

FY 2019

CONGRESSIONAL BUDGET JUSTIFICATION

WORKING CAPITAL FUND PROGRAMS

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WORKING CAPITAL FUND PROGRAMS

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WORKING CAPITAL FUND PROGRAMS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2017 Comparable		FY 2018 Estimate		FY 2019 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$0	0	\$0	0	\$0
DOL Reimbursements	765	\$393,812	766	\$401,453	766	\$401,453
Unobligated Balances Carried Forward from Prior Year	0	\$17,067	0	\$7,335	0	\$1,000
Transfer from Expired/Unexpired Accounts	0	\$3,000	0	\$3,000	0	\$40,000
Recoveries	0	\$22,060	0	\$8,129	0	\$12,664
Non-DOL Reimbursements	0	\$0	0	\$1,500	0	\$1,500
B. Gross Budget Authority	765	\$435,939	766	\$421,417	766	\$456,617
D. Total Budgetary Resources	765	\$435,939	766	\$421,417	766	\$456,617
Unobligated Balance Un-Expiring and FTE lapse	1	-\$5,935	0	\$0	0	\$0
E. Total, Estimated Obligations	766	\$430,004	766	\$421,417	766	\$456,617
D. Total Budgetary Resources	765	\$435,939	766	\$421,417	766	\$456,617
Unobligated Balance Un-Expiring and FTE lapse	1	-\$5,935	0	\$0	0	\$0
E. Total, Estimated Obligations	766	\$430,004	766	\$421,417	766	\$456,617

WORKING CAPITAL FUND PROGRAMS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2018 Estimate	FY 2019 Request	Net Change
Budget Authority			
General Funds	\$421,417	\$419,617	-\$1,800
Total	\$421,417	\$419,617	-\$1,800
Full Time Equivalents			
General Funds	766	766	0
Total	766	766	0

FY 2019 Change

Explanation of Change	FY 2018 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	766	\$85,197	0	\$0	0	\$0	0	\$0
Personnel benefits	0	\$36,458	0	\$0	0	\$0	0	\$0
One day more of pay	0	-\$64	0	\$0	0	\$437	0	\$437
Federal Employees' Compensation Act (FECA)	0	\$0	0	\$0	0	\$0	0	\$0
Benefits for former personnel	0	\$14	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$1,558	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$0	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$10,233	0	\$0	0	\$0	0	\$0
Rental payments to others	0	\$0	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$38,032	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$27	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$0	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$31,175	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$0	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$13,833	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$29,960	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$12,580	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$99,450	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$1,523	0	\$0	0	\$0	0	\$0
Equipment	0	\$9,846	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$0	0	\$0	0	\$0	0	\$0

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Explanation of Change	FY 2019 Change							
	FY 2018 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Land and Structures	0	\$0	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	766	+\$369,822	0	\$0	0	+\$437	0	+\$437
B. Programs:								
Total Increase	766	+\$369,822	0	\$0	0	+\$437	0	+\$437
Decreases:								
A. Built-Ins:								
To Provide For:								
Federal Employees' Compensation Act (FECA)	0	\$201	0	\$0	0	-\$108	0	-\$108
Advisory and assistance services	0	\$51,394	0	\$0	0	-\$329	0	-\$329
Built-Ins Subtotal	0	+\$51,595	0	\$0	0	-\$437	0	-\$437
B. Programs:								
HR Consolidation	0	\$0	0	\$0	0	-\$1,800	0	-\$1,800
Programs Subtotal			0	\$0	0	-\$1,800	0	-\$1,800
Total Decrease	0	+\$51,595	0	\$0	0	-\$2,237	0	-\$2,237
Total Change	766	+\$421,417	0	\$0	0	-\$1,800	0	-\$1,800

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SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY (Dollars in Thousands)								
	FY 2017 Comparable		FY 2018 Estimate		FY 2019 Request		Diff. FY19 Request / FY18 Estimate	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Financial and Administrative Services	298	166,002	299	157,352	299	157,352	0	0
General Funds	298	166,002	299	157,352	299	157,352	0	0
Information Technology Services	107	186,402	107	186,402	107	186,402	0	0
General Funds	107	186,402	107	186,402	107	186,402	0	0
Field Services	250	41,629	250	41,629	250	41,629	0	0
General Funds	250	41,629	250	41,629	250	41,629	0	0
Human Resources	111	34,534	110	34,534	110	32,734	0	-1,800
General Funds	111	34,534	110	34,534	110	32,734	0	-1,800
Non-DOL Reimbursables	0	1,500	0	1,500	0	1,500	0	0
General Funds	0	1,500	0	1,500	0	1,500	0	0
Total	766	430,067	766	421,417	766	419,617	0	-1,800
General Funds	766	430,067	766	421,417	766	419,617	0	-1,800

NOTE: 2017 reflects actual FTE.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2017 Comparable	FY 2018 Estimate	FY 2019 Request	Diff. FY19 Request / FY18 Estimate
	Full-Time Equivalent				
	Full-time Permanent	766	766	766	0
	Total	766	766	766	0
	Total Number of Full-Time Permanent Positions	766	766	766	0
	Average ES Salary	\$166,937	\$170,109	\$170,109	\$0
	Average GM/GS Grade	12/7	12/7	12/7	0
	Average GM/GS Salary	\$93,402	\$95,177	\$95,177	\$0
	Average Salary of Ungraded Positions	59,687	60,821	60,821	0
11.1	Full-time permanent	83,510	83,510	83,830	320
11.3	Other than full-time permanent	283	283	283	0
11.5	Other personnel compensation	1,404	1,404	1,404	0
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	85,197	85,197	85,517	320
12.1	Civilian personnel benefits	36,595	36,595	36,604	9
13.0	Benefits for former personnel	14	14	14	0
21.0	Travel and transportation of persons	1,558	1,558	1,558	0
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	10,233	10,233	10,233	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	38,032	38,032	38,032	0
24.0	Printing and reproduction	27	27	27	0
25.1	Advisory and assistance services	51,394	51,394	51,065	-329
25.2	Other services from non-Federal sources	39,825	31,175	29,375	-1,800
25.3	Other goods and services from Federal sources 1/	43,793	43,793	43,793	0
25.4	Operation and maintenance of facilities	12,580	12,580	12,580	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	99,450	99,450	99,450	0
26.0	Supplies and materials	1,523	1,523	1,523	0
31.0	Equipment	9,846	9,846	9,846	0
32.0	Land and Structures	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
51.1	Benefits	0	0	0	0
	Total	430,067	421,417	419,617	-1,800
	1/Other goods and services from Federal sources				
	Services by Other Government Departments	29,960	29,960	29,960	0
	DHS Services	13,833	13,833	13,833	0

