

**Department of Education**  
**PROGRAM ADMINISTRATION**  
**Fiscal Year 2020 Budget Request**

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## PROGRAM ADMINISTRATION

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, [~~\$430,000,000~~] \$447,000,000, of which up to \$27,000,000, to remain available until expended, shall be available for relocation expenses, and for the renovation and repair of leased buildings:<sup>1</sup> *Provided*, That notwithstanding any other provisions of law, none of the funds provided by this Act or provided by previous Appropriations Acts to the Department of Education available for obligation or expenditure in the current fiscal year may be used for any activity relating to implementing a reorganization that decentralizes, reduces the staffing level, or alters the responsibilities, structure, authority, or functionality of the Budget Service of the Department of Education, relative to the organization and operation of the Budget Service as in effect on January 1, 2018.<sup>2</sup> (*Department of Education Appropriations Act, 2019.*)

### 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.

## PROGRAM ADMINISTRATION

### Analysis of Language Provisions and Changes

Language Provision	Explanation
<u><sup>1</sup>...of which up to \$27,000,000, to remain available until expended, shall be available for relocation expenses, and for the renovation and repair of leased buildings:</u>	This language sets aside non-expiring funds to relocate staff and to renovate and repair Department of Education occupied buildings.
<sup>2</sup> <i>Provided</i> , That notwithstanding any other provisions of law, none of the funds provided by this Act or provided by previous Appropriations Acts to the Department of Education available for obligation or expenditure in the current fiscal year may be used for any activity relating to implementing a reorganization that decentralizes, reduces the staffing level, or alters the responsibilities, structure, authority, or functionality of the Budget Service of the Department of Education, relative to the organization and operation of the Budget Service as in effect on January 1, 2018.	This language prohibits the use of any funding to reduce staffing, decentralize, or change the structure, authority, responsibilities, functionality, or operation of the Department's Budget Service as it existed January 1, 2018.

**PROGRAM ADMINISTRATION**

**Amounts Available for Obligation**  
(dollars in thousands)

Appropriation and Adjustments	2018	2019	2020
Discretionary budget authority:			
Appropriation .....	<u>\$430,000</u>	<u>\$430,000</u>	<u>\$447,000</u>
Subtotal, discretionary appropriation .....	430,000	430,000	447,000
Transfer from Department of Education, Hurricane Education Recovery Act, for Program Administration .....	<u>3,000</u>	<u>0</u>	<u>0</u>
Transfer to IT System Modernization and Working Capital .....	<u>0</u>	<u>0</u>	<u>-5,000</u>
Subtotal, adjusted discretionary appropriation .....	433,000	430,000	442,000
Unobligated balance, start of year .....	109	3,040	0
Recovery of prior-year obligations .....	290	0	0
Unobligated balance expiring .....	-237	0	0
Unobligated balance, end of year .....	<u>-3,040</u>	<u>0</u>	<u>0</u>
Total, direct obligations .....	432,953	433,040	442,000

**PROGRAM ADMINISTRATION**

**Obligations by Object Classification**  
(dollars in thousands)

Object Class		2018 Actual	2019 Appropriation	2020 Request	Change from 2019 to 2020
11.10	Full-time permanent	\$179,583	\$190,389	\$191,122	\$733
11.31	Full-time temporary	10,029	2,134	2,143	9
11.32	Part-time	2,099	0	0	0
11.33	Consultants	79	0	0	0
11.51	Overtime	439	447	447	0
11.52	Awards	2,464	2,525	2,525	0
11.8	Other compensation	<u>65</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Subtotal, Personnel Comp.	194,758	195,495	196,237	742
12.00	Benefits	61,444	64,266	64,725	459
12.15	Student Loan Repayment	0	52	52	0
13.10	Benefits for former personnel	<u>1,470</u>	<u>433</u>	<u>433</u>	<u>0</u>
	Subtotal, Benefits	62,914	64,751	65,210	459
21.00	Travel	2,350	4,093	4,288	195
22.00	Transportation of things	4	0	0	0
23.10	Rental Payments to GSA	35,976	39,101	39,101	0
23.31	Communications	910	923	1,088	165
23.32	Postage/fees	<u>171</u>	<u>127</u>	<u>127</u>	<u>0</u>
	Subtotal, 23	37,057	40,151	40,316	165
24.00	Printing & Reproduction	1,151	1,050	1,059	9
25.10	Advisory and Assistance Svcs	1,685	2,163	2,088	-75
25.21	Other Services	22,364	17,954	18,518	564
25.22	Training/Tuition/Contracts	1,493	3,209	2,839	-370
25.23	Field Readers	0	0	27	27
25.30	Goods/Services from Gov't	22,410	22,292	24,917	2,625
25.40	Operations/Maint of Facilities	25	0	0	0
25.71	Operations/Maint of Equipment	697	1,494	1,494	0
25.72	IT Services/Contracts	<u>75,694</u>	<u>74,513</u>	<u>69,510</u>	<u>-5,003</u>
	Subtotal, 25	124,368	121,625	124,393	-2,232
26.00	Supplies	343	537	538	1
31.01	IT Equipment/Software	992	536	557	21
31.03	Other Equipment	<u>1,308</u>	<u>1,234</u>	<u>374</u>	<u>-860</u>
	Subtotal, 31	2,300	1,770	931	-839
32.00	Building Alterations	<u>4,714</u>	<u>528</u>	<u>14,028</u>	<u>13,500</u>
	Total, Obligations	429,959	430,000	442,000	12,000
	Total, Pers. Comp. & Ben.	257,672	260,246	261,447	1,201
	Total, Non-Personnel	172,287	169,754	180,553	10,799

