

## **STATE PROGRAMS**

## Proposed Appropriation Language

### ADMINISTRATION OF FOREIGN AFFAIRS DIPLOMATIC AND CONSULAR PROGRAMS (INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Department of State and the Foreign Service not otherwise provided for, [~~\$7,068,618,850~~]~~\$7,282,363,000~~, of which [~~\$1,428,468,000~~]~~\$1,791,174,000~~ is for Worldwide Security Protection (to remain available until expended): *Provided*, That funds made available under this heading shall be allocated as follows:

(1) Human resources.—For necessary expenses for training, human resources management, and salaries, including employment without regard to civil service and classification laws of persons on a temporary basis (not to exceed \$700,000), as authorized by section 801 of the United States Information and Educational Exchange Act of 1948, [~~\$2,469,095,000~~]~~\$2,585,999,000~~, to remain available until September 30, [2014]2015, of which not less than [~~\$130,874,000~~]~~\$131,713,000~~ shall be available only for public diplomacy American salaries, and up to [~~\$218,110,000~~]~~\$255,866,000~~ is for Worldwide Security Protection and shall remain available until expended.

(2) Overseas programs.—For necessary expenses for the regional bureaus of the Department of State and overseas activities as authorized by law, [~~\$2,270,168,000~~]~~\$2,243,836,000~~, to remain available until September 30, [2014]2015, of which not less than [~~\$376,551,000~~]~~\$369,589,000~~ shall be available only for public diplomacy international information programs.

(3) Diplomatic policy and support.—For necessary expenses for the functional bureaus of the Department of State including representation to certain international organizations in which the United States participates pursuant to treaties ratified pursuant to the advice and consent of the Senate or specific Acts of Congress, general administration, and arms control, nonproliferation and disarmament activities as authorized, [~~\$864,610,850~~]~~\$813,005,000~~, to remain available until September 30, [2014]2015.

(4) Security programs.—For necessary expenses for security activities, [~~\$1,464,745,000~~]~~\$1,639,523,000~~, to remain available until September 30, [2014]2015, of which [~~\$1,210,358,000~~]~~\$1,535,308,000~~ is for Worldwide Security Protection and shall remain available until expended.

(5) Fees and payments collected.—In addition to amounts otherwise made available under this heading—  
(A) as authorized by section 810 of the United States Information and Educational Exchange Act, not to exceed \$5,000,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from English teaching, library, motion pictures, and publication programs and from fees from educational advising and counseling and exchange visitor programs; and  
(B) not to exceed \$15,000, which shall be derived from reimbursements, surcharges and fees for use of Blair House facilities.

(6) Transfer, reprogramming, and other matters.—

(A) Notwithstanding any provision of this Act, funds may be reprogrammed within and between subsections under this heading subject to section 7012 of this Act;

(B) Of the amount made available under this heading, not to exceed \$10,000,000 may be transferred to, and merged with, funds made available by this Act under the heading "Emergencies in the Diplomatic and Consular Service", to be available only for emergency evacuations and rewards, as authorized; and

(C) Funds appropriated under this heading are available for acquisition by exchange or purchase of passenger motor vehicles as authorized by law and, pursuant to 31 U.S.C. 1108(g), for the field examination of programs and activities in the United States funded from any account contained in this title.

(D) Of the amount made available under this heading, not to exceed \$1,000,000 may be transferred to, and merged with, funds made available by this Act under the heading Representation Allowances, to be available for official representation activities, as authorized.

## LOCAL GUARD CONTRACTS

SEC. 7005. In evaluating proposals for local guard contracts, the Secretary of State shall award contracts in accordance with section 136 of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (22 U.S.C. 4864), except that the Secretary may grant authorization to award such contracts on the basis of best value as determined by a cost-technical tradeoff analysis (as described in Federal Acquisition Regulation part 15.101) [in Iraq, Afghanistan, and Pakistan], notwithstanding subsection (c)(3) of such section: *Provided*, That the authority in this section shall apply to any options for renewal that may be exercised under such contracts [that are awarded during the current fiscal year].

## SPECIAL PROVISIONS

### SEC. 7024([g]f) PROMOTION OF DEMOCRACY.—

*(4) Not to exceed \$4,000,000 in funds made available for democracy promotion assistance programs of the Bureau of Democracy, Human Rights and Labor, Department of State, may be transferred to and merged with funds made available under the heading Diplomatic and Consular Affairs for the administrative costs of democracy promotion assistance programs.*

### ([h]g) EXTENSION OF AUTHORITIES.—

(1) Section 1(b)(2) of the Passport Act of June 4, 1920 (22 U.S.C. 214(b)(2)) shall be applied by substituting "September 30, [2013]2014" for "September 30, 2010".

(2) The authority provided by section 301(a)(3) of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4831(a)(3)) shall remain in effect through September 30, [2013]2014.

(3) The authority contained in section 1115(d) of Public Law 111–32 shall remain in effect through September 30, [2013]2014.

(4) Section 824(g) of the Foreign Service Act of 1980 (22 U.S.C. 4064(g)) shall be applied by substituting "September 30, [2013]2014" for "October 1, 2010" in paragraph (2)(A) and "September 30, 2009" in paragraph (2)(B).

(5) Section 61(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2733(a)) shall be applied by substituting "September 30, [2013]2014" for "October 1, 2010" in paragraph (2).

(6) Section 625(j)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2385(j)(1)) shall be applied by substituting "September 30, [2013]2014" for "October 1, 2010" in subparagraph (B).

(7) The authority provided by section 1113 of Public Law 111–32 shall remain in effect through September 30, [2013]2014.

*(g) EXTENSION.— Section 1244 of P.L. 110–181, as amended, is further amended by adding at the end of subsection (c)(3)(B) the following new subparagraph: "(C). ADDITIONAL FISCAL YEARS. Any unused balance of the total number of principal aliens who may be provided special immigrant status under this subsection in fiscal years 2008 through 2012 may be carried forward and provided through the end of Fiscal Year 2018, notwithstanding the provisions of subparagraph (A) and (B), and consistent with relevant terms of subsection (b), except that the one year period during which an alien must have been employed in accordance with subsection (b)(1) shall be the period from March 20, 2003 through September 30, 2013, and except that the principal alien seeking special immigrant status under this subparagraph shall apply to the Chief of Mission in accordance with subsection (b)(4) no later than September 30, 2017".*

*(r) EXTENSION.— Section 602(b) of Public Law 111–8 is amended by adding at the end of subsection 602(b)(3)(C): "(D) ADDITIONAL FISCAL YEARS. For each of the Fiscal Years 2014 through 2018, the total number of principal aliens who may be provided special immigrant status under this section may not exceed 3,000 per year, except that any unused balance of the total number of principal aliens who may be provided special immigrant status in fiscal years 2014 through 2018, in addition to any unused balance of the total number of principal aliens who may be provided special immigrant status under paragraph (A) of this subsection in fiscal years 2009 through 2013, may be carried forward and provided through the end of Fiscal Year 2019, notwithstanding the provisions of paragraph (C), except that the one year period during which an alien must have been employed in accordance with subsection (b)(2)(A)(ii) shall be the period from October 7, 2001 through December 31, 2014, and except that the principal alien seeking*

*special immigrant status under this subparagraph shall apply to the Chief of Mission in accordance with subsection (b)(2)(D) no later than September 30, 2015.*

#### AIRCRAFT TRANSFER AND COORDINATION

SEC. 7033. (a) TRANSFER AUTHORITY.—Notwithstanding any other provision of law or regulation, aircraft procured with funds appropriated by this Act and prior Acts making appropriations for the Department of State, foreign operations, and related programs under the headings "Diplomatic and Consular Programs", "International Narcotics Control and Law Enforcement", "Andean Counterdrug Initiative" and "Andean Counterdrug Programs" may be used for any other program and in any region, including for the transportation of active and standby Civilian Response Corps personnel and equipment during a deployment.

(b) AIRCRAFT COORDINATION.—

(1) The uses of aircraft purchased or leased by the Department of State and the United States Agency for International Development (USAID) with funds made available in this Act or prior Acts making appropriations for the Department of State, foreign operations, and related programs should be coordinated under the authority of the appropriate Chief of Mission: *Provided*, That such aircraft may be used to transport, on a reimbursable or non-reimbursable basis, Federal and non-Federal personnel supporting Department of State and USAID programs and activities: *Provided further*, That official travel for other agencies for other purposes may be supported on a reimbursable basis, or without reimbursement when traveling on a space available basis: *Provided further*, *That in fiscal year 2014, funds received by the Department of State in connection with the use of vehicles or aircraft owned, leased, or chartered by the Department of State may be credited to the applicable account of the Department of State and shall be available for expenses related to the purchase, lease, maintenance, chartering, or operation of such vehicles or aircraft.*

(2) The requirement and authorities of this subsection should only apply to aircraft, the primary purpose of which is the transportation of personnel.

#### BORDER CROSSING CARD FEE FOR MINORS

SEC. [7056]7055. Section 410(a)(1)(A) of the Department of State and Related Agencies Appropriations Act, 1999 (Public Law 105–277) is amended by striking "a fee of \$13" and inserting instead "a fee equal to one half the fee that would otherwise apply for processing a machine readable combined border crossing identification card and non-immigrant visa".

#### DEPARTMENT OF STATE ORGANIZATION

SEC. [7060]7058. (a) Section 1 of the State Department Basic Authorities Act of 1956 (22 U.S.C 2651a) is amended—

(a) in subsection (c)(1), by striking "24" and inserting "25"; and (b) by revising subsection (e) to read as follows: "The Secretary of State may designate a senior official to be responsible for the overall supervision (including policy oversight of resources) of international counterterrorism activities and to serve as the principal adviser to the Secretary of State on international counterterrorism matters and the principal counterterrorism official within the senior management of the Department of State."

(b) Section 62(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2734(a)) is amended

(1) by revising the heading to read as follows: "Coordination of Reconstruction and Stabilization Activities";

(2) by revising paragraph (1) to read as follows: "The Secretary of State may designate a senior official to be responsible for the coordination of reconstruction and stabilization activities";

(3) by striking paragraph (2) and redesignating paragraph (3) as paragraph (2); and

(4) in paragraph (2), as redesignated, by striking "Office of the Coordinator for Reconstruction and Stabilization" and inserting in lieu thereof "senior official designated pursuant to paragraph (1)".

#### *AUTHORITY TO ISSUE ADMINISTRATIVE SUBPOENAS*

*SEC. 7060. Section 3486 of Title 18, United States Code, is amended—*

*(a) In subsection (a)(1)(A)— (1) in clause (ii), by striking "or"; and (2) by adding new clauses (iv) and (v) immediately prior to "may issue in writing and cause to be served a subpoena", as follows: "(iv) an offense under section 878, or a threat against a person, foreign mission or organization authorized to receive protection by special agents of the Department of State and the Foreign Service under paragraph (3) of section 2709 of title 22, if the Assistant Secretary for Diplomatic Security or the Director of the Diplomatic Security Service determines that the threat constituting the offense or threat against the person or place protected is imminent, the Secretary of State; or "(v) an offense under chapter 75, Passports and Visas, the Secretary of State,";*

*(b) in subsection (a)(9), by striking "(1)(A)(i)(II) or (1)(A)(iii)" and inserting "(1)(A)(i)(II), (1)(A)(iii), (1)(A)(iv), or (1)(A)(v)";*

*(c) in subsection (a)(10), by inserting before the period, ", and as soon as practicable following issuance of a subpoena under paragraph (1)(A)(iv) the Secretary of State shall notify the Attorney General of its issuance."; and*

*(d) in subsection (e)(1) by replacing the existing language with the following: "(1) Health information about an individual that is disclosed under this section may not be used in, or disclosed to any person for use in, any administrative, civil, or criminal action or investigation directed against the individual who is the subject of the information unless the action or investigation arises out of and is directly related to receipt of health care or payment for health care or action involving a fraudulent claim related to health; directly relates to the purpose for which the subpoena was authorized under paragraph (a)(1); or if authorized by an appropriate order of a court of competent jurisdiction, granted after application showing good cause therefor."*

#### *CONSULAR NOTIFICATION COMPLIANCE*

*SEC. 7062. (a) Petition for Review.—*

*(1) Jurisdiction.—Notwithstanding any other provision of law, a Federal court shall have jurisdiction to review the merits of a petition claiming violation of Article 36(1)(b) or (c) of the Vienna Convention on Consular Relations, done at Vienna April 24, 1963, or a comparable provision of a bilateral international agreement addressing consular notification and access, filed by an individual convicted and sentenced to death by any Federal or State court before the date of enactment of this Act.*

*(2) Standard.—To obtain relief, an individual described in paragraph (1) must make a showing of actual prejudice to the criminal conviction or sentence as a result of the violation. The court may conduct an evidentiary hearing if necessary to supplement the record and, upon a finding of actual prejudice, shall order a new trial or sentencing proceeding.*

*(3) Limitations.—*

*(A) Initial Showing.—To qualify for review under this subsection, a petition must make an initial showing that—*

*(i) a violation of Article 36(1)(b) or (c) of the Vienna Convention on Consular Relations, done at Vienna April 24, 1963, or a comparable provision of a bi-lateral international agreement addressing consular notification and access, occurred with respect to the individual described in paragraph (1); and (ii) if such violation had not occurred, the consulate would have provided assistance to the individual.*

*(B) Effect of Prior Adjudication.—A petition for review under this subsection shall not be granted if the claimed violation described in paragraph (1) has previously been adjudicated on the merits by a Federal or State court of competent jurisdiction in a proceeding in which no Federal or State procedural bars were raised with respect to such violation and in which the court provided review equivalent to the review provided in this subsection, unless the adjudication of the claim resulted in a decision that was based on an unreasonable determination of the facts in light of the evidence presented in the prior Federal or State court proceeding.*

*(C) Filing Deadline.—A petition for review under this subsection shall be filed within 1 year of the later of—*

(i) the date of enactment of this Act; (ii) the date on which the Federal or State court judgment against the individual described in paragraph (1) became final by the conclusion of direct review or the expiration of the time for seeking such review; or (iii) the date on which the impediment to filing a petition created by Federal or State action in violation of the Constitution or laws of the United States is removed, if the individual described in paragraph (1) was prevented from filing by such Federal or State action.