WORKING CAPITAL FUND PROGRAMS

AUTHORIZING STATUTES

Public Law / Act	Legislation	Statute No. / US Code	Volume No.	Page No.	Expiration Date
Pub. L. 85-67	Working capital fund; establishment; availability; capitalization; reimbursement	Stat. 210 29 USC 563			June 29, 1957
Pub. L. 86-703	Working capital fund; establishment; availability; capitalization; reimbursement 1960 Amendment	Stat. 755 29 USC 563			Sept. 2, 1960
Pub. L. 91-204	Working capital fund; availability for personnel functions in regional administrative offices	Stat. 26 29 USC 564			Mar. 5, 1970
Pub. L. 102-394	Labor-management dispute settlement expenses. Funds received for services rendered to any entity or person for use of Departmental facilities, including associated utilities and security services, shall be credited to and merged with this fund.	Stat. 1798 29 USC 567			Oct. 6, 1992
Pub. L. 103-112	Working capital fund; comprehensive program of centralized services	Stat 1088 29 USC 563a			Oct. 21, 1993
Pub. L. 104-134	Working capital fund; establishment of an Investment in Reinvention Fund (IRF)	Stat. 1321-211 1321-219 29 USC 564			Apr. 26, 1996

WORKING CAPITAL FUND PROGRAMS

OVERVIEW

Introduction

The Working Capital Fund (WCF) was established by Public Law 85-67 and amended by Public Laws 86-703 and 91-204 to provide authority, without fiscal year limitation, for expenses necessary to provide certain services and activities on a centralized basis. Under the law, the WCF should be reimbursed in advance from funds available to bureaus, offices, and agencies within the Department for which centralized services are performed. Public Law 105-78 amended the WCF authorization in 1997 to authorize an annual transfer of up to \$3,000,000 from unobligated balances in the Department's salaries and expenses account to the unobligated balances of the WCF.

Some of the critical administrative functions that are financed through the WCF are the Department's information technology (IT) modernization efforts for IT infrastructure, network services, security operations, shared services, governance activities; IT operations and maintenance; Frances Perkins Building operations; payroll operations; procurement; and invoice payment services. These centralized services are performed at rates that will return all expenses of operations in full, including reserves for accrued leave.

The Departmental components include in their budget requests an amount required to finance the WCF, which covers the services obtained from organizations financed through the WCF. This amount is subsequently advanced to the WCF after enactment of the Department's appropriation. WCF advances normally are obtained from DOL's agencies at the beginning of each quarter.

The Budget proposes to reform the IT financing methods for the Department to address IT modernization needs. Over 80 percent of current IT spending must go towards operations and maintenance costs of aging legacy systems. There is too little to fund development, modernization, and enhancement activities, increasing the Department's already large modernization debt and leaving agencies reliant on legacy applications and systems that are expensive and inefficient. Coupled with the exponential increase in cyber risk, the Department needs to invest heavily in modernization and cybersecurity, particularly for the Department's High Value Assets (HVAs).

The Department is committed to aligning IT financing to support its IT modernization strategy and address these needs. The enactment of the Modernizing Government Technology (MGT) Act has provided the Department with an opportunity to adopt a funding model that better supports the long-term planning of modernization initiatives. In line with the principles of the MGT Act, the Budget proposes to shift IT development financing to the WCF as well as implement the following flexibilities in the WCF statute, as detailed in the General Provisions:

- Increase the amount of discretionary unobligated balances that can be transferred into the WCF each year from \$3.0 million to \$40.0 million, subject to reporting requirements;
- Allow for IT reinvestment from the savings in operations and maintenance costs when retiring or replacing legacy systems and applications;
- Provide authority to use a portion of WCF resources for agency-specific projects; and
- Eliminate the unobligated balance cap of \$20.0 million.

WORKING CAPITAL FUND PROGRAMS

Provided that these changes are enacted, the Department proposes to eliminate the IT Modernization appropriation as these activities will be funded with transfers of discretionary unobligated balances. Since the additional \$37.0 million for IT modernization involves transferring base resources, it is not included in the tables in the Congressional Budget Justification as a conventional program increase. The FY 2019 President's Budget Appendix details the implications of the proposal for the Department's budget authority before committee, outlays, and obligations in FY 2019 and future fiscal years.

By adding these flexibilities and increasing the amount of expired appropriations that can be transferred into the WCF, the Department will have the flexibility to meet its IT needs without continually requesting increases in discretionary appropriations. These investments in modernization will lead to reduced operations and maintenance spending, aligning our IT modernization spending more closely with the federal average. It will position DOL to fund future modernization by reinvesting savings that are realized when expensive legacy systems are retired. These activities will result in an improved cybersecurity posture, renewed focused on modernizing HVAs, and in continuously improving customer-focused DOL services. Select benefits for the Department's customers will include:

- Decreased processing times of applications for programs that help to identify, train, and provide resources to some of our country's most disadvantaged workers including Americans with disabilities, veterans, youth, and those who have been laid off;
- Enhanced program integrity through interagency sharing of case information, helping to prevent fraud, waste and abuse;
- Improvements in data security; and
- Decreased processing times of claims for benefits through the full lifecycle of claims processing and adjudication.

The proposal supports continued compliance with the Federal Information Technology Acquisition Reform Act (FITARA) and Clinger-Cohen Act and is aligned with the principles of the MGT Act. In collaboration with the Chief Financial Officer, the Chief Information Officer (CIO) will develop a plan to use increased resources to address modernization needs, and the CIO will have oversight of IT spending in the WCF. The proposal to allow for use of the WCF for agency-specific projects will further enhance CIO oversight of the Department's IT spending, consistent with FITARA.

The proposals detailed in the General Provisions specify requirements to gain approval from the Office of Management and Budget and to notify the House and Senate Committees on Appropriations before executing the transfer. To further increase transparency, the Budget proposes to create an activity within the WCF for all IT initiatives, Information Technology Services.

Beyond IT modernization, the Department is committed to the President's goal of reorganizing the Federal government in all management areas. The Budget reflects reform plans to create a lean, accountable, and efficient Department. As part of efforts to optimize the Department's enterprise services' opportunities, the Budget includes a proposal to consolidate human resources activities in the Department within the Office of the Assistant Secretary for Administration and