**PROGRAM ADMINISTRATION**

**Summary of Changes**  
(dollars in thousands)

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2019.....	\$430,000
2020.....	<u>442,000</u>
Net Change.....	+12,000

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	2019 <u>Appropriation</u>	Change from <u>Appropriation</u>
<b>Increases:</b>		
<u>Built in:</u>		
Increase in pay and benefits for one extra paid day in FY 2020.	\$259,222	+\$973
Increase in benefits for workers compensation.	1,024	+228
<u>Program:</u>		
Increase in travel.	4,093	+195
Increase in communications for the OSERS IDEA Website.	0	+192
Increase in printing and supplies.	1,587	+10
Increase in other services primarily for Acquisition Management Program (AMP).	188	+564
Increase in field readers.	0	+27
Increase in goods/services from the Government, for security background investigations.	3,000	+1,000
Increase in goods/services from the Government, for Human Capital Operations.	0	+1,141
Increase in goods/services from the Government, primarily for E-gov: Grants.gov.	322	+101
Increase in goods/services from the Government, primarily for security rent, Federal Personnel & Payroll System (FPPS), and Federal Audit Clearinghouse.	6,096	+383
Increase in IT technology equipment/software, primarily for the Database management system (Asset Management) and FOIAXpress.	229	+21
Increase in building alterations, LBJ 4 <sup>th</sup> floor and New York regional offices modernization.	0	<u>+13,500</u>
Subtotal, increases		+18,335

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## PROGRAM ADMINISTRATION

### Summary of Changes (dollars in thousands)

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<b>Decreases:</b>	2019 <u>Appropriation</u>	Change from <u>Appropriation</u>
<u>Program:</u>		
Decrease in communications from OSEP GRADS 360 and Customer Service Database.	\$877	-\$27
Decrease in training.	3,209	-370
Decrease in advisory and assistance services.	2,163	-75
Decrease in IT services and contracts.	74,513	-3
Decrease in IT services and contracts for Transfer to IT System Modernization and Working Capital Fund.	74,513	-5,000
Decrease in other equipment primarily for furniture, filing & non-IT office equipment.	1,234	<u>-860</u>
Subtotal, decreases		-6,335
Net Change		+12,000

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**PROGRAM ADMINISTRATION**

**Authorizing Legislation**  
(dollars in thousands)

Activity	2019 Authorized	2019 Appropriation	2020 Authorized	2020 Request
Salaries and Expenses (DEOA)	Indefinite	\$430,000	Indefinite	\$433,500
Building Modernization (DEOA)	<u>Indefinite</u>	<u>0</u>	<u>Indefinite</u>	<u>13,500</u>
Total appropriation		430,000		447,000



## PROGRAM ADMINISTRATION

### Appropriations History (dollars in thousands)

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Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
2011	\$492,488	\$465,000 <sup>1</sup>	\$492,488 <sup>1</sup>	\$455,288 <sup>1</sup>
2012	479,038	449,815 <sup>2</sup>	449,074 <sup>2</sup>	446,259
2013	448,470	446,259 <sup>3</sup>	448,470 <sup>3</sup>	430,605
2014	430,605	N/A <sup>4</sup>	422,917 <sup>4</sup>	422,917
2015	442,000	N/A <sup>5</sup>	426,917 <sup>5</sup>	418,260
2016	474,089	410,000 <sup>6</sup>	391,326 <sup>6</sup>	432,000
2017	474,827	432,000 <sup>7</sup>	432,000 <sup>7</sup>	432,000 <sup>7</sup>
2018	429,066	287,157 <sup>8</sup>	430,000 <sup>8</sup>	430,000 <sup>8</sup>
2019	459,257	430,000 <sup>9</sup>	430,000 <sup>9</sup>	430,000 <sup>9</sup>
2020	447,000			

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<sup>1</sup> The level for the House allowance reflects the House-passed full-year continuing resolution; Senate allowance reflects Committee action only; the Appropriation reflects the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10).

<sup>2</sup> The level for the House allowance reflects an introduced bill and the level for the Senate allowance reflects Senate Committee action only.

<sup>3</sup> The levels for the House and Senate allowances reflect action on the regular annual 2013 appropriations bill, which proceeded in the 112th Congress only through the House Subcommittee and the Senate Committee.

<sup>4</sup> The House allowance is shown as N/A because there was no Subcommittee action; Senate allowance reflects Committee action only.

<sup>5</sup> The House allowance is shown as N/A because there was no Subcommittee action; Senate allowance reflects Senate Subcommittee action only.

<sup>6</sup> The levels for House and Senate allowances reflect action on the regular annual 2016 appropriations bill, which proceeded in the 114th Congress only through the House Committee and Senate Committee.

<sup>7</sup> The levels for the House and Senate allowances reflect Committee action on the regular annual 2017 appropriations bill; the Appropriation reflects the Consolidated Appropriations Act, 2017.

<sup>8</sup> The level for the House allowance reflects floor action on the Omnibus appropriation bill; the Senate allowance reflects Committee action on the regular annual 2018 appropriations bill; the Appropriation reflects the Consolidated Appropriations Act, 2018 (P.L. 115-141).

