

OFFICE OF THE INSPECTOR GENERAL

(Dollars in thousands)

	Perm. Pos.	FTE	Amount
2002 Obligations.....	413	349	\$50,511
Transfer of administrative costs to Department of Homeland Security.....	-55	-55	-6,000
Transfer of associated costs from Department of Treasury (ATF).....	30	30	5,000
2002 Obligations - as adjusted.....	388	324	49,511
2003 President's Budget Request.....	438	411	63,937
Adjustment in annualization costs of 2002 positions* .....	....	....	-5,000
Transfer of administrative costs to Department of Homeland Security.....	-55	-55	-6,000
Transfer of associated costs from Department of Treasury (ATF).....	30	30	5,000
2003 President's Budget Request - as adjusted.....	413	386	57,937
Positions and FTE associated with transfer of administrative costs from Department of Treasury.....	10	10	....
Adjustments to base:			
Increases (see p. 28).....	....	13	4,530
Decreases (see p. 28) .....	....	....	-248
2004 Current Services.....	423	409	62,219
Program offsets (detailed below) .....	....	....	-190
2004 Request	423	409	62,029

Comparison by activity and program	2003											
	President's Budget Request*			2004 Current Services			2004 Request			Program Improvements		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
Audits, Inspections, Investigations and Reviews.....	438	411	\$57,937	423	409	\$62,219	423	409	\$62,029	....	....	-\$190
Reimbursable FTE.....	....	33	....	....	33	....	....	33	....	....	....	....
Grand Total.....	438	444	57,937	423	442	62,219	423	442	62,029	....	....	-190

*Adjusted downward by \$5,000,000 to account for the correct annualization of FY 2002 program improvements.

	Perm Pos.	FTE	Amount
<u>Program Offsets</u>			
Crosscutting Efficiencies.....	-\$190

An offset of \$190,000 is included to reflect Departmental crosscutting cost savings. These reductions consist of one-time needs for computers and furniture, and anticipated savings that will result from efficiencies. Some of the areas targeted for savings include: Facilities Management, JCN/WAN IT, Human Resources, and Centralized Procurement. The Department continues to evaluate its programs and operations with the goal of achieving across-the-board economies of scale that result in increased efficiencies, reduced duplication of efforts, and cost savings. The crosscutting savings identified impact the majority of the components in the Department, and are the result of improving business practices in the following way: consolidation of facility management, including optimization of work space standards and the consolidation/collocation of field space; improved deployment of human resources personnel across Department components; the consolidation of duplicative IT support functions and services performed by components using the JCN WAN; and centralized procurement for relocation of services, including household storage/shipment and residence contracts.