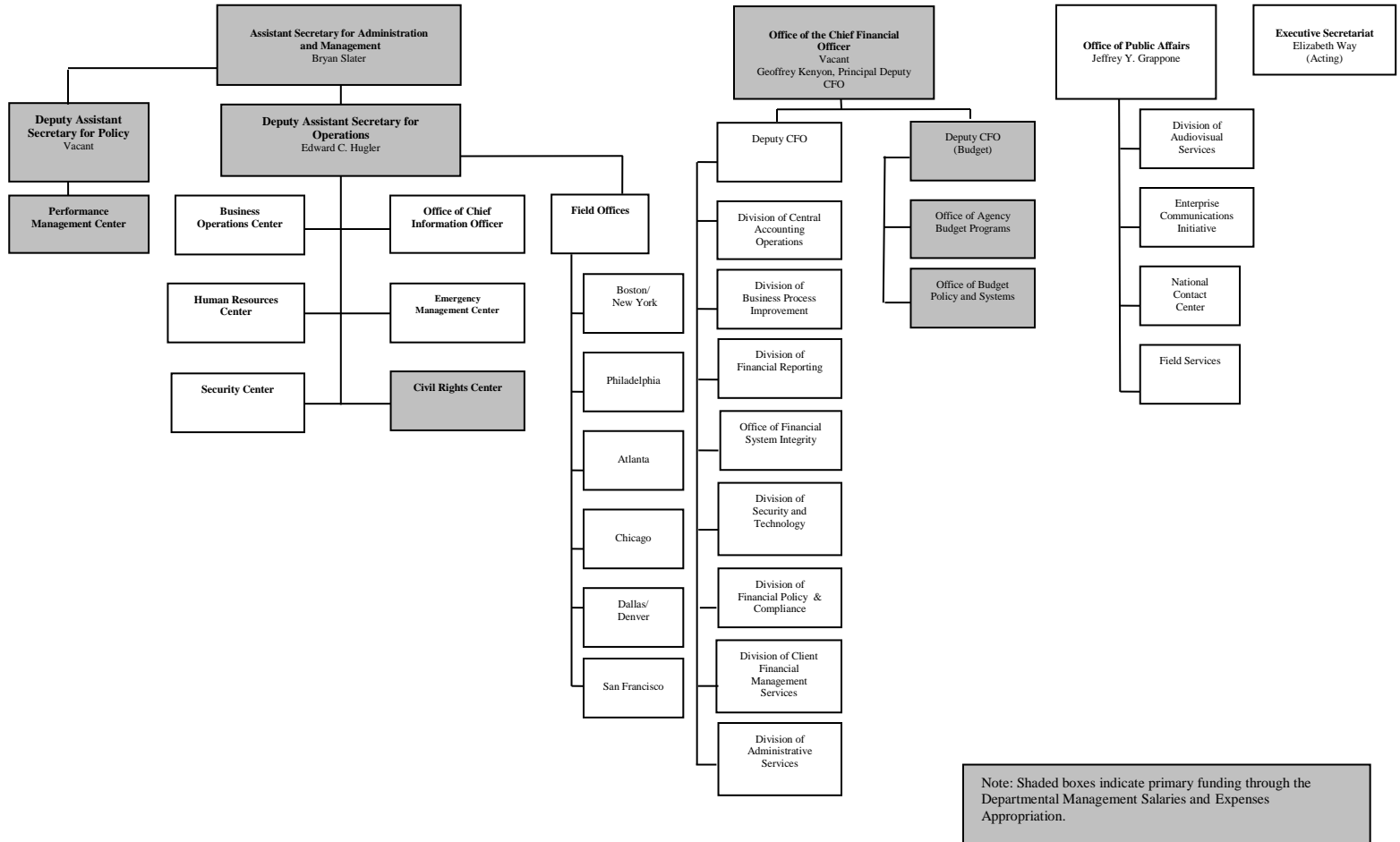
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Management, saving \$1.8 million. The Department will also implement consolidations in other management functions, including procurement, security, and website management, in addition to continued consolidation in information technology.

The General Provisions also outline minor adjustments to modernize the WCF statute by eliminating references to outdated activities.

WORKING CAPITAL FUND PROGRAMS

ORGANIZATION CHART



FINANCIAL AND ADMINISTRATIVE SERVICES

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2017 Comparable	FY 2018 Estimate	FY 2019 Request	Diff. FY19 Request / FY18 Estimate
Activity Appropriation	166,002	157,352	157,352	0
FTE	298	299	299	0

NOTE: FY 2017 reflects actual FTE. Authorized FTE for FY 2017 was 397.

Introduction

The Financial and Administrative Services activity in the Working Capital Fund (WCF) provides a program of centralized services for the Department of Labor.

Office of the Assistant Secretary for Administration and Management

The Office of the Assistant Secretary for Administration and Management (OASAM) provides the infrastructure and support that enables DOL agencies to perform the Department’s mission. Within this budget activity, OASAM administers DOL business operations and procurement, information technology, security, emergency management, and reasonable accommodations. OASAM achieves its mission through service centers that are functionally organized, including the Business Operations Center, the Civil Rights Center, the Emergency Management Center, and the Security Center. Funding for the Office of the Chief Information Officer and the Human Resources Center is provided in other activities in the WCF budget.

Business Operations Center

The Business Operations Center (BOC) provides a wide range of services in support of Department programs, including procurement oversight and management; acquisition services; small and disadvantaged business utilization; records management; employee safety and health; library and information services; mail management; facilities management and real property management; sustainability management; fleet management; personal property management; and general administrative and sustainability support and operations and maintenance of the Frances Perkins Building, the Department’s National Headquarters.

Civil Rights Center

The Civil Rights Center (CRC) administers the Department’s Reasonable Accommodations Resource Center – an activity funded through the WCF – which provides reasonable accommodation related information and assistive technology services for people with disabilities.

Emergency Management Center

The Emergency Management Center (EMC) leads the Department’s emergency management programs. EMC ensures the safety and security of DOL personnel and the integrity of the DOL’s National Office, DOL agency, and regional office continuity plans; establishes the National Office operational framework and the infrastructure necessary for the Department to

FINANCIAL AND ADMINISTRATIVE SERVICES

manage and fulfill its interagency responsibilities under the National Planning Frameworks; and manages and staffs the DOL Emergency Operations Center (EOC).

Security Center

The Security Center (SC) provides leadership on all matters relating to physical, personnel, and classified information security for the Department of Labor. SC provides guidance to ensure a safe and secure workplace and is responsible for the protection of life and property at the national office, regional offices, field offices, and all DOL owned facilities. SC develops and implements security policy and the protection of employees, visitors, personal property, classified information, and the Insider Threat and Counterintelligence Programs. The SC oversees the HSPD-12 Program, Physical Access Control.

Office of the Chief Financial Officer

The Office of the Chief Financial Officer (OCFO) ensures DOL compliance with the Chief Financial Officers (CFO) Act. Accordingly, OCFO directs the financial management system, ensures high standards of fiscal integrity, and leads the Department's efforts on the annual external audit and Agency Financial Report. OCFO leads efforts to examine, identify, and implement administrative cost reduction initiatives and improve efficiencies across DOL. OCFO also manages the Working Capital Fund and e-Travel, an end-to-end travel management solution that allows for a more efficient and streamlined approach to travel management operations. OCFO's Departmental Budget Center manages the Departmental E-Business Suite (DEBS), an automated programming, budgeting, execution, and performance tool, which supports budget and performance management analysis and deliverables.

Office of Public Affairs

The Office of Public Affairs (OPA) develops and maintains the Department's web-based, digital/social media, audiovisual, contact center, and other communication platforms. Furthermore, within this budget activity, OPA provides regional public affairs activities.

Executive Secretariat

The Executive Secretariat oversees correspondence control and the Department's management support unit.

Five-Year Budget Activity History

As funds are not directly appropriated to Working Capital Fund, a Five-Year History Table is not included.

FY 2019

\$157,352,000 is provided for Financial and Administrative Services activities in FY 2019. This funding level will support 298 FTE. In FY 2019, FAS-funded centers will continue to support

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critical management functions, including management of the Department's financial system of record, procurement, and other business operations activities.

In FY 2019, FAS-funded centers in OASAM will implement an enterprise-wide shared services model in the areas of procurement, space management, and personnel and physical security. OASAM will implement this model by pursuing a collaborative, phased approach with DOL partners and clients through early and frequent communications; leveraging best practices and organizational efficiencies; and identifying and capturing savings. Specifically, OASAM will:

- Merge DOL procurement functions into OASAM, ultimately realigning procurement offices within DOL under one unified, standardized and centrally-managed shared service provider.
- Merge DOL space management functions into OASAM to improve conformance with space standards, increase efficiency in space utilization, and reduce costs.
- Create a safer and more secure workplace by implementing an enterprise-wide Physical Access Control System and centralizing departmental personnel security operations.

OASAM projects improvements in performance across these functions. The Human Resources Center and the Office of the Chief Information Officer, funded in the Human Resources Services and Information Technology Services activities, will also implement an enterprise-wide shared services model in their functional areas.

FY 2018

A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (P.L. 115-56). The amounts included for 2018 reflect the annualized level provided by the continuing resolution. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

FY 2017

High-priority activities funded in this area included:

- Successfully awarding more than 2,063 contract actions valued in excess of \$565 million.
- Reducing departmental fleet leasing and alternative fuel vehicle acquisition costs by over \$5.9 million and by almost \$20.6 million cumulatively from the FY 2012 baseline. DOL fleet costs decreased by over \$10.4 million, a 25 percent reduction in government fleet expenses, and by almost \$30 million cumulatively since FY 2012.
- Implementing a new standard of 150 usable square feet per person that is prescribed for all DOL agencies, excluding joint use or shared space such as break rooms and conference rooms.

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WORKLOAD AND PERFORMANCE SUMMARY					
		FY 2017 Enacted		FY 2018 Full Year C.R.	FY 2019 Request
		Target	Result	Target	Target
Financial and Administrative Services					
OCFO-WCF 1.1.2	Number of material weaknesses eliminated.	1	0	2	1
OCFO-WCF 3.M.1	Percent of discretionary appropriations canceled after the five years period of obligation authority has expired.	--	1.10%	2.00%	1.95%
OCFO-WCF- OCFO-1	Percentage of payments made without incurring prompt payment interest.	95.00%	99.00%	95.00%	95.00%
OCFO-WCF- OCFO-2	Interest paid on vendor invoices (%)	0.0200%	0.0001%	0.0200%	0.0200%
OCFO-WCF- OCFO-3	Percent of network and application services uptime - NCFMS	98.00%	100.00%	98.00%	98.00%
OASAM-WCF- BOC-17	Number of DOL enterprise-wide procurement vehicles	--	--	[base]	TBD
OASAM-WCF- BOC-18	Percentage increase in spending through Best-in-Class (BIC) solutions	--	--	35.00%	TBD
OPA-WCF-2	Number of website enhancements completed	--	--	--	135
OPA-WCF-3	Trouble Tickets resolved on First Contact with the customer	80.00%	100.00%	80.00%	80.00%
OPA-WCF-4	Average Speed of Response (seconds)	30	39	30	30

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WORKLOAD AND PERFORMANCE SUMMARY					
		FY 2017 Enacted		FY 2018 Full Year C.R.	FY 2019 Request
		Target	Result	Target	Target
OASAM-WCF-CRC-34	Reasonable Accommodation: Percent of time CRC purchases equipment, services, or assistive technology within 60 business days (after it has been determined that a purchase is needed)	--	--	[base]	TBD
OASAM-WCF-SC-1	Personal Identity Verification (PIV): Average number of days to submit a background security investigation request to OPM	14	20	14	14

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

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Detailed Workload Performance Narrative

Office of the Assistant Secretary for Administration and Management (OASAM)

Business Operations Center (BOC)

In FY 2019, BOC will continue to work with agencies across the Department to ensure that contracts are awarded in a timely manner. BOC will also provide and promote DOL-wide procurement vehicles and Best-in-Class contract solutions, reducing redundancy in procurement vehicles for the same services and gaining cost savings with DOL buying power. BOC will baseline a new measure on number of DOL enterprise-wide procurement vehicles in FY 2018 and aim for a target of a 35% increase in spending in Best-in-Class solutions. BOC will also support OASAM's Agency Priority Goal to implement an enterprise-wide shared services model for DOL core administrative functions by merging procurement and space management functions into OASAM.

Civil Rights Center (CRC)

Since FY 2014, CRC has devoted significant time and effort to revising the Department of Labor Manual Series (DLMS) 4-306 on reasonable accommodation. The revised DLMS broadened the definition of disability to conform to the ADA Amendments Act of 2008. As such, the Reasonable Accommodation Resource Center (RARC) projects that a larger number of DOL employees and applicants will request reasonable accommodations. In response, RARC will develop training materials (including a PowerPoint and desk aids) for employees, managers, supervisors, and trainers. RARC will present these trainings in the national office and in each region. In FY 2018, CRC will be baselining a new measure, percent of time CRC purchases equipment, services, or assistive technology within 60 business days (after it has been determined that a purchase is needed).

Security Center (SC)

SC will continue to lead the Department's compliance with important security measures on the background security investigations and the issuance of Personal Identity Verification (PIV) cards. SC will ensure the Department meets OPM mandates for background investigations and successfully meets demand for PIV cards. SC took 20 days to submit a background security investigation in FY 2017. SC will maintain an average time of 14 days to submit a background security investigation to OPM between FY 2018 and FY 2019.

Office of the Chief Financial Officer (OCFO)

Through consistent access to the financial system, the Department can better maintain timely and accurate financial information. OCFO will also keep the network and applications service up time for the NCFMS system at 98 percent in FY 2018 and FY 2019. In FY 2018 and FY 2019, OCFO will ensure that vendor invoices are paid on time and keep the Department's interest paid on vendor invoices at a low rate of 0.02 percent.

FINANCIAL AND ADMINISTRATIVE SERVICES

In FY 2017, the Department did not eliminate the material weakness identified by the FY 2015 audit. In FY 2018, the Department met its target of eliminating the two material weaknesses identified by the FY 2017 audit. In FY 2019, the target is to eliminate the one material weakness identified in the FY 2017 audit.

Starting in FY 2017, OCFO adopted a new measure of spending efficiency - the “percent of discretionary appropriations cancelled after the five years period of obligation authority has expired.” This measure tells us what percent of appropriated dollars were not outlayed or spent. The result for FY 2017 was 1.1% and the targets for this measure are 2% in FY 2018 and 1.95% for FY 2019.

Office of Public Affairs (OPA)

OPA will continue to lead in providing timely and accurate information to the public through the DOL.gov website and National Contact Center operations. This includes responding to phone calls to the call center in 30 seconds, and striving to resolve trouble tickets on first contact. In addition, continuous improvements to the DOL.gov platform will be tracked via Drupal website hosting platform development tasks. These tasks include website enhancements or bug fixes that are recorded, prioritized, coded and released on a set schedule, improving the quality of DOL.gov and creating a better website hosting platform for other agency websites. OPA targets completing 135 website enhancements in FY 2019.