(D) Tolling.—The time during which a properly filed application for State post-conviction or other collateral review with respect to the pertinent judgment or claim is pending shall not be counted toward the 1-year period of limitation.

(E) Time Limit for Review.—A Federal court shall give priority to a petition for review filed under this subsection over all noncapital matters. With respect to a petition for review filed under this subsection and claiming only a violation described in paragraph (1), a Federal court shall render a final determination and enter a final judgment not later than one year after the date on which the petition is filed.

(4) Habeas Petition.—A petition for review under this subsection shall be part of the first Federal habeas corpus application or motion for Federal collateral relief under chapter 153 of title 28, United States Code, filed by an individual, except that if an individual filed a Federal habeas corpus application or motion for Federal collateral relief before the date of enactment of this Act or if such application is required to be filed before the date that is 1 year after the date of enactment of this Act, such petition for review under this subsection shall be filed not later than 1 year after the enactment date or within the period prescribed by paragraph (3)(C)(iii), whichever is later. No petition filed in conformity with the requirements of the preceding sentence shall be considered a second or successive habeas corpus application or subjected to any bars to relief based on preenactment proceedings other than as specified in paragraph (2).

(5) Referral to Magistrate.—A Federal court acting under this subsection may refer the petition for review to a Federal magistrate for proposed findings and recommendations pursuant to 28 U.S.C. 636(b)(1)(B).

(6) Appeal.—

(A) In General.—A final order on a petition for review under paragraph (1) shall be subject to review on appeal by the court of appeals for the circuit in which the proceeding is held.

(B) Appeal by Petitioner.—An individual described in paragraph (1) may appeal a final order on a petition for review under paragraph (1) only if a district or circuit judge issues a certificate of appealability. A district or circuit court judge shall issue or deny a certificate of appealability not later than 30 days after an application for a certificate of appealability is filed. A district judge or circuit judge may issue a certificate of appealability under this subparagraph if the individual has made a substantial showing of actual prejudice to the criminal conviction or sentence of the individual as a result of a violation described in paragraph (1).

(b) Violation.—

(1) In General.—An individual not covered by subsection (a) who is arrested, detained, or held for trial on a charge that would expose the individual to a capital sentence if convicted may raise a claim of a violation of Article 36(1)(b) or (c) of the Vienna Convention on Consular Relations, done at Vienna April 24, 1963, or of a comparable provision of a bilateral international agreement addressing consular notification and access, at a reasonable time after the individual becomes aware of the violation, before the court with jurisdiction over the charge. Upon a finding of such a violation—

(A) the consulate of the foreign state of which the individual is a national shall be notified immediately by the detaining authority, and consular access to the individual shall be afforded in accordance with the provisions of the Vienna Convention on Consular Relations, done at Vienna April 24, 1963, or the comparable provisions of a bilateral international agreement addressing consular notification and access; and

(B) the court—

(i) shall postpone any proceedings to the extent the court determines necessary to allow for adequate opportunity for consular access and assistance; and

(ii) *may enter necessary orders to facilitate consular access and assistance.*

(2) *Evidentiary Hearings.—The court may conduct evidentiary hearings if necessary to resolve factual issues.*

(3) *Rule of Construction.—Nothing in this subsection shall be construed to create any additional remedy.*

(c) *Definitions.—In this section—*

(1) *the term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.*

(d) *Applicability.—The provisions of this section shall apply during the current fiscal year and hereafter.*

## DIPLOMATIC AND CONSULAR PROGRAMS

(Overseas contingency operations)

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Diplomatic and Consular Programs", [~~\$4,311,745,000~~]~~\$1,199,491,000~~, to remain available until September 30, [~~2014~~]~~2015~~; of which [~~\$721,527,000~~]~~\$390,961,000~~, to remain available until expended, is for Worldwide Security Protection; of which up to \$525,000,000, to remain available until expended, may be used for construction and other necessary expenses for carrying out the Foreign Service Buildings Act of 1926, and which shall be in addition to funds otherwise appropriated for such purposes]: *Provided*, That the Secretary of State may transfer up to [~~\$150,000,000~~]~~\$100,000,000~~ of the total funds made available under this heading to any other appropriation of any department or agency of the United States, upon the concurrence of the head of such department or agency, to support operations in and assistance for Afghanistan and to carry out the provisions of the Foreign Assistance Act of 1961: *Provided further*, That any such transfer shall be treated as a reprogramming of funds under section [~~7015~~]~~7012~~ (a) and (b) of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section: *Provided further*, That such amount is designated by the Congress for Overseas Contingency Operations/Global War on Terrorism pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That such amount shall be available only if the President designates such amount for Overseas Contingency Operations/Global War on Terrorism pursuant to section 251(b)(2)(A).

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## CAPITAL INVESTMENT FUND

For necessary expenses of the Capital Investment Fund, [~~\$83,300,000~~]~~\$76,900,000~~, to remain available until expended, as authorized: *Provided*, That section 135(e) of Public Law 103–236 shall not apply to funds available under this heading.

## IT INNOVATION FUND

SEC. [~~7059~~]~~7057~~. Of the funds appropriated or otherwise made available for "Diplomatic and Consular Programs" or "Capital Investment Fund" *under Title I of this Act*, up to \$2,000,000 may be made available, including through grants and cooperative agreements, to support training, workshops, conferences, or other programs to enhance the capacity of foreign governments, nongovernmental organizations, and civil society in foreign countries to use technology in support of economic development, education, and health objectives.

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## STATE PROGRAMS

### *Diplomatic and Consular Programs Appropriation*

(\$ in thousands)

Funding Categories	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase/Decrease From FY2012
<b>Total, Diplomatic and Consular Programs (1)(2)</b>	<b>6,557,881</b>	<b>6,577,255</b>	<b>7,282,363</b>	<b>724,482</b>
<b>Human Resources</b>	<b>2,506,786</b>	<b>2,504,273</b>	<b>2,631,073</b>	<b>124,287</b>
American Salaries, Central Account	2,321,516	2,323,041	2,409,612	88,096
<i>Public Diplomacy American Salaries (non-add)</i>	130,178	130,178	131,713	1,535
<i>Iraq Operations American Salaries (non-add)</i>	350	350	354	4
<i>WSP - American Salaries (non-add)</i>	216,963	216,963	255,866	38,903
Foreign Service Institute	76,155	74,101	70,834	(5,321)
Human Resources	109,115	107,131	110,909	1,794
Human Resources Initiative	0	0	39,718	39,718
<b>Overseas Programs</b>	<b>1,970,210</b>	<b>1,990,960</b>	<b>2,198,515</b>	<b>228,305</b>
African Affairs	212,025	227,728	245,136	33,111
Ambassador's Fund for Cultural Preservation	5,750	5,750	5,750	0
East Asian and Pacific Affairs	179,616	186,066	186,630	7,014
European and Eurasian Affairs	358,475	362,608	347,723	(10,752)
FSN Separation Liability Trust Fund	38,723	34,128	32,898	(5,825)
International Conferences	1,438	3,620	19,193	17,755
International Organization Affairs	24,690	24,491	24,268	(422)
Medical Director	24,295	20,053	24,201	(94)
Near Eastern Affairs	361,431	361,236	353,146	(8,285)
<i>Iraq Operations (non-add)</i>	205,697	207,444	158,179	(47,518)
Post Assignment Travel	179,615	176,904	185,020	5,405
South and Central Asian Affairs	75,139	77,479	232,615	157,476
Western Hemisphere Affairs	169,805	169,322	172,346	2,541
Public Diplomacy	339,208	341,575	369,589	30,381
<b>Diplomatic Policy and Support</b>	<b>813,169</b>	<b>790,471</b>	<b>813,252</b>	<b>83</b>
Administration (including GSA Rent)	340,140	325,104	323,985	(16,155)
<i>GSA Rent (non-add)</i>	157,385	172,492	175,996	18,611
Arms Control, Verification and Compliance	15,397	14,605	14,808	(589)
Budget and Planning	3,967	4,813	7,561	3,594
Chief of Protocol	3,215	2,846	2,888	(327)
Comptroller and Global Financial Services	76,443	77,514	79,732	3,289
Consular Affairs (excluding Border Security Program)	317	0	0	(317)
Democracy, Human Rights and Labor	7,195	8,335	10,072	2,877
Economic and Business Affairs	7,605	7,236	6,341	(1,264)
Energy Resources	5,307	4,422	5,612	305
Information Resource Management	208,811	205,824	209,515	704
Intelligence and Research	20,181	13,666	15,908	(4,273)
International Security and Nonproliferation	17,262	17,195	17,212	(50)
Legal Advisor	13,423	13,563	13,909	486
Legislative Affairs	2,553	2,458	2,496	(57)
Management	4,448	4,496	4,567	119
Oceans and International Environmental and Scientific Affairs	13,196	13,196	13,406	210

## STATE PROGRAMS

Funding Categories	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase/Decrease From FY2012
Political-Military Affairs	9,672	9,685	9,722	50
Population & International Migration	661	657	663	2
Public Affairs	12,588	12,634	12,825	237
Trafficking in Persons	2,236	2,143	2,151	(85)
Office of the Secretary	48,552	50,079	59,879	11,327
<b>Security Programs</b>	<b>1,267,716</b>	<b>1,291,551</b>	<b>1,639,523</b>	<b>371,807</b>
Counterterrorism	10,064	13,832	13,666	3,602
Diplomatic Security	111,447	131,265	82,331	(29,116)
<i>Iraq Operations (non-add)</i>	0	21,253	76,077	76,077
Office of Foreign Missions	8,168	8,173	8,218	50
Worldwide Security Protection	1,138,037	1,138,281	1,535,308	397,271
<i>WSP Current Services - Bureau Managed (non-add)</i>	1,138,037	1,180,380	1,185,953	47,916
<i>WSP Program Changes (non-add)</i>	0	(42,099)	349,355	349,355

- (1) FY 2012 Actual reflects the following transfers: \$30.9 million transferred from the Buying Power Maintenance Account; \$730,000 transferred to Representation Allowances; \$670,000 transferred to the American Institute in Taiwan, \$750,000 transferred to the Protection of Foreign Mission and Officials; and \$21.8 million transferred to Conflict Stabilization Operations.
- (2) The FY 2014 Request continues the Department's Consular Realignment Initiative. Bureau specific consular costs have been shifted to the Border Security Program (BSP) and will be funded with consular fees.]

# STATE PROGRAMS

## *Highlights of Budget Changes* (*\$ in thousands*)

	D&CP Direct <sup>(1)</sup>	D&CP PD	D&CP Ongoing Operations (Direct & PD)	Worldwide Security Protection	D&CP Total
<b>FY 2013 Estimate</b>	<b>4,750,258</b>	<b>471,753</b>	<b>5,222,011</b>	<b>1,355,244</b>	<b>6,577,255</b>
<b>Built-in Changes</b>					
<b>Base Adjustments</b>	<b>5,983</b>	<b>0</b>	<b>5,983</b>	<b>0</b>	<b>5,983</b>
Facility Operating Cost	5,983	0	5,983	0	5,983
<b>Anticipated Wage &amp; Price Requirements</b>	<b>88,985</b>	<b>15,363</b>	<b>104,348</b>	<b>49,821</b>	<b>154,169</b>
American COLA	24,541	1,413	25,954	3,344	29,298
Locally Engaged Staff Wage Increase	31,233	5,535	36,768	16,268	53,036
Locally Engaged Step Increases	22,329	3,970	26,299	11,692	37,991
Overseas Price Inflation	23,337	3,252	26,589	15,166	41,755
Domestic Inflation	12,499	1,193	13,692	3,313	17,005
Absorption of Current Services	(28,458)	0	(28,458)	(635)	(29,093)
GSA Rents	3,504	0	3,504	673	4,177
<b>Total, Built-in Changes</b>	<b>94,968</b>	<b>15,363</b>	<b>110,331</b>	<b>49,821</b>	<b>160,152</b>
<b>Total, Current Services</b>	<b>4,845,226</b>	<b>487,116</b>	<b>5,332,342</b>	<b>1,405,065</b>	<b>6,737,407</b>
<b>Program Changes</b>					
Human Resources	89,891	0	89,891	0	89,891
Overseas Programs	115,307	14,186	129,493	0	129,493
Diplomatic Policy and Support	15,636	0	15,636	0	15,636
Security Programs	(76,173)	0	(76,173)	386,109	309,936
<b>Total, Program Changes</b>	<b>144,661</b>	<b>14,186</b>	<b>158,847</b>	<b>386,109</b>	<b>544,956</b>
<b>Total</b>	<b>4,989,887</b>	<b>501,302</b>	<b>5,491,189</b>	<b>1,791,174</b>	<b>7,282,363</b>

(1) The FY 2014 Request continues the Department's Consular Realignment Initiative. Bureau specific consular costs have been shifted to the Border Security Program (BSP) and will be funded with consular fees.

### **Diplomatic and Consular Programs Direct – Enduring Ongoing Operations**

The Department's FY 2014 Request for Diplomatic and Consular Programs (D&CP) Direct Ongoing Operations is \$4.9 billion, an increase of \$256.4 million above the FY 2012 Actual of \$4.7 billion. The D&CP Direct current services level includes an increase of \$94.9 million and an increase of \$144.6 million in program changes. In FY 2014 base adjustments and built-in changes cover the anticipated 1.0 percent American pay increase; an average locally engaged staff (LE staff) wage increases of 4.29 percent based on anticipated overseas wage inflation; an average 3 percent LE step increase; a 1.6 percent increase for domestic inflation; and an average 3.4 percent increase for overseas non-wage inflation. A summary of these increases follows:

- Base Adjustments: \$5.9 million
- Anticipated FY 2014 Wage Increases: \$78.1 million
- Anticipated FY 2014 Price Inflation: \$39.3 million
- Absorption of Current Services: -\$28.5 million

## STATE PROGRAMS

The \$144.6 million in “Direct” program changes are summarized by category and bureau below, with associated salary funding for new positions aligned to the requesting bureau. Beginning with this Congressional Budget Justification, Public Diplomacy resources are detailed in a separate chapter, similar to those for Worldwide Security Protection.