<sup>9</sup> The levels for the House and Senate Allowance reflect Committee action on the regular annual 2019 appropriations bill; the Appropriation reflects enactment of the Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 (P.L. 115-245).

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DEPARTMENT OF EDUCATION FISCAL YEAR 2020 PRESIDENT'S BUDGET

(in thousands of dollars)

	Cat Code	2018 Appropriation	2019 Appropriation	2020 President's Budget	2020 President's Budget Compared to 2019 Appropriation	
					Amount	Percent
<b>Program Administration (DEOA)</b>						
1. Salaries and expenses	D	430,000	430,000	433,500	3,500	0.81%
2. Building Modernization	D	0	0	13,500	13,500	---
<b>Total</b>		<b>430,000</b>	<b>430,000</b>	<b>447,000</b>	<b>17,000</b>	<b>3.95%</b>

NOTES: D = discretionary program; M = mandatory program

Detail may not add to totals due to rounding.

## PROGRAM ADMINISTRATION

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### Salaries and Expenses

(Department of Education Organization Act)

(dollars in thousands)

FY 2020 Authorization: Indefinite

Budget Authority:

	2019 <u>Appropriation</u>	2020 <u>Request</u>	<u>Change</u>
Personnel Compensation and Benefits Costs	\$260,246	\$261,447	+\$1,201
Non-Personnel Costs	<u>169,754</u>	<u>167,053</u>	<u>-2,701</u>
Total	\$430,000	428,500	-1,500
FTE	1,626	1,626	0

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### 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 Career, Technical, and Adult Education
- Institute of Education Sciences

Staff offices:

- Office of the Secretary
- Office of the Under Secretary
- Office of the General Counsel
- Office of Finance and Operations
- Office of Planning, Evaluation, and Policy Development
- Office of Communications and Outreach
- Office of Legislation and Congressional Affairs
- Office of the Chief Information Officer

## PROGRAM ADMINISTRATION

### Salaries and Expenses

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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 postsecondary students; and adults. Program offices are critical to managing the Department's multi-billion dollar program budget through activities including grant making, 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 and provide policy leadership and administration of key Departmental priorities.

### Department Reorganization

On March 13, 2017, the President signed Executive Order 13781, "Comprehensive Plan for Reorganizing the Executive Branch" (EO), directing the Office of Management and Budget (OMB) to submit a comprehensive plan to reorganize Executive Branch departments and agencies. On April 12, 2017, OMB issued M-17-22 "Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce" (OMB memo) providing guidance on implementing the EO. The OMB memo outlined four objectives of the reorganization and reduction in workforce:

- Create a lean, accountable, more efficient government that works for the American people;
- Focus the Federal government on effectively and efficiently delivering those programs that are the highest needs to citizens and where there is a unique Federal role rather than assuming current programs are optimally designed or even needed;
- Align the Federal workforce to meet the needs of today and the future rather than the requirements of the past; and
- Strengthen agencies by removing barriers that hinder front-line employees from delivering results.

The Department's reorganization took effect January 6, 2019. The Administration's vision for this reorganization was to reduce redundancy; maximize employee and organizational efficiency; maximize transparency and employee involvement; leverage ED colleagues' knowledge and expertise; and maximize creative problem-solving and teamwork while adhering to legal requirements. The reorganization has resulted in a more dynamic and flexible workforce that can be deployed to address emerging issues and changing priorities.

The reorganization work resulted in these key organizational changes in several principal office structures:

- The consolidation of the Office of the Secretary (OS) with the Office of the Deputy Secretary (ODS);
- The integration of the Office of Innovation and Improvement (OII) into the Office of Elementary and Secondary Education (OESE);

## PROGRAM ADMINISTRATION

### Salaries and Expenses

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- The merger of the Office of the Chief Financial Officer (OCFO) with the Office of Management (OM) to create a new Office of Finance and Operations (OFO);
- The integration of certain functions of the Office of the Chief Information Officer (OCIO), Office of the Deputy Secretary, and Office of Planning, Evaluation and Policy Development (OPEPD) – including the entire Budget Service organization – into OFO; and
- The establishment of new organizational structures for both OCIO and OPEPD due to the creation of OFO.

In fiscal year 2018, the Program Administration budget supported 1,585 Full-Time Equivalents (FTE) Employment. The fiscal year 2019 appropriation includes funding to support 1,626 FTE, an increase of 41 FTE.

The Secretary made the decision to extend the government-wide hiring freeze until the end of fiscal year 2019, however, the Secretary has delegated decision making on hiring exception requests to the appropriate head of each office. The Department has also taken great care to ensure that exceptions to the hiring freeze have been granted for positions that protect data and perform the Department's most critical work. It has also prioritized programs and strategies to recruit and retain promising talent at relatively low cost, including Presidential Management Fellows (PMFs), Pathways, and merit promotion opportunities available for GS-13s and below.

Funding levels for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2015 .....	418,260 <sup>1</sup>
2016 .....	431,000
2017 .....	432,000
2018 .....	430,000
2019 .....	430,000

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<sup>1</sup> Includes \$4,740 thousand transferred to the Department of Health and Human Services per Section 491 of the Workforce Innovation and Opportunity Act, P.L. 113-128. Also includes \$12,000 thousand transferred from the Student Aid Administration and Student Financial Assistance accounts under the transfer authority included in Section 304 of the Department of Education Appropriations Act, 2015.

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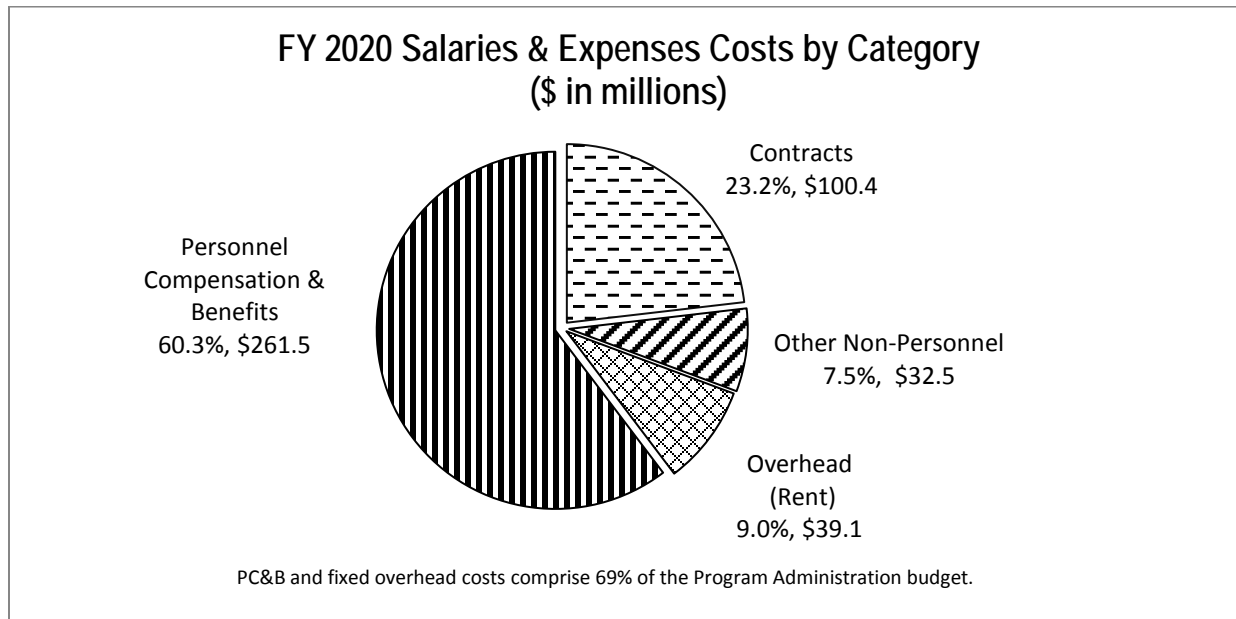
### FY 2020 BUDGET REQUEST

The Administration is requesting \$433.5 million for the fiscal year 2020 Salaries and Expenses budget, \$3.5 million more than the fiscal year 2019 appropriation. Appropriations for the Program Administration account have declined significantly in recent years; the Department is operating with less money in fiscal year 2019 than it did in 2011, despite inflation and increases in pay rates, physical and information technology (IT) security needs, and other Government requirements prompted by IT security breaches in other Federal agencies and the private sector.

## PROGRAM ADMINISTRATION

### Salaries and Expenses

The chart below provides detail on the Program Administration request by type of cost.



### STAFFING AND COSTS SUMMARY

The fiscal year 2020 request for Program Administration would support 1,626 FTE, level with fiscal year 2019. Although the request entails no increase in fiscal year 2020 FTE, the total will allow hiring behind staff departures in critical positions.

#### Personnel Compensation and Benefits (PC&B) Costs

The fiscal year 2020 request includes \$261.5 million for Personnel Compensation and Benefits to support 6 program and 8 staff offices; \$1.2 million more than the fiscal year 2019 appropriation. The increase is due to one additional paid day and for increased FERS benefits contribution rates.

Staffing levels are expected to stabilize in fiscal years 2019 and 2020 after a relatively steady decline over the past decade. A 10-year history of staffing is shown in the following table.

#### Program Administration FTE Usage (Fiscal Year 2011 – FY 2020)

FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020 Est.
2,128	2,053	1,942	1,898	1,912	1,888	1,753	1,585	1,626	1,626

## PROGRAM ADMINISTRATION

### Salaries and Expenses

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#### Non-Personnel Costs

The total request for Non-Personnel activities for fiscal year 2020 is \$167.1 million, \$2.7 million less than the fiscal year 2019 appropriation. Non-Personnel costs cover such items as travel, rent, mail, telephones, utilities, printing, Information Technology (IT), contractual services, equipment, supplies, and other overhead departmental services.

#### IT Modernization – Working Capital Funds

The Administration requests that the Program Administration Salaries and Expenses account be allowed the flexibility to use the authority of the IT Working Capital Funds authorized by the Modernizing Government Technology (MGT) Act. The authority would enable the Department to transfer one-year administrative funds to an account with a three year period of availability for use on IT modernization. The anticipated transfer amount for fiscal year 2020 is \$5 million.

The IT Working Capital Fund authority would allow the Department to make the best use of limited administrative funds. The three year availability would permit more time to appropriately consider all risks, merits, and alternatives with IT investments, reducing risk and maximizing the effectiveness. Currently, when circumstances like a contract postponement or lower-than-anticipated FTE costs leave unexpected funds available at the end of a fiscal year, the Department takes strategic steps to ensure funds are placed on operational procurements.

Thirty percent of the Program Administration account funds major contracts such as the Department's IT infrastructure and security and financial management systems. These major procurements are not routine in nature, but rather have become more complex; requiring for example, additional layers of integration with security requirements. Contract actions, particularly those that are complex, are often subject to protests, which can impact the timing of funding needs --in many cases crossing over fiscal years. The IT Working Capital Fund will give the Department the flexibility to align the availability of funds with these complex procurement actions.

Consistent with the Federal Information Technology Acquisition Reform Act, the Secretary shall ensure that the Department's Chief Information Officer, at a minimum, be the principal advisor to the Secretary and a member on any board or governance structure of the Department responsible for advising and setting Departmentwide information technology budgets to include the IT Working Capital Fund. Furthermore, funds transferred to the IT Working Capital may not be obligated without authorization from the Department's Chief Information Officer.

#### Departmental Centralized Services

Approximately 74 percent of the total non-personnel budget request covers Program Administration's share of the Department's centralized services. The centralized services request totals \$122.7 million for fiscal year 2020, \$3.9 million less than the fiscal year 2019 appropriation. The major centralized service items include overhead costs for: rent to the U.S. General Services Administration (GSA) and interagency agreements for services such as payroll processing, guard services, and background security investigations. Centralized

## PROGRAM ADMINISTRATION

### Salaries and Expenses

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services also include communications and IT equipment, services, support, maintenance, and improvements.

#### Departmental Centralized Services (dollars in thousands)

Item	2019 Appropriation	2020 Request	Difference
Rent	\$39,101	\$39,101	\$0
Other Central Support	33,705	38,631	4,926
Central IT	53,776	44,951	-8,825
<b>Centralized Services</b>	<b>\$126,582</b>	<b>\$122,683</b>	<b>-\$3,899</b>

### Department Priorities

The following section provides detailed information on the Department's top priority areas.

#### Centralized IT services

##### IT Security

The Office of the Chief Information Officer oversees IT projects that provide security for the Department's IT systems.

The Program Administration request for these projects is \$19.7 million, \$925,000 more than the fiscal year 2019 appropriation. Additional IT funding is provided by the Department's other Salaries and Expenses accounts. The total request across all accounts for these projects is \$38.9 million.

Several high-profile Governmentwide security breaches have compromised sensitive personal data and reinforced the importance of the Department's IT security investments.

The scope of the Enterprise Cybersecurity Program (ECP) investments primary focus is on improving security for the Department's primary network infrastructure, Portfolio of Integrated Value-Oriented Technologies (PIVOT) and the applications and systems hosted therein. ECP funds will also ensure that the large number applications and systems externally hosted at contractor-managed sites across the country are fully compliant with Federal and Department cybersecurity and privacy policies and guidelines.

The ECP projects and investment goals include:

- enhanced protection of high value assets (HVAs);
- robust implementation of the Department of Homeland Security's Cybersecurity Framework functions (Identify, Protect, Detect, Respond, Recover);



## PROGRAM ADMINISTRATION

### Salaries and Expenses

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- improved situational awareness;
- enhanced network monitoring;
- timely incident response;
- consistent and formal security authorizations for all Federal Information Security Modernization Act information systems;
- timely mitigation of vulnerabilities to acceptable risk levels; and,
- updated documentation of ECP policies, processes and procedures to conform with the National Institute of Standards and Technology guidelines for risk-based security authorization.

### EDCAPS

The Program Administration request for EDCAPS is \$5.9 million. Additional IT funding is provided by the Department's other Salaries and Expenses accounts. The total request across all accounts for these projects is \$25.9 million.

Funding supports continued operations and enhancement of the EDCAPS core financial system, which includes five major components:

- G5 (grant making system);
- Contracts and Purchasing Support System (contracts and procurement system);
- Financial Management Systems Software (FMSS) (general ledger, accounting, reporting, budget execution, funds control);
- Integrated Support Services; and,
- Travel System.

The Phase 1 critical upgrade to the FMSS was completed on June 30, 2017. Phase 2 was more encompassing and provided a multitude of upgrades to include: enhanced business processes and functions, improved interfacing between major system components, security and system alert features, and development of financial reporting including the Departmentwide financial statements. The upgraded system went live as planned on November 19, 2018.

Phase 3 started immediately upon completion of Phase 2 and will continue until May 30, 2019. Phase 3 allows for the stabilization and operations and maintenance of the Oracle R12 application and includes the tasks listed below:

- Post go-live end user support. This support shall include desk-side support as necessary, help desk support including answering user questions and resolving system problems, how to tip sheets, etc.
- Providing in-depth technical support to R12 users as necessary to include issues related to system performance, data conversion and reconciliations, and bug fixes if necessary.
- Following Phase 3, the upgraded FMSS will enter normal operations and maintenance and begin to look at additional enhancements that can be made to improve functionality.

## PROGRAM ADMINISTRATION

### Salaries and Expenses

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#### PIVOT

PIVOT contracts are scheduled to replace the Department’s contracts for EDUCATE network services and IT infrastructure, which expired in November 2017 and have been extended through continuing services until May 2019. These contracts are the largest dollar value contracts funded by the Program Administration account, and are essential to operations in every Department office. They will provide hardware, software, network connectivity (including remote network access), data storage, technical support, email, wireless, and mobile phone services.

The Department gathered information from EDUCATE customers to help guide the development of the new contract solicitation. The PIVOT contracts are expected to further the Department’s effort to leverage cloud and other shared services in an effort to improve efficiency and maximize flexibility, while improving service levels and the underlying technology. The Department’s continued goal with its IT platform is that it supports improved services to stakeholders; reduces operational risk; improves performance and accountability; enhances security and privacy; and optimizes, standardizes, and consolidates the information management and technology infrastructure.

The PIVOT contract framework consists of six contracts, shown in the table below.

<b>Portfolio of Integrated Value-Oriented Technologies (PIVOT)</b>			
<b>Contract</b>	<b>Description</b>	<b>Solicitation Release Date</b>	<b>Planned Award Date</b>
PIVOT - Integrator and End-User Services (I)	Integration and Performance Management, End User Computing and Helpdesk, Unified Communications, Multimedia and Enterprise Security	December 2016 (proposals were received February 2017)	February 2018 (Planned) <b>AWARDED – (Actual Start – October 2018)</b>
PIVOT - Hosting (H)	Data Storage and Systems/Application Hosting	March 2017 (proposals were received June 2017)	February 2018 (Planned) <b>AWARDED (Actual Start – June 2018)</b>
PIVOT - Network (N)	Data Network Management	June 2019	January 2020
PIVOT - Oversight (O)	Program & Project Management Support, IT Performance Monitoring and IT Technical Expertise	August 2017	September 2017 <b>AWARDED</b>

## PROGRAM ADMINISTRATION

### Salaries and Expenses

<b>Portfolio of Integrated Value-Oriented Technologies (PIVOT)</b>			
<b>Contract</b>	<b>Description</b>	<b>Solicitation Release Date</b>	<b>Planned Award Date</b>
PIVOT - Printers (P)	Printing Services, Scanning and Copier Services	October 2017	May 2018 <b>AWARDED</b>
PIVOT - Mobile Services (M) Re-compete	Mobile Device procurement, provision and deployment	January 2019	May 2019

The \$24.6 million budgeted for fiscal year 2020 for PIVOT, is a decrease of \$4.6 million from the fiscal year 2019 appropriation. The decrease comes from the savings realized by ceasing parallel operations necessary during the transition from EDUCATE to PIVOT. The requested amount is solely for the Program Administration account's shared costs. The Department's total budget for this investment is \$51.3 million. The balance of the funding needed is included in the budget requests for the Department's other Salaries and Expenses accounts.

### **Non-Centralized IT Services**

#### Impact Aid Payment System

The Administration requests \$704,000 in fiscal year 2020 for the third year of redesign for the Impact Aid Payment system. The current system is not 508 compliant, lacks document management functionality to meet records management requirements, and lacks an automated interface with the Department's grant system. In addition, ongoing maintenance has proven difficult. The system lacks transparency to the frustration of grantees and relies on key software components that are no longer supported by vendors. The Department has undertaken the Impact Aid Payment System Redevelopment project to reduce operation and maintenance costs in a way that satisfies current business, functional, and technical requirements and provides flexibility to adapt to future needs. The new Impact Aid Payment system will add capabilities to meet higher security requirements and additional business needs that are not available with the legacy system. This will improve the customer experience for school districts and improve the speed and accuracy with which they receive their funding by reducing reliance on physical documents, streamlining the e-Application Process, reducing manual processing, automating transmission of obligation and payment files to the Grants Management System (G5), using current and supported software, and reducing data errors.

The funds requested in fiscal year 2020 will cover licensing, software, and cloud support. Additionally, the funds would cover licensing and software fees for the redesigned system and would maintain the legacy Impact Aid Payment system during transition.

## PROGRAM ADMINISTRATION

### Salaries and Expenses

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#### IDEA.Gov Web Site

In fiscal year 2018, the outdated IDEA.gov site experienced technical glitches and prolonged outages, prompting the emergency development and launch of a new IDEA.gov site. IDEA.gov provides stakeholders current and valuable resources about the support and services guaranteed to infants, children, and youth with disabilities and their families under the Individuals with Disabilities Education Act (IDEA). Fiscal year 2018 funds were sufficient to support development and maintenance through fiscal year 2019. In fiscal year 2020, \$192,000 is requested for operations and maintenance and to support development, modernization and enhancement to modify the site so that content stays relevant and users experience optimal performance.

#### EDFacts

EDFacts is an information management solution of systems and services related to K-12 education performance data. Systems provide web-based data collection, ad hoc and standard reporting, commercial-off-the-shelf software for business process management and metadata collection, a data warehouse centralizing K-12 data with data from other systems, and a commercial software survey. Services provided by EDFacts include data supplier conferences, data user and supplier assistance, technical assistance to States, custom reports, and training. EDFacts data is centralized with other Department data such as financial grant information. EDFacts supports policy and budget decisions with a significant degree of accuracy and timeliness.

The Administration is requesting a total of \$12.3 million in fiscal year 2020, an increase of \$1.1 million more than the fiscal year 2019 appropriation. Funds will support steady state operations and maintenance costs, continue system upgrades to tighten the security profile and respond to data submission innovations gaining interest among the states, address Every Student Succeeds Act changes, upgrade the EDFacts Metadata Repository for improvements in reference metadata, and continue to enhance data management and quality improvements.

#### Enterprise Risk Management Services and Tools

The Administration is requesting a total of \$1.5 million for fiscal year 2020 for the Enterprise Risk Management Services and Tools project, level with the fiscal year 2019 appropriation. Funds will improve the existing Risk Management tools used by the Department's grant-making offices by developing the Tool to Assess Grantee Risk. Funds will also be used to leverage evidence-based methods of mining social media and text to expand the Department's data-driven management of risks to principal offices and grantees' performance. In addition, funds are requested to perform OMB-mandated risk analysis for Federal grants. This request will also support automated risk management services and tools, including pre-award reports on prospective grantees, grant related business intelligence data visualization, and calculations to inform program monitoring plans. This investment will help the Department proactively manage risks inherent to administering Federal programs by identifying, duplication, overlap, non-compliance, fraud, waste, and abuse.

## PROGRAM ADMINISTRATION

### Salaries and Expenses

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#### Other Non-Personnel Costs

The following section provides additional information on projects not related to IT.

#### Security for Personnel and Buildings

A total of \$19.1 million is requested for security-related expenses including guard services, background 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 FPS and other local and Federal law enforcement organizations to ensure the safety and security of the Department's many buildings, its sensitive information, and 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 comply with an array of legal and regulatory requirements. The fiscal year 2020 request is an increase of \$1.2 million over the fiscal year 2019 appropriation, with the increase primarily attributable to background investigations and security rent.

#### Presidential Scholars Program

The Presidential Scholars Program, which recognizes the Nation's most distinguished graduating high school seniors, started in 1964. Each year the White House Commission on Presidential Scholars selects up to 161 students for this honor. The fiscal year 2020 costs to support contract renewal for this program is estimated at \$814,000, \$22,000 more than the fiscal year 2019 appropriation.

#### Human Capital Operations

In fiscal year 2019, the Department is executing a Human Resources (HR) transition contract. This will allow the organization to continue evaluating the viability of transitioning to a share service provider. Activities will include classification, recruitment, on-boarding, staffing, workforce/succession planning and alignment, records management, knowledge management, and HR business partner consultant training to facilitate any transition of back-end HR processes to a shared service provider while maintaining the full range of operational services normally found in a full-service HR program.

The fiscal year 2020 request includes \$1.1 million to maintain this HR transition contract. A portion of funding for this project will be provided by the Department's other Salaries and Expenses accounts. The total request across all accounts for these projects is \$2.3 million.

#### Acquisition Management Program

The Administration's fiscal year 2020 request includes \$1.1 million to fund the contract support for the Department's Acquisition Management Program (AMP), \$912,000 more than the 2019 appropriation. The contract will provide assistance in four core functions:

## PROGRAM ADMINISTRATION

### Salaries and Expenses

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- Acquisition Policy
- Acquisition Workforce Development
- Supply Chain Management and
- Acquisition Business Systems

The contract will support the AMP, which manages the Department's compliance with the Services Acquisition Reform Act. Contractor support is required to assure the Department complies with innovation-related directives in the President's Management Agenda along with other OMB initiatives. The increase will support acquisition workforce development through web-based training. It will also provide project management, planning, and support for the Acquisition Management Consolidated Acquisition System.

## PROGRAM ADMINISTRATION

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### Building Modernization (Department of Education Organization Act)

(dollars in thousands)

FY 2020 Authorization: Indefinite

Budget Authority:

<u>2019</u> <u>Appropriation</u>	<u>2020</u> <u>Request</u>	<u>Change from</u> <u>Appropriation</u>
\$0	\$13,500	+\$13,500

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### PROGRAM DESCRIPTION

The Building Modernization activity supports relocation of Department of Education staff as well as renovation of Department buildings within the Washington, D.C. metropolitan area and in several regional offices.

Funding levels for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2015 .....	0
2016 .....	\$1,000
2017 .....	0 <sup>1</sup>
2018 .....	0
2019 .....	0

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<sup>1</sup> The 2017 Appropriation Act provided authority for up to \$1 million for Building Modernization. The Department chose not to use the authority; it ultimately needed these funds for other expenses under Program Administration.

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### FY 2020 BUDGET REQUEST

The Administration requests \$13.5 million for fiscal year 2020, \$13.5 million more than the fiscal year 2019 appropriation. The Department is actively working to use space more efficiently. The Administration has encouraged agencies to reduce the total square footage of domestic office and warehouse inventories. In response, the Department has developed a comprehensive program to modernize and reduce occupied space. This program promises to improve utilization rates through consolidation, more efficient workspaces, and elimination of unneeded space. Rent is a large “fixed” cost that cannot be sustained amid fiscal constraints. The primary goal is to reduce the Department’s space footprint and associated out-year costs.

## PROGRAM ADMINISTRATION

### Building Modernization

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With the reduction in staffing and Program Administration funding over the past five years, Building Modernization funding is imperative to ensure that taxpayer resources are focused on the operating costs that allow the Department to better serve students and their parents. As the Potomac Center Plaza (PCP) headquarters office lease is soon set to expire, the fiscal year 2020 request would ensure that the Department can pursue all avenues possible to avoid spending more of its operating resources on rent.

The funds requested for fiscal year 2020 would go toward a number of initiatives outlined below.

#### Headquarters Offices Modernization and Consolidation:

- **LBJ Modernization 4th Floor:** Following the completion of the 5<sup>th</sup> floor at the Lyndon Baines Johnson Building (LBJ), the 4th floor will be reconfigured and consolidated. This will double its density and utilization and enable the relocation of staff from much of the currently leases PCP space to LBJ by 2023. Funds needed total \$5.2 million.

