

FY 2015

CONGRESSIONAL BUDGET JUSTIFICATION

DEPARTMENTAL MANAGEMENT

DEPARTMENTAL MANAGEMENT

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DEPARTMENTAL MANAGEMENT

APPROPRIATION LANGUAGE

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for Departmental Management, including the hire of three passenger motor vehicles [336,621,000] 345,881,000 together with not to exceed \$308,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund: *Provided*, That \$64,825,000 for the Bureau of International Labor Affairs shall be available for obligation through December 31, [2014] 2015: *Provided further*, That funds available to the Bureau of International Labor Affairs may be used to administer or operate international labor activities, bilateral and multilateral technical assistance, and microfinance programs, by or through contracts, grants, subgrants and other arrangements: *Provided further*, That not more than \$58,825,000 shall be for programs to combat exploitative child labor internationally and not less than \$6,000,000 shall be used to implement model programs that address worker rights issues through technical assistance in countries with which the United States has free trade agreements or trade preference programs: *Provided further*, That [8,040,000] 9,000,000 shall be used for program evaluation and shall be available for obligation through September 30, [2015] 2016: *Provided further*, That funds available for program evaluation may be transferred to any other appropriate account in the Department for such purpose: *Provided further*, That the funds available to the Women's Bureau may be used for grants to serve and promote the interests of women in the workforce.

(Department of Labor Appropriations Act, 2014.)

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| AMOUNTS AVAILABLE FOR OBLIGATION | | | | | | |
|---|----------------------------|------------------|----------------------------|------------------|----------------------------|------------------|
| (Dollars in Thousands) | | | | | | |
| | FY 2013 Enacted | | FY 2014 Enacted | | FY 2015 Request | |
| | FTE | Amount | FTE | Amount | FTE | Amount |
| A. Appropriation | 1,270 | \$346,028 | 1,257 | \$336,621 | 1,285 | \$345,881 |
| Reduction Pursuant to P.L. 113-6 for FY 2013 | 0 | -\$692 | 0 | \$0 | 0 | \$0 |
| Reduction Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 | 0 | -\$17,407 | 0 | \$0 | 0 | \$0 |
| <i>Subtotal Appropriation</i> | <i>1,270</i> | <i>\$327,929</i> | <i>1,257</i> | <i>\$336,621</i> | <i>1,285</i> | <i>\$345,881</i> |
| Reimbursements | 73 | \$47,894 | 78 | \$105,477 | 78 | \$105,477 |
| Trust Funds - Black Lung | 111 | \$25,217 | 110 | \$25,365 | 110 | \$25,543 |
| Trust Funds - Unemployment Trust Fund | 2 | \$325 | 2 | \$308 | 2 | \$308 |
| Reduction Pursuant to P.L. 113-6 for FY 2013 | 0 | -\$1 | 0 | \$0 | 0 | \$0 |
| Reduction Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 | 0 | -\$1,302 | 0 | -\$1,826 | 0 | \$0 |
| Non-Expenditure Transfers for Program Evaluation (SUIESO-\$11,600) | 0 | \$11,600 | 0 | \$0 | 0 | \$0 |
| Unobligated Balance Carried Forward | 0 | \$77,303 | 0 | \$50,598 | 0 | \$0 |
| <i>Subtotal</i> | <i>1,456</i> | <i>\$488,965</i> | <i>1,447</i> | <i>\$516,543</i> | <i>1,475</i> | <i>\$477,209</i> |
| B. Gross Budget Authority | 1,456 | \$488,965 | 1,447 | \$516,543 | 1,475 | \$477,209 |
| Reimbursements | -73 | -\$47,894 | -78 | -\$105,477 | -78 | -\$105,477 |
| Non-Expenditure Transfers for Program Evaluation (SUIESO-\$11,600) | 0 | -\$11,600 | 0 | \$0 | 0 | \$0 |
| Unobligated Balance Carried Forward | 0 | -\$77,303 | 0 | -\$50,598 | 0 | \$0 |
| <i>Subtotal</i> | <i>1,383</i> | <i>\$363,768</i> | <i>1,369</i> | <i>\$360,468</i> | <i>1,397</i> | <i>\$371,732</i> |
| C. Budget Authority Before Committee | 1,383 | \$363,768 | 1,369 | \$360,468 | 1,397 | \$371,732 |
| Reimbursements | 73 | \$47,894 | 78 | \$105,477 | 78 | \$105,477 |
| Unobligated Balance Carried Forward | 0 | \$77,303 | 0 | \$50,598 | 0 | \$0 |
| <i>Subtotal</i> | <i>1,456</i> | <i>\$488,965</i> | <i>1,447</i> | <i>\$516,543</i> | <i>1,475</i> | <i>\$477,209</i> |
| D. Total Budgetary Resources | 1,456 | \$488,965 | 1,447 | \$516,543 | 1,475 | \$477,209 |
| Unobligated Balance End of Year | 0 | -\$50,598 | 0 | \$0 | 0 | \$0 |
| FTE Lapse and Unobligated Balance Expiring | -5 | -\$507 | 0 | \$0 | 0 | \$0 |
| E. Total, Estimated Obligations | 1,451 | \$437,860 | 1,447 | \$516,543 | 1,475 | \$477,209 |

