawn					0
Less prior year recoveries	(49)	0	0	0	0
TOTAL BUDGET AUTHORITY	0	0	0	0	0

Exhibit 5

Department of Commerce
Departmental Management
HCHB Renovation and Modernization
SUMMARY OF RESOURCE REQUIREMENTS
(Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Direct Obligations
2011 CR (Annualized)	5	5	22,500	22,500
less: Obligations from prior years			0	0
plus: Transfers of unobligated balances			0	0
less: 2011 Adjustment to Base	(5)	(5)	(22,500)	(22,500)
2012 Base	0	0	0	0
plus: Program funding	5	5	16,150	16,150
2012 Estimate	5	5	16,150	16,150

		2010 Actual		2011 CR (Annualized)		2012 Base		2012 Estimate		Increase/(Decrease) Over 2012 Base	
Comparison by activity:		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
HCHB Renovation	Pos./BA	0	22,500	5	22,500	0	0	5	16,150	5	16,150
	FTE/Obl.	0	14,828	5	30,693	0	0	5	0	5	0
TOTALS	Pos./BA	0	22,500	5	22,500	0	0	5	16,150	5	16,150
	FTE/Obl.	0	14,828	5	30,693	0	0	5	0	5	0
Adjustments to Obligations:											
Recoveries			(221)		0						
Unobligated balance, start of year			(300)		(8,193)						
Unobligated balance, end of year			8,193								
Financing from Transfers:											
Transfer from other accounts (-)											
Transfer to other accounts (+)											
Appropriation			22,500		22,500		0		16,150		16,150

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Exhibit 7

Department of Commerce
Departmental Management
HCHB Renovation and Modernization
SUMMARY OF FINANCING
(Dollar amounts in thousands)

	2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
Total Obligations	14,828	30,693	0	16,150	16,150
Offsetting collections from:					
Federal funds	0	0	0	0	0
Trust funds	0	0	0	0	0
Non-Federal sources	0	0	0	0	0
Recoveries	(221)	0	0	0	0
Unobligated balance, start of year	(300)	(8,193)	0	0	0
Unobligated balance, end of year	8,193	0	0	0	0
Budget Authority	22,500	22,500	0	16,150	16,150
Financing:					
Unobligated balance, rescission	0	0	0	0	0
Transfer from other accounts (-)	0	0	0	0	0
Transfer to other accounts (+)	0	0	0	0	0
Appropriation	22,500	22,500	0	16,150	16,150

Exhibit 9

Department of Commerce
Departmental Management
HCHB Renovation and Modernization
JUSTIFICATION OF ADJUSTMENTS TO BASE
(Dollar amounts in thousands)

	FTE	Amount
Non-Recurring Adjustments*	(5)	(22,500)
Total FY 2012 Adjustments to Base.	(5)	(22,500)

* Note: Due to the nature of the renovation and modernization phases, each year this account has non-reccuring program costs. Therefore, the account is baselined to zero.

Exhibit 10

Department of Commerce
Departmental Management
HCHB Renovation and Modernization
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS
(Dollar amounts in thousands)

Comparison by activity:		2010 Actual		2011 CR (Annualized)		2012 Base		2012 Estimate		Increase/(Decrease) Over 2012 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
HCHB Renovation and	Pos./BA	0	22,500	5	22,500	0	0	5	16,150	5	16,150
Modernization	FTE/Obl.	0	14,828	5	30,693	0	0	5	0	5	0
TOTALS	Pos./BA	0	22,500	5	22,500	0	0	5	16,150	5	16,150
	FTE/Obl.	0	14,828	5	30,693	0	0	5	0	5	0

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Exhibit 12-15

Department of Commerce
Departmental Management
HCHB Renovation and Modernization
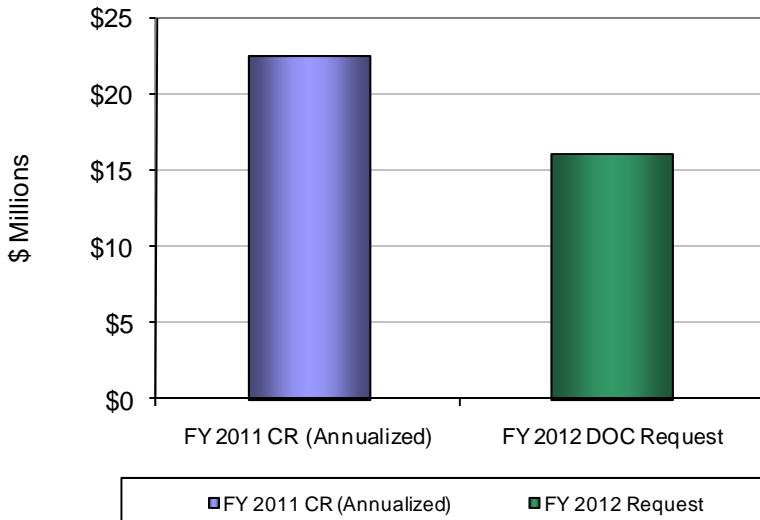
APPROPRIATION ACCOUNT: DEPARTMENTAL MANAGEMENT