### *FY 2014 Program Changes*

#### **Human Resources: \$89,891,000**

##### Foreign Service Institute (FSI): -\$5,000,000

The FSI funding level reflects a reduction of \$5 million to adjust for interagency reimbursements and non-recurring costs.

##### Bureau of Human Resources (HR): \$1,000,000

The HR request includes an increase of \$1 million to improve review and oversight of Locally Employed staff retirement policies and liabilities in local compensation plans

##### Human Resources Initiative: \$91,891,000

See the Human Resources Initiative section.

##### Human Resources Special Complement: \$2,000,000

The request includes an increase of \$2 million to continue support for the Expanded Professional Associates Program (EPAP). This program allows the Department to hire eligible family members at overseas posts, fostering greater work-life balance for Foreign Service families by providing overseas employment opportunities for eligible family members.

#### **Overseas Programs: \$115,307,000 and -30 positions**

The Overseas Programs’ category request includes a decrease of -\$55.6 million to complete the Consular Realignment Initiative, aligning consular related activity to consular revenue. This initiative shifts consular affairs activities and costs that were previously funded with D&CP resources to the fee-funded Border Security Program (BSP). These adjustments are also reflected in the bureau descriptions.

##### Bureau of African Affairs (AF): \$3,891,000 and shift of 15 positions to fee funding

The request includes a net increase of \$3.9 million. AF requests \$8.1 million to close the LE staff wage gap, \$2.3 million to assess the requirement for establishing a consulate in Mombasa, Kenya, \$1.7 million for new office buildings in Mbabane, Swaziland (\$563,000), Nairobi, Kenya (\$330,000), Abuja, Nigeria (\$199,000) and Pretoria, South Africa (\$598,000), and \$700,000 to establish an interim presence in Mogadishu. The request also includes reductions of -\$7.4 million to shift costs for 15 consular U.S. Direct Hire (USDH) positions to the Border Security Program, and -\$1.6 million for operational adjustments.

## STATE PROGRAMS

### Bureau of East Asian and Pacific Affairs (EAP): -\$7,686,000 and increase of 21 positions and shift of 40 positions to fee funding

The request includes a net decrease of -\$7.7 million. The request includes rebalancing of diplomatic activity in the Asia-Pacific region. In order to meet this goal EAP requests \$10.3 million for salary and support costs for 21 new USDH positions, \$223,000 to expand the Burma program platform. The request includes \$1.3 million to support new Embassy compound projects in Beijing, China (\$160,000), Vientiane, Laos (\$294,000), Port Moresby, Papua New Guinea (\$615,000) and the new Consulate opening in Wuhan, China. The request also includes a reduction of -\$17 million to shift costs for 40 consular USDH positions to the Border Security Program, and a reduction of -\$2.5 million for operational adjustments.

### Bureau of European and Eurasian Affairs (EUR): -\$25,314,000 and shift of 35 positions to fee funding

The request includes a net reduction of -\$25.3 million. EUR's request includes reductions of -\$16 million to shift costs for 35 consular USDH positions to the Border Security Program and -\$9.3 million related to management efficiencies.

### Foreign Service National Separation Liability Trust Fund (FSNSLTF): -\$1,230,000

The request includes a reduction of -\$1.2 million to shift liabilities associated with consular LE staff to the Border Security Program.

### Office of International Conferences (IO/C): \$15,000,000

The request includes a program level adjustment of \$15 million to sustain the Department of State's organization of, and participation in high-level multilateral events dealing with critical issues such as economic, trade and development matters; energy; technology and environmental controls; security; disarmament and nuclear-related issues; air and maritime safety; counterterrorism; human rights; narcotics and crime; health; natural resources; vehicle safety standards; telecommunications; laws; and Forum for the Future.

### Bureau of International Organizations (IO): -\$238,000

The request includes a reduction of -\$238,000 related to management efficiencies.

### Medical Director (MED): \$4,082,000

The MED request includes an increase of \$4.1 million to provide support for overseas hospitalizations, medical evacuations, clearance examinations, domestic medical claims, support of 5 Regional Medical Managers, the Drug-Free Workplace Program, Federal Occupational Health Services, the Deployment Stress Management Program and payment of MED's ICASS invoice.

### Bureau of Near Eastern Affairs (NEA), including Iraq: -\$29,554,000 and shift of 14 positions to fee funding

The request includes a net decrease of -\$29.5 million for NEA Direct and Iraq operations. The NEA Direct request is a net increase of \$32.3 million, including \$39.9 million to support the Arab Spring to advance U.S. support for the region's democratic transitions. In particular, the Department is reconstituting the mission in Libya which was destroyed during the post-revolutionary unrest in 2011; continuing to secure operations in Yemen; supporting the increase in reporting for Tunisia, funding the

## STATE PROGRAMS

protecting powers arrangements in Syria; and maintaining the new Consulate General in Alexandria, Egypt. It also includes reductions of -\$1.1 million for operational adjustments, and -\$6.5 million to shift costs for 14 consular USDH positions to the Border Security Program.

### Iraq Operations: -\$61,839,000

NEA's Iraq request includes a decrease of -\$61.8 million in Iraq Operations. The largest reduction -\$40.7 million reflects the Department's glidepath to normalize operations, reducing personnel, services and equipment/supply costs. Increased levels of interagency cost sharing will also decrease direct funding by -\$21.1 million, as ICASS coverage is expanded to Overseas Contingency Operations (OCO)-funding agencies at all Chief of Mission locations.

### Post Assignment Travel (PAT): \$2,924,000

The request includes a net increase of \$2.9 million, of which \$5 million will address rising costs associated with inflation, fuel, airfares, and per diem increases associated with the Foreign Service workforce, which have increased by a combined 17 percent over 2008. The request also includes a reduction of -\$2.1 million to shift consular costs to the Border Security Program.

### Bureau of South and Central Asian Affairs (SCA), including Afghanistan and Pakistan: \$160,282,000 and shift of 13 positions to fee funding and shift of 79 positions from OCO to base funding

The request includes a net increase of \$160.2 million for SCA, including Afghanistan and Pakistan enduring operations. Outside of Afghanistan and Pakistan, the SCA enduring request is a decrease of -\$5.3 million to shift costs for 13 consular USDH positions to the Border Security Program.

### Afghanistan Operations: \$123,033,000 and 79 positions

The Afghanistan Operations request includes an increase of \$123 million. As the US-Afghanistan relationship matures, the Department will align the corresponding resources required to support the staffing, life support, and long term operations. The request shifts 79 of 171 positions from the Overseas Contingency Operations (OCO) account to enduring for positions in Kabul and regional consulates. The \$123 million increase has been offset by a corresponding reduction in the Department's OCO request.

### Pakistan Operations: \$42,577,000

The Pakistan request includes an increase of \$42.6 million. The Department is continuing to align the enduring resources required to support the staffing, life support, and operational requirements for sustaining operations. The \$42.6 million increase has been offset by a corresponding reduction in the Department's OCO request.

### Bureau of Western Hemisphere Affairs (WHA): -\$6,850,000 and shift of 13 positions to fee funding

The request includes a net decrease of -\$6.9 million. WHA requests \$3.9 million to support new consular compounds opening in Belo Horizonte, Brazil (\$1.3 million), Porto Alegre, Brazil (\$1.3 million), and Monterrey, Mexico (\$1.3 million). The request includes \$2.2 million to support the locally employed staff wage gap. The request also includes reductions of -\$679,000 for an operational adjustment, -\$6.9 million for management efficiencies, and -\$5.4 million to shift costs for consular USDH positions to the Border Security Program.

## STATE PROGRAMS

### **Diplomatic Policy and Support: \$15,636,000 and increase of 5 Positions**

#### Administration (A): -\$4,726,000

A Bureau's request reflects the reduction of \$4.7 million for the realignment of consular activities and costs which will be funded from BSP fees.

#### Bureau of Budget and Planning (BP): \$2,671,000

In FY 2012, the Department notified the Congress of the reorganization of the Bureau of Resource Management into two new offices: the Bureau of Budget and Planning (BP) and the Bureau of the Comptroller and Global Financial Services (CGFS). The FY 2014 Request is the first instance that the two offices' resources are requested under the new structure. The request includes an increase of \$2.7 million to provide oversight of locally employed staff retirement liabilities as well as the new Alternate Retirement Program.

#### Comptroller and Global Financial Services (CGFS): \$1,000,000

The CGFS request includes an increase of \$2 million to continue the implementation of the Alternate Retirement Program for locally employed staff and resolve outstanding LES retirement liabilities and a decrease of -\$1 million to realign consular related costs which will be funded from BSP fees.

#### Bureau of Democracy, Human Rights, and Labor (DRL): \$1,633,000

The request includes an increase of \$1.6 million for DRL's diplomatic engagement in priority countries worldwide such as Bahrain, Burma, China, Egypt and Russia and will fund training necessary to engage with international partners, multilateral organizations, and members of civil society. This increase also supports increased demands on the bureau to execute key human rights and civil society dialogues around the world.

#### Bureau of Information Resource Management (IRM): \$3,000,000

The request includes an increase of \$9 million for Global Network Services \$5.5 million and Emergency and Security Communications \$3.5 million. The request also includes a decrease of -\$6 million to realign consular related costs which will be funded from BSP fees.

#### Intelligence and Research (INR): \$2,234,000

The request includes an increase of \$2.2 million for INR to continue to fulfill its mission to provide the Department, U.S. Government policymakers and the Intelligence Community with timely, tailored all-source analytic products.

#### Office of the Secretary (S): \$9,624,000 and increase of 5 Positions

The Department requests an increase of \$9.6 million for the Office of the Secretary, including \$5.1 million for the Office of Global Women Issues (S/GWI) to support embassy-level strategic planning for the Full Participation Fund, integrating gender into operations, diplomacy and programming. The request includes \$1.0 million and 5 positions to support training and travel for the Office of the Coordinator for Cyber Issues. It also includes \$0.9 million for the Foreign Assistance Dashboard portal, and \$2.7 million to enhance tracking of foreign assistance resources.

## STATE PROGRAMS

### Security: -\$76,173,000

#### Bureau for Counterterrorism: -\$513,000

The request includes a reduction of -\$513,000 for the base adjustment associated with the realignment of five fee-funded positions (three civil servants and two Foreign Service). These positions are now funded under the Border Security Program.

#### Bureau of Diplomatic Security: -\$75,660,000

The request for the Bureau of Diplomatic Security (DS) Enduring is \$179.5 million, a decrease of -\$49.6 million compared to the FY 2012 Actuals due to current service adjustments, the U.S. Mission Iraq request and realignment of \$128.9 million from the D&CP two-year account to the D&CP Worldwide Security Protection no-year account.

The request for DS' U.S. Mission Iraq is \$76 million, an increase of \$54.8 million over the FY 2012 Actuals which includes current service increases, realignments from OCO to Enduring, and operational adjustments based on planned execution. The request reflects increases of \$1.5 million for current services; \$1.4 million realignment for the Security Technology Engineering Services program from OCO to Enduring; \$14.9 million associated with a realignment of guard-related requirements from OCO to Enduring; and \$58.3 million associated with the realignment of life-cycle replacement costs for armored vehicles and all associated countermeasures equipment, and other equipment from OCO to Enduring. The \$21.3 million reflects the impact of projected carryforward from FY 2013.

Lastly, in this request, DS will realign \$128.9 million from the two-year Diplomatic and Consular Program (D&CP) funds to no-year WSP funds. This realignment covers \$21.5 million for 122 overseas positions, and \$107.4 million associated with DS' recurring ICASS bill. The realignment will provide greater transparency associated with the funding of staff and ICASS, and will align DS/WSP funding with the treatment of other no-year accounts such as Embassy Security, Construction and Maintenance and Border Security Program.

#### Iraq Operations: \$53,320,000

As discussed in the DS chapter, the request includes reductions that are a combination of the Department's glidepath to a normalized U.S. presence in Iraq (-\$74.6 million), and the anticipated availability of carry-forward from FY 2013 (-\$21.3 million).

# DIPLOMATIC AND CONSULAR PROGRAMS BUREAU SUMMARY

(\$ in thousands)

Bureau / Office	FY 2012 Actual		FY 2013 CR		Built-In Changes		Current Services		Program Changes		FY 2014 Request	
	Pos	Funds	Pos	Funds	Pos	Funds	Pos	Funds	Pos	Funds	Pos	Funds
Administration	707	421,220	707	406,184	0	4,376	707	410,560	0	-4,726	707	405,834
African Affairs	936	341,889	936	358,192	0	12,789	936	370,981	-15	3,891	921	374,872
Ambassador's Fund for Cultural Preservation	0	5,750	0	5,750	0	0	0	5,750	0	0	0	5,750
Arms Control, Verification and Compliance	141	32,062	141	31,270	-1	248	140	31,518	0	0	140	31,518
Budget and Planning	74	12,161	74	13,007	0	152	74	13,159	0	2,671	74	15,830
Bureau for Counterterrorism	69	18,114	69	21,882	0	80	69	21,962	0	-513	69	21,449
Chief of Protocol	78	12,128	78	11,759	0	124	78	11,883	0	0	78	11,883
Comptroller and Global Financial Services	480	132,100	480	133,171	0	1,751	480	134,922	0	1,000	480	135,922
Consular Affairs	17	2,395	0	0	0	0	0	0	0	0	0	0
Democracy, Human Rights and Labor	140	23,793	140	24,933	0	273	140	25,206	0	1,633	140	26,839
Diplomatic Security	896	229,154	896	227,719	0	4,704	896	232,423	-122	-128,980	774	103,443
Director General of the Foreign Service & Director of Human Resources	540	162,094	540	161,219	0	1,339	540	162,558	0	1,000	540	163,558
East Asian and Pacific Affairs	892	303,468	892	310,518	0	5,970	892	316,488	-19	-7,686	873	308,802
Economic, Energy, and Business Affairs	190	30,644	190	30,275	0	-676	190	29,599	0	0	190	29,599
Energy Bureau	63	12,853	63	11,968	0	1,243	63	13,211	0	0	63	13,211
European and Eurasian Affairs	1,648	586,411	1,648	591,144	0	8,085	1,648	599,229	-35	-25,314	1,613	573,915
Foreign Missions	0	8,168	0	8,173	0	45	0	8,218	0	0	0	8,218
Foreign Service Institute	1,192	221,292	1,192	219,238	0	3,193	1,192	\$222,431	0	-5,000	1,192	217,431
FSN Separation Liability Trust Fund Payment	0	38,723	0	34,128	0	0	0	34,128	0	-1,230	0	32,898
Human Resources Initiative	0	0	0	0	0	0	0	0	0	91,891	0	91,891
Human Resources Special Component	842	119,957	842	118,848	0	1,189	842	120,037	0	2,000	842	122,037
Intelligence and Research	337	67,236	337	60,721	0	475	337	61,196	0	2,234	337	63,430
International Conferences	0	1,438	0	3,620	0	573	0	4,193	0	15,000	0	19,193
International Criminal Justice	11	1,252	11	1,252	0	14	11	1,266	0	0	11	1,266
International Information Programs	0	0	0	0	0	0	0	0	0	0	0	0
International Organization Affairs	371	70,254	371	70,055	0	454	371	70,509	0	-238	371	70,271
International Resource Management	552	274,707	552	271,720	0	1,333	552	273,053	0	3,000	552	276,053
International Security and Nonproliferation	264	47,729	264	47,662	0	304	264	47,966	0	0	264	47,966
Legal Advisor	276	44,851	276	44,991	0	440	276	45,431	0	200	276	45,631
Legislative Affairs	78	11,663	78	11,568	0	123	78	11,691	0	0	78	11,691

## DIPLOMATIC AND CONSULAR PROGRAMS BUREAU SUMMARY

(\$ in thousands)

Bureau / Office	FY 2012 Actual		FY 2013 CR		Built-In Changes		Current Services		Program Changes		FY 2014 Request	
	Pos	Funds	Pos	Funds	Pos	Funds	Pos	Funds	Pos	Funds	Pos	Funds
Management	47	10,084	47	10,132	0	127	47	10,259	0	0	47	10,259
Medical Director	147	41,728	147	37,486	0	234	147	37,720	0	4,082	147	41,802
Near Eastern Affairs	1,114	308,389	1,114	307,047	0	8,505	1,114	315,552	-14	32,285	1,100	347,837
Oceans and International Environment and Scientific Affairs	201	36,716	201	36,716	0	430	201	37,146	0	0	201	37,146
Political-Military Affairs	278	43,777	278	43,790	0	344	278	44,134	0	0	278	44,134
Population and International Migration	0	661	0	657	0	6	0	663	0	0	0	663
Post Assignment Travel	0	179,615	0	176,904	0	5,192	0	182,096	0	2,924	0	185,020
Public Affairs	235	39,619	235	39,665	0	431	235	40,096	0	0	235	40,096
Secretary	484	93,484	484	95,011	0	1,140	484	96,151	5	9,624	489	105,775
South and Central Asian Affairs	894	217,449	895	220,390	0	6,275	895	226,665	66	160,282	961	386,947
Trafficking in Persons	38	6,579	38	6,486	0	35	38	6,521	0	0	38	6,521
Western Hemisphere Affairs	1,059	315,841	1,059	315,960	0	9,566	1,059	325,526	-13	-6,850	1,046	318,676
Worldwide Security Protection	1,711	1,355,000	1,711	1,355,244	0	49,821	1,711	1,405,065	189	386,109	1,900	1,791,174
Iraq Operations	2	206,047	2	229,047	0	14,082	2	243,129	0	-8,519	2	234,610
<b>Totals</b>	<b>17,004</b>	<b>6,088,495</b>	<b>16,988</b>	<b>6,105,502</b>	<b>-1</b>	<b>144,789</b>	<b>16,987</b>	<b>6,250,291</b>	<b>42</b>	<b>530,770</b>	<b>17,029</b>	<b>6,781,061</b>

**DIPLOMATIC AND CONSULAR PROGRAMS**  
**PUBLIC DIPLOMACY**

(\$ in thousands)

	FY 2012 Actual		FY 2013 CR		Built-In Changes		Current Services		Program Changes		FY 2014 Request	
	Pos	Funds	Pos	Funds	Pos	Funds	Pos	Funds	Pos	Funds	Pos	Funds
Administration	0	2,257	0	2,257	0	36	0	2,293	0	0	0	2,293
African Affairs	112	48,460	100	48,460	0	1,937	112	50,397	0	1,821	112	52,218
Arms, Control, Verification and Compliance	0	0	0	0	0	0	0	0	0	0	0	0
Budget and Planning	0	0	0	0	0	0	0	0	0	0	0	0
Comptroller and Global Financial Services	0	363	0	363	0	0	0	363	0	0	0	363
Counterterrorism	0	0	0	0	0	0	0	0	0	0	0	0
Democracy, Human Rights, and Labor	2	253	0	253	0	2	2	255	0	0	2	255
East Asian and Pacific Affairs	116	55,160	105	55,160	0	2,246	116	57,406	3	8,070	119	65,476
Economic and Business Affairs	3	454	0	454	0	7	3	461	0	0	3	461
Energy Resources	0	0	0	0	0	0	0	0	0	0	0	0
European and Eurasian Affairs	188	85,802	173	85,802	0	3,101	188	88,903	0	0	188	88,903
Foreign Service Institute	6	2,890	0	2,890	0	99	6	2,989	0	0	6	2,989
FSN Separation Liability Trust Fund Payment	0	2,204	0	2,204	0	0	0	2,204	0	0	0	2,204
Human Resources Initiative	0	0	0	0	0	0	0	0	0	0	0	0
Human Resources-Special complement	0	0	0	0	0	0	0	0	0	0	0	0
Information Resource Management	0	0	0	0	0	0	0	0	0	0	0	0
Intelligence and Research	0	6,065	0	5,753	0	189	0	5,942	0	0	0	5,942
International Information Programs	285	116,033	251	118,712	0	2,502	285	121,214	0	4,500	285	125,714
International Organization Affairs	12	3,314	7	3,314	0	107	12	3,421	0	0	12	3,421
International Security and Nonproliferation	1	122	0	122	0	1	1	123	0	0	1	123
Near Eastern Affairs	121	42,169	115	42,169	0	1,771	121	43,940	0	0	121	43,940
Oceans and International Environment and Scientific Affairs	3	696	1	696	0	9	3	705	0	0	3	705
Political-Military Affairs	1	122	0	122	0	0	1	122	0	0	1	122
Public Affairs	15	6,789	10	6,789	0	130	15	6,919	0	0	15	6,919
Secretary	34	4,886	16	4,886	0	63	34	4,949	0	0	34	4,949
South and Central Asian Affairs	114	35,528	107	35,528	0	1,124	114	36,652	0	-205	114	36,447
Western Hemisphere Affairs	117	55,819	105	55,819	0	2,039	117	57,858	0	0	117	57,858
<b>Totals</b>	<b>1,130</b>	<b>469,386</b>	<b>990</b>	<b>471,753</b>	<b>0</b>	<b>15,363</b>	<b>1,130</b>	<b>487,116</b>	<b>3</b>	<b>14,186</b>	<b>1,133</b>	<b>501,302</b>

## Proposed Appropriation Language

### CAPITAL INVESTMENT FUND

For necessary expenses of the Capital Investment Fund, [~~\$83,300,000~~]~~\$76,900,000~~, to remain available until expended, as authorized: *Provided*, That section 135(e) of Public Law 103–236 shall not apply to funds available under this heading.

### IT INNOVATION FUND

SEC. [~~7059~~]~~7057~~. Of the funds appropriated or otherwise made available for "Diplomatic and Consular Programs" or "Capital Investment Fund" *under Title I of this Act*, up to \$2,000,000 may be made available, including through grants and cooperative agreements, to support training, workshops, conferences, or other programs to enhance the capacity of foreign governments, nongovernmental organizations, and civil society in foreign countries to use technology in support of economic development, education, and health objectives.

# IT CENTRAL FUND

## *Resource Summary*

(\$ in thousands)

Appropriations	FY 2012	FY 2013	FY 2014	Increase/Decrease
	Actual	CR <sup>(1)</sup>	Request	From FY2012
Capital Investment Fund	59,380	59,743	76,900	17,520
Expedited Passport Fees	184,550	156,000	163,181	(21,369)
<b>Total IT Central Fund</b>	<b>243,930</b>	<b>215,743</b>	<b>240,081</b>	<b>(3,849)</b>

(1) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

### *Program Description*

The Department of State’s FY 2014 Request of \$76.9 million for the IT Central Fund (ITCF) will support greater consolidation, improve efficiency, and support enhanced customer service; modernization of critical information technology systems and infrastructure; and maintain essential services that provide critical IT functions to both domestic and foreign consumers. Combined with Expedited Passport Fees collected by the Department, the ITCF will provide a total of \$240.1 million for priority IT investments and modernization activities.

In support of the Department’s vision to “create a more secure, democratic, and prosperous world for the benefit of the American people and the international community”, the ITCF focuses on the following strategic areas:

- **Goal 1, Digital Diplomacy** - enables enhanced collaboration and information sharing among internal and external stakeholders by applying modern tools of social networking and value-added information resources to the challenges of diplomacy and development.
- **Goal 2, Cloud Computing** – provides global access to all U.S. agencies operating overseas under the authority of the Chief of Mission via a robust, worldwide, web-based infrastructure.
- **Goal 3, Department of State’s IT Leadership** – ensures effective governance of all IT resources, domestic and overseas, and focusing on accountability to customers for excellence in performance and service delivery.

The Department plans to execute the following FY 2014 priority investments in support of the IT Strategic Plan:

- Continue to improve social media platforms to promote diplomatic initiatives that benefit both domestic and foreign communities. This includes creating and managing knowledge information system and resources through the development of enhanced collaboration and information sharing systems. The Department will also improve the integration of management systems through efficient use of centralized delivery platforms and infrastructure comprised of integrated tools and services to provide greater interagency communication and collaboration.
- Continue development of the Department's private cloud computing service, providing a full range of infrastructure, software, and data services to internal and external customers. This includes leveraging continued investments in the Enterprise Server Operations Centers (ESOCs) data center consolidation initiative and the modernization of our global network infrastructure.

## IT CENTRAL FUND

- Continue development of the Foreign Affairs Network (FAN), extending cloud Infrastructure as a Service to other Federal agencies operating overseas.
- Expand use of mobile technology, including a diversified catalog of secure end-user devices designed to meet targeted mobile business requirements.
- Continue the modernization of the Department's major functional systems which operate as enterprise-wide centrally managed shared services (e.g. logistics, financial management, and human resource management), with data standardization, system interoperability, integrated management reporting and mobile delivery.
- Continue investment in global training for IT specialists and end users, focusing on use of distance learning, online courses, and knowledge sharing.

### *IT Central Funds by Goal*

(\$ in thousands)

Activities - Funds by Goal	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase/ Decrease
<b>Goal One: Digital Diplomacy</b>	<b>88,948</b>	<b>87,022</b>	<b>83,430</b>	<b>(5,518)</b>
Integrated Logistics Management System (ILMS)	20,000	20,030	20,000	-
Joint Financial Management System (JFMS)	10,316	10,316	5,119	(5,197)
Integrated Personnel Management System (IPMS)	5,932	5,968	6,410	478
Global Foreign Affairs Compensation System (GFACS)	17,757	17,829	13,140	(4,617)
Support for Legacy Compensation System	6,630	6,630	6,630	-
Enterprise Data Warehouse (EDW)	5,600	5,634	3,100	(2,500)
Main State Messaging Center (MSMC)	11,354	11,366	9,500	(1,854)
Department of State SharePoint Services	2,943	2,943	1,943	(1,000)
Travel Manager Program	4,500	4,500	3,968	(532)
Goal One Other	3,916	1,806	13,620	9,704
<b>Goal Two: Cloud Computing</b>	<b>142,658</b>	<b>116,371</b>	<b>141,836</b>	<b>(822)</b>
Foreign Affairs Network (FAN)	9,840	6,840	2,250	(7,590)
Enterprise Server Operations Center (ESOC)	11,304	11,373	27,908	16,604
Mobile Computing	3,400	3,400	3,400	-

## IT CENTRAL FUND

Activities - Funds by Goal	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase/ Decrease
Global IT Modernization (GITM)	76,450	58,390	62,487	(13,963)
Enterprise Software - Licensing and Maintenance	26,905	26,905	27,904	999
Post Telephones	3,570	3,570	3,300	(270)
Goal Two Other	11,189	5,893	14,587	3,398
<b>Goal Three: IT Leadership</b>	<b>12,324</b>	<b>12,350</b>	<b>14,815</b>	<b>2,491</b>
FSI Corporate Systems (STMS)	-	-	2,000	2,000
FSI Instructional Support (SAIT)	4,526	4,526	4,000	(526)
FSI Learning Infrastructure	3,500	3,500	3,000	(500)
Goal Three Other	4,298	4,324	5,815	1,517
<b>Total IT Central Fund</b>	<b>243,930</b>	<b>215,743</b>	<b>240,081</b>	<b>(3,849)</b>

### *Performance*

The Integrated Logistics Management System (ILMS), which represents nearly 10 percent of the total IT Central Fund account, is the backbone of the Department's logistical infrastructure, providing worldwide, state-of-the-art supply chain management tools for the requisition, procurement, distribution, transportation, receipt, asset management, diplomatic pouch and mail, and tracking of goods and services. ILMS streamlines and modernizes supply chain operations and fully integrates procurement and logistics with financial management. It supports over 20,000 operational users and is responsible for annually procuring approximately \$10 billion of goods and services, transporting over 30,000 shipments and delivering over 11 million pounds of classified and unclassified mail.

ILMS was selected as part of the Department's evaluation process to address a performance gap related to the use of non-integrated systems, which has resulted in significant process efficiencies and impacts the accuracy and integrity of data in the Department's financial management systems. The Bureau of Administration manages the development and deployment of ILMS and the Department is tracking the progress to ensure that full global deployment at over 260 Posts is on schedule and within budget. When fully implemented, ILMS will provide an enhanced, integrated logistics information and e-business platform for U.S. Department of State customers, stakeholders, and partners, contributing to the Department's fulfillment of Strategic Goal No. 7.

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Strategic Goal 7: Build a 21st century workforce; and achieve U.S. government operational and consular efficiency and effectiveness, transparency and accountability; and a secure U.S. government presence internationally								
Strategic Priority		Management Services						
Active Performance Indicator		Cumulative variance from planned cost and schedule for the Integrated Logistics Management System						
Prior Year Results and Ratings					FY 2012		Planned Targets	
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Target	Result and Rating	FY 2013	FY 2014
N/A	N/A	-0.25%; -0.80% [Baseline]  New Indicator, No Rating	1.38%; -.04%  ◀▶ On Target	1.7%; -.03%  ◀▶ On Target	Both less than +/- 5%	1.6%-.06%  ◀▶ On Target	Both less than +/- 5%	Both less than +/- 5%
Impact		By replacing 25+ legacy logistics management systems with one centralized enterprise system that standardizes and integrates end-to-end supply chain business processes, ILMS has shortened the Department's supply chain from 12 months to 12 weeks, improving visibility and streamlining the DOS supply chain across the globe. Critical internal controls address an OIG weakness in property management.						
Methodology		The project rating is calculated based on the cumulative variance from planned cost and schedule values for the overall project.						
Data Source and Quality		The rating is based on the actual cost and schedule data using a methodology compliant with the criteria in ANSI/EIA Standard 748 for earned value management systems. The Data Quality Assessment revealed no significant data limitations.						

### *Justification of Request*

#### **Goal 1: Digital Diplomacy - Collaboration, Information and Integration**

This goal focuses on the use of innovative social networking, knowledge sharing, and similar technologies to support U.S. diplomatic and development initiatives. The Department has been a leader in adapting these tools to the foreign affairs mission through such successful projects as Diplopedia for internal knowledge creation and collaboration, and effective use of social media and micro blogging for external collaboration. Although these efforts do not require substantial investments, they are vital to modern diplomacy and will be strengthened and expanded in FY 2014.

This goal also focuses on enhancing and integrating the Department's major systems for the management of human resources, logistics, and finances. A priority for FY 2014 is continued development and expanded use of the Enterprise Data Warehouse and data standardization efforts to improve integration across systems and yield efficiency gains in life-cycle management of interfaces.

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Specific initiatives to be pursued in FY 2014 include:

### **Integrated Logistics Management System (ILMS): \$20,000,000**

ILMS is a major reengineering and development effort to create a modern, global logistics platform supporting the requisition, procurement, distribution, transportation, receipt, asset management, diplomatic pouch and mail, and tracking of goods and services for the Department both domestically and overseas. ILMS benefits the Department by eliminating duplicative systems, streamlining operations, providing supply chain visibility to customers, and achieving enterprise-wide integration. Key initiatives for FY 2014 include the completion of overseas deployment of the Fleet Management Information System (FMIS), Ariba Contracts, and Expendables Supplies modules. Since securing America's diplomatic assets is a top priority, ILMS plans to implement mobile devices and Radio-frequency Identification (RFID) to improve global asset tracking and streamline inventory procedures for the Department's most critical assets. Other key activities include expanded use of ILMS supply chain data to develop a Global Supply Chain Dashboard and deliver supply chain analytics for monitoring the Department's logistics operations and identifying cost savings opportunities. Analysis is currently underway for a major Ariba upgrade which will be implemented in FY 2014.

### **Joint Financial Management System (JFMS): \$5,119,000**

Under the JFMS program, the Department is responsible for maintaining a global financial management platform that supports overseas and domestic worldwide financial management and reporting. JFMS provides a single integrated view of the Department financial data through consolidation and standardization of common business processes and data, and the seamless exchange of information across the Department financial sectors. The FY 2014 Request supports integration improvements, completion of an update to the commercially available off-the-shelf (COTS) software platform underlying the Regional Financial Management System (RFMS), integration of RFMS with the Ariba requisitioning module of the Integrated Logistics Management System (ILMS), and oversight agency compliance activities (for example, to meet Government-wide Treasury Account Symbol (GTAS), GSA System Award Management (SAM), Treasury Disbursing, Treasury Do Not Pay requirements).

### **Integrated Personnel Management System (IPMS): \$6,410,000**

The IPMS is a multi-year program that provides the Department with human capital management in support of its diplomatic mission. IPMS is a world-wide, seamlessly integrated Human Resources Management System that facilitates the Department's ability to provide its workforce with automated mechanisms to transition human resources management business processes and functions to self-service initiated electronic workflows. Key activities planned in FY 2014 include:

- PC Travel Redesign Travel Cost Element Analysis initiative, which provides PCS Travel costs by the different breakdowns senior management needs for reporting and operations management.
- Synchronization of data and personnel action processing between GEMS and Post Personnel, which migrates Post Personnel from a distributed solution installed at 175 posts worldwide to a centralized architecture.
- Overseas Personnel System (OPS), which completes essential components of the HR-Payroll integration for American direct hires with the Global Foreign Affairs Compensation System (GFACS).
- Begin analysis of the HR-Payroll integration for locally employed staff with the Global Foreign Affairs Compensation System (GFACS).
- Modernize middle tier data services to improve intra-system performance, and facilitate improved information sharing throughout the Department.

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### **Global Foreign Affairs Compensation System (GFACS): \$13,140,000 and Support for Legacy Compensation Systems: \$6,630,000**

The Global Foreign Affairs Compensation System (GFACS) replaces six, 20+ year old legacy systems with a single COTS based system that will support the widely diverse global payroll and compensation requirements for DOS and over 40 agencies State serves. Payees include Locally Engaged, Civil Service, and Foreign Service staff as well as Foreign Service Annuitants. In addition, GFACS replaces two legacy time & attendance (T&A) systems with COTS software capable of supporting employee self-service and more robust labor cost accounting. Initiatives planned in FY 2014 include:

- Complete the phased LES migration to GFACS, migration of the Department's American payroll to GFACS.
- Continue the phased migration of Time & Attendance to GFACS from FY 2013.
- Operate, maintain, and begin to retire the Department's legacy compensation systems.

### **Enterprise Data Warehouse (EDW): \$3,100,000**

EDW provides a centralized repository for the integration and aggregation of cross-functional data from enterprise level systems, improving trending and forecasting capabilities. The EDW combines information from different transactional systems into a central point from which information can be quickly extracted and analyzed to facilitate business decisions. The Department produces a great deal of historical data in support of varying missions, and the EDW is part of the Department's efforts to standardize data. This data will be used for trend analysis and/or future forecasting efforts, thereby allowing future decisions to be based on readily accessible information. Key initiatives planned in FY 2014 are to integrate new data sources, adding role-based access control to the EDW security model and design, develop, deploy and enhance Dashboard reporting and analytics.

### **Main State Messaging Center (MSMC): \$9,500,000**

The Department of State's (DOS) messaging IT investment supports communication through messaging, archiving and retrieval functions; provides secure connectivity with the Foreign Affairs Community; integrates with the TS solution; provides Department of Defense (DOD) interface; provides an Outside Agency Connector (OAC) interface, and supports DOS integrated Public Key Infrastructure (PKI) Identify standards. The Main State Messaging Center investment delivers highly reliable, fully available messaging at the Unclassified, Secret and Top Secret levels during all world events and crises. The investment is a critical and essential component that supports the following Department's IT Strategic Goals: Digital Diplomacy, migration to Cloud Computing, and maintenance of State's IT Leadership. Key initiatives planned in FY 2014 are to retire the Simulcast Recall Program in favor of a State Messaging and Archive Toolset (SMART) based high precedence alerting notification system, life-cycle replacement of matrix switches, complete Exchange 2010 Migration for ClassNet, implementation of OpenNet Regionalized/Cloud Exchange Architecture, integrated pre-production enterprise-level testing lab and virtualization lab, continued Net Centric Diplomacy (NCD) database operations and maintenance, instant messaging ticket submission capability, achieve ISO 20000 certification for customer support operations, more efficient and effective operational support of worldwide messaging systems and SMART Refresh.

### **Department of State SharePoint Services: \$1,943,000**

SharePoint provides an enterprise platform for knowledge sharing, collaboration sites, governance of data presentation and development of new technologies. SharePoint became an enterprise service in FY 2008 and developed into a mission critical platform supporting various functions throughout the Department. This program represents a significant efficiency for the Department by consolidating systems engineering, design, infrastructure, and software resources. SharePoint is deployed across the OpenNet, ClassNet,

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Internet, and SIPRNet enclaves and is used as the primary collaboration and document repository vehicle by many Bureaus and Posts throughout the world. Key initiatives planned in FY 2014 are to provide full operating capacity for SharePoint 2010, sunset the MOSS 2007 environment, maintain 30,000 SharePoint Sites, initiate planning and design for SharePoint 2015 and FAST search integrated. The DOS IT Strategic Plan 2011-2013 has at its core the identification of the need for collaboration tools and enterprise-wide solutions. As part of the initiative for moving to the SharePoint 2010 platform, the Department is also moving towards a virtual implementation – heavily utilizing Enterprise Service Operations Center (ESOC) resources in ESOC-East and ESOC-West in order to ensure redundancy, high availability, and disaster recovery.

### **Travel Manager Program: \$3,968,000**

There are two objectives to the Travel Manager Program. The first is to continue operating a fully functional worldwide Travel Manager System that was implemented in 1995. The Travel Manager program is considered critical for the Department's mission, and any interruption to travel service would create risk to mission requirements. The current Travel Manager System (Gelco Travel Manager version 8.0) is used by 39 domestic bureaus and 170 posts worldwide. It directly supports the expansion of Electronic Government by integrating a web-based travel system with the Department's administrative and financial system, and supports the principles of the Government Paperwork Elimination Act (GPEA). The second objective of the Travel Manager Program is to prepare the Department for migration to the new government-wide eTravel service (eTS) while at the same time continuing to provide a modern, standard and streamlined travel program to Department travelers both domestically and overseas. Travel Manager provides end-to-end Temporary Duty (TDY) travel support infrastructure necessary to support the Department's mission. It complies with the Federal Travel Regulation (FTR) that requires the use of a GSA approved e-Travel services (ETS) provider. This investment is geared towards complying with the enterprise-wide use of a GSA approved e-Travel solution. More specifically, this investment involves migrating from the GELCO-based Travel Management System to Carlson Wagonlit Government Travel's e2 Solutions (the ETS offering selected by the Department) and operating the legacy travel management system until the transition to e2 Solutions is complete. Key initiatives planned in FY 2014 are to ensure effective interoperability with other Department of State systems (e.g., JFMS), and continue execution of long-term TDY travel strategy.

### **Other Goal 1 Initiatives: \$13,620,000**

Other initiatives in this area include the Central Resource Management System, Centralizing Financial Systems and Processing, Mandatory Compliance and Improving Financial Performance, IRM Innovation Fund, Maximo Building Maintenance Asset Management System, and Enterprise Application Integration.

### **Goal 2: Cloud Computing - Global Infrastructure Environment Supports Worldwide IT Operations**

The focus of Goal 2 is to create a cloud computing environment that enables the Department to deliver the full range of IT services to the entire global enterprise. The Department will pursue a private cloud for internal use as well as a community cloud for interagency and external collaboration. In both cases, the intent is to provide consistent, standardized services for all applications and users.

The cloud computing environment will include multiple processing centers that ensure the highest levels of redundancy, reliability, and workload sharing. This will replace the fragmented processing environment in place today. The cloud will also include a redesigned global network that ensures robust network services and on-demand capacity to meet evolving needs.

An important area of focus for FY 2014 is extending IT infrastructure and cloud services to other agencies overseas through the Foreign Affairs Network (FAN). The FAN will improve information

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sharing and collaboration, which is vital in pursuing U.S. foreign policy objectives, and will also increase efficiency and effectiveness of service delivery through economies of scale. Other initiatives in Goal 2 include capacity increases across the Department's worldwide telecommunications network.

Specific initiatives to be pursued in FY 2014 include:

### **Foreign Affairs Network (FAN): \$2,250,000**

The Secretary of State's Quadrennial Diplomacy and Development Review (QDDR) provides a blueprint for the Department of State (DOS) to advance its national interests and to be a better partner to the U.S. military and other U.S. Government agencies. The Foreign Affairs Network (FAN) investment is a direct response to the growing need for a more secure, coordinated, and cost-efficient overseas IT infrastructure for U.S. agencies with personnel on foreign soil. The Foreign Affairs Network (FAN) is a transformation of the Department of State's existing sensitive but unclassified (SBU) network and will provide an updated and consolidated network platform that will be available to 40+ U.S. agencies operating overseas under Chief of Mission Authority. The FAN will help improve the U.S. Government's overseas IT efficiency, effectiveness, and security, and enhance interagency collaboration and information sharing. The FAN Service Line Investment includes four projects that together will update the Department's sensitive but unclassified (SBU) and classified networks. The key FAN projects include:

- State and U.S. Agency for International Development (USAID) IT Transformation Initiative (ITTI).
- Transition from IPv4 to IPv6 in compliance with OMB's mandate.
- Disaster recovery services modernization through the Data Off-Shoring project.
- FAN governance and support.

### **Enterprise Server Operations Center (ESOC): \$27,908,000**

This investment provides Data Center Enterprise Infrastructure as a Service (IaaS) to meet the Department's diplomatic and citizen services objectives worldwide via Private Cloud Computing. The ESOC directly supports DOS strategic objectives by consolidating and then supporting DOS data centers, servers, and data center services. The overall methods employed are focused on higher system availability, data center scalability, high security, and improved cost containment for the Department's Infrastructure as a Service (IaaS) worldwide. The investment supports both mission and business critical DOS systems including enterprise eMail, remote access, mobile computing, Internet server and client access on both unclassified and classified networks across three dispersed geographic locations. Key initiatives planned in FY2014 include:

- Co-location of services provided to 2,500 servers and the completion of the 40GB core upgrade for ESOC East (project phase 2).
- Co-location services provided to 2000 servers and the completion of the 40GB core upgrade in ESOC West (project phase 2).
- Decommission of Opennet/Classnet production at the Beltsville Messaging Center.
- Complete Phase 2 implementation of the On-Demand Self Service for Cloud Infrastructure as a Service.
- Replace infrastructure every four years at a rate of 25 percent per year.

### **Mobile Computing: \$3,400,000**

Mobile computing is essential for flexible diplomacy, especially given the necessity for U.S. diplomats to work outside the office with host country staff and institutions and respond rapidly to crises, disasters, and other events. In FY 2014 investment will allow continued 24x7 support of the systems that allow DOS personnel access to OpenNet via laptop, hand-held mobile devices and desktop computers remotely.

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The Department will continue to increase features and availability of its mobile computing program that capitalizes on advances in security and technology.

### **Global IT Modernization (GITM): \$62,487,000**

GITM is a centrally managed modernization, procurement, and deployment of the Department's Office Automation and support server infrastructure. GITM provides modernized, robust, and standardized computing platform, including classified and unclassified Local Area Networks (LANs) to 270 missions abroad and 31 domestic bureaus and offices under a centrally managed program that is consistent with the Department's E-Government and E-Diplomacy guidance and vision. By maintaining a consistent IT modernization effort, this initiative ensures that the Department maintains a state-of-the-art Information Technology infrastructure. Program attributes include a strong customer focus, increased operational efficiencies, cost avoidance across the Department, and strengthened standardization for systems throughout the enterprise. GITM also directly supports the Department's IT Strategic Plan through its efforts in virtualization, the deployment of thin client technology, and virtual desktops. FY 2014 funding will be used to fund 170 planned modernization installations for FY 2014, to insure that a modern IT infrastructure is in place to support U.S. diplomatic efforts in the 21<sup>st</sup> Century.

### **Enterprise Software-Licensing and Maintenance: \$27,904,000**

The Department has entered into centralized software licensing arrangements for critical software for standardization and volume purchasing. Centralizing ensures that all software is kept current and secure. This enables delivery of effective customer service through help desk and desktop support operations that rely on consistent, current software versions. Through this initiative, the Department is able to obtain the best price, eliminate duplicative license purchases, and ensure compliance with license agreements.

### **Post Telephones: \$3,300,000**

The Post Telephone initiative provides telephonic services and support to the Department of State's missions abroad. This initiative serves foreign affairs posts worldwide by planning, implementing, and coordinating projects required for maintaining and upgrading mission telephone systems. Customers and stakeholders of this initiative include the Department of State's Overseas Buildings Operations (OBO), United States Agency for International Development (USAID), and all agencies co-located at DOS missions abroad. This investment replaces end of life telephone systems with modern up-to-date digital systems capable of delivering a full range of services, to include Voice Over Internet Protocol (VoIP). Key activities planned in FY 2014 are travel and per diem for FTE travel and acceptances, operations and maintenance, contract support labor, continued support of Netbox & Remote Maintenance, and replacement project in New Delhi on behalf of OBO (Dependent on OBO rehabilitation schedule).

### **Other Goal 2 initiatives: \$14,587,000**

Other initiatives in this area include Beltsville Information Management Center upgrades, Domestic Technical Services, Internet Protocol Version 6 (IPV6), and Data Off-Shoring.

### **Goal 3: IT Leadership - Mission Effectiveness through Accountability and Resource Management**

Under Goal 3, the Department will strengthen its IT governance, increase transparency and accountability, and will also expand its training for both IT and non-IT personnel. Goal 3 is a critical enabler of the other two strategic goals.

Significant investments will be made in FY 2014 in Foreign Service Institute (FSI) training programs and systems to ensure that IT personnel and end users are able to make full use of the technologies and services to be offered. Social networking and cloud computing will result in new ways of delivering IT services and this will require a significant shift in the kinds of support provided by our IT personnel around the world. System users will experience technology differently as well, with increased emphasis

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on mobile computing and delivery of standardized services via the cloud. The Department will provide the necessary training, support, and ongoing oversight to manage the change effectively. Other investments in Goal 3 include IT Strategic and Capital Planning and several e-Government Lines of Business (LoB) initiatives in which Department of State participates.

Specific initiatives to be pursued in FY 2014 include:

### **FSI Corporate Systems – Student Training Management System (STMS): \$2,000,000**

FSI Corporate Systems manages, delivers, registers, tracks, records and transfers to HR all FSI course and student training data and provides online course catalogs, online registration, enrollment tracking and recording, reporting to all bureaus, distance learning course delivery, performance surveys, and support to Diplomatic Security Training Center and regional training centers. Maintenance and modernization of these systems enable the Department to provide and manage training worldwide. These systems also support FSI in its role as an OPM authorized e-training service provider. FY 2014 investment is needed so the Department may continue investing in Distance Learning programs and stay in line with OMB mandated requirements.

### **FSI Instructional Support – School of Applied Information Technology (SAIT): \$4,000,000**

FSI's School of Applied Information Technology provides Department-focused IT training for professional IT staff and end users, and FSI's Instructional Support Division provides a full range of 24x7 distance learning content options to employees of the Department, and to other federal agencies on a reimbursable basis, including training on major Department programs and systems, e.g., Web Post Administrative Software Suite (WebPASS) and State Messaging and Archive Retrieval Toolset (SMART). Online courses are a mix of commercial off-the shelf (COTS) and FSI-developed products. FSI also provides instructors with automated authoring tools that speed the development of effective distance learning courses and interactive classroom exercises. FY 2014 investment will help FSI maintain a high level of technical expertise among its IT professionals through instructor-led IT-specific training provided by the School of Applied Information Technology (FSI/SAIT), provide FasTrac, a portal to over 2,500 online COTS courses through the FSI LearnCenter including IT technical subjects, supervisory and leadership skills, Rosetta Stone language learning, WebPASS, and SMART.

### **FSI Learning Infrastructure: \$3,000,000**

This investment funds a four-year life-cycle refreshment program for the IT infrastructure at the Foreign Service Institute and supports classroom and distance learning. The FSI infrastructure includes: classroom technology for instructors and students; the platform for FSI Corporate Systems and for the design, development, and delivery of distance learning worldwide; multimedia/language technical labs and simulation components; and digital videoconferencing for classes, language testing, and course development. FY 2014 investment will refresh non-GITM funded IT equipment as needed including equipment used by classrooms, labs, FSI staff and servers. FSI has a network upgrade planned for State Annex-42, and its classroom space located in State Annex-15.

### **Other Goal 3 initiatives: \$5,815,000**

Other initiatives in this area include Department-wide IT Portfolio Management and capital planning, as well as contributions to e-Government initiatives managed by other agencies and as listed on the OMB MAX website.

E-Government initiatives serve citizens, businesses, and federal employees by delivering high quality services more efficiently at a lower price. Instead of expensive "stove-piped" operations, agencies collaborate to develop common solutions which achieve mission requirements at reduced cost, thereby making resources available for other needs.

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The Department of State currently participates in 11 e-Government programs including e-Travel, Grants.gov, e-Training, and five Line of Business (LoB) initiatives: Budget Formulation and Execution, Financial Management, Geospatial, Grants Management, and Human Resources.

### *Funds by Object Class*

(\$ in thousands)

IT Central Fund (ITCF)	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase/Decrease From FY2012
2100 Travel & Trans of Persons	3,977	3,808	4,237	260
2200 Transportation of Things	1,232	1,212	1,281	49
2300 Rents, Comm & Utilities	1,124	1,103	1,093	(31)
2400 Printing & Reproduction	75	0	0	(75)
2500 Other Services	167,520	140,521	147,634	(19,886)
2600 Supplies and Materials	10,017	10,191	10,514	497
3100 Personal Property	59,985	58,908	75,322	15,337
<b>Total</b>	<b>243,930</b>	<b>215,743</b>	<b>240,081</b>	<b>(3,849)</b>

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# BORDER SECURITY PROGRAM

## *Resource Summary*

(\$ in thousands)

(\$ in thousands)	FY 2012 Actual	FY 2013 CR <sup>(1)</sup>	FY 2014 Request	Increase/ Decrease from FY 2012
Machine Readable Visa (MRV) Fee	1,802,147	1,802,147	1,852,316	50,169
Western Hemisphere Travel Surcharge	215,500	215,500	186,150	(29,350)
<b>Enhanced Border Security Program Fees</b>	<b>430,700</b>	<b>430,700</b>	<b>686,064</b>	<b>255,364</b>
Passport Security Surcharge	377,000	377,000	628,500	251,500
Immigrant Visa Security Surcharge	36,000	36,000	39,564	3,564
Diversity Fee	17,700	17,700	18,000	300
Fraud Prevention Fee	50,474	50,474	47,161	(3,313)
<b>Total Border Security Program Resources</b>	<b>2,498,821</b>	<b>2,498,821</b>	<b>2,771,691</b>	<b>272,870</b>

Note: Diversity Fee includes BSP share only.

(1) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

### *Program Description*

The Department of State's Border Security Program (BSP) provides protection to Americans overseas and contributes to the security of the nation's borders. The program is a core element of the coordinated national effort to deny individuals who threaten the country entry into the United States, while facilitating the entry of legitimate travelers. The program is managed by the Bureau of Consular Affairs (CA), whose mission is to protect the lives and interests of American citizens at home and abroad, and to strengthen the security of U.S. borders while facilitating legitimate travel to the U.S. through the vigilant, efficient, and effective adjudication of visas and passports.

The BSP uses revenue from consular fees and surcharges to fund consular programs and activities, consistent with applicable statutory authorities. These fees include Machine Readable Visa fees, Western Hemisphere Travel surcharges, a Passport Security surcharge, Immigrant Visa Security surcharge, Diversity Immigrant Visa Security surcharge, and H-1B and L Fraud Prevention and Detection fees. The resource summary chart above reflects BSP spending by fee source. The Western Hemisphere Travel Initiative (WHTI) surcharge, was established to cover the costs of meeting the increased demand for passports as a result of actions taken to comply with section 7209(b) of the Intelligence Reform and Terrorism Prevention Act of 2004. The FY 2014 budget request includes a further one-year extension of the WHTI surcharge.

The worldwide BSP supports programs related to consular activities within Consular Relations, Diplomatic Security/Law Enforcement Cooperation, Information Resource Management, and Training. Total funding for Consular Relations is \$2.8 billion, including \$2,771.7 million from BSP revenue, \$5 million from non-BSP Diversity Lottery Fees, and \$33.2 million from Affidavit of Support Fees. These cross-cutting programs are required to secure American borders against terrorists, international criminals, or persons whose presence in the United States would violate U.S. immigration law. The BSP will continue to enhance and refresh the equipment and systems that support worldwide consular activities.

## BORDER SECURITY PROGRAM

The FY 2014 Request aligns these projected revenues to support the provision of consular services, including overseas citizen services, consular facility costs, and investigative resources to support the Visa and Passport Security Strategy. The below summarizes the major activities of the BSP.

### *Funds by Program Activity* (\$ in thousands)

Consular Operations	FY 2012 Estimate	FY 2013 CR <sup>(1)</sup>	FY 2014 Submission	Increase/ Decrease from FY 2012
<b>Consular Project Initiatives</b>	<b>1,368,385</b>	<b>1,368,385</b>	<b>1,815,973</b>	<b>447,588</b>
Consular Systems Technology	280,926	280,926	291,212	10,286
Domestic Executive Support	23,930	23,930	23,734	(196)
Document Integrity/Fraud Program	16,983	16,983	18,348	1,365
Visa Processing	51,600	51,600	61,017	9,417
Public Information Support	28,475	28,475	38,100	9,625
Passport Operations	125,000	125,000	228,250	103,250
Passport Facilities	10,000	10,000	35,000	25,000
American Citizens Services	7,639	7,639	8,582	943
Consular Affairs Domestic Support	276,313	276,313	350,070	73,757
CA Overseas Support	547,519	547,519	761,660	214,141
<b>Border Security Staff (American Salaries)</b>	<b>433,508</b>	<b>433,508</b>	<b>481,677</b>	<b>48,169</b>
<b>Border Security Support/DOS Partners:</b>	<b>536,928</b>	<b>536,928</b>	<b>335,487</b>	<b>(201,441)</b>
Bureaus of Administration (A)	120,674	120,674	61,481	(59,193)
Bureau of Diplomatic Security (DS)	59,915	59,915	58,871	(1,044)
Foreign Service Institute (FSI) Consular Training	7,054	7,054	6,424	(630)
Bureau of Information Resource Management (IRM)	21,800	21,800	31,000	9,200
Overseas Building Operations (OBO)	205,395	205,395	161,824	(43,571)
Western Hemisphere Affairs (WHA)	1,576	1,576	-	(1,576)
American Institute in Taiwan (AIT)	-	-	5,977	5,977
Repatriation Loans (Repat)	-	-	737	737
Overseas Staff Support	120,515	120,515	9,173	(111,342)
<b>Subtotal</b>	<b>2,338,821</b>	<b>2,338,821</b>	<b>2,633,137</b>	<b>294,316</b>
FBI Fingerprint Checks Reimbursement	160,000	160,000	138,554	(21,446)
<b>Total Consular Spending</b>	<b>2,498,821</b>	<b>2,498,821</b>	<b>2,771,691</b>	<b>272,870</b>

(1) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

## BORDER SECURITY PROGRAM

### *Performance*

CA is committed to strengthening the security and integrity of travel documents, thereby protecting national security and maintaining the integrity of the overall issuance process. The core of each adjudication decision rests on an essential element of fraud prevention: verification of the applicant's identity and confirmation of his/her eligibility for the consular service in question.

<b>Strategic Goal 7: Build a 21st century workforce; and achieve U.S. government operational and consular efficiency and effectiveness, transparency and accountability; and a secure U.S. government presence internationally</b>								
<b>Strategic Priority</b>		Visa Services						
<b>Active Performance Indicator</b>		Strengthen case management systems so that fraud detection and tracking capabilities are available enterprise-wide as calculated as a percentage of stakeholders overall, who have access to the fraud case management system.						
<b>Prior Year Results and Ratings</b>					<b>FY 2012</b>		<b>Planned Targets</b>	
<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>Target</b>	<b>Result and Rating</b>	<b>FY 2013</b>	<b>FY 2014</b>
N/A	N/A	N/A	N/A	100% ▲ Above Target	85%	33% ▼ Below Target	95% targeted stakeholders	100% targeted stakeholders
<b>Steps to Improve</b>		Target assumed deployment of the fraud case management system phases two through four. CA deployed phase two in FY 2012, and all stakeholders for this phase have access (33 percent of FY 2012 target stakeholders). During deployment, CA developed additional functionality based on stakeholder recommendations, delaying phases three and four, which includes 67 percent of FY 2012 target stakeholders.						
<b>Impact</b>		Preventing fraud in passport and visa issuance requires robust information sharing across the enterprise. Increasing stakeholder information sharing is an important component of an effective fraud prevention program.						
<b>Methodology</b>		Calculated as a percentage of stakeholders overall who have access to the fraud case management system. FY 2011 results reflect phase one implementation. Subsequent phases (two through four) will add significantly more stakeholders to the fraud case management system.						
<b>Data Source and Quality</b>		The Enterprise Case Assessment Service is a tool for tracking and analyzing consular fraud assessments. No significant data limitations.						

Travel.state.gov (TSG) is one of many tools CA uses to disseminate information to U.S. citizens overseas and citizens preparing for overseas travel. An informed traveler is a safer traveler, and CA is committed to ensuring that U.S. citizens overseas have all the information needed to make wise choices that keep them secure and protect their interests. TSG also provides information to individuals seeking travel documents and therefore promotes legitimate international travel. CA aims to continue to broaden its audience and encourage more visits to its website.

## BORDER SECURITY PROGRAM

Strategic Goal 7: Build a 21st century workforce; and achieve U.S. government operational and consular efficiency and effectiveness, transparency and accountability; and a secure U.S. government presence internationally								
Strategic Priority		American Citizen Services						
Active Performance Indicator		NEW APP INDICATOR: The number of unique hits to travel.state.gov.						
Prior Year Results and Ratings					FY 2012		Planned Targets	
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Target	Result and Rating	FY 2013	FY 2014
N/A	N/A	N/A	N/A	N/A	Baseline	63,473,500 (Baseline)  New Indicator, No Rating	70,000,000	75,000,000
Impact		By increasing visits to TSG, CA will promote the safety and security of U.S. citizens abroad. As U.S. citizens gather more information from TSG, they are better prepared for their overseas experience — whether it be short-term business or tourist travel or long-term residence abroad.						
Methodology		Results are calculated using the website statistics service, Google Analytics. Its proprietary methodologies are not disclosed.						
Data Source and Quality		CA uses Google Analytics, a standard recognized service in the internet industry to obtain statistics on the use of travel.state.gov. There are no known data quality issues.						

### *Justification of Request*

The Department will pursue the following activities in FY 2014 as part of its continued efforts to protect and assist Americans abroad and to improve U.S. border security by preventing the entry of terrorists or others intending to engage in criminal activity into the U.S.

#### **CONSULAR PROJECT INITIATIVES: \$1,815,973,000**

##### **Consular Systems Technology (CST): \$291,212,000**

CST has five initiatives: Enterprise Operations, Consular Systems Support, Consular Systems Development and Enhancements, Enterprise Engineering & Data Management and Enterprise Management Services. These activities support the legacy CA systems, as well as the development and rollout of new tools to support CA's core lines of business. Infrastructure, systems development, enhancements, training, hardware, and operations and maintenance are all included in this line item. The increased request includes development and testing costs for the first phase of the Consular Framework rollout, an enterprise system which will replace legacy visa and passport systems. The Department will also continue to implement Consular One, a coordinated overarching framework that will permit the consolidation of all consular applications into one framework architecture to greatly increase data sharing

## **BORDER SECURITY PROGRAM**

and processing efficiencies, and to significantly reduce data entering redundancies, processing time and data entry errors.

### **Domestic Executive Support Costs: \$23,734,000**

Domestic Executive Support provides operational support for consular and BSP activities worldwide. This activity consolidates four existing offices in CA headquarters as a result of consular realignment. Funding supports operational costs for CA's Front Office, Office of Policy Coordination, Office of the Comptroller, and the Executive Office. Funding also provides domestic program support, outreach, travel and contractual support.

### **Document Integrity, Training and Anti-Fraud Programs: \$18,348,000**

This initiative supports enhanced U.S. border protection and security through strengthening the integrity of U.S. visas and passports in addition to fraud prevention as it relates to Overseas Citizen Services issues. Funding will continue to support passport and visa fraud prevention as well as expanded H-1B and L visa fraud detection efforts.

### **Visa Processing: \$61,017,000**

The Visa Office is the Department's central authority on the visa function and handles all aspects of the visa issuance process. The FY 2014 Requested funding will support on-going operations at the National Visa Center (NVC), the Kentucky Consular Center, and Visa Office headquarters operations in Washington, DC. The FY 2014 increase includes recurring costs for worldwide visa security screening services.

### **Public Information Support: \$38,100,000**

This activity supports two contractor-operated call centers (the National Passport Information Center and the Overseas Citizen Services Call Center), internet websites and Web 2.0 tools used primarily for social media, and traditional on-site outreach to provide the public with the most responsive information available in the most cost-effective manner.

### **Passport Operations: \$228,250,000**

Passport Services provides accurate and secure U.S. passport documents, responds effectively to the needs of U.S. passport customers, and strengthens management and delivery capabilities. In FY 2012, CA adjudicated 13.1 million travel documents (including 1.3 million passport cards). In the first quarter of FY 2013, CA adjudicated 2.6 million travel documents, an eight percent increase over the same period in FY 2012. The Department estimates passport workload to be 15.1 million in both FY 2013 and FY 2014. In order to service the American public in a timely manner, Passport Services must continue to modernize its systems, maintain accountability of its partners, and ensure standardization of processes and procedures across all agencies to the greatest extent possible.

The \$103 million increase will allow Passport Services to meet projected demand, improve techniques for verifying passport applicant data, streamline processing of courier submitted applications, centralize scanning of passport records, and make passport facilities more efficient and secure. The increase will also support CA's efforts to develop "The Next Generation Passport" as part of the ongoing efforts to improve secure travel documents. Passport Services will also continue to expand access to and incorporate supplementary automated identity verification databases used during the adjudication process.

### **Passport Facilities: \$35,000,000**

Presenting up-to-date, comfortable, and safe spaces for the public at agencies is one of many facets in providing a positive customer experience. Improving communication with customers through the use of agency signage and addressing the needs of hearing-impaired customers is also a priority. The increase will be used to maintain the infrastructure of new facilities built in 2012, and cover one-time costs for the

## **BORDER SECURITY PROGRAM**

opening of the new passport facility in Puerto Rico. Funds will also support the two book personalization facilities in Arkansas and Arizona and passport headquarters space in Washington, DC. Items funded in this request include maintenance services, renovations, telephone systems, utilities, and furniture and office equipment.

### **American Citizen Services (ACS): \$8,582,000**

The Department protects the safety and welfare of American citizens abroad through its ACS program. The FY 2014 Request will allow ACS to meet its protection responsibilities for American citizens overseas through programs for crisis management, protection of children, victims of crime, and U.S. citizens residing and traveling abroad, voter assistance programs, and emergency support to destitute American citizens.

### **Consular Affairs Domestic Support: \$350,070,000**

This activity covers domestic support costs such as blank passport books, passport cards, postage and other supplies (e.g. foils, ribbons, and sleeves) that are used to produce U.S. travel documents. These costs continue to increase proportionally with demand and also as a result of enhanced document security features. The Department estimates passport workload for FY 2013 and 2014 to be 15.1 million (13.3 million passport books, and 1.8 million passport cards). This activity also includes CA's fee-funded support of activities initially funded through the Diplomatic and Consular Programs appropriation.

### **Consular Affairs Overseas Support: \$761,660,000**

This line item includes start-up and recurring costs for overseas staff, such as program support costs for visa consumables and supplies (visa foils and card stock); the Global Support Strategy (GSS); International Cooperative Administrative Support Services (ICASS); Foreign Service National Separation Liability Trust Fund (FSNSLTF); CA Post Allotments (collection of MRV bank fees from applicants); equipment for consular agents; support for Consular Management Assessment Team (CMAT); and LE Staff and U.S. Direct Hire non-salary support.

The \$214.1 million increase over the 2012 Actual level includes consular activities that were transferred to BSP as part of the Consular Realignment Initiative. These costs, including consumables and supplies for visa and passport programs, and ICASS costs, were formerly included in the request for Overseas Support under Border Security Support/DOS Partners. The increase also includes salary and benefits for locally engaged consular employees, as well as post-specific benefits of American consular staff, which were transferred from the Regional Bureaus as part of Consular Realignment.

A \$74 million increase is also requested for continued GSS implementation. GSS is a worldwide initiative changing the way third parties provide information, schedule appointments, collect fees, deliver documents, and provide greet visa support services. The replacement of the existing user-pays services will provide better accountability, transparency, and customer service in the support activities supplied by commercial entities to consular sections around the world. GSS implementation will cost an estimated \$243.5 million in FY 2014. By the end of FY 2014, 117 countries will have GSS coverage.

### **BORDER SECURITY STAFF/AMERICAN SALARIES (AMSALS): \$481,677,000**

Border Security staff costs include domestic and overseas positions in CA and Diplomatic Security. Salary funding for the Office of the Secretary Operations Center, Bureau of Administration, Bureau of Counterterrorism, Office of the Legal Advisor, Foreign Service Institute, and the Bureau of Information Resource Management domestic positions is also included. The request also reflects funding for Limited Non-career Appointment (LNA) positions to address growing visa demand. In FY 2014, the Department plans to increase staff by 151 new positions in order to support new consular workload. The 2014

## **BORDER SECURITY PROGRAM**

Request includes \$39 million for 110 new overseas consular positions—of which 93 are LNA positions—and \$6 million for 41 new domestic positions.

### **BORDER SECURITY SUPPORT/DOS PARTNERS: \$335,487,000**

#### **Bureau of Administration (A): \$61,481,000**

A's Office of Facilities Management Services (FMS), will assume building management oversight of CA's World Headquarters Building (SA-17A) and facilities in Portsmouth, New Hampshire, ensuring a safe and secure environment for all CA domestic staff. In addition to these activities, FMS will provide technical expertise and assistance for incoming mail threat detection, ergonomic assessments of office environments, indoor air quality assessments, and other environmental health and safety programs at CA facilities throughout the United States. The decreased request is due to one-time costs in FY 2012 to expand and update SA-17A.

#### **Diplomatic Security (DS): \$58,871,000**

DS hires and assigns uniformed protection officers to guard all domestic CA facilities. This request contains funding for contracts for 18 additional guards at SA-17A as well as seven guards at the new Puerto Rico Passport Facility.

#### **Foreign Service Institute (FSI) – Consular Training: \$6,424,000**

FSI provides training in domestic and overseas classes, conferences, on-line courses, and workshops. The training targets consular officers, consular agents, LE staff, as well as systems staff who support CA's strategic goals and priorities, and Civil Service employees in CA and its passport agencies.

#### **Technology Backbone Support (IRM): \$31,000,000**

IRM will provide the technology backbone support to BSP and will continue to handle technology enhancement requirements that support CA's adjudication of passport and visa applications. The request also covers information technology support needed to address the Executive Order on "Establishing Visa and Foreign Visitor Processing Goals and the Task Force on Travel and Competitiveness."

#### **Overseas Building Operations (OBO) (Consular Facilities Overseas): \$161,824,000**

The funding request for FY 2014 includes residential lease costs associated with consular officers overseas (approximately \$91.8 million), the costs of continued expansion of consular facilities in China and Brazil (\$50 million total), and other facilities improvements worldwide (estimated at \$20 million) to be funded from BSP resources.

#### **American Institute in Taiwan (AIT): \$5,977,000**

Beginning in FY 2014, BSP will include funding to support consular-related operations in the AIT. The BSP will provide \$6 million to normalize AIT's consular operations to match worldwide process and systems, and ensure AIT funding security in the future, given Taiwan's acceptance into the Visa Waiver Program.

#### **Repatriation Loans: \$737,000**

Beginning in FY 2014, BSP will include sufficient funding to cover the administrative costs for the Repatriation Loans program, which assists destitute Americans abroad who have no other source of funds to return to the U.S. The request will allow the Department to administer the program from approval to final payoff at a level consistent with expected loan volume.

#### **Overseas Staff Support: \$9,173,000**

This line item previously covered programmatic expenses of the BSP, including consumables and supplies for visa and passport programs, ICASS costs, and salaries and post-specific benefits previously

## **BORDER SECURITY PROGRAM**

covered by the Regional Bureaus. As part of the Consular Realignment Initiative, these costs are now included in the Consular Affairs Overseas Support line item described under Consular Project Initiatives. The Overseas Staff Support line item now reflects Post Assignment Travel for overseas consular personnel, including training, travel, and change of station costs, which are crucial to staffing overseas missions with trained personnel.

### **FBI FINGERPRINT CHECKS REIMBURSEMENT: \$138,554,000**

The FY 2014 Request includes funding for the Department to reimburse the FBI for Advanced Fingerprint Identification Technology clearances of fingerprints.

# WORKING CAPITAL FUND

## *Resource Summary*

(\$ in thousands)

Appropriations	FY 2012 Actual	FY 2013 CR <sup>(1)</sup>	FY 2014 Request	Increase / Decrease from FY 2012
Positions	710	704	704	(6)
Funds	1,169,078	1,292,977	1,316,252	147,174

(1) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

### *Program Description*

The Working Capital Fund (WCF) does not receive direct appropriations. The Working Capital Fund generates revenues through the sale of goods and services to “customers” from the Department and other federal agencies. The revenue collected from these “customers” is used to pay for the acquisition of resources needed to ensure the continuous operation of the various working capital fund activities. In other words, in exchange for goods and services, resources from the initial/additional investment are expended, and subsequently reimbursed, from funded customer orders. The funds needed to reimburse the WCF are included in the budgets of the customers utilizing the services of the WCF. The economies of scale achieved through WCF activities are a significant advantage in controlling costs, avoiding duplication, and achieving service standards. The ability to incur obligations is limited to the amount of authority approved for obligation during the budget review and amended by unanticipated events during execution. The WCF FY 2014 increase in necessary funding through reimbursements is primarily due to the inclusion of Afghanistan under the Aviation WCF.

### **Purpose**

The Working Capital Fund operates under the legal authority of 22 U.S.C. 2684, which authorizes the establishment of cost centers to cover necessary expenses related to (1) central reproduction, editorial, data processing, audiovisual, library and administrative support services; (2) central services for supplies and equipment (including repairs); (3) such other administrative services as the Secretary, with the approval of the Office of Management and Budget, determines may be performed more advantageously and more economically as central services; and (4) medical and health care services. The capital of the WCF consists of the amount of the fair and reasonable value of such supply inventories, equipment, and other assets and inventories on order, pertaining to the services to be carried on by the fund. The WCF allows the use of business practices to improve operations, provide support, and reduce costs in accordance with government rules, regulations, and laws. The offices that operate WCF cost centers act similar to businesses because they charge customers for services and use revenue to fund their activities at rates which approximate the expense of operations. The economies of scale achieved through WCF operations result in significant savings to the Department.

Charging customers for services allows them to determine whether or not these services are affordable to them. This helps control costs while giving government customers the option to use important services as needed. It also requires the customer to obligate funding resources based on actual requirements and scheduled pricing, thereby promoting improved financial planning. There are, however, some services

## WORKING CAPITAL FUND

provided under the WCF that have been determined to be required services, such as Post Assignment Travel, medical evacuations and overseas hospitalizations.

The WCF is reimbursed for goods and services, but without a profit. Like any other business there is cash flow, or carry-over, from year-to-year depending on when services were provided and when payments were received. This allows the critical functions of the WCF to continue to operate smoothly during the beginning of the fiscal year. Accumulated funds from year-to-year may arise from charges for depreciation of capital equipment which is then used in future years to replace such equipment.

### Structure

The WCF consists of 36 cost centers. The Bureau of Administration (A Bureau) manages 32 of the cost centers, working in conjunction with the Bureau of Information Resource Management (IRM) on four, the Bureau of International Narcotics and Law Enforcement Affairs Aviation (INL/A) for Aviation on two, and the Bureau of Resource Management (RM) on one. The Bureau of Human Resources manages two cost centers related to Post Assignment Travel (PAT). Of the two remaining cost centers, one is administered by the Bureau of Diplomatic Security, and the other by the Office of the Medical Director.

### A Bureau managed cost centers:

28 of the 32 cost centers are grouped by type of service into six service centers in order to ensure that uniform services are being provided to all customers and to provide for consistent interaction between the service provider and the customer. The six service centers are as follows:

### Global Publishing Solutions (GPS):

GPS offers domestic and overseas services. For domestic offices, GPS Washington manages the leasing, supplying, and servicing of copiers, professional printing and design services, and liaison with GPO services. The Office of Multi-Media Publishing Services (MMS) provides information through print, graphics, and other digital media consistent with applicable statutes and regulations. MMS is the Department's central printing and publications management organization. The Regional Printing Centers (RPCs) in Manila and Vienna offer the same high volume services as GPO, but at significant cost savings.

Service Center	Cost Center	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease From FY 2012
GPS	GPS Washington	20,434	16,368	16,663	(3,771)
GPS	Regional Printing Centers	7,899	6,738	6,905	(994)
Total		28,333	23,106	23,568	(4,765)

### Freight Forwarding (FF):

Prepares paperwork, consolidates and books for export ocean and airfreight shipments of personal property and official supplies from points within the U.S. to posts overseas; and, prepares paperwork for receiving, clearance through Customs, and forwarding ocean and airfreight shipments of personal property and official supplies to locations in the U.S. in-bound. The Hagerstown Warehouse is responsible for the permanent storage of household effects for Department of State and other agency employees. The European Logistical Support Office (ELSO) in Antwerp is a through point for directing, handling, and distributing shipments of household effects, personal effects, official supplies, and equipment to and from selected posts throughout the world. The ability to consolidate shipments, and to take advantage of lower prices available for multiple shipments, results in a significant cost savings.

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Service Center	Cost Center	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease from FY 2012
FF	Washington, D.C. Despatch	93,095	91,096	92,686	(409)
FF	European Logistics & Support Office	66,503	64,520	65,681	(822)
FF	Baltimore Despatch	17,820	18,212	18,540	720
FF	Miami Despatch	12,542	12,818	13,049	507
FF	N.Y. Despatch	20,284	19,480	19,831	(453)
FF	Warehouse- Frankfurt	3,850	3,935	4,006	156
FF	Seattle Despatch	16,340	15,699	15,982	(358)
FF	Brownsville, TX – Logistic Center	1,257	1,282	1,308	51
FF	Hagerstown Warehouse	4,668	4,771	4,857	189
FF	Secure Logistics	17,381	17,763	18,083	702
Total		253,740	249,576	254,023	283

**Information Technology (IT) Services (A Bureau and IRM Managed):**

The Telephone, Wireless and Data Services Division (TWD) provides centralized management control over equipment, services, maintenance for unclassified voice/data telecommunications, and obtaining economies of scale. Increases in TWD are related to upgrades in the infrastructure to support the operation and maintenance of equipment, lines, and circuits for the unclassified voice/data telecommunications system.

OpenNet Everywhere (ONE) / Overseas Blackberry Enterprise Server (BES): These service programs are fee-for-service programs allowing an authorized user “anywhere/anytime” remote access to the Department’s sensitive-but-unclassified network (OpenNet) from any internet-connected computer meeting minimum systems specification.

Diplomatic Telecommunications Service (DTS) is a network jointly managed by their Program Office (DTS-PO), and IRM under IT Services. The DTS provides the telecommunications infrastructure for all diplomatic and consular posts abroad as well as relay sites/interregional hubs both overseas and within the Washington area for all 47 customer agencies. This cost center was created by law in 1992. On October 7, 2010, the Intelligence Authorization Act for Fiscal Year 2010 (PL111-186) moved DTS-PO out of the State Department. The unliquidated obligations and available balance will be moved to DTS-PO during FY 2013.

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Service Center	Cost Center	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease from FY 2012
IT	Telephone Wireless and Data Service (TWD)	79,297	76,918	78,303	(994)
IT	OpenNet Everywhere	7,500	6,750	6,872	(628)
IT	Diplomatic Telecommunication Service	5,929	0	0	(5,929)
Total		92,726	83,668	85,175	(7,551)

### Operations (OPS):

Fleet Management Division - Domestic Fleet Management Operations Division (FMO) is charged with providing motor vehicle services to Department offices in the continental United States. Building Support Services (Labor, Lock, and Cable Services) – The Office of General Services Management, Special Support Services Division is responsible for delivery of shipments received at the Harry S. Truman Building, loading dock, laborers for office furniture and equipment moves, installing and repairing safes, locking cabinets, keys, and other security devices; and installs and maintaining State TV (cable television) services.

Commissary and Recreation Affairs – The Commissary and Recreation Affairs Staff are reported under the Working Capital Fund. Employee associations at posts (commissaries, recreation facilities, etc.) operate as independent entities and are not part of the Working Capital Fund.

Service Center	Cost Center	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease from FY 2012
OPS	Fleet Management	1,084	1,030	1,048	(36)
OPS	Fleet Management	5,938	5,641	5,743	(195)
OPS	Building Support	4,732	4,495	4,576	(156)
OPS	Commissary and Rec	391	371	378	(13)
Total		12,145	11,537	11,745	(400)

### Procurement Shared Services (AQM):

The Office of Acquisitions Management (A/LM/AQM) manages, plans, and directs the Department's acquisition programs and conducts contract operations in support of activities worldwide. Acquisitions Management is involved, or carries out, almost all procurements for the Department and other federal agencies. Regional Procurement Support Offices (RPSO) in Florida and Frankfurt provide support by managing the local conditions in their respective regions. The Overseas Procurement cost center facilitates post procurements for other government agencies.

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Service Center	Cost Center	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease from FY 2012
AQM	RPSO Frankfurt	4,449	4,047	4,120	(329)
AQM	RPSO Florida	2,711	2,771	2,821	110
AQM	Acquisitions Mgmt	76,197	75,873	77,239	1,042
AQM	Overseas Procurement	30,380	29,048	29,571	(809)
Total		113,737	111,739	113,751	14

**Service Center (SVC):** The Library procures periodicals, books, newspapers, and databases for offices within the Department. Overseas offices may also utilize the Library in this capacity. Both domestic and overseas offices can take advantage of the economies of scale available from group purchasing. The Comptroller and Global Financial Services, or CGFS, (Administrative Expenses) cost center managers pay from their funds into this cost center in exchange for accounting and budget services. This cost center is managed by CGFS but falls under A Bureau's responsibility for the fund.

Service Center	Cost Center	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease from FY 2012
SVC	Library	3,128	2,815	2,866	(262)
SVC	Admin Expense	2,200	2,246	2,286	86
Total		5,328	5,061	5,152	(176)

**Office of Foreign Missions (OFM):**

OFM was created as a part of the Foreign Missions Act in 1982 and is managed by DS. The Office of Foreign Missions (OFM) is the primary liaison to the foreign diplomatic community in the U.S. OFM provides a wide range of benefits and services to the foreign diplomatic community. OFM also assists the DS Protective Liaison Division and the Foreign Missions Branch of the U.S. Secret Service to ensure the safety and security of the foreign missions and their personnel.

Service Center	Cost Center	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease from FY 2012
OFM	Office of Foreign Missions	14,277	14,591	14,854	577

**Human Resources – Post Assignment Travel (HR-PAT) Managed Cost Centers:**

Post Assignment Travel (PAT) encompasses all flights, shipping charges, temporary housing, and per diem travel expenses associated with Permanent Change of Station (PCS), moving Foreign Service personnel and their families to and from a post. HR manages these expenses centrally to alleviate problems of post-to-post and bureau-to-bureau coordination.

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Service Center	Cost Center	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease from FY 2012
PAT	Post Assignment Travel	333,987	321,132	326,912	(7,075)

### Medical Managed Cost Center:

The Office of Medical Services (MED) cost center was created to ensure funding availability for the following medical expenses:

- Medical evacuations – MED authorizes medical evacuations for State Department employees and eligible family members (EFMs) while overseas and provides the fund cite to post to authorize necessary travel expenses.
- Hospitalizations – MED provides funds to post to pay for expenses related to overseas hospitalizations of State employees and their EFMs.
- Physicals – MED uses this fund cite to pay private medical expenses of State employees to cover expenses related to obtaining medical clearances, such as physicals and, if necessary, specialist evaluations and approved treatment, for themselves and their EFMs.

Service Center	Cost Center	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease from FY 2012
MED	Medical	27,000	25,000	25,450	(1,550)

### Information Technology (IT) Desktop Services Cost Center (A Bureau and IRM):

Institutionalized standardized systems and configurations to ensure the Department’s information resources are safe and that personally identified information is well protected, and to take advantage of economies of scale. In-scope service areas include service/help desk, standard desktop services, file, and email storage and sharing services.

Service Center	Cost Center	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease from FY 2012
IT	Desktop Services	52,805	49,967	50,866	(1,939)

### Aviation Managed Cost Center (A Bureau and INL/A):

In response to requirements for secure air transportation for authorized users in Afghanistan and Iraq, the INL Office of Aviation (INL/A) expanded the support it provides, offering passenger service to, from and/or within these countries. Fixed-wing aircraft provide service into and out of Iraq and a mixture of airplanes and helicopters support program missions and move passengers within the countries.

To more efficiently manage the use of the aircraft and equitably share the costs among State Department and non-State Department entities, the Department created the Aviation Working Capital Fund (AWCF) Cost Center.

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The AWCF has streamlined the funding for aviation support. The fund also allows users to access air transportation to support their programs and activities while paying the true cost of the service, allowing them to make more informed decisions and reducing the unnecessary use of assets. The cost of general transportation services will be covered by user charges on a by seat or full aircraft basis. The aircraft will not be transferred into the WCF, and the procurement of aircraft are not included within the cost of services. Finally, the cost center reinforces the concept of a single aviation service provider (INL Air Wing) with assets available to deploy under Chief of Mission authority for regional or local air missions.

Service Center	Cost Center	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease from FY 2012
AWCF	Aviation Iraq	235,000	151,300	154,023	(80,977)
AWCF	Aviation Afghanistan	0	246,300	250,733	250,733
<b>Total</b>		<b>235,000</b>	<b>397,600</b>	<b>404,756</b>	<b>169,756</b>

### Department of State WCF Personnel Summary (\$ in thousands)

Cost Center	Number of Positions	Funds
A Bureau		
Copier program	3	\$353
Global Publishing Solutions	40	\$4,707
GPO Liaison	1	\$118
Washington, D.C. Despatch	53	\$6,372
European Logistics & Support Office	2	\$235
Baltimore Despatch	11	\$1,294
Miami Despatch	7	\$746
N.Y. Despatch	16	\$1,882
Warehouse- Frankfurt	1	\$118
Seattle Despatch	3	\$353
Fleet Management	9	\$1,150
Fleet Management	57	\$6,708
TWD	26	\$3,068
Building Support	15	\$1,763
Secure Logistic	24	\$2,856
Commissary & Recreation	1	\$118
RPSO Frankfurt	4	\$470
Global Publishing Solutions, Manila, Philippines	2	\$235
Hagerstown Warehouse	2	\$235

## WORKING CAPITAL FUND

<b>Cost Center</b>	<b>Number of Positions</b>	<b>Funds</b>
RPSO Florida	8	\$941
Acquisitions MGMT	224	\$27,616
Global Publishing Solutions, Cairo, Egypt	4	\$470
<b>Total</b>	<b>513</b>	<b>\$61,808</b>
OFM	102	\$11,835
Desktop Services	73	\$8,285
CGFS	16	\$1,882
<b>Grand Total</b>	<b>704</b>	<b>\$83,810</b>