#### Regional Offices Modernization and Consolidation:

- **New York Regional Office:** The current lease in New York is expiring in May of 2020. GSA has notified the Department that the new space at 26 Federal Plaza (Federal Building) won't be available until June 2022 once construction is completed. This will require a two year extension of the current lease before the Federal building is available. Federal buildings have many advantages, including typically lower rents and long-term future occupancy with no requirement to re-compete the lease. As part of the relocation, the density/utilization rate of the New York space will be more than doubled from its current capacity, which will result in rent reductions of roughly \$1.5 million annually. Funds needed total \$8.3 million.

Additional funds requested, up to a total of \$27,000,000, are conditional on other funding needs within Program Administration. Funds would be used for the following purposes:

- **LBJ Modernization 4th Floor:** In addition to the initial \$5.2 million, additional construction costs would complete the 4<sup>th</sup> floor modernization effort and supply furnishings.
- **LBJ Modernization 3<sup>rd</sup> Floor:** Following the completion of the 4<sup>th</sup> floor at LBJ, the 3<sup>rd</sup> floor will be reconfigured and consolidated, doubling the density and utilization, and enabling the relocation of additional staff from PCP space to LBJ by 2023. This will result in a much smaller footprint at PCP (or replacement lease location).
- **PCP Lease Expiration:** The GSA lease and the Department's Occupancy Agreement at the current PCP location is nearing the end of its term, with a lease expiration date in March 2020. A competitive procurement is required for a new lease. Whether at the existing location or a new building, the new lease will be for a somewhat smaller space. Funds will pay for either modernization of space of the existing PCP building or, if the



## PROGRAM ADMINISTRATION

### Building Modernization

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succeeding lease is at a new location, for a very limited, “barebones” buildout (i.e., primarily furniture with very few walls).

The successful reduction in space and rent costs at PCP is dependent on completion of renovations to LBJ described above. As renovated space at LBJ becomes available, space at PCP will be reduced. Should the Department have to relocate staff currently at PCP, the estimated costs are \$57 million.

The Department is in negotiations with GSA to delay any increase in LBJ rent charges until the Department is able to reduce space at PCP. This would prevent early rent increases before significant savings can be realized.

### Regional Offices Modernization and Consolidation:

- **Philadelphia Regional Office:** By September 2021, the Philadelphia Regional Office’s lease will expire. This will require a competitive procurement for a new lease, with project completion by the end of the lease expiration date. The relocation of staff into a new building will require funding for design, move, disposal clean-out, IT system services, furniture, and construction costs.

**PROGRAM ADMINISTRATION**

**Full-Time Equivalent (FTE) Employment by Office**

OFFICE	2018 Actual	2019 Appropriation	2020 Request	Change from 2019 to 2020
Career, Technical, and Adult Education	73	72	72	0
Chief Information Officer	106	91	91	0
Communications and Outreach	84	82	82	0
Elementary and Secondary Education	260	263	263	0
English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students	16	16	16	0
Finance and Operations	340	386	386	0
General Counsel	84	86	86	0
Institute of Education Sciences	166	169	169	0
Legislation and Congressional Affairs	13	15	15	0
Planning, Evaluation, and Policy Development	18	33	33	0
Postsecondary Education	122	129	129	0
Secretary	103	83	83	0
Special Education and Rehabilitative Services	188	184	184	0
Under Secretary	<u>12</u>	<u>17</u>	<u>17</u>	<u>0</u>
<b>Total</b>	<b>1,585</b>	<b>1,626</b>	<b>1,626</b>	<b>0</b>

NOTE: FY 2018 reflects adjustments for comparability to FY 2019 and FY 2020 to reflect the Department's Reorganization. The offices impacted include OFO (OM-166/OCFO-136/BS-OPEPD-38), OS (ODS-32), and OESE (OII-63).

**PROGRAM ADMINISTRATION**

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

OFFICE	2018 BA	2019 Appropriation	2020 Request	Change from 2019 to 2020
Career, Technical, and Adult Education	\$12,969	\$12,079	\$12,125	\$46
Central Information Technology	57,929	53,776	44,951	-8,825
Central Support	70,550	72,806	91,232	18,426
Chief Information Officer	19,009	15,971	16,033	62
Communications and Outreach	16,190	15,820	16,018	198
Elementary and Secondary Education	44,851	44,643	43,502	-1,141
English Language Acquisition, Language Enhancement, and Academic Achievement for Limited English Proficient Students	2,653	2,596	2,624	28
Finance and Operations	53,643	67,393	68,895	1,502
General Counsel	15,667	16,078	16,060	-18
Institute of Education Sciences	40,962	40,773	41,702	929
Legislation and Congressional Affairs Planning, Evaluation, and Policy Development	1,927	2,358	2,376	18
Postsecondary Education	11,050	7,584	7,902	318
Secretary	19,875	20,382	20,236	-146
Special Education and Rehabilitative Services	27,899	22,603	22,724	121
	32,502	31,565	31,869	304
Under Secretary	<u>2,324</u>	<u>3,573</u>	<u>3,751</u>	<u>178</u>
<b>Total, Budget Authority</b>	<b>430,000</b>	<b>430,000</b>	<b>442,000</b>	<b>12,000</b>

NOTES: FY 2018 reflects adjustments for comparability to FY 2019 and FY 2020 to reflect the Department's Reorganization. The offices impacted include OFO (OM/OCFO), OS (ODS), and OESE (OII). FY 2020 includes Building Modernization in Central Support (no funds are included for Building Modernization in FY 2018 and FY 2019). FY 2020 reflects transfer adjustment in Central Information Technology for the IT System Modernization and IT Working Capital Fund.