DEPARTMENTAL MANAGEMENT

SUMMARY OF CHANGES

(Dollars in Thousands)

| | FY 2014 Enacted | FY 2015 Request | Net Change |
|-------------------------|--------------------|--------------------|------------|
| Budget Authority | | | |
| General Funds | \$336,621 | \$345,881 | +\$9,261 |
| Trust Funds | \$23,847 | \$25,851 | +\$2,003 |
| Total | \$360,468 | \$371,732 | +\$11,264 |

Full Time Equivalents

| | | | |
|---------------|-------|-------|----|
| General Funds | 1,257 | 1,285 | 28 |
| Trust Funds | 112 | 112 | 0 |
| Total | 1,369 | 1,397 | 28 |

| Explanation of Change | FY 2014 Base | | FY 2015 Change | | | | Total | |
|--|-----------------|-----------|--------------------|-----------------------|----------------------|-------------------------|-------|---------|
| | FTE | Amount | Trust Funds FTE | Trust Funds Amount | General Funds FTE | General Funds Amount | FTE | Amount |
| Increases: | | | | | | | | |
| A. Built-Ins: | | | | | | | | |
| To Provide For: | | | | | | | | |
| Costs of pay adjustments | 1,369 | \$157,173 | 0 | \$73 | 0 | \$1,110 | 0 | \$1,183 |
| Personnel benefits | 0 | \$40,748 | 0 | \$129 | 0 | \$195 | 0 | \$324 |
| Federal Employees' Compensation Act (FECA) | 0 | \$0 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Benefits for former personnel | 0 | \$52 | 0 | \$0 | 0 | \$12 | 0 | \$12 |
| Travel and transportation of persons | 0 | \$2,762 | 0 | \$11 | 0 | \$425 | 0 | \$436 |
| Transportation of things | 0 | \$12 | 0 | \$0 | 0 | \$1 | 0 | \$1 |
| Rental payments to GSA | 0 | \$20,057 | 0 | -\$2 | 0 | \$160 | 0 | \$158 |
| Rental payments to others | 0 | \$6 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Communications, utilities, and miscellaneous charges | 0 | \$1,635 | 0 | \$2 | 0 | \$17 | 0 | \$19 |
| Printing and reproduction | 0 | \$265 | 0 | \$0 | 0 | \$9 | 0 | \$9 |
| Advisory and assistance services | 0 | \$12,517 | 0 | -\$72 | 0 | \$75 | 0 | \$3 |
| Other services from non-Federal sources | 0 | \$6,116 | 0 | -\$23 | 0 | \$507 | 0 | \$484 |
| Working Capital Fund | 0 | \$32,990 | 0 | \$38 | 0 | \$81 | 0 | \$119 |
| Other Federal sources (Census Bureau) | 0 | \$0 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Other Federal sources (DHS Charges) | 0 | \$999 | 0 | \$0 | 0 | \$11 | 0 | \$11 |
| Other goods and services from Federal sources | 0 | \$0 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Research & Development Contracts | 0 | \$0 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Operation and maintenance of facilities | 0 | \$0 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Operation and maintenance of equipment | 0 | \$0 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Supplies and materials | 0 | \$2,186 | 0 | \$10 | 0 | \$53 | 0 | \$63 |