FINANCIAL AND ADMINISTRATIVE SERVICES

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2017 Comparable	FY 2018 Estimate	FY 2019 Request	Diff. FY19 Request / FY18 Estimate
11.1	Full-time permanent	35,631	35,631	35,750	119
11.3	Other than full-time permanent	12	12	12	0
11.5	Other personnel compensation	759	759	759	0
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	36,402	36,402	36,521	119
12.1	Civilian personnel benefits	16,306	16,306	16,249	-57
13.0	Benefits for former personnel	14	14	14	0
21.0	Travel and transportation of persons	899	899	899	0
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	3,191	3,191	3,191	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	5,828	5,828	5,828	0
24.0	Printing and reproduction	19	19	19	0
25.1	Advisory and assistance services	27,905	27,905	27,843	-62
25.2	Other services from non-Federal sources	31,148	22,498	22,498	0
25.3	Other goods and services from Federal sources 1/	29,244	29,244	29,244	0
25.4	Operation and maintenance of facilities	12,580	12,580	12,580	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	424	424	424	0
26.0	Supplies and materials	1,290	1,290	1,290	0
31.0	Equipment	752	752	752	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	166,002	157,352	157,352	0
	1/Other goods and services from Federal sources				
	Services by Other Government Departments	29,696	28,796	28,796	0
	DHS Services	504	448	448	0

FINANCIAL AND ADMINISTRATIVE SERVICES

CHANGES IN FY 2019

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Personnel benefits	0
One day more of pay	170
Federal Employees' Compensation Act (FECA)	-108
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	-62
Other services from non-Federal sources	0
Working Capital Fund	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$0**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$157,352	299
Program Increase	\$0	0
Program Decrease	\$0	0

INFORMATION TECHNOLOGY SERVICES

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2017 Comparable	FY 2018 Estimate	FY 2019 Request	Diff. FY19 Request / FY18 Estimate
Activity Appropriation	186,402	186,402	186,402	0
FTE	107	107	107	0

NOTE: FY 2017 reflects actual FTE. Authorized FTE for FY 2017 was 107. FY 2019 does not include additional proposed transfer of discretionary unobligated balances. Transfer discussed in narrative and shown in Amounts Available for Obligation table.

Introduction

The Information Technology Services (ITS) budget activity funds the Office of the Chief Information Officer (OCIO) which provides the operations and maintenance of information technology at the Department for all 27 DOL agencies and their numerous mission-critical programs. OCIO provides the operations and maintenance of the Department’s centralized data center and network infrastructure; agency computer systems; cloud computing environment; and additional IT services including email, remote access, file storage, and security operations.

In addition to ongoing IT operations, the OCIO also leads the Department’s IT modernization efforts. These IT modernization efforts include consolidating, integrating, and updating the IT infrastructure to include DOL legacy systems and applications; building cloud-based and mobile capabilities; implementing a DOL-wide data strategy and analytics program; modernizing the Department’s High Value Assets (HVAs); and enhancing the security of the IT infrastructure.

The CIO has established a plan for IT modernization at DOL which will be led by the OCIO in collaboration with agencies. The plan will address four strategic goals:

- *Modernize Legacy Applications.* Among other activities, OCIO will develop an enterprise-level, cloud-based case management platform which save money spent on duplicative systems, improve processing time of adjudication claims, and improve program integrity through the sharing of case information between agencies. OCIO will also develop Enterprise Data Analytics Platform to provide all agencies with a common set of tools to conduct advanced analytics.
- *Create the Enterprise Platform.* OCIO will support modernization of HVAs, reducing operations and maintenance costs, increasing safeguards to protect sensitive information, and allowing users to more readily access, navigate and use the functions of all modernized applications.
- *Secure and Enhance the IT Infrastructure.* Activities in support of this goal include the creation of a centralized enterprise platform to improve service delivery, implementation of enterprise-wide IT asset management capability, implementation and maintenance of cybersecurity safeguards to protect mission critical and sensitive information, and the

INFORMATION TECHNOLOGY SERVICES

consolidation of redundant IT procurement to centrally leverage enterprise-wide buying power.

- *Transform the Customer Experience.* OCIO will enable “anywhere/anytime” services for DOL staff, enabling support regardless of location and increasing the efficiency of DOL’s workforce. OCIO will also leverage resources saved addressing issues with legacy systems to more proactively address customer needs.

DOL will leverage the increased authority to transfer discretionary unobligated balances into the WCF as well as the other flexibilities requested to support these goals.

Ongoing ITS services include:

- *General (Stable) Services:* These services include agency-specific operations and maintenance, software, OCIO support, and enterprise projects. Data center facilities have been procured to provide a secure, modern, and scalable application hosting environment as part of the Federal Data Center Consolidation Initiative. The environment allows for agencies to scale up or down capacity on a monthly basis to address surge capacity needs or minimize costs for development and test environments when they are not in use. The facility also provides 24/7 onsite support to address any hands-on support that may be required. Also included in this category is the enterprise Security Operations Center, which provides ongoing enhancements to the IT security posture of the Department.
- *Variable IT Services:* These services include Cloud Email, Mobile Device Management, WebEx, Internet Protocol/Interactive Voice Response telephone service, and Enterprise Service Desk. These day-to-day IT services provide DOL users with the collaboration and communication tools necessary to carry out Agency business functions.
- *Other WCF/ITS Services:* ITS also funds workstation refresh, the Department’s telecommunications services, DOLNet, technology refresh, and staffing for OCIO.

FY 2019

In FY 2019, \$186,402,000 is provided for Information Technology Services activities. This funding level includes support for 107 FTE. Provided that the proposed reforms to the WCF statute as detailed in the General Provisions are enacted, additional resources will be used for IT modernization in the Department above this funding level due to the increase in authority to transfer unobligated balances. The proposed language requires that the Department gain approval from the Office of Management and Budget and notify the House and Senate Committees on Appropriations before executing the transfer.

In addition to ongoing IT services and solutions, with the additional \$37.0 million in discretionary unobligated balances that can be transferred into the WCF, the Department will support the four strategic plan goals of modernizing legacy applications, creating an enterprise platform, securing and enhancing an IT infrastructure, and transforming the customer experience. Without this authority, the Department will only be able to maintain ongoing ITS services,

INFORMATION TECHNOLOGY SERVICES

increasing the modernization debt, preventing the modernization of expensive and less secure legacy systems and applications, and impeding performance. Examples of these activities that would be funded with the requested authority, listed by strategic goal, include:

- *Modernize Legacy Applications.* In FY 2019, OCIO will utilize information gathered from DOL agencies regarding the current and planned status of modernization of IT systems to prioritize the Department's systems as candidates for modernization. Up to five of DOL's HVAs will be modernized, improving services, reducing overhead costs, and increasing safeguards to protect critical systems.
- *Create the Enterprise Platform.* In FY 2019, the OCIO will stand-up a center of excellence (COE) for data analytics that will disseminate best practices and support the development advanced analytics capabilities. This will improve both decision-making and information sharing with the public. The OCIO plans to begin providing connections and integration for legacy data. As systems are migrated to the Department's data analytics platform, the OCIO will work with agencies to identify modernization funding to upgrade these system applications and databases to ensure they are hosted in the cloud. OCIO will also consolidate disparate case management systems, continuing the process of eliminating expensive and unnecessary duplication in this area.
- *Secure and Enhance the IT Infrastructure.* In FY 2019, OCIO will leverage a new IT Service Management software to increase insight into all the Department's IT Assets, increase control of IT asset tracking software, and provide increased security monitoring and detection. The implementation of an IT asset tracking system will also allow for the Department to update and more accurately enforce its policies and procedures for asset identification, status monitoring and auditing. A strong configuration management process will provide benefits for strengthening the Department's incident management, change management, service level management, availability management and continuity management processes. Ultimately, a strong configuration management process can improve the OCIO's information technology services and accountability in providing and reporting the success of those services to the Department's business units. OCIO will identify and inventory 100 percent of IT assets and establish a sustainable refresh cycle.
- *Transform the Customer Experience.* In FY 2019, OCIO will continue developing public-facing mobile applications providing DOL services.