BUDGET ACTIVITY: HCHB RENOVATION AND MODERNIZATION

For FY 2012, Departmental Management requests an increase of $16,150,000 and 5 FTE, compared to the FY 2010 enacted level $22,500,000 and 5 FTE, for the zero base Herbert C Hoover Building (HCHB) Renovation and Modernization account.

BASE JUSTIFICATION FOR FY 2012:

Due to the nature of the HCHB Renovation and Modernization phases, this account is an annual zero based budget.

PROGRAM: HCHB RENOVATION AND MODERNIZATION

The goal of this project is to complement GSA's Systems Replacement Project in which they will provide major upgrades to the existing utilities, electrical, heating, ventilation, air conditioning, and Life Safety Systems that are beyond their useful life and deteriorating. The FY 2011 request will support the Department's focus on its most critical systems.

The objective of this eleven-year project is to replace existing building equipment and systems to extend the HCHB's useful life by:

• Replacing the Heating, Ventilation and Air Conditioning Systems (HVAC);
• Increasing energy efficiency;
• Replacing obsolete, non-repairable building equipment and their components;
• Conforming to current building codes and industry standards;

Exhibit 12-15

- Replacing obsolete and unsafe electrical panels, wires and connections;
- Replacing Information Technology and telecommunications wiring, telecommunications closets:
- Replacing deteriorating piping;
- Improving the workplace environment; and
- Improving window security.

PROGRAM CHANGE FOR FY 2012:

HCHB Modernization Project (Base Funding: 0 FTE and $0 million**; +5 FTE and +$16.150 million):** Departmental Management requests $16.2 million and 5 FTE for the renovation and modernization of the Herbert C. Hoover Building (HCHB). The HCHB renovation and modernization plan combines Department of Commerce (DOC) and General Services Administration (GSA) solutions to address major building systems (mechanical, electrical, plumbing, heating, ventilation, air conditioning, and life safety systems) that are beyond their useful life and deteriorating. The GSA 8-phase modernization project provides a solution that will target new efficient mechanical, electrical, and plumbing systems; new life safety systems; security improvements and historic restoration. The FY 2012 request reflects the Department's continued focus in supporting the systems and renovation of the HCHB.

Proposed Actions:

DOC Construction Cost / Equipment &Furniture
Funds are requested to design and build-out spaces to complete Phase 2 and prepare for Phase 3. To complete Phase 2, the Department must design and build-out locations for the International Trade Administration's (ITA) Central Records Unit, Office of General Counsel's Executive Support offices, Photo Studio, and the DOC Federal Credit Union. To prepare for Phase 3, the Department must design ITA's 26 bay office spaces and Advocacy Center, 8 bays of the Secretary's temporary swing space and conference room, Jogger's Locker Room, NOAA office spaces, Security Customer Service Center and Plumbing Shop. At the end of Phase 2 and the beginning of Phase 3, it will be necessary to reassemble and disassemble office furniture for employees returning to their original assigned office and employees moving to the swing space respectively.

Security
Funding is necessary to cover costs associated with rewiring the security systems in Phase 3, the re-coring and re-keying of Phase 3 interior office doors, improving window security, and enclosing the Secretary's secure vehicle in the Courtyard 2 garage.

Information Technology (IT)/ Telecommunications
In FY 2012, funds are requested to procure and install racks in realigned Phase 3 LAN closets, rewire the ITA Network in Phase 3 as part of the LAN closet realignment, rewire the HCHB network in Phase 3 and rewire the cable TV network in Phase 3.

Relocation and Planning
Funding is requested to move approximately 440 employees in and out of swing spaces as a direct result of completing Phase 2 and beginning Phase 3 construction. Computers, professional office support equipment and furnishings, and limited official files will be moved with the employees to the swing spaces constructed during Phase 1. This funding also provides support to Phases 2 and 3 by assisting in the pre-move planning, transition schedule, communications plan, furniture/equipment inventory management, move coordination, staff checkout, swing space on-site coordination and

Exhibit 12-15

moving, post move services, design and technical reviews, and the test and evaluation of systems prior to government acceptance.