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| Explanation of Change | FY 2014 | | FY 2015 Change | | | | Total | |
|--|--------------|-------------------|----------------|-----------------|---------------|------------------|------------|------------------|
| | Base | | Trust Funds | | General Funds | | | |
| | FTE | Amount | FTE | Amount | FTE | Amount | FTE | Amount |
| Equipment | 0 | \$1,695 | 0 | -\$39 | 0 | \$51 | 0 | \$12 |
| Grants, subsidies, and contributions | 0 | \$64,825 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Insurance claims and indemnities | 0 | \$2 | 0 | \$0 | 0 | \$0 | 0 | \$0 |
| Built-Ins Subtotal | 1,369 | +\$344,040 | 0 | +\$127 | 0 | +\$2,707 | 0 | +\$2,834 |
| B. Programs: | | | | | | | | |
| Wage and Hour Investigator Support | 83 | \$15,243 | 0 | \$0 | 30 | \$5,000 | 30 | \$5,000 |
| Productivity Increase for Office of Administrative Law Judges | 88 | \$16,922 | 0 | \$0 | 10 | \$2,027 | 10 | \$2,027 |
| Black Lung Trust Fund Partial Restoration | 86 | \$16,242 | 0 | \$1,260 | 0 | \$0 | 0 | \$1,260 |
| Program Evaluation Increase | 0 | \$8,040 | 0 | \$0 | 0 | \$960 | 0 | \$960 |
| Office of External Enforcement Increase | 0 | \$0 | 0 | \$0 | 4 | \$868 | 4 | \$868 |
| Health Care Enforcement | 0 | \$14,692 | 0 | \$0 | 3 | \$600 | 3 | \$600 |
| Black Lung Disability Trust Fund (BLDTF) | 23 | \$7,355 | 0 | \$566 | 0 | \$0 | 0 | \$566 |
| Whistleblower Protection Investigator Support | 10 | \$1,836 | 0 | \$0 | 2 | \$400 | 2 | \$400 |
| Adjudicatory Boards' DOL Appeals Management System Operation & Maintenance (O&M) | 0 | \$0 | 0 | \$0 | 0 | \$237 | 0 | \$237 |
| Programs Subtotal | | | 0 | +\$1,826 | 49 | +\$10,092 | 49 | +\$11,918 |
| Total Increase | 1,369 | +\$344,040 | 0 | +\$1,953 | 49 | +\$12,799 | 49 | +\$14,752 |
| Decreases: | | | | | | | | |
| A. Built-Ins: | | | | | | | | |
| To Provide For: | | | | | | | | |
| Federal Employees' Compensation Act (FECA) | 0 | \$759 | 0 | \$0 | 0 | -\$310 | 0 | -\$310 |
| Other goods and services from Federal sources | 0 | \$5,691 | 0 | \$83 | 0 | -\$670 | 0 | -\$587 |
| Research & Development Contracts | 0 | \$1,430 | 0 | \$0 | 0 | -\$10 | 0 | -\$10 |
| Operation and maintenance of facilities | 0 | \$64 | 0 | \$0 | 0 | -\$19 | 0 | -\$19 |
| Operation and maintenance of equipment | 0 | \$8,484 | 0 | -\$32 | 0 | -\$30 | 0 | -\$62 |
| Built-Ins Subtotal | 0 | +\$16,428 | 0 | +\$51 | 0 | -\$1,039 | 0 | -\$988 |
| B. Programs: | | | | | | | | |
| OMB Reduction | 56 | \$11,536 | 0 | \$0 | -21 | -\$2,500 | -21 | -\$2,500 |
| Programs Subtotal | | | 0 | \$0 | -21 | -\$2,500 | -21 | -\$2,500 |
| Total Decrease | 0 | +\$16,428 | 0 | +\$51 | -21 | -\$3,539 | -21 | -\$3,488 |
| Total Change | 1,369 | +\$360,468 | 0 | +\$2,004 | 28 | +\$9,260 | 28 | +\$11,264 |

DEPARTMENTAL MANAGEMENT

| SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY | | | | | | | | |
|---|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------------------------|---------------|
| (Dollars in Thousands) | | | | | | | | |
| | FY 2013 Enacted | | FY 2014 Enacted | | FY 2015 Request | | Diff. FY15 Request / FY14 Enacted | |
| | FTE | Amount | FTE | Amount | FTE | Amount | FTE | Amount |
| Program Direction and Support | 120 | 31,010 | 127 | 31,010 | 127 | 31,187 | 0 | 177 |
| General Funds | 120 | 31,010 | 127 | 31,010 | 127 | 31,187 | 0 | 177 |
| | | | | | | | | |
| Legal Services | 693 | 129,862 | 674 | 132,741 | 709 | 140,119 | 35 | 7,378 |
| General Funds | 665 | 122,136 | 648 | 125,136 | 683 | 131,890 | 35 | 6,755 |
| Unemployment Trust Funds | 2 | 308 | 2 | 308 | 2 | 308 | 0 | 0 |
| Black Lung Disability Trust Funds | 26 | 7,418 | 24 | 7,297 | 24 | 7,921 | 0 | 623 |
| | | | | | | | | |
| International Labor Services | 105 | 87,481 | 105 | 91,125 | 105 | 91,319 | 0 | 194 |
| General Funds | 105 | 87,481 | 105 | 91,125 | 105 | 91,319 | 0 | 194 |
| | | | | | | | | |
| Administration and Management | 112 | 28,413 | 112 | 28,413 | 112 | 28,563 | 0 | 150 |
| General Funds | 112 | 28,413 | 112 | 28,413 | 112 | 28,563 | 0 | 150 |
| | | | | | | | | |
| Adjudication | 240 | 44,465 | 241 | 45,662 | 251 | 49,618 | 10 | 3,956 |
| General Funds | 154 | 27,953 | 155 | 29,420 | 165 | 31,996 | 10 | 2,576 |
| Black Lung Disability Trust Funds | 86 | 16,512 | 86 | 16,242 | 86 | 17,622 | 0 | 1,380 |
| | | | | | | | | |
| Women's Bureau | 53 | 10,955 | 56 | 11,536 | 35 | 9,047 | -21 | -2,489 |
| General Funds | 53 | 10,955 | 56 | 11,536 | 35 | 9,047 | -21 | -2,489 |
| | | | | | | | | |
| Civil Rights | 36 | 6,880 | 36 | 6,880 | 40 | 7,789 | 4 | 909 |
| General Funds | 36 | 6,880 | 36 | 6,880 | 40 | 7,789 | 4 | 909 |
| | | | | | | | | |

DEPARTMENTAL MANAGEMENT

| SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY | | | | | | | | |
|---|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------------------------|---------------|
| (Dollars in Thousands) | | | | | | | | |
| | FY 2013 Enacted | | FY 2014 Enacted | | FY 2015 Request | | Diff. FY15 Request / FY14 Enacted | |
| | FTE | Amount | FTE | Amount | FTE | Amount | FTE | Amount |
| Chief Financial Officer | 18 | 5,061 | 18 | 5,061 | 18 | 5,090 | 0 | 29 |
| General Funds | 18 | 5,061 | 18 | 5,061 | 18 | 5,090 | 0 | 29 |
| Departmental Program Evaluation | 0 | 8,040 | 0 | 8,040 | 0 | 9,000 | 0 | 960 |
| General Funds | 0 | 8,040 | 0 | 8,040 | 0 | 9,000 | 0 | 960 |
| Total | 1,377 | 352,167 | 1,369 | 360,468 | 1,397 | 371,732 | 28 | 11,264 |
| General Funds | 1,263 | 327,929 | 1,257 | 336,621 | 1,285 | 345,882 | 28 | 9,261 |
| Unemployment Trust Funds | 2 | 308 | 2 | 308 | 2 | 308 | 0 | 0 |
| Black Lung Disability Trust Funds | 112 | 23,930 | 110 | 23,539 | 110 | 25,542 | 0 | 2,003 |

NOTE: FY 2013 reflects actual FTE.

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| BUDGET AUTHORITY BY OBJECT CLASS | | | | | |
|---|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | | |
| | | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| | Full-Time Equivalent | | | | |
| | Full-time Permanent | 1,383 | 1,369 | 1,397 | 28 |
| | Reimbursable | 73 | 78 | 78 | 0 |
| | Total | 1,456 | 1,447 | 1,475 | 28 |
| | Average ES Salary | \$165,032 | \$162,357 | \$162,357 | \$0 |
| | Average GM/GS Grade | 12/5 | 12/5 | 12/5 | 0 |
| | Average GM/GS Salary | \$106,114 | \$105,179 | \$105,179 | \$0 |
| | Average Salary of Ungraded Positions | 163,034 | 163,223 | 163,223 | 0 |
| | | | | | |
| 11.1 | Full-time permanent | 152,816 | 153,681 | 159,910 | 6,229 |
| 11.3 | Other than full-time permanent | 544 | 626 | 566 | -60 |
| 11.5 | Other personnel compensation | 1,527 | 2,865 | 2,873 | 8 |
| 11.8 | Special personal services payments | 0 | 1 | 1 | 0 |
| 11.9 | Total personnel compensation | 154,887 | 157,173 | 163,350 | 6,177 |
| 12.1 | Civilian personnel benefits | 40,214 | 41,507 | 42,709 | 1,202 |
| 13.0 | Benefits for former personnel | 100 | 52 | 64 | 12 |
| 21.0 | Travel and transportation of persons | 3,457 | 2,762 | 3,288 | 526 |
| 22.0 | Transportation of things | 27 | 12 | 13 | 1 |
| 23.1 | Rental payments to GSA | 19,569 | 20,057 | 20,602 | 545 |
| 23.2 | Rental payments to others | 0 | 6 | 6 | 0 |
| 23.3 | Communications, utilities, and miscellaneous charges | 2,331 | 1,635 | 1,749 | 114 |
| 24.0 | Printing and reproduction | 502 | 265 | 278 | 13 |
| 25.1 | Advisory and assistance services | 12,688 | 12,517 | 13,607 | 1,090 |
| 25.2 | Other services from non-Federal sources | 7,101 | 6,116 | 6,820 | 704 |
| 25.3 | Other goods and services from Federal sources 1/ | 36,970 | 39,680 | 39,882 | 202 |
| 25.4 | Operation and maintenance of facilities | 197 | 64 | 282 | 218 |
| 25.5 | Research and development contracts | 875 | 1,430 | 1,420 | -10 |
| 25.7 | Operation and maintenance of equipment | 7,604 | 8,484 | 8,543 | 59 |
| 26.0 | Supplies and materials | 2,195 | 2,186 | 2,303 | 117 |
| 31.0 | Equipment | 1,093 | 1,695 | 1,989 | 294 |
| 41.0 | Grants, subsidies, and contributions | 62,357 | 64,825 | 64,825 | 0 |
| 42.0 | Insurance claims and indemnities | 0 | 2 | 2 | 0 |
| 51.1 | Benefits | 0 | 0 | 0 | 0 |
| | Total | 352,167 | 360,468 | 371,732 | 11,264 |
| | | | | | |
| | 1/Other goods and services from Federal sources | | | | |
| | Working Capital Fund | 34,307 | 32,990 | 33,384 | 394 |
| | DHS Services | 908 | 999 | 1,010 | 11 |
| | Services by DOL Agencies | 140 | 119 | 66 | -53 |
| | Services by Other Government Departments | 992 | 4,237 | 4,201 | -36 |
| | GSA Services | 500 | 869 | 869 | 0 |
| | HHS Services | 0 | 187 | 73 | -114 |

DEPARTMENTAL MANAGEMENT

SIGNIFICANT ITEMS IN APPROPRIATIONS COMMITTEES' REPORTS

Omnibus Conference Report Page 5: Within available resources, agencies of DOL should take steps to improve the quality of information on workplace safety violations, including steps to clearly and correctly identify entities that are penalized for any type of violation of federal labor laws. These improvements could assist federal contracting officers with using accurate data to determine whether or not a prospective contractor has a record of compliance with federal labor law.

Response: The Department acknowledges that the information systems contracting officers use when reviewing potential federal contractors could be more accurate and efficient. While dedicated resources were not provided in the FY 2014 Omnibus Appropriations Act, the agencies involved (Occupational Safety and Health Administration, Wage and Hour Division, Office of the Assistant Secretary for Administration and Management, and Office of Federal Contracts Compliance Programs) will review formal and informal inter-agency practices and databases to determine ways in which the quality of workforce safety violations and employer data can be improved and made available to contracting officers.

Senate Report 113-71 Page 36: The Committee directs the Secretary, in conjunction with FMSHRC, to provide a joint report to the Committees on Appropriations of the House of Representatives and the Senate for reducing the number of pending cases and average case processing time to appropriate levels by the end of fiscal year 2015. The report should fully explain how such levels were determined. It also should establish goals and metrics for determining when the levels will be achieved and how they will be maintained in the future.

Response: MSHA is working with the Office of the Solicitor and FMSHRC to address the issues raised by the Committees and develop a joint report.

Senate Report 113-71 Page 37: The Committee expects ILAB to maintain its current effort on programs to combat exploitative child labor. The Committee also expects that the integrated child labor and worker rights projects proposed in the budget request will have a significant and direct child labor component.

Response: In planning for FY 2015, ILAB intends to maintain its current level of effort on programs to combat exploitative child labor around the world. Moreover, ILAB's plans for development of integrated child labor and worker rights projects is based on our understanding of how these issues are inherently interconnected. By promoting worker rights and integrating such efforts as part of a more comprehensive child labor reduction strategy, ILAB believes we can be even more effective in reducing child labor and sustaining those reductions in the countries where we work.

DEPARTMENTAL MANAGEMENT

AUTHORIZING STATUTES

| Public Law / Act | Legislation | Statute No. / US Code | Volume No. | Page No. | Expiration Date |
|---------------------|---|--|---------------|-------------|--------------------|
| | Bureau of International Labor Affairs (ILAB) | | | | |
| Pub. L. 101-179 | Support for East European Democracy (SEED) Act of 1989 | 22 U.S.C. 5401 et seq. | | | |
| Pub. L. 102-511 | (ILAB) FREEDOM Support Act | 22 U.S.C.A. 5801 et seq. | | | |
| Pub. L. 103-82 | (ILAB) Canada-Mexico-United States: North America Agreement on Labor Cooperation (NAALC) | | | | |
| Pub. L. 106-200 | (ILAB) Trade and Development Act of 2000 | 19 U.S.C. 2464 | | | |
| Pub. L. 106-554 | (ILAB) DOL appropriation provided for funding to be used for ...Departmental bilateral and multilateral foreign technical assistance... | Stat. 2763 | | | |
| Pub. L. 66-259 | Women's Bureau Act to establish the Women's Bureau | 29 U.S.C. 11-14 | | | |
| Pub. L. 103-353 | Veterans' Employment and Training Services (VETS) | 38 U.S.C. 4100- 4110A and 4321- 4327 | | | |
| Pub. L. 105-339 | VETS Opportunity Act of 1998 Protects veterans' preference in government hiring | 5 U.S.C. 3330a. | | | |
| Pub. L. 103-353 | Uniformed Services Employment and Reemployment Rights Acts of 1994. Protects members of the uniformed services from discrimination in hiring and re- employment after service in the military. | 38 U.S.C. 4301- 4333 | | | |
| | Office of the 21 st Century Workforce | E.O. 13218 | | | |
| | OALJ – Black Lung Appeals Program Title IV, Federal Mine Safety & Health Act of 1977, as amended. | 33 U.S.C. Section 901 et seq. | | | |
| | OALJ – Longshore Appeals Program Longshore & Harbor Workers Act | 33 U.S.C. Section 901 et seq. | | | |
| | OALJ – Traditional Program & Board of Alien Labor Certification Appeals | Over 80 labor- related statutes & regulations. See OALJ website www.oalