

Department of Education
PROGRAM ADMINISTRATION
Fiscal Year 2013 Budget Request

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For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, [~~\$447,104,000~~] \$463,815,000, of which \$2,211,000, to remain available until expended, shall be for relocation of and renovation of buildings occupied by Department staff. (Department of Education Appropriations Act, 2012.) ¹

NOTE

Each language provision that is followed by a footnote reference is explained in the Analysis of Language Provisions and Changes document, which follows the appropriation language.

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Analysis of Language Provisions and Changes

Language Provision	Explanation
<u>¹ of which, \$2,211,000, to remain available until expended, shall be for relocation of and renovation of buildings occupied by Department staff.</u>	This language provides for the availability of funds to remain available until expended on relocation of and renovations of buildings occupied by Department staff.

PROGRAM ADMINISTRATION
Amounts Available for Obligation
(dollars in thousands)

Appropriation and Adjustments	2011	2012	2013
Discretionary budget authority:			
Annual appropriation	\$456,200	\$447,104	\$463,815
Across-the-board reduction (P.L. 112-10)	-912	0	0
Across-the-board reduction (P.L. 112-74)	<u>0</u>	<u>-845</u>	<u>0</u>
Subtotal, budget authority	455,288	446,259	463,815
Unobligated balance, start of year	1,628	2,406	2,406
Recovery of prior-year obligations	574		
Unobligated balance expiring.....	-440	0	0
Unobligated balance, end of year	-2,406	-2,406	-2,406
Subtotal, obligations.....	454,644	446,259	463,815
Total, direct obligations	454,644	446,259	463,815

PROGRAM ADMINISTRATION

Obligations by Object Classification (dollars in thousands)

Object Class	2011	2012	2013	Change from 2012 to 2013
11.10 Full-time permanent	\$199,306	\$208,767	\$210,605	\$1,838
11.31 Full-time temporary	24,064	13,372	13,471	99
11.32 Part-time	4,597	791	914	123
11.33 Consultants	398	87	88	1
11.51 Overtime	257	397	394	(3)
11.52 Awards	3,611	2,565	2,550	(15)
11.80 Other Compensation	0	12	0	(12)
Compensation subtotal	232,233	225,991	228,022	2,031
12.00 Benefits	63,308	59,794	60,729	935
13.10 Benefits for former personnel	1,622	2,680	180	(2,500)
21.00 Travel	5,548	5,247	5,022	(225)
22.00 Transportation of things	88	1	1	0
23.10 Rental Payments to GSA	41,377	42,121	43,902	1,781
23.31 Communications	283	445	631	186
23.32 Postage/fees	75	1,159	1,159	0
Subtotal 23	41,735	43,725	45,692	1,967
24.00 Printing & Reproduction	1,538	1,491	1,490	(1)
25.10 Advisory and Assistance Svcs	2,794	3,089	3,354	265
25.21 Other Services	13,950	16,184	16,266	82
25.22 Training/Tuition/Contracts	1,776	2,075	2,231	156
25.23 Field Readers	35	0	0	0
25.30 Goods/Services from Gov't	27,390	25,973	27,712	1,739
25.71 Operations/Maint of Equipment	560	1,561	1,184	(377)
25.72 IT Services/Contracts	51,583	56,190	68,749	12,559
Subtotal 25	98,088	105,072	119,496	14,424
26.00 Supplies	806	712	712	0
31.10 IT Equipment/Software	1,671	681	777	96
31.30 Other Equipment	2,764	226	289	63
Subtotal 31	4,435	907	1,066	159
32.00 Building Alterations	5,385	639	1,405	766
43.10 Interest and Dividends	1	0	0	0
Total, Obligations	454,787	446,259	463,815	17,556
Total Pers. Comp. & Ben.	297,163	288,465	288,931	466
Total Non-Personnel	157,624	157,794	174,884	17,090

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PROGRAM ADMINISTRATION

Summary of Changes
(dollars in thousands)

2012.....	\$446,259
2013.....	<u>463,815</u>
Net change	+17,556

Increases:	<u>2012 base</u>	<u>Change from base</u>
<u>Built in:</u>		
Increase in salaries primarily for minor changes in average salaries, a proposed Governmentwide pay raise, and one additional paid day in 2013.	\$223,017	+\$2,061
Increase in benefits for the Department's share of health, retirement, and other benefits.	59,794	+935
Increase in GSA rental payments due primarily to transfer of staff from various leased buildings to the Mary E. Switzer building.	42,121	+1,781
<u>Program:</u>		
Increase in communications.	445	+186
Increase in advisory and assistance services.	3,089	+265
Increase in other services.	16,184	+82
Increase in training primarily to improve financial management within the Department.	2,075	+156
Increase in goods and services from the Government for building and physical security items including guard services and background investigations.	7,833	+1,150
Increase in goods and services from the Government for building modernization renovations.	0	+272
Increase in goods and services from the Government for information technology security.	2,307	+378

PROGRAM ADMINISTRATION

Summary of Changes (dollars in thousands)

Increases:	<u>2012 base</u>	<u>Change from base</u>
<u>Program:</u>		
Increase in goods and services from the Government for the e-Government: e-Rulemaking initiative.	127	+189
Increase in contracted IT services for EDCAPS, the Department's core financial system, primarily for a new contracts and purchasing system and continued operations of EDCAPS.	3,032	+10,930
Increase in contracted IT services to improve data quality and functionality of ED <i>Facts</i> , designed to measure student achievement.	9,751	+939
Increase in contracted IT services for building modernization renovations.	0	+871
Increase in IT equipment and software.	681	+96
Increase in other equipment primarily for the alterations of Department occupied buildings.	226	+63
Increase in building alterations primarily for space modifications of Department occupied buildings.	1,280	<u>+766</u>
Subtotal, increases		+21,120
 Decreases:	 <u>2012 base</u>	 <u>Change from base</u>
<u>Program:</u>		
Decrease in personnel compensation due to completion of 2012 buyouts.	\$2,692	-2,512
Decrease in overtime.	397	-3
Decrease in awards.	2,565	-15
Decrease in travel.	5,247	-225
Decrease in printing and reproduction.	1,491	-1

PROGRAM ADMINISTRATION

Summary of Changes

(dollars in thousands)

Decreases:	<u>2012 base</u>	<u>Change from base</u>
<u>Program:</u>		
Decrease in operations and maintenance of equipment primarily due to successful transition to EDSTAR the HSPD-12 system, now requiring on-going operation support and maintenance.	1,561	-377
Decrease in goods and services from the Government for the e-Government: Grants.gov initiative.	706	-230
Decrease in goods and services from the Government for overtime utilities.	1,806	<u>-201</u>
Subtotal, decreases		-3,564
Net Change		+17,556

PROGRAM ADMINISTRATION

Authorizing Legislation
(dollars in thousands)

Activity	2012 Authorized	2012 Estimate	2013 Authorized	2013 Request
Salaries and expenses (DEOA)	Indefinite	\$446,259	Indefinite	\$461,604
Building Modernization (DEOA)	Indefinite	<u>0</u>	Indefinite	<u>2,211</u>
Total definite authorization		0		0
Total annual appropriation		446,259		463,815

PROGRAM ADMINISTRATION

Appropriations History (dollars in thousands)

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
2004	\$434,494	\$434,494	\$349,730	\$420,379
2005	429,778	421,055	420,379	419,280
2006	418,992	410,612	411,992	411,150
2007	425,966	N/A ¹	N/A ¹	418,587 ¹
2008	446,934	219,487	432,631	411,274
2009	444,439	422,185 ²	427,939 ²	433,482
2010	456,500	452,200	452,200 ³	456,200
2011	492,488	465,000 ⁴	492,488 ³	455,288 ⁵
2012	479,038	449,815 ⁶	449,074 ⁶	446,259
2013	463,815			

¹ This account operated under a full-year continuing resolution (P.L. 110-5). House and Senate Allowance amounts are shown as N/A (Not Available) because neither body passed a separate appropriations bill.

² The levels for the House and Senate allowances reflect action on the regular annual 2009 appropriations bill, which proceeded in the 110th Congress only through the House Subcommittee and the Senate Committee.

³ The level for the Senate allowance reflects Committee action only.

⁴ The level for the House allowance reflects the House-passed full-year continuing resolution.

⁵ The level for appropriation reflects the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10).

⁶ The level for the House allowance reflects an introduced bill and the level for the Senate allowance reflects Senate Committee action only.

PROGRAM ADMINISTRATION

Significant Items in FY 2012 Appropriations Report

Teacher Quality Improvement

Conference: The Conferees request the Department to issue a report within 180 days of enactment of this Act that identifies remaining programs designed to improve teacher quality, which agency administers the program, the most recent program evaluation data available for each (if any), and includes recommendations on how agencies can better collaborate and coordinate on administration of these programs.

Response: The Department will provide the report as requested by June 30, 2012.

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PROGRAM ADMINISTRATION

Salaries and Expenses

(DEOA)

(dollars in thousands)

FY 2013 Authorization: Indefinite

Budget authority:

	<u>2012</u>	<u>2013</u>	<u>Change</u>
Personnel Costs	\$288,465	\$288,931	+\$466
Non-personnel costs	<u>157,794</u>	<u>172,673</u>	<u>+14,879</u>
Total	446,259	461,604	+15,345
FTE	2,074	2,064	-10

PROGRAM DESCRIPTION

The Program Administration account provides a significant portion of the funding and staff to administer the Department's programs and activities in the following program and staff offices:

Program offices:

- Office of Postsecondary Education
- Office of Elementary and Secondary Education
- Office of English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students
- Office of Special Education and Rehabilitative Services
- Office of Vocational and Adult Education
- Institute of Education Sciences
- Office of Innovation and Improvement

Staff offices:

- Office of the Secretary
- Office of the Deputy Secretary
- Office of the Under Secretary
- Office of the General Counsel
- Office of Planning, Evaluation, and Policy Development
- Office of Communications and Outreach
- Office of Legislation and Congressional Affairs
- Office of Management
- Office of the Chief Financial Officer
- Office of the Chief Information Officer
- Advisory Committee on Student Financial Assistance

PROGRAM ADMINISTRATION

Salaries and Expenses

Program offices are the front-line administrators of the Department's programs, providing leadership and financial support for education programs assisting preschoolers; elementary, secondary, and college students; and adults. Program offices are critical to managing the Department's multi-billion dollar program budget through activities such as grantmaking and review, grantee technical assistance, grant monitoring, and contract management. In addition, the offices support research and demonstration projects to improve education and disseminate information on research findings and education statistics.

Staff offices provide the policy, legal, management, and financial support needed to help the Department fulfill its mission. These offices are vital to the day-to-day operation of the Department, as well as providing policy leadership and administration of key Departmental priorities.

Funding levels for the past 5 fiscal years were as follows:

	(dollars in thousands)
2008	\$409,211
2009	428,082
2010	448,000
2011	447,104
2012	446,259

FY 2013 BUDGET REQUEST

The fiscal year 2013 request for Salaries and Expenses is \$461.6 million, \$15.3 million, or 3.4 percent, above the 2012 level. The additional funds requested for 2013 are targeted in a few key areas, accounting for \$12.7 million of the requested increase:

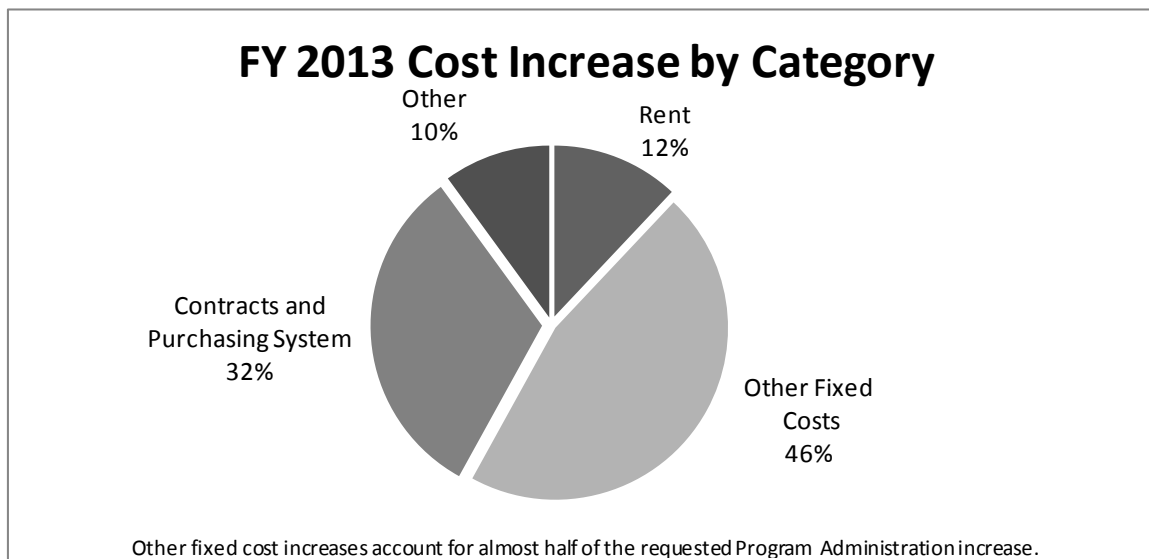
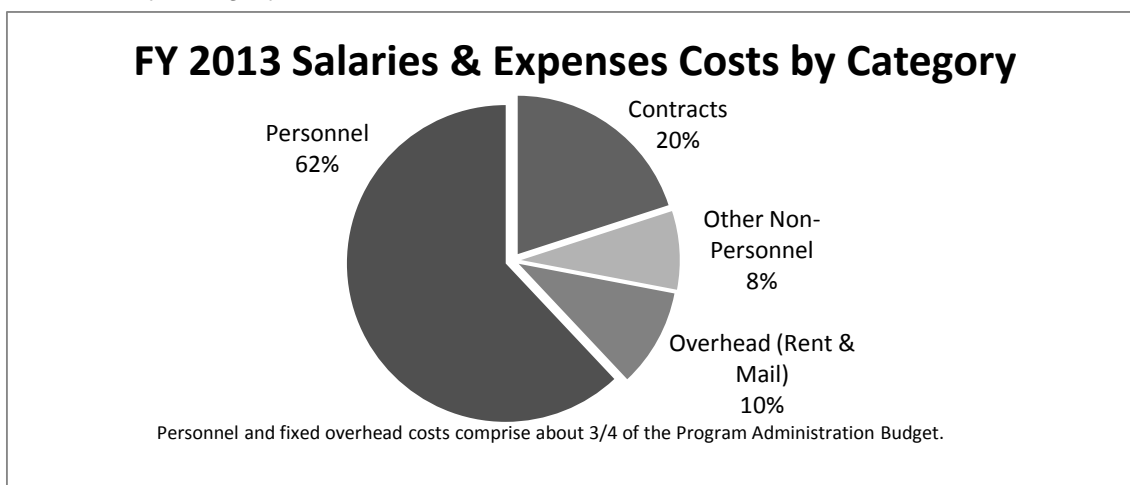
1. **Contracts and Purchasing Support System**—An increase of \$5 million is requested to replace the Department's Contracts and Purchasing Support System. The current system, which the Department has used for the past 10 years, is at the end of its lifecycle and there is a serious risk that the contractor will not continue to maintain or update it. Further, the current system does not allow for key functionality required to manage the contract acquisition and purchasing process. The requested \$5 million will be used to replace the current antiquated system with a new system designed to provide greater functionality and reliability. The new system is scheduled to be operational at the end of 2013, after a multi-year development effort.
2. **Rental costs for office space**—As landlord and real estate agent for the Federal Government, the General Services Administration (GSA) determines the office space costs for the Department, including the cost of rent. Given existing budget constraints, the Department has been working with GSA to explore ways to reduce its overall space costs. Part of the Department's strategy is to consolidate staff from various Washington, D.C. buildings into other Department space, including the newly renovated Mary E. Switzer building. While the Department plans for these moves to produce long-term space savings, there are one-time costs associated with moving staff, as multiple buildings are required to be occupied simultaneously during the move. Most of the \$1.8 million in increased rent costs is needed to cover these one-time costs; there are also some built-in rate and tax increases.

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Salaries and Expenses

- Continued operations of Education Central Automated Processing System (EDCAPS), the Department's core financial system—By strategically funding ongoing EDCAPS contracts in 2011, the Department was able to reduce the operating budgets of EDCAPS in 2012 to help manage within extremely tight budget scenarios. As a result, the requested increase of \$5.9 million for EDCAPS must be provided in 2013 in order to ensure smooth functioning of key financial systems, including providing the disbursement of grants and loans.

The first chart below provides detail on the Program Administration request by type of cost within the \$461.6 million requested, while the second chart shows the \$15.3 million cost increases by category.



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Salaries and Expenses

The 2013 request includes funding for 2,064 full-time equivalent (FTE), a net decrease of 10 FTE from the 2012 level.

Personnel and Non-Personnel Costs Summary

The budget request includes \$288.9 million for personnel compensation and benefits. This is an increase of \$466,000 from the 2012 level of \$288.5 million to cover one extra paid day, a Governmentwide pay increase of 0.5 percent, and other increases for salaries and benefits such as health insurance. The total request for non-personnel activities in 2013 is \$172.7 million, an increase of \$14.9 million from the 2012 level of \$157.8 million. Non-personnel costs cover such items as travel, rent, mail, telephones, utilities, printing, information technology, contractual services, equipment, supplies, and other departmental services.

SIGNIFICANT BUDGET ITEMS

Significant changes from 2012 to 2013 and key projects are highlighted in the following sections, grouped by office.

Office of Elementary and Secondary Education

Standards and assessments initiative

The primary objectives of this project include: 1) obtaining logistical and administrative support for peer reviews related to implementing Elementary and Secondary Education Act (ESEA) Title I, Part A, Section 1111(b) (Academic Standards, Academic Assessments, and Accountability), including reviews of standards and assessment systems, enhanced assessment grants, Title I accountability plans (required under Title I of the ESEA, which include academic assessments, along with other academic indicators, to be used as the basis for public school and school district accountability), and ESEA waivers; and 2) providing support for the offices of Student Achievement and School Accountability and School Turnaround in implementing the ESEA Title I Programs, including the use of consultants for onsite monitoring and technical assistance. In 2013, \$977,000 is requested for this project, an increase of \$50,000 from 2012.

Impact aid system

A total of \$320,000 is requested in 2013 for the continuing maintenance of the Impact Aid system, which processes and manages application data and payment information for the Impact Aid program. The request is unchanged from the 2012 level.

Office of Planning, Evaluation, and Policy Development

EDFacts

EDFacts provides Internet-based collection for K-12 education performance data, ad hoc and standard reporting, commercial-off-the-shelf software for business process management

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and meta data collection, a data warehouse centralizing K-12 data with data from other systems, and a commercial software survey. Services include data supplier conferences, data user and supplier assistance, technical assistance to States, custom reports, and training.

EDFacts collects data for performance, accountability, and related information for K-12 education programs including programs under the Elementary and Secondary Education Act, Individuals with Disabilities Education Act (IDEA), and Carl D. Perkins Career and Technical Education Act. In addition, *EDFacts* provides data for the Common Core of Data (CCD). This data is centralized with data from other ED investments such as financial grant information. *EDFacts* supports policy and budget decisions with a degree of accuracy and timeliness not previously available. The primary beneficiaries of *EDFacts* are States and Department program offices, who use *EDFacts* to assess education progress in States and districts. The *EDFacts* Reporting System is Web-based and accessible by ED and States. *EDFacts* data is also used for special reports and to support initiatives such as Race to the Top.

In 2013, \$10.69 million is requested for *EDFacts*, an increase of \$939,000 from the 2012 level. The increase is to improve data quality, address anticipated changes that will result from reauthorization of ESEA, and upgrade software.

A portion of this program is also funded in the Office for Civil Rights account.

Doing What Works

The Doing What Works Web site (www.dww.ed.gov) is dedicated to helping educators identify and make use of effective teaching practices. Doing What Works contains practice guides that evaluate research on the effectiveness of teaching practices. The Web site also contains examples of possible ways this research may be used. Currently, it provides information on early childhood education, English language learners, math and science, and reading instruction. A total of \$450,000 is requested for contractual assistance in 2013, no change from 2012.

Budget formulation and execution line of business

The Department will continue to serve as the Managing Partner for the e-Government Budget Formulation and Execution Line of Business (BFELoB) initiative, designed to improve the efficiency of the budgeting process at Federal agencies. Areas of focus include agency collaboration, data collection and tracking, analytics, automated data interface with MAX A-11, document production, budgeting tools, and career development and online training tools. The Department's contribution for this initiative is \$105,000 in 2013, the same as 2012. Over two dozen agencies contribute similar amounts for a total of \$2.49 million in 2013.

Education dashboard

The United States Education Dashboard (www.dashboard.ed.gov) is designed to monitor the country's progress toward meeting the goal of having the highest proportion of college

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graduates in the world by 2020. The Dashboard is intended to spur and inform conversations about how to improve educational results. The Dashboard presents indicators in four areas that are critical to improving educational results and achieving the President's 2020 college attainment goal: early learning through high school, postsecondary education and training, teachers and leaders, and an excellent education for all. In 2013, a total of \$100,000 is requested for ongoing maintenance, a decrease of \$100,000 from the 2012 level, when a major enhancement to the Dashboard, including a revised set of indicators and a new Web presentation featuring State-to-State comparisons, is scheduled.

Budget formulation database

This system collects information used for the formulation, analysis, and allocation of all Department salaries and expenses funds. In 2013, \$230,000 is requested for this system, an increase of \$5,000 from the 2012 level.

Asia-Pacific Economic Cooperation (APEC) activities

Established in 1989, the Asia-Pacific Economic Cooperation is a forum for facilitating economic growth, cooperation, trade, and investment in the Asia-Pacific region. There are currently 21 country members. ED's APEC project has two main purposes: 1) to provide support for the Human Resources Development Working Group (HRDWG), and 2) to maintain the APEC HRDWG Web sites. The 2013 request is \$330,000, an increase of \$20,000 from the 2012 level.

Office of the Deputy Secretary

Support to States

States are committed to improving student outcomes through historic and transformational educational reforms. In early 2011, the Department formed the Implementation and Support Unit (ISU) in the Office of the Deputy Secretary with the goal of providing better assistance to States as they implement these unprecedented and comprehensive reforms to improve student outcomes. The ISU functions as a laboratory for ideas on how the Department can improve its services to States and identifies and shares these best practices across the Department. In addition, the ISU learns from program offices, and shares effective technical assistance and programmatic practices and processes across the Department. When it is helpful and appropriate, the ISU also coordinates technical assistance and support across the Department to maximize resources and efficiencies. For 2013, 29 FTE and \$979,000 in non-pay funding are requested for this effort, an increase of \$247,000 from 2012.

The ISU has several core functions:

1. Managing the implementation of three initiatives started under the Recovery Act that require involvement of a State's Governor and Chief State School Officer, including the Race to the Top State program, the Race to the Top Assessment program, and the State Fiscal Stabilization Fund program. The ISU also manages the Education Jobs Fund program.

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2. Providing high quality technical assistance to Race to the Top States and to all States in ways that help State education agencies work effectively with their districts, schools, and teachers to improve student outcomes and ensure that all students receive a high-quality education.
3. Coordinating support of State and local efforts to maximize the extent to which policies, programs, and technical assistance are aligned across Department programs and resources are optimized to support key reforms.

The Department has implemented a portfolio approach in the ISU; each State is assigned an individual Department staff member as its point of contact with whom the State interacts with regularly and to whom the State can address questions or concerns regarding program or technical assistance needs. Each individual team member is responsible for approximately two to five States and territories.

Planned activities include: 1) conduct the Race to the Top grant competition in fiscal year 2012; 2) continue the program review process for Race to the Top Phase 1 and 2 State grantees and begin the process for the new Phase 3 grantees; 3) expand technical assistance support to grantees and non-grantees; 4) continue the program review process for Race to the Top Assessment grantees, including providing technical assistance; and 5) monitor all State Fiscal Stabilization Fund and Education Jobs Fund grantees.

Most of this non-pay request, as well as all of the requested increase, are needed to expand technical assistance and programmatic support to a growing number of grantees. Funds will also support travel for monitoring and onsite program reviews and for technical assistance meetings and activities, training, supplies, IT equipment for staff, printing of reports, and enhancements to the grants management system to support new performance management functions. In addition, non-pay funding will be used for other advisory and assistance services, including supporting ongoing expert and public input on the Race to the Top Assessment program.

Enterprise risk management services and tools

A total of \$879,000 is requested in 2013 for the continued development of the grant monitoring system used by the Department's Risk Management service to identify, track, and monitor potential high-risk grantees in order to prevent grantee misuse of funds. The system integrates data from existing systems (e.g., G-5, ED*Facts*) and includes additional components to allow grantmaking offices to input and track data on each grantee. The 2013 request is a decrease of \$120,000 from 2012.

This investment is expected to result in long-term efficiencies in program spending, including the development of a common set of risk-based standards leading to consistency in making risk-informed decisions and thereby making the Department less vulnerable and limiting negative oversight findings from the Office of the Inspector General and the Government Accountability Office. Projects, such as increased risk-based monitoring by the Department and the resulting corrective actions, will result in lower costs for future monitoring activities.

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Office of the Secretary

White House special events

A total of \$200,000 is requested for administrative support of White House conferences and special events in 2013. The request is no change from the 2012 level.

Office of Communication and Outreach

Blue Ribbon Schools

The Blue Ribbon Schools program honors elementary and secondary schools that make significant progress in closing the achievement gap or whose students achieve at very high levels. In 2013, \$1.101 million is requested to continue this program, an increase of \$29,000 from the 2012 level.

Presidential Scholars Program

This program, started in 1964, recognizes the Nation's most distinguished graduating high school seniors. Each year, the White House Commission on Presidential Scholars selects up to 141 students for this honor. To support this program in 2013, \$874,000 is requested, an increase of \$25,000 from the 2012 level.

President's Education Awards

The President's Education Awards program is an annual effort to recognize students for outstanding educational achievement. Awards are given in two categories: 1) the President's Award for Educational Excellence, which recognizes academic success in the classroom; and 2) the President's Award for Educational Achievement, which recognizes students who show outstanding educational growth or intellectual development but do not meet the criteria for the Educational Excellence Awards. In 2013, \$160,000 is requested for this program, an increase of \$25,000 from the 2012 level.

Teacher Ambassador Fellowship program

The Teaching Ambassador Fellowship program enables outstanding teachers to bring their classroom expertise to the Department and expand their knowledge of national education policy. In turn, Teaching Fellows facilitate the learning of other educators and community members in their hometowns, home schools and throughout the States, while informing policy through interactions with Department leaders in Washington, DC. In 2013, \$369,000 is requested for non-personnel items for this program, a decrease of \$13,000 from 2012.

Office of the Chief Financial Officer

Financial improvement contract

The financial improvement contract supports preparation of financial statements, data reconciliation, development of policies and procedures, and other financial management activities. In 2013, \$350,000 is requested for this contract, no change from 2012.

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Government Performance and Results Act (GPRA) planning support

A total of \$200,000 is requested in 2013 for strategic planning and performance reporting required under GPRA, including the annual Performance and Accountability Report, and the Annual Performance Budget. The request is no change from the 2012 level.

Chief Financial Officer's Council/Chief Information Officer's Council

In 2013, \$578,000 is included primarily to support the operations and supported activities of two interagency organizations: 1) the U.S. Chief Financial Officers (CFO) Council, an organization consisting of the CFOs and Deputy CFOs of the largest Federal agencies, and senior officials of the Office of Management and Budget and the Department of the Treasury, who work collaboratively to improve financial management; and 2) the Chief Information Officer's Council, consisting of Federal agency chief information officers, who monitor and consult on agency technology efforts. The request is no change from 2012.

OMB Circular A-123 initiative

Contractual assistance will support the Department's actions related to OMB Circular A-123, which provides guidance on improving the accountability and effectiveness of Federal programs and operations by establishing, assessing, correcting, and reporting on internal controls. Although Department staff perform the majority of internal control assessments for agency financial reporting, the Department does not have the technical expertise to perform all risk assessments and other A-123 activities related to general computer controls. Without contract support, the Department would not be able to provide assurance that its internal control structure and financial management systems meet the A-123 requirements. In 2013, a total of \$425,000 is requested for this initiative, no change from the 2012 level.

Acquisition support services

This contract will support contract compliance reviews and the timely closeout of contract awards. This support will allow the Department to close a significant backlog of old contracts and de-obligate unexpended funds. A total of \$150,000 is requested for this activity in 2013.

Federal audit clearinghouse

Funds are requested for an agreement with the Bureau of the Census to serve as the Clearinghouse for Single Audit Act Reports. The Bureau of the Census processes incoming reporting packages and related data collection forms; develops and maintains an electronic database of data from the forms; and handles inquiries from auditees, auditors, and the general public concerning audit requirements. The 2013 request of \$468,000 is a decrease of \$87,000 from the 2012 level.

Performance Management Line of Business

Funds are requested to support the development of a Performance Management Line of Business (PMLOB) in 2013. This 2013 request of \$100,000 will facilitate a transition from

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Salaries and Expenses

print-based GPRA performance plans and reports to a shared, Web-based, Governmentwide performance portal, as required by the GPRA Modernization Act (Sec. 7 and Sec. 10).

Office of the Chief Information Officer

Central information technology

Information technology activities that comprise centralized IT services include Departmentwide computer operations, maintenance and improvements, local area network operations, telecommunications, and other commonly shared Department IT and office automation activities. The funds are administered by the Office of the Chief Information Officer. A total of \$54.711 million is requested, an increase of \$11.182 million from the 2012 level, largely for continued operations of and enhancements to EDCAPS, the Department's core financial system. Requested funds are primarily for EDUCATE, EDCAPS, and IT security. The following projects are included in the Central Information Technology budget.

Education Department utility for communications, applications, and technical environment (EDUCATE)

The EDUCATE initiative encompasses the Department's centralized information technology network and telecommunications projects. Items supported include security and privacy operations, desktop services, Helpdesk support, data center operations, telecommunications services, e-mail, disaster recovery operations, and printer services.

The EDUCATE project is funded from multiple Department accounts. The total requested in the Program Administration account for 2013 is \$29.025 million, a decrease of \$257,000 from the 2012 level.

Independent Verification and Validation for EDUCATE

Independent Verification and Validation contract support will be used to validate that the EDUCATE contractor is performing its contractual requirements and deliverables with no disruptions in service to Department customers. In 2013, \$446,000 is requested for this contract, no change from the 2012 level.

Education central automated processing system (EDCAPS)

A total of \$14.183 million is requested in 2013 for the continuing operations and enhancement of the EDCAPS core financial system, which includes five major components: G5 (the Department's new grants management system, replacing the Grant Administration and Payment System), the Contracts and Purchasing Support System, the Financial Management Systems Software, the Integrated Support System, and the Travel System. The request is an increase of \$10.930 million from the 2012 level.

A large part of the increase (\$5.0 million) is for development of a replacement Contracts and Purchasing Support System, scheduled to be operational in late 2013. The decision to replace the current system was taken after the Department conducted a thorough cost benefit analysis. The current software is at the end of its lifecycle and there is a high

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likelihood that the contractor will no longer support it. As a result, the system would not contain current contract clauses, thereby increasing the likelihood of litigation; would increase the time needed for contract issuance, possibly resulting in non-obligation of available funds; and would delay report generation, resulting in failures to meet OMB reporting requirements and to provide Department managers with timely data. In addition, if this current system does go unsupported, a makeshift replacement solution would need to be purchased at a high premium.

The goal of the replacement project is to provide users with greater functionality, ease of use, and reliability. The replacement system will enable the Department to electronically link to other systems, including the Past Performance Information Retrieval System, and to meet new technical requirements for electronic rather than paper processing, such as electronically processing proposal receipts and awards. In addition to the software itself, contractor support is required to implement and integrate it with the rest of EDCAPS. Finally, a project of this size and scope requires a contractor supported Project Management Office to manage the project, as well as Independent Verification and Validation support services to provide an unbiased opinion of the project's health.

The remaining increase (\$5.930 million) is for continued operations of EDCAPS, the Department's core financial system. By strategically funding ongoing EDCAPS contracts in 2011, the Department was able to reduce the operating budgets of EDCAPS in 2012. The requested increase of \$5.9 million for EDCAPS must be provided in 2013 in order to ensure smooth functioning of key financial systems.

Both the Program Administration and Student Aid Administration accounts provide EDCAPS funding.

EDWeb

The Department's Internet site (www.ed.gov) provides a critical communications link to both its internal and external customers, including grantees, students, parents, educational institutions, government agencies, and contractors. The request for maintenance and enhancements of the sites in 2013 is \$2.574 million, a slight decrease of \$32,000 from 2012. The funds will allow the continued transformation of the main Department Web site into a primary vehicle for conducting Department work with stakeholders, enhance the site's search capability, enable customers to create their own personalized view of Web site content, and improve site administration.

IT investment management

The Investment Management project has two parts. The first is designed to improve the manner in which the Department selects, manages, and evaluates IT projects. The second enables the Department to collect and report electronically on its IT projects, as required by OMB Circular A-11 and the Federal Information Management Security Act. A total of \$698,000 is requested for the project in 2013, an increase of \$1,000 from 2012.

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IT security

Several IT projects provide security for the Department's IT systems. These include: 1) Cyber Security, which provides the Department with cyber monitoring and analysis of cyber intrusion, system vulnerabilities, and support for remediation after a breach has occurred; 2) the Federal Information Security Management Act (FISMA) Reporting Tool, which collects and reports on the security status of the Department's IT systems; 3) Information Assurance Enhancement, designed to establish, maintain, and sustain cyber security situational awareness Departmentwide; 4) Information Assurance Security Training, which provides IT security training to Department employees and contractors; 5) Identity Management, which addresses the new requirement, One Time Password, for two-factor authentication for Department employees and support contractors when they are accessing Department IT systems from remote locations; 6) and Security Authorization, which supports Department compliance with FISMA and OMB standards and requirements for IT systems.

The total request for these projects is \$4.593 million, an increase of \$611,000 from the 2012 level, primarily due to the large number of systems that need security certification in 2013, and to provide additional support and technical expertise in the areas of computer network defense and cyber watch in response to new and ongoing cyber security threats. Most Information Assurance activities, including Certification and Accreditation, are required by statute, Executive Order, OMB guidance, or Governmentwide directive.

Enterprise architecture

Enterprise Architecture (EA) is a strategic planning and management framework that ensures IT investments meet the Department's primary goals and objectives. This project supports analysis of IT investments on an enterprise-wide basis and collects information describing current and future use of technology. This funding request will be used to develop and implement the Department's Enterprise Architecture, including the Future State Vision, Transition Plan, and Information Resource Management Strategic Plan. EA is mandated by the Clinger-Cohen Act and OMB regulation, and ensures that business needs drive technology acquisitions. The 2013 request for the project is \$671,000, a decrease of \$54,000 from 2012.

Enterprise intranet (ConnectED)

The ConnectED Intranet Web sites are a communication mechanism used by the Department to deliver and receive information among Department of Education employees and contractors. In addition to the main Web site, ConnectED hosts almost 50 other Web sites for Department offices and programs. Contractor support is needed to maintain the Web sites and to provide support and training to staff who are content providers. The 2013 request is \$576,000, a slight increase of \$16,000 from the 2012 level.

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Grants.gov

Grants.gov was created as a single portal for all Federal grant customers to find, apply for, and manage grants online. In 2013, \$476,000, a decrease of \$230,000 from the 2012 level, is requested for this e-Government initiative, which is managed by the Department of Health and Human Services.

Financial management line of business

The goal of the Financial Management Line of Business initiative is to identify opportunities to reduce the cost of Government and improve services to citizens through business performance improvements. In 2013, \$143,000 is requested for this e-Government initiative, the same as the 2012 level.

Grants management line of business

The goal of the Grants Management Line of Business initiative is to identify opportunities to reduce the cost of Government and improve services to citizens through business performance improvements in grants management. In 2013, \$107,000 is planned for this e-Government initiative, no change from the 2012 level.

Office of Management

Central support items

Departmental overhead expenses, administered by the Office of Management, cover centralized support and administrative services for all offices. These services include rent, building alterations and repairs, training, supplies, mail, and interagency agreements for services purchased from other agencies. A total of \$85.822 million is requested for these items in 2013, an increase of \$2.796 million from the 2012 level, primarily for rent and physical security items. The following projects are included in the Central Support budget:

Rent

The \$43.902 million request for rent is an increase of \$1.781 million from the 2012 level, due primarily to the transfer of staff from various leased buildings to the newly renovated Mary E. Switzer building. Most of the increase results from the necessity to pay rent for several consecutive months for both the buildings staff are moving from and for the new building. Most of this increase is not expected to carry forward into 2014. The 2013 request also incorporates escalated tax payments and higher lease rates.

Security items for personnel and buildings

A total of \$13.641 million is requested for security-related items including guard services, investigations, and the implementation of the Continuity of Operations Plan. The Federal Protective Service (FPS) is responsible for setting overall security policy and in determining the costs of security items. The Department works with the Federal Protective Service and other local and Federal law enforcement organizations to ensure the safety and security of the Department's many buildings, its classified information, and

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its employees. The Department's security policies and procedures have been implemented in response to General Services Administration and Department of Homeland Security standards, and follow regulations set forth in HSPD-12, FISMA, and a series of Executive Orders.

The 2013 request is an increase of \$1.195 million from the 2012 level. The increase is primarily for background investigations and guard services, due to Federal Protective Service-mandated security requirements, rate increases, and for the addition of FPS services for the protection of the Mary E. Switzer building.

ED Pubs

ED Pubs provides for storage, shipping, and dissemination of Department publications. The Department procures these services via an interagency agreement with the National Technical Information Service. The 2013 request is \$4.682 million, no change from 2012.

Mail

The 2013 request for mail is \$1.159 million, no change from the 2012 level. Limited mailing of material is an important way the Department communicates with its customers beyond its heavy reliance on the Internet and electronic communications and applications.

Transit subsidies

The request includes \$3.103 million to provide subsidies to encourage Department employees to take mass transit to work. The request is a slight decrease of \$80,000 from the 2012 level.

Training

A total of \$999,000 is requested for employee training and management development activities in 2013, an increase of \$100,000 from the 2012 level. A large portion of the funds support the Department's Leadership Succession Plan and Strategic Human Capital activities. It includes development programs for aspiring leaders, new supervisors, management development, and continuing development for SES employees.

Federal personnel and payroll system

Through an interagency agreement with the Department of the Interior, the Department uses the Federal Personnel Payroll System for automated human resource services such as payroll operations, time and attendance system, and training. In 2013, \$1.94 million is requested for this system, an increase of \$84,000 from the 2012 level.

Overtime utilities

This project funds after-hour and weekend heating and air conditioning costs in headquarters buildings occupied by Department personnel. The request in 2013 is \$2.005 million, an increase of \$199,000 from the 2012 level for the addition of the Mary E. Switzer building and expected cost increases.

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Record information management services (RIMS) support services

A total of \$988,000 in 2013 will support compliance with Government initiatives regarding the acquisition, release, and maintenance of information. This includes carrying out provisions of the Freedom of Information Act and the Privacy Act. The request is \$45,000 above the 2012 level to cover built-in contract increase.

Enterprise human resource integration

The Enterprise Human Resource Integration project streamlines and automates the exchange of Federal employee human resources information. Participation in this initiative will provide the Department's Human Resources managers and specialists with a centralized data warehouse to assist in workforce planning and analysis capabilities that are currently not possible with a paper-based system. With these tools, trends for retirement, promotions, and reassignments can be accurately forecast and personnel transactions that currently take weeks to finalize will take days. In 2013, \$133,000 is requested for this ongoing e-Government initiative. This is a slight decrease of \$1,000 from the 2012 level.

Human resources management line of business

The goal of the Human Resources Line of Business initiative is to identify opportunities to reduce the cost of Government and improve services to citizens through business performance improvements. The Department will benefit by utilizing "best-in-class" human resources systems. In 2013, \$66,000 is requested for this ongoing e-Government initiative, no change from the 2012 level.

Office of Postsecondary Education

Grants electronic monitoring system (GEMS)

The GEMS system provides electronic support for the more than 6,000 open discretionary grants for the Office of Postsecondary Education. The system is utilized by the office's program officers to manage grant monitoring and electronic grant folders. The request in 2013 is \$452,000, a slight increase of \$12,000 from the 2012 level. This system is also used by the Office of Elementary and Secondary Education.

OPE information management system

The OPE information management system assists in applications such as the OPE Field Reader System, the Title II Scholarship Administration and Reporting System, and the Audit Tracking System. The 2013 request is \$665,000, a slight increase of \$15,000 from the 2012 level.

IDUES performance management system

This Web-based system is used to collect grantee performance data that are analyzed by the Institutional Development and Undergraduate Education Programs (IDUES) office for

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reports on the Title III and Title V programs, as required by GPRA. In 2013, \$505,000 is requested for the operations of this system, a slight decrease of \$12,000 from the 2012 level.

Office of Special Education and Rehabilitative Services

Randolph-Sheppard arbitrations

A total of \$220,000 is requested in 2013 for Randolph-Sheppard arbitrations. The Randolph-Sheppard Act authorizes a program to provide gainful employment for individuals who are blind to operate vending facilities on Federal and other property. The Rehabilitation Services Administration (RSA) is required to administer the arbitration process that involves grievances for blind licensees; hearing and arbitration; non-compliance by Federal Departments and Agencies; and complaints by State licensing agencies. The request is no change from the 2012 level.

Office of Adult and Vocational Education

Adult Education national reporting system Web-based data collection system

The Adult Education National Reporting System Web-based Data Collection System is a cornerstone of the effort to meet the accountability requirements of the Workforce Investment Act. Statistics for performance measures such as student advances in educational functional levels and employment retention are collected online from grantee States and used as a basis for negotiation of continuous improvement goals. In addition, required narrative reports and annual financial status reports are submitted by the States through the system. In 2013, \$185,000 is requested for operating the system, a decrease of \$38,000 from the 2012 level.

Office of the Under Secretary

White House Initiative on Educational Excellence for Hispanic Americans

The White House Initiative on Educational Excellence for Hispanic Americans is responsible for improving Federal efforts to promote quality education for Hispanic Americans. Activities include enhancing opportunities in adult education and assuring that Departments and agencies collect data on participation rates of Hispanics in Federal education programs. In 2013, \$241,000 in non-personnel costs is requested to support this initiative.

White House Initiative on Tribal Colleges and Universities

The goals of this initiative include: ensuring that tribal colleges are fully recognized as accredited institutions with access to opportunities afforded other higher education institutions; promoting the preservation and revitalization of native languages and cultures; and encouraging innovative linkages between the tribal colleges, early learning programs, and elementary and secondary schools. In 2013, \$91,000 for non-personnel items such as travel and contractual support is requested for this initiative.

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White House Initiative on Historically Black Colleges and Universities

This initiative is designed to assist Historically Black Colleges and Universities in gaining access to federally funded programs and increase the private sector role in strengthening these institutions. In 2013, \$250,000 for non-personnel activities will support this initiative.