The strategic plan goals work in concert with the Department's Cloud Hosting First Initiative. In FY 2019, OCIO will continue to aggressively identify agency resources to be migrated to the cloud while achieving synergy with OCIO's four strategic goals to modernize legacy systems, integrate these agency resources on a consolidated data analytic or case management platform, and secure these systems to ensure they are properly monitored and running the most secure and supported system software and hardware. This initiative is in alignment with the Administration's accelerated cloud adoption strategy.

INFORMATION TECHNOLOGY SERVICES

FY 2018

A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (P.L. 115–56). The amounts included for 2018 reflect the annualized level provided by the continuing resolution. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

FY 2017

OCIO's Information Technology Services' high-priority activities in FY 2017 included:

- *Unified Communications:* The OCIO successfully began upgrading network infrastructure including VoIP and wireless capabilities to the Department's agency offices dispersed throughout the United States, providing increased productivity and cost avoidance for the day-to-day operations of regional offices, including reducing the need for travel to and from DOL offices for primarily remote DOL employees. OCIO completed its milestone to deploy UC hardware and software solutions (Voice over Internet Protocol, Video Teleconferencing, and Wireless) across the DOL enterprise to 25% of end-users while redesigning and consolidating DOL's network infrastructures to a common architecture. OCIO successfully developed an enterprise-wide Virtual Private Network solution to support remote access for telework; this enterprise Virtual Private Network offers secure Internet access between local and remote locations allowing users to connect to the DOL networks to perform daily duties.
- *Identity and Access Management:* In FY 2017, OCIO finalized procurement and began implementation of the Identity and Access management software, hardware, maintenance and professional services to centralize an access management, authentication, single sign-on, and authorization solution for DOL information systems and applications.
- *Upgrading End-User Device Operating System:* In FY 2017, OCIO established the Windows 10 and Office 2016 upgrade deployment strategy and deployed to more than 200 users' devices. OCIO supports over 30,000 desktops with multiple end-user customer applications. OCIO finalized a core DOL Windows 10 image to which the Department can overlay agency-specific application needs. OCIO tested enterprise applications, security settings, and other mission-critical systems to ensure compatibility with the new operating system. The operating system upgrade will transform each DOL user's customer experience allowing all DOL users to do their work more effectively and efficiently.
- *Federal Information Technology Acquisition Reform Act (FITARA) Implementation:* In FY 2017, OCIO made great strides in increasing oversight responsibilities in information technology decisions, including budget formulation and planning, acquisition and execution, and organization and workforce. In FY 2017, the Secretary began a reset of IT which included FITARA implementation. Additionally, OCIO restructured its IT

INFORMATION TECHNOLOGY SERVICES

investment portfolio to include standard investments which should help track IT costs more transparently. This restructuring has great impact on meeting the FITARA milestones of capital planning and investment reporting and can serve as a model for how other capital planning groups can structure and report on infrastructure and application investments at other DOL agencies.

- *Department-wide Cybersecurity enhancements:* OCIO has made significant strides in the realm of cyber analytics which plays a key role in the future of protecting the DOL enterprise. In FY 2017, OCIO completed implementation of the Department of Homeland Security's Continuous Diagnostic Monitoring tools, new techniques and an approach to combine technology, data, and predictive analytics to reduce risk. A Cybersecurity Corrective Action Plan was established to address audit findings focused on safeguarding data and information systems. OCIO is actively working to implement technology, processes, and reviews that will strengthen its security posture on all DOL systems. The Patching and Vulnerability Remediation initiative is the OCIO's effort to dramatically reduce the number of unpatched security vulnerabilities within the DOL network infrastructure and maintain the security posture within the OCIO environment.

INFORMATION TECHNOLOGY SERVICES

WORKLOAD AND PERFORMANCE SUMMARY				
	FY 2017 Enacted		FY 2018 Full Year C.R.	FY 2019 Request
	Target	Result	Target	Target
Information Technology Services				
OASAM-WCF- OCIO-P-4 Availability for Routine DOLNet sites	99.90%	99.98%	99.90%	99.90%
OASAM-WCF- OCIO-P-5 Availability for Critical DOLNet sites	99.90%	100.00%	99.90%	99.90%
OASAM-WCF- OCIO-2 Information Assurance: Percent decrease in the number of agency workstations (i.e. laptops and desktops) that have patches older than 30 days.	--	--	20%	20%
OASAM-WCF- OCIO-4 Information Assurance: Percentage decrease of total existing vulnerabilities	--	--	40.00%	40.00%
OASAM-WCF- OCIO-P-1 Enterprise Services: Percent of network and application services uptime	99.00%	99.86%	99.00%	99.00%

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

INFORMATION TECHNOLOGY SERVICES

Detailed Workload Performance Narrative

The ITS activity ensures all of DOL's employees have the tools they need to get the job done. OCIO will continue to provide the modernized infrastructure, best practice procedures and processes to add new IT solutions in line with DOL's IT Strategic Plan and Federal IT initiatives such as Data Center Consolidation Initiative, Managed Trusted Internet Protocol Service, and IPv6. OCIO will maintain its level of performance for FY 2019 at the same level of FY 2017 and 2018 performance making DOL-wide network and application services available more than 99 percent of the time. Additionally, OCIO's cybersecurity enhancement will strengthen its ability to protect, detect, and respond to security vulnerabilities and outstanding security patches on agency resources ensuring a reduction on potential threat to the Department's resources. OCIO will target a 40 percent decrease in total existing vulnerabilities and a 20 percent decrease in the number of agency workstations that have patches older than 30 days in FY 2018 and FY 2019

ITS will specifically address two projects as they relate to OASAM's Agency Priority Goal to implement an enterprise-wide shared services model for DOL core administrative functions. In FY 2018 and FY 2019, OCIO will promote a modern, secure and innovative IT environment by implementing (1) an enterprise-wide data analytics platform and (2) cloud hosting capability. OCIO has established several milestones and measures to achieve success towards these two initiatives and will track and report progress. By FY 2019, OCIO will begin migrating DOL agency system applications to the DOL Cloud, which will reduce operations and maintenance cost for the Department by reducing our physical data center footprint and enhance security of these systems. OCIO will also start migrating legacy agency data repositories to a DOL-wide data analytics solution that will increase sharing of agency data to for the Department's various business units. Leveraging the department's data to provide predictive analysis will increase the accuracy of claims processing and safeguard and reduce fraud, waste and abuse across the Department.

