



Capital Security Cost-Sharing

The purpose of the CSCS program is to fund new embassy construction through contributions from all overseas agencies (including State and ICASS) in proportion to their overseas presence.

- After 5-year phase-in (FY05-09), the Program will generate \$1.4 billion annually through FY 18.

Capital Security Cost Sharing Phase-In Plan

(\$ in thousands)

	FY05	FY06	FY07	FY08	FY09
	20%	40%	60%	80%	100%
DOS Contribution	785,320	810,240	800,559	887,280	920,000
Cost Sharing	88,916	203,131	363,967	384,000	480,000
Total	874,236	1,013,371	1,164,526	1,271,280	1,400,000



Cost-Sharing Program Benefits

- Provides steady funding for an accelerated \$17.5 billion capital security construction program – funding 150 secure NECs in 14 years – reducing time by 12 years.
- Causes all agencies to:
 - Equitably help fund overseas facilities construction
 - Rightsize their overseas staffing
- Allows Congress, agencies, and the public to see the capital cost of stationing personnel overseas
- Enables OBO to provide safe, secure functional facilities overseas and place more USG out of harm's way.



Determining Per Capita Charges

<u>Total needed</u>	<u>Construction cost by type*</u>	<u>\$ assigned to this type</u>	<u># of Positions**</u>	<u>FY05 - 07 Charge per Capita</u>
\$1.4 billion x	3.8% - COM	\$ 52,467,451	251	\$ 209,034
	33.2% - CAA	\$ 465,052,406	7,840	\$ 59,318
	56.2% - Non-CAA	\$ 786,814,277	27,957	\$ 28,144
	6.8% - Non-Office	\$ 95,665,866	19,366	\$ 4,940
		<u>\$ 1,400,000,000</u>		

* Based on analysis of typical NEC construction costs

** 2002 survey data

To ease budget planning and encourage right-sizing, the *per capita* charges were fixed for FY05-07 and are again fixed for FY08-10:

<u>Position type</u>	<u>total #</u>	<u>FY08 (80%)</u>	<u>FY09-10</u>
PO	251	\$ 149,509	\$ 186,886
CAA	9,416	\$ 40,579	\$ 50,724
Non-CAA	38,951	\$ 16,391	\$ 20,488
Non-Office	23,027	\$ 2,837	\$ 3,546