FTEs

Funding is needed to continue supporting the five FTEs approved by Congress in FY 2010. It is crucial for the support of the renovation to continue funding the Engineering Technician, one IT project manager, one Architect, one Administrative Officer, and one Public Affairs Officer. These five crucial positions will perform the following functions:

- Engineering Technician will conduct evaluations and advise management on program and operations efficiency and productivity, assist engineers with the planning and review of building plans, conduct quality control of work being performed, assist with the development of estimated labor cost, equipment, and life cycle maintenance cost, an interface with tenants of the building to address concerns.
- IT Project Manager will oversee the IT aspects of the renovation and act as the Contracting Officer's Representative (COR) for the HCHB Net support contract.
- The Administrative Officer will function as the Office Manager responsible for daily, routine administrative functions and monitoring budget execution (control correspondence maintain records and technical actions or programs as well as preparing status of fund documents) and assisting with the development and reproduction of required briefs and reports.
- The Architect/Space Planner will assist with design changes, space planning, migration planning and interface with building tenants to resolve problems and evaluate planning and architectural issues.
- The Public Affairs Officer will develop and maintain the Renovation Website, publish the renovation newsletter, prepare building wide broadcasts, and assist with all other areas of communication and presentation to the HCHB occupants and stakeholders.

Statement of Need and Economic Benefits:

The overall Department budget of the HCHB renovation project is approximately 14% of the total HCHB renovation cost. GSA provides the remainder of the funding. Any fluctuation in the Department's appropriated funding will directly impact GSA's construction schedule. It is imperative that the Department's construction items are funded to keep up with GSA's schedule, which is now funded through the completion of Phase 3. The IT funds in FY 2012 are for maintaining temporary LAN closets and rewiring Phase 3. Improving window blast resistance is a specific security item necessary for increased safety and security of the HCHB employees and visitors which will be installed during each phase of the renovation.

Base Resource Assessment:

There are no base resources associated with the HCHB Renovation project. New resources are requested each year for this program.

Schedule and Milestones:

- Phase 3 – February 2012 to September 2013
- Phase 4 – June 2013 to January 2015
- Phase 5 – January 2015 to July 2016
- Phase 6 – July 2016 to February 2018

Exhibit 12-15

Deliverables:

- DOC Construction drawings and schedules
- Relocation transition plan from Swing Space to Phase 2 area and from Phase 3 to Swing space
- Security Plan to rewire and rekey Phase 3
- IT/Telecommunications Plan to migrate systems out and rewire Phase 3
- Blast Window Reimbursable Work Authorization to GSA

Exhibit 12-15

PROGRAM CHANGE PERSONNEL DETAIL

Activity: HCHB Renovation and Modernization
Subactivity: HCHB Renovation
Program: HCHB Renovation and Modernization Project

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Architect/Space Planner	Washington, DC	ZA/ZP-IV	1	$131,164	131,164
IT Project Manager	Washington, DC	ZP- IV	1	126,316	126,316
Admin Officer	Washington, DC	ZA- IV	1	94,830	94,830
Engineer Tech, Electrician	Washington, DC	ZT- 4	1	89,586	89,586
Public Affairs Officer	Washington, DC	ZA- IV	1	120,493	120,493
Total			5		562,389

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	5
Other than full-time permanent	0
Total	5
Authorized Positions:	
Full-time permanent	5

Exhibit 12-15

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: HCHB Renovation and Modernization
Subactivity: HCHB Renovation
Program: HCHB Renovation and Modernization Project

	Object Class	2012 Increase
11	Personnel compensation	
11.1	Full-time permanent	$562
11.3	Other than full-time permanent	0
11.5	Other personnel compensation	26
11.8	Special personnel services payments	0
11.9	Total personnel compensation	588
12	Civilian personnel benefits	174
13	Benefits for former personnel	0
21	Travel and transportation of persons	5
22	Transportation of things	0
23.1	Rental payments to GSA	116
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	9
24	Printing and reproduction	5
25.1	Advisory and assistance services	0
25.2	Other services	15,250
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	0
25.8	Subsistence and support of persons	0
26	Supplies and materials	3
31	Equipment	0
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	16,150