INFORMATION TECHNOLOGY SERVICES

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2017 Comparable	FY 2018 Estimate	FY 2019 Request	Diff. FY19 Request / FY18 Estimate
11.1	Full-time permanent	12,692	12,692	12,753	61
11.5	Other personnel compensation	190	190	190	0
11.9	Total personnel compensation	12,882	12,882	12,943	61
12.1	Civilian personnel benefits	3,747	3,747	3,747	0
21.0	Travel and transportation of persons	51	51	51	0
23.1	Rental payments to GSA	1,835	1,835	1,835	0
23.3	Communications, utilities, and miscellaneous charges	31,927	31,927	31,927	0
25.1	Advisory and assistance services	23,489	23,489	23,428	-61
25.2	Other services from non-Federal sources	3,599	3,599	3,599	0
25.3	Other goods and services from Federal sources 1/	956	956	956	0
25.7	Operation and maintenance of equipment	98,823	98,823	98,823	0
31.0	Equipment	9,093	9,093	9,093	0
	Total	186,402	186,402	186,402	0
	1/Other goods and services from Federal sources				
	DHS Services	0	56	56	0
	Services by Other Government Departments	0	900	900	0

INFORMATION TECHNOLOGY SERVICES

CHANGES IN FY 2019

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Personnel benefits	0
One day more of pay	61
Travel and transportation of persons	0
Rental payments to GSA	0
Communications, utilities, and miscellaneous charges	0
Advisory and assistance services	-61
Other services from non-Federal sources	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Operation and maintenance of equipment	0
Equipment	0

Built-Ins Subtotal **\$0**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$186,402	107
Program Increase	\$0	0
Program Decrease	\$0	0

FIELD SERVICES

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2017 Comparable	FY 2018 Estimate	FY 2019 Request	Diff. FY19 Request / FY18 Estimate
Activity Appropriation	41,629	41,629	41,629	0
FTE	250	250	250	0

NOTE: FY 2017 reflects actual FTE. Authorized FTE for FY 2017 was 255.

Introduction

The Field Services activity provides a broad range of management and administrative services that support DOL agencies to successfully perform their missions, including administrative services; emergency management; financial services; human resources services; IT operations and support services; and safety and health services. OASAM has regional offices in Boston, Philadelphia, Atlanta, Chicago, Dallas, and San Francisco. The Department’s agencies rely on OASAM to serve as the focal point in their regional and field offices to ensure continuity of administrative operations. OASAM also serves as the liaison in the major regional cities to other Departments, serving as part of the Federal Executive Boards.

FY 2019

\$41,629,000 is provided for Field Services activities in FY 2019. This funding level will support 250 FTE. In FY 2019, OASAM’s regional offices will provide support for staff located in the field, allowing programmatic staff to focus on their core work.

FY 2018

A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (P.L. 115–56). The amounts included for 2018 reflect the annualized level provided by the continuing resolution. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

FY 2017

High-priority activities in FY 2017 included successfully processing over \$1B in regional invoice payments, incurring only 0.0008% in interest penalties, far surpassing the federal government standard of 0.02%. OASAM also successfully implemented the Administration’s space reduction initiative and DOL’s new space policy reducing the regionally space portfolio.

FIELD SERVICES

WORKLOAD AND PERFORMANCE SUMMARY				
	FY 2017 Enacted		FY 2018 Full Year C.R.	FY 2019 Request
	Target	Result	Target	Target
Field Services				
OASAM-WCF- Region-1 Average number of days to hire a new employee	80.0	67.5	80.0	80.0
OASAM-WCF- Region-5 Interest paid on vendor invoices (%)	0.02%	0.00%	0.02%	0.02%

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

FIELD SERVICES

Detailed Workload Performance Narrative

In FY 2019, the OASAM regional offices will continue improvement of the Department's customer service initiative and conduct quarterly Administrative Officer meetings as a mechanism to increase communications and outreach with DOL agency customers. In FY 2017, the Departmental exceeded its targets on hiring time with a result of 67.5 days and interest paid on vendor invoices with a result of 0.0008%. The Department will maintain its performance levels between FY 2018 and FY 2019 on average number of days to hire new employees at 80 days and percent of interest paid on invoices at 0.02%.

FIELD SERVICES

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2017 Comparable	FY 2018 Estimate	FY 2019 Request	Diff. FY19 Request / FY18 Estimate
11.1	Full-time permanent	23,320	23,320	23,420	100
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	321	321	321	0
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	23,641	23,641	23,741	100
12.1	Civilian personnel benefits	12,700	12,700	12,743	43
21.0	Travel and transportation of persons	221	221	221	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	3,653	3,653	3,653	0
23.3	Communications, utilities, and miscellaneous charges	277	277	277	0
24.0	Printing and reproduction	1	1	1	0
25.1	Advisory and assistance services	0	0	-143	-143
25.2	Other services from non-Federal sources	171	171	171	0
25.3	Other goods and services from Federal sources 1/	774	774	774	0
25.4	Operation and maintenance of facilities	0	0	0	0
25.7	Operation and maintenance of equipment	66	66	66	0
26.0	Supplies and materials	124	124	124	0
31.0	Equipment	1	1	1	0
32.0	Land and Structures	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
51.1	Benefits	0	0	0	0
	Total	41,629	41,629	41,629	0
	1/Other goods and services from Federal sources				
	DHS Services	510	510	510	0
	Services by Other Government Departments	264	264	264	0

FIELD SERVICES

CHANGES IN FY 2019

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Personnel benefits	0
One day more of pay	143
Federal Employees' Compensation Act (FECA)	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	-143
Other services from non-Federal sources	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0
Land and Structures	0

Built-Ins Subtotal **\$0**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$41,629	250
Program Increase	\$0	0
Program Decrease	\$0	0

HUMAN RESOURCES SERVICES

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2017 Comparable	FY 2018 Estimate	FY 2019 Request	Diff. FY19 Request / FY18 Estimate
Activity Appropriation	34,534	34,534	32,734	-1,800
FTE	111	110	110	0

NOTE: FY 2017 reflects actual FTE. Authorized FTE for FY 2017 was 113.

Introduction

Human Resources Services provides resources for the Human Resources Center’s (HRC) operational activities. HRC provides leadership, guidance, and technical expertise in all areas related to human resources (HR) for the Department of Labor. HRC provides policy and guidance in such areas as recruitment, pay, benefits, development of staff, management of human resource/personnel systems, succession planning, workforce flexibilities, and diversity and inclusion. HRC oversees accountability reviews and implements accountability processes to improve efficiency, effectiveness and compliance with laws and regulations.

HRC focuses on strategic human capital planning, staffing, and developing and retaining a high-quality diverse workforce that meets the mission requirements and program priorities of the Department. HRC also develops human resource programs, provides Departmental leadership, and directs HR services for staffing, classification, performance management, training and development, and pay administration. HRC also assists DOL managers in executive resources management, provides advisory services relating to organizational design, performs related program analysis and evaluation, and manages human resources information systems.