Faith-Based and Neighborhood Partnerships

This initiative aims to improve the delivery of social services by drawing on the strengths of religious and community groups. The Department is working to identify and eliminate barriers to participation in ED programs by faith-based and community organizations. In 2013, \$86,000 for related non-personnel costs is requested to achieve the goals of this initiative.

White House Initiative on Asian Americans and Pacific Islanders

The Initiative, co-chaired by the Secretaries of Education and Commerce, is housed within the U.S. Department of Education. The Initiative works to improve the quality of life and opportunities for Asian Americans and Pacific Islanders by facilitating increased access to and participation in Federal programs in which they remain underserved. In 2013, \$161,000 for non-personnel costs is requested to achieve the goals of this initiative.

Office of Innovation and Improvement

Investing in Innovation (i3) special projects

The special projects funds will provide administrative support for the Department's Investing in Innovation (i3) program, which is designed to develop and validate promising practices, strategies, or programs with potential to improve student outcomes but for which efficacy has not yet been systematically studied. The funds will be for technical assistance, Project Directors meetings, and evaluation activities, including technical assistance to grantees on their evaluations and/or program evaluation. In 2013, a total of \$210,000 is requested, no change from the 2012 level.

OTHER BUDGET ITEMS

The funds requested for the offices not mentioned in the previous section—the Offices of English Language Acquisition, General Counsel, Legislation and Congressional Affairs, Institute of Education Sciences, and the Advisory Committee on Student Financial Assistance—are primarily for ongoing operations including travel, supplies, overtime, and small contracts.

PROGRAM ADMINISTRATION

Building Modernization (DEOA)

(dollars in thousands)

FY 2012 Authorization: Indefinite

Budget authority:

<u>2012</u>	<u>2013</u>	<u>Change</u>
\$0	\$2,211	+\$2,211

PROGRAM DESCRIPTION

The Building Modernization activity supports building renovations and related expenses necessary for the relocation of Department of Education staff within the Washington, D.C., metropolitan area and in several regional offices.

Funding levels for the past 5 fiscal years were:

	(dollars in thousands)
2008	\$2,063
2009	5,400
2010	8,200
2011	8,184
2012	0

FY 2013 BUDGET REQUEST

A total of \$2.211 million is requested in 2013 for the Building Modernization activity, an increase of \$2.211 million from the 2012 level.

The funds requested in 2013 are for the following purposes: 1) \$700,000 for upgrading the IT infrastructure in the Mary E. Switzer building in Washington, D.C.; 2) \$367,000 for the move of Department staff to the Mary E. Switzer building and other ED Federal buildings. Under the management of the General Services Administration (GSA), this move is planned to culminate in 2013 with the consolidation of approximately 700 Department staff from other leased buildings around Washington D.C. This is a schedule change from the initial January 2012 move-in date. GSA approached the Department to request that ED delay the Switzer move by 18 months due to the upcoming Presidential Inaugural and Transition activities. This delay is reflected in the Department's budget request; 3) \$973,000 to either renovate space or relocate employees to other buildings in Florida, Washington, DC, and California due to expiring leases and space provided at the discretion of GSA; and 4) \$171,000 for IT support for building modernization.

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Building Modernization

Requested funds would be used as follows: (dollars in thousands)

Object Class/Office	Description	2012	2013
25.21 Other Services	Building Modernization Switzer move costs and other moves	0	367
25.3 Goods/Services from Government (OM) 31.3 Other Equipment (OM) 32 Building Alterations (OM)	Renovation/relocation costs where leases are expiring (Washington, D.C.; California; Florida)	0	973
25.72 IT Services/Contracts (OCIO)	Costs associated with the IT infrastructure of the Mary E. Switzer building	0	700
25.72 IT Services/Contracts (OCIO)	IT construction support for building modernization of headquarters and regional offices for renovation and relocation	0	171
Total		0	2,211

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Full-time Equivalent Employment (Staff Years)

OFFICE	2011	2012	2013 Request	Change from 2012 to 2013
Advisory Committee on Student Financial Assistance	6	6	6	0
Chief Information Officer	124	126	124	(2)
Chief Financial Officer	175	162	162	0
Communications and Outreach	111	111	111	0
Deputy Secretary	38	73	69	(4)
Elementary and Secondary Education	226	255	252	(3)
English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students	21	20	20	0
General Counsel	94	93	97	4
Innovation and Improvement	102	98	96	(2)
Institute of Education Sciences	193	182	186	4
Legislation and Congressional Affairs	20	19	18	(1)
Management	183	191	185	(6)
Planning, Evaluation, and Policy Development	111	102	103	1
Postsecondary Education	176	158	162	4
Safe and Drug-Free Schools	44	0	0	0
Secretary	133	98	98	0
Special Education and Rehabilitative Services	269	269	263	(6)
Under Secretary	18	28	30	2
Vocational and Adult Education	84	83	82	(1)
Total	2,128	2,074	2,064	(10)

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Summary of Budget Authority by Principal Office
(dollars in thousands)

OFFICE	2011	2012	2013 Request	Change from 2012 to 2013
Advisory Committee on Student Financial Assistance	908	818	821	3
Central Information Technology	41,897	43,529	55,582	12,053
Chief Information Officer	18,450	18,530	18,466	(64)
Chief Financial Officer	26,801	25,710	25,562	(148)
Central Support	85,667	83,026	87,162	4,136
Communications and Outreach	17,900	18,650	18,520	(130)
Deputy Secretary	5,640	11,617	11,377	(240)
Elementary and Secondary Education	32,023	35,444	35,423	(21)
English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students	2,830	2,578	2,615	37
General Counsel	16,441	16,361	17,211	850
Innovation and Improvement	12,753	12,122	11,991	(131)
Institute of Education Sciences	29,825	28,413	29,137	724
Legislation and Congressional Affairs	2,376	2,269	2,185	(84)
Management	25,629	26,019	25,724	(295)
Planning, Evaluation, and Policy Development	26,640	25,983	26,971	988
Postsecondary Education	25,777	23,980	23,889	(91)
Safe and Drug-Free Schools	6,140	0	0	0
Secretary	22,718	15,680	15,782	102
Special Education and Rehabilitative Services	38,856	38,266	37,848	(418)
Under Secretary	2,830	4,995	5,374	379
Vocational and Adult Education	12,686	12,269	12,175	(94)
Total Budget Authority	454,787	446,259	463,815	17,556