Exhibit 16

Department of Commerce
Departmental Management
HCHB Renovation and Modernization
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Object Classes		2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
11	Personnel compensation:					
11.1	Full-time permanent	0	540	0	562	562
11.3	Other than full-time permanent	0	0	0	0	0
11.5	Other personnel compensation	0	0	0	26	26
11.9	Total personnel compensation	0	540	0	588	588
12.1	Civilian personnel benefits	0	0	0	174	174
13	Benefits for former personnel	0	0	0	0	0
21	Travel and transportation of persons	0	0	0	5	5
22	Transportation of things	0	0	0	0	0
23.1	Rental payments to GSA	0	0	0	116	116
23.2	Rental payments to others	0	0	0	0	0
23.3	Communication, utilities and miscellaneous charges	0	0	0	9	9
24	Printing and reproduction	0	0	0	5	5
25.1	Consulting services	0	0	0	0	0
25.2	Other services	14,828	30,153	0	15,250	15,250
25.3	Purchase of goods and services from Gov't accounts	0	0	0	0	0
26	Supplies and materials	0	0	0	3	3
31	Equipment	0	0	0	0	0
41	Grants, subsidies and contributions	0	0	0	0	0
43	Interest and dividends	0	0	0	0	0
99	Total obligations	14,828	30,693	0	16,150	16,150
	Less prior year recoveries	(221)	0	0	0	0
	Unobligated balance, start of year	(300)	(8,193)			
	Unobligated balance, end of year	8,193				
	TOTAL BUDGET AUTHORITY	22,500	22,500	0	16,150	16,150

Exhibit 16

Department of Commerce
Departmental Management
HCHB Renovation and Modernization
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Personnel Data	2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
Full-Time Equivalent Employment:					
Full-time permanent	0	5	0	5	5
Other than full-time permanent	0	0	0	0	0
Total	0	5	0	5	5
Authorized Positions:					
Full-time permanent	0	5	0	5	5
Other than full-time permanent	0	0	0	0	0
Total	0	5	0	5	5

Exhibit 32

Department of Commerce
Departmental Management
HCHB Renovation and Modernization
Justification of Proposed Language Change

HCHB Renovation and Modernization

For expenses necessary, including blast windows, for the renovation and modernization of the Herbert C. Hoover Building, $16,150,000, to remain available until expended.

This language proposes $16,150,000 to finance, on an available until expended basis, the Department's expenses associated with Phase 2 and 3 of the Herbert C. Hoover Building (HCHB) renovation and modernization project.

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Exhibit 5

Department of Commerce
Departmental Management
Enterprise Cybersecurity Monitoring and Operations
SUMMARY OF RESOURCE REQUIREMENTS
(Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Direct Obligations
2011 CR (Annualized)	0	0	0	0
less: Obligations from prior years			0	0
plus: Transfers of unobligated balances			0	0
less: 2011 Adjustment to Base		0	0	0
2012 Base	0	0	0	0
plus: Program funding	16	12	22,612	22,612
2012 Estimate	16	12	22,612	22,612

Comparison by activity:		2010 Actual		2011 CR (Annualized)		2012 Base		2012 Estimate		Increase/(Decrease) Over 2012 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Cybersecurity	Pos./BA	0	0	0	0	0	0	16	22,612	16	22,612
	FTE/Obl.	0	0	0	0	0	0	12	0	12	0
TOTALS	Pos./BA	0	0	0	0	0	0	16	22,612	16	22,612
	FTE/Obl.	0	0	0	0	0	0	12	0	12	0
Adjustments to Obligations:											
Recoveries		0		0							
Unobligated balance, start of year		0		0							
Unobligated balance, end of year		0									
Financing from Transfers:											
Transfer from other accounts (-)											
Transfer to other accounts (+)											
Appropriation		0		0		0		22,612		22,612

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Exhibit 7

Department of Commerce
Departmental Management
Enterprise Cybersecurity Monitoring and Operations
SUMMARY OF FINANCING
(Dollar amounts in thousands)

	2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
Total Obligations	0	0	0	22,612	22,612
Offsetting collections from:					
Federal funds	0	0	0	0	0
Trust funds	0	0	0	0	0
Non-Federal sources	0	0	0	0	0
Recoveries	0	0	0	0	0
Unobligated balance, start of year	0	0	0	0	0
Unobligated balance, end of year	0	0	0	0	0
Budget Authority	0	0	0	22,612	22,612
Financing:					
Unobligated balance, rescission	0	0	0	0	0
Transfer from other accounts (-)	0	0	0	0	0
Transfer to other accounts (+)	0	0	0	0	0
Appropriation	0	0	0	22,612	22,612

Exhibit 10

Department of Commerce
Departmental Management
Enterprise Cybersecurity Monitoring and Operations
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS
(Dollar amounts in thousands)

Comparison by activity:		2010 Actual		2011 CR (Annualized)		2012 Base		2012 Estimate		Increase/(Decrease) Over 2012 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
	Pos./BA	0	0	0	0	0	0	16	22,612	16	22,612
	FTE/Obl.	0	0	0	0	0	0	12	0	12	0
TOTALS	Pos./BA	0	0	0	0	0	0	16	22,612	16	22,612
	FTE/Obl.	0	0	0	0	0	0	12	0	12	0

Department of Commerce
Departmental Management
Enterprise Cybersecurity Monitoring and Operations

APPROPRIATION ACCOUNT: DEPARTMENTAL MANAGEMENT

BUDGET ACTIVITY: ENTERPRISE CYBERSECURITY MONITORING AND OPERATIONS

For FY 2012 Departmental Management requests an increase of $22,612,000 and 12 FTE (16 POS) to establish an Enterprise Cybersecurity Monitoring and Operations capability. This initiative supports national level priorities and the Secretary's goal of improving the Department's cybersecurity posture by creating new and enhanced capabilities as defined by the Commerce Cybersecurity Strategy.

BASE JUSTIFICATION FOR FY 2012:

Currently no base funding exists for this function.

Significant Adjustments-to-Base (ATBs):

Not applicable. There is no base funding currently available.

SUBACTIVITY: ENTERPRISE CYBERSECURITY MONITORING AND OPERATIONS

The objectives of the Enterprise Cybersecurity Monitoring and Operations subactivity are to provide situational awareness, security monitoring, and security posture view to the Department, Operating Units (OU), agency, and systems; to correlate and monitor security events to maintain an accurate operational picture of the IT resources across the department.

Continuous Monitoring:
- Implement a Department-wide continuous monitoring architecture to provide consistent, efficient, and effective common controls and situational awareness for each operating unit and at the Department level. This architecture will be comprised of standard security products for:
  - Patch management
  - Vulnerability scanning and remediation
  - Asset management
  - Configuration management
  - Anti-virus
  - Host-based intrusion prevention
- This architecture will provide near real-time situational awareness reporting from these products at the operating unit level and at the Commerce Security Operations Center (SOC).

Enterprise Cybersecurity Center:
- The Enterprise Security Operations Center (ESOC) will provide a single view of the Department's risk posture enabling timely risk based decisions
- Operate the critical tools and maintain the expertise to process, understand, and react to the risk posture.
- Provide 24X7 security event correlation, monitoring, reporting, and incident response support.

PROGRAM CHANGE FOR FY 2012:

Enterprise Cybersecurity Monitoring and Operations (Base Funding: 0 FTE and $0 million; **Program Change:** +12 FTE (16 POS) and +$22.612 million**):** Departmental Management requests an increase in FY 2012 of $22.6 million and 12 FTE (16 POS) to establish an Enterprise Cybersecurity Monitoring and Operations capability. Although the Department currently has investments that support decentralized cybersecurity technologies and operations, with the exception of some tracking, reporting, oversight and policy functions, the Department lacks centralized enterprise-wide cybersecurity capabilities necessary to provide Department-level situational awareness, a single, common operating picture of security for the Department's systems, remediation and response, and other centralized functions necessary to monitor and manage the Department's cybersecurity posture. This initiative supports the Administration's cybersecurity priorities, as well as the Secretary's goal of improving The Department's cybersecurity posture by creating new and enhanced capabilities in response to Department-wide priorities identified in the Commerce Cybersecurity Strategy.

With the requested funding, several critical cybersecurity objectives can be met by establishing an initial level of operating capability for enterprise-wide information assurance:
- a near real-time cybersecurity monitoring
- situational awareness
- staffing to support security operations

The planned Commerce Enterprise Cybersecurity Center will expand the current cybersecurity capabilities of the Department to mirror the strategy being implemented in several other Federal Departments by leveraging best-in-breed cybersecurity efforts underway within the civilian, defense, and intelligence sectors. In addition, with the implementation of monitoring and remediation technologies, the Department plans to establish a multifunction cybersecurity center that will be responsible for security operations, assisting in incident handling and reporting, intelligence gathering, and threat/risk assessment/analysis to ensure the confidentiality, integrity, and availability of the Department's data and information systems.

Proposed Actions:

Funding is being requested to increase the Department's overall cybersecurity posture and situational awareness through the development of an enterprise-wide cybersecurity center and the capability to continuously monitor all Department IT assets in near real-time. Specifically, funding is requested for the following:
- To fund requirements for an enterprise-wide patch management, asset management, and system configuration management system for 100,000 systems ($11.6M).
- To fund requirements for an enterprise-wide vulnerability scanning and risk-identification system for 300,000 Internet Protocol addresses ($0.8M).
- To fund requirements for an enterprise-wide end-point protection system to include anti-virus and host-based intrusion prevention for 100,000 systems ($1.2M).
- To fund requirements for an enterprise-wide cybersecurity operations center ($9.0M).

The total request for FY 2012 is $22.6M. This includes a substantial one-time (non-base) investment needed to establish initial operating capabilities in year one of this effort for continuous monitoring tools.

Statement of Need and Economic Benefits:

In today's economic, political, and social environment, addressing information technology (IT) security is becoming more essential. Customers are demanding it as concerns about privacy, identity theft and theft of intellectual property rise. Business partners, suppliers, and vendors are requiring it from one another, particularly when providing mutual network and information access. Espionage through the use of networks to gain competitive intelligence and to extort organizations is becoming more prevalent. This premise is true across the Federal government (civilian, defense, and intelligence sectors), as well as the private sector including critical infrastructure. The risk environment is such that adversaries are often able to evolve threats and tactics used to attack and exploit government systems more rapidly than we can currently adapt protections.

Organizations are expected to comply with an ever-growing number of standards, guidelines, assessment, and audit instruments. The Federal government has recognized the potential consequences of security breaches to government IT infrastructures, and has been responding through a variety of mechanisms, including the *National Strategy to Secure Cyberspace*, the Federal Information Security Management Act (FISMA), the Comprehensive National Cybersecurity Initiative, and by formulating a variety of cybersecurity initiatives within the Department of Homeland Security.

The Department's mission includes four primary mission essential functions that are of great importance to the U.S. Government. Adequate security, as referenced in FISMA and Office of Management and Budget (OMB) Circular A-130, requires the Department to ensure that these resources, necessary to execute the mission, are available when they are needed. Strong risk management capabilities are essential to ensure IT resources are available to the Department when needed.

Department-wide continuous monitoring and situational awareness are required to effectively counter evolving IT threats. Today, the Department's continuous monitoring and situational awareness efforts are implemented at the bureau level. As a result, opportunities for efficiencies are lost and the quality of implementation and level of capabilities are uneven across the Department. While several bureaus have made significant progress in these areas independently and represent pockets of strength, the inconsistencies have resulted in an overall weak security posture for the Department. More importantly, the CIO headquarters office lacks a near real-time centralized Department-wide view of cybersecurity across the Departmental enterprise.

To address this issue, the Department will standardize on common security products and implement a Department-wide continuous monitoring architecture that will provide more consistent, efficient, and effective common controls and situational awareness for each bureau and at the Departmental headquarters level. This architecture will be comprised of standard security products for patch management, vulnerability scanning (network, host, and application based) and remediation, asset management, configuration management, anti-virus, and host-based intrusion prevention. Further, this architecture will provide near real-time situational awareness reporting at the Commerce Enterprise Cybersecurity Center.

The Commerce Enterprise Cybersecurity Center will provide a single view of the Department's risk posture, enabling timely risk-based decisions regarding cybersecurity events. The Enterprise Cybersecurity Center will operate the critical tools referenced above and maintain the expertise to

process, understand, and react to events, incidents, and attacks, as they are discovered. The Enterprise Cybersecurity Center will provide 24X7X365 security event correlation, monitoring, reporting and incident response support.

Successful implementation of the Enterprise Cybersecurity Monitoring and Operations Initiative requires additional staffing of sixteen (16) FTEs. Twelve (12) of the FTEs will be assigned to the Enterprise Cybersecurity Center in Fairmount, WV. Four (4) will provide programmatic, project management, and contracting/acquisition support and will be assigned to the Department's headquarters.

Base Resource Assessment:

The Office of the Inspector General has identified IT security as a material weakness for the last couple of years. The Department's enterprise IT security posture is weak and does not have the capability to effectively meet FISMA continuous monitoring requirements. The Department has assessed existing spending (distributed across the Department and its bureaus) that overlaps with the requested funds and has identified existing base investments that have been consolidated and calculated into this request as offsets to the funding required. In FY 2012 a savings of $2.1M will be obtained by co-locating the proposed Commerce Enterprise Cybersecurity Center with an existing NOAA security operations facility, with similar but slightly lower savings in outyears (FY 2013 and beyond). Future funding requirements will continue to take into account the existing spending across the Department to offset funding to the maximum extent possible.

Without additional resources, Department-wide, near real-time IT security situational awareness is not achievable. The Department's bureaus are overwhelmed by responding to targeted attacks, meeting IT security mandates, and internally and externally driven priorities that drive the use of bureau IT spending to support bureau-level systems and security operations, and limit the ability to support Department-wide operating capabilities. While the Department will continue to leverage limited available resources toward developing an enterprise IT security architecture using standardized products, progress will be slow, solely driven by coordinating technology refresh efforts and limited to areas where bureaus have already made investments. If not funded, Department-wide reporting will continue to be manual and data-call driven, and Department-wide continuous monitoring and near real-time situational awareness cannot be achieved.

Schedule and Milestones:

Continuous Monitoring:
Phase 1 – Patch/Asset/Security Configuration Management – FY12 Q4 – FY14 Q2
Phase 2 – Anti-virus – FY12 Q3 – FY13 Q1
Phase 3 – End-point Protection – FY12 Q3 – FY14 Q3
Phase 4 – Vulnerability Scanning – FY12 Q3 – FY13 Q1

Enterprise Cybersecurity Center:
Phase 1 – CONOPS, Architecture, & Implementation Plan   -- FY12 Q2 – FY12Q4
Phase 2 – Integrate Data Feeds, Initial Operating Capability – FY12 Q4 – FY13 Q2
Phase 3 – On board new customers – FY13 Q2 – FY15 Q1
Phase 4 – Full Operating Capability – FY14 Q1
Phase 5 – Cross-Domain Capability – FY14 Q2 – FY15 Q2

Deliverables:

Capabilities/deliverables provided by this initiative are:
- Enterprise Patch/Asset/Configuration Management system with the ability to generate alerts if a system or asset becomes out of compliance,
- Enterprise End-point Protection system to include anti-virus, host-based intrusion prevention, and host-based firewalls,
- Enterprise Vulnerability Scanning system that assesses vulnerability/risk posture of all enterprise assets,
- Enterprise Remote System Deployment that provides the capability to remotely restore an IT asset to a known secure state, domestically and internationally,
- Enterprise security event correlation providing the ability to relate multiple security events from multiple sensors into a single view.

Performance Goals and Measurement Data[1]:

Performance Goal: Patch/Asset/Security Configuration Management	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		50%	75%	95%	100%	100%
Without Increase		25%	25%	25%	25%	25%
Description: Percentage of the Department's IT resources with automated patching capability. Percentage of the Department's IT resources with automated asset management. Percentage of the Department's IT resources under secure configuration management.						

Performance Goal: End-point Protection	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		75%	90%	100%	100%	100%
Without Increase		50%	50%	50%	50%	50%
Description: Percentage of the Department's IT resources with end-point protection to include current anti-virus software, host-based intrusion prevention, and host-based firewalls.						

Performance Goal: Vulnerability Scanning	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		80%	90%	95%	100%	100%
Without Increase		50%	75%	75%	75%	75%
Description: Percentage of the Department's IT resources accessible for automated vulnerability scanning.						

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[1] Note that targets of 100% should be viewed in the context of IT resources for which these measures are valid. There will always be exceptions for which measures are not meaningful. For example, some machines are kept off of any computer network for security reasons, and if a machine is not connected to any network one cannot do automated centralized vulnerability scanning of that machine. For that and other analogous types of reasons, such machines would not be considered to be in the pool of machines for which the 100% target applies.

Performance Goal: Real-time Monitoring	FY 2011 Target	FY 2012 Target	FY 2013 Target	FY 2014 Target	FY 2015 Target	FY 2016 Target
With Increase		40%	60%	80%	95%	95%
Without Increase		0%	0%	0%	0%	0%

Description:
Percentage of the Department's IT resources monitored by the Commerce Enterprise Cybersecurity Center.

PROGRAM CHANGE PERSONNEL DETAIL

Activity: IT Security, Infrastructure, and Technology
Subactivity: Enterprise Cybersecurity Monitoring and Operations
Program: Enterprise Cybersecurity Monitoring and Operations

Title:	Location	Grade	Number of Positions	Annual Salary	Total Salaries
Enterprise SOC Manager	Fairmount, WV	GS-15	1	148,510	148,510
SOC Watch Officer	Fairmount, WV	GS-14	5	119,238	596,190
SOC Support Staff	Fairmount, WV	GS-13	5	106,839	534,195
Special Security Officer	Fairmount, WV	GS-14	1	126,251	126,251
Management Analyst	Washington, DC	GS-13	1	106,839	106,839
Contract Specialist	Washington, DC	GS-13	2	106,839	213,678
Enterprise Project Manager	Washington, DC	GS-15	1	144,813	144,813
Total			16		1,870,476
less Lapse		25%	4		467,619
Total full-time permanent (FTE)			12		1,402,857

Personnel Data	Number
Full-Time Equivalent Employment	
Full-time permanent	12
Other than full-time permanent	0
Total	12

PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Dollar amounts in thousands)

Activity: IT Security, Infrastructure, and Technology
Subactivity: Enterprise Cybersecurity Monitoring and Operations
Program: Enterprise Cybersecurity Monitoring and Operations

	Object Class	Increase
11	Personnel compensation	
11.1	Full-time permanent	$1,403
11.3	Other than full-time permanent	0
11.5	Other personnel compensation - awards	84
11.8	Special personnel services payments	0
11.9	Total personnel compensation	1,487
12	Civilian personnel benefits	421
13	Benefits for former personnel	0
21	Travel and transportation of persons	25
22	Transportation of things	50
23.1	Rental payments to GSA	500
23.2	Rental Payments to others	0
23.3	Communications, utilities and miscellaneous charges	1,000
24	Printing and reproduction	50
25.1	Advisory and assistance services	0
25.2	Other services	103
25.3	Purchases of goods & services from Gov't accounts	0
25.4	Operation and maintenance of facilities	0
25.5	Research and development contracts	0
25.6	Medical care	0
25.7	Operation and maintenance of equipment	3,553
25.8	Subsistence and support of persons	0
26	Supplies and materials	0
31	Equipment	15,423
32	Lands and structures	0
33	Investments and loans	0
41	Grants, subsidies and contributions	0
42	Insurance claims and indemnities	0
43	Interest and dividends	0
44	Refunds	0
99	Total obligations	22,612

Exhibit 16

Department of Commerce
Departmental Management
Enterprise Cybersecurity Monitoring and Operations
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Object Classes		2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
11	Personnel compensation:					
11.1	Full-time permanent	0	0	0	1,403	1,403
11.3	Other than full-time permanent	0	0	0	0	0
11.5	Other personnel compensation	0	0	0	84	84
11.8	Special Personnel Compensation	0	0	0	0	0
11.9	Total personnel compensation	0	0	0	1,487	1,487
12.1	Civilian personnel benefits	0	0	0	421	421
13	Benefits for former personnel	0	0	0	0	0
21	Travel and transportation of persons	0	0	0	25	25
22	Transportation of things	0	0	0	50	50
23.1	Rental payments to GSA	0	0	0	500	500
23.2	Rental payments to others	0	0	0	0	0
23.3	Communication, utilities and miscellaneous charges	0	0	0	1,000	1,000
24	Printing and reproduction	0	0	0	50	50
25.1	Consulting services	0	0	0	0	0
25.2	Other services	0	0	0	103	103
25.3	Purchase of goods and services from Gov't accounts	0	0	0	0	0
25.4	Operation and maintenance of facilities	0	0	0	0	0
25.5	Research and development contracts	0	0	0	0	0
25.6	Medical care	0	0	0	0	0
25.7	Operation and maintenance of equipment	0	0	0	3,553	3,553
25.8	Subsistence and support of persons	0	0	0	0	0
26	Supplies and materials	0	0	0	0	0
31	Equipment	0	0	0	15,423	15,423
32	Lands and structures	0	0	0	0	0
33	Investments and loans	0	0	0	0	0
41	Grants, subsidies and contributions	0	0	0	0	0
42	Insurance claims and indemnities	0	0	0	0	0
43	Interest and dividends	0	0	0	0	0
44	Refunds	0	0	0	0	0
99	Total obligations	0	0	0	22,612	22,612
	Less prior year recoveries	0	0	0	0	0
	TOTAL BUDGET AUTHORITY	0	0	0	22,612	22,612

Exhibit 16

Department of Commerce
Departmental Management
Enterprise Cybersecurity Monitoring and Operations
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

Personnel Data	2010 Actual	2011 CR (Annualized)	2012 Base	2012 Estimate	Increase/ (Decrease) Over 2012 Base
Full-Time Equivalent Employment:					
Full-time permanent	0	0	0	12	12
Other than full-time permanent	0	0	0	0	0
Total	0	0	0	12	12
Authorized Positions:					
Full-time permanent	0	0	0	16	16
Other than full-time permanent	0	0	0	0	0
Total	0	0	0	16	16

Exhibit 32

Department of Commerce
Departmental Management
Enterprise Cybersecurity Monitoring and Operations
Justification of Proposed Language Change

<u>Cybersecurity</u>

For expenses necessary to establish an Enterprise Cybersecurity Monitoring and Operations capability, $22,612,000, to remain available until September 30, 2013. (Department of Commerce Appropriations Act, 2012.)