The HRC also provides direct HR support to managers and employees with regard to classification and position management, staffing and recruitment, personnel records management, retirement, and benefits processing.

Five-Year Budget Activity History

As funds are not directly appropriated to Working Capital Fund, a Five-Year History Table is not included.

FY 2019

\$34,534,000 is provided for Human Resources Services activities in FY 2019. This funding level will support 108 FTE. This reflects a program decrease for savings associated with the consolidation of HR functions in the Bureau of Labor Statistics, Employment and Training Administration, Mine Safety and Health Administration, Occupational Safety and Health Administration, and the Office of the Solicitor into OASAM. Based on analysis comparing cost per employee served in client agencies versus cost per employee served by OASAM, the Department estimates that \$1,800,000 will be saved through this consolidation in FY 2019 through the reduction in overhead costs associated with the delivery of HR services.

HUMAN RESOURCES SERVICES

In FY 2019, the Department will begin implementation of the Strategic Workforce Plan, developed in FY 2018. The Department will implement enterprise-wide metrics for this initiative in FY 2019 with the goal of improving performance on government-wide benchmarking data including human capital cost per employee served and human capital servicing ratio.

A realigned HR service delivery model will create greater consistency in the delivery of HR products and services across the Department; reduce overall HR costs; gain efficiency in HR service delivery through economies of scale; and improve efficiency and effectiveness of HR service delivery. The implementation of an effective shared services solution for HR service delivery will permit DOL program agencies to focus time and resources on mission-oriented outcomes.

The shared services model will also improve the quality of DOL human resources operations, services and products. Under the centralized and technical leadership provided by HRC, HR services will be consistently and regularly monitored and evaluated against Departmental HR priorities. HRC will prioritize and deploy key leadership decisions to address ongoing and emerging HR needs and to continue to reduce HR compliance risks. The shared services model will provide more capacity and agility to respond to HR challenges.

FY 2018

A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (P.L. 115–56). The amounts included for 2018 reflect the annualized level provided by the continuing resolution. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

FY 2017

High-priority activities in FY 2017 included the centralization of OASAM HR classification resources under the Human Resources Center (HRC). This change has improved the quality and efficiency of the services. Customer satisfaction results have also improved.

During FY 2017, HRC continued to provide technical oversight and support for the Department's hiring needs. Early in the first quarter of FY 2017, the Department worked with the Office of Personnel Management (OPM) to deploy a *Hiring Excellence* campaign. The campaign was to provide hiring managers and HR practitioners with useful information about the hiring process, hiring authorities, and hiring rules and regulations. The campaign also highlighted the importance of the collaboration needed between hiring managers and HR practitioners to achieve successful hiring outcomes. By the second quarter, the HRC worked with Departmental leaders to establish a hiring approval process which has continued into FY 2018. The hiring approval process ensures top DOL officials concur with each hiring decision.

HUMAN RESOURCES SERVICES

WORKLOAD AND PERFORMANCE SUMMARY					
		FY 2017 Enacted		FY 2018 Full Year C.R.	FY 2019 Request
		Target	Result	Target	Target
Human Resources					
OASAM-WCF- HRC-1	Average number of days to hire SES employee (from time announcement opens to date of Secretary approval to hire/tentative offer to selectee)	90.0	62.0	90.0	90.0
OASAM-WCF- HRC-3	Average number of days to hire a new employee	80.0	108.5	80.0	80.0
OASAM-WCF- HRC-8	Strategic Human Capital Planning: Hiring Manager Satisfaction Index Score on the (CHCO) Manager Survey	80%	78%	80%	80%

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

HUMAN RESOURCES SERVICES

Detailed Workload Performance Narrative

HRC will support DOL-wide and DOL Agency specific efforts to improve the organizational structure, recruitment, hiring and retention, classification, employee and labor management relations, training and development, diversity, performance management, and the work environment through strategic consultation. HRC will continue to focus on hiring efficiency and effectiveness. HRC will maintain targets of 80 and 90 days for hiring new employees and SES employees respectively in FY 2018 and FY 2019.

HRC works with the Department's leaders to strengthen workforce capacity through strategies aimed at improving workforce alignment; talent management; and the performance culture. Having the right number of properly skilled employees performing their work well requires effective strategic human resources planning. HRC will provide DOL leadership with appropriate advice, guidance, and data to make key workforce decisions and then, to implement workforce strategies designed to achieve business outcomes.

HRC will work with DOL leadership to restructure the DOL workforce in a manner which focuses on the continuity of essential mission programs and services, succession planning, knowledge management, and utilizing appropriate HR authorities and flexibilities. HRC will take efforts to improve DOL's organizational structure, workforce alignment, and workforce investment practices.

The HRC will continue to implement strategies toward improved HR services delivery. The office will evaluate the newly centralized classification unit to improve customer satisfaction and to explore other HR activities for improvement. HRC will work within DOL's HR community to improve the quality of HR services based on manager, employee, and other customer feedback. Efforts will be continue to provide more consistent, high quality HR services. DOL HR accountability reviews will be used to identify and deploy best practices, expose inefficiencies and noncompliant actions, take corrective actions, and pursue ongoing service improvement.

HUMAN RESOURCES SERVICES

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2017 Comparable	FY 2018 Estimate	FY 2019 Request	Diff. FY19 Request / FY18 Estimate
11.1	Full-time permanent	11,867	11,867	11,907	40
11.3	Other than full-time permanent	271	271	271	0
11.5	Other personnel compensation	134	134	134	0
11.9	Total personnel compensation	12,272	12,272	12,312	40
12.1	Civilian personnel benefits	3,842	3,842	3,865	23
21.0	Travel and transportation of persons	387	387	387	0
23.1	Rental payments to GSA	1,554	1,554	1,554	0
23.3	Communications, utilities, and miscellaneous charges	0	0	0	0
24.0	Printing and reproduction	7	7	7	0
25.1	Advisory and assistance services	0	0	-63	-63
25.2	Other services from non-Federal sources	3,407	3,407	1,607	-1,800
25.3	Other goods and services from Federal sources 1/	12,819	12,819	12,819	0
25.4	Operation and maintenance of facilities	0	0	0	0
25.7	Operation and maintenance of equipment	137	137	137	0
26.0	Supplies and materials	109	109	109	0
31.0	Equipment	0	0	0	0
	Total	34,534	34,534	32,734	-1,800
	1/Other goods and services from Federal sources				
	DHS Services	12,819	12,819	12,819	0

HUMAN RESOURCES SERVICES

CHANGES IN FY 2019

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Personnel benefits	0
One day more of pay	63
Travel and transportation of persons	0
Rental payments to GSA	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	-63
Other services from non-Federal sources	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0

Built-Ins Subtotal **\$0**

Net Program **-\$1,800**

Direct FTE **0**

	Estimate	FTE
Base	\$34,534	110
Program Increase	\$0	0
Program Decrease	-\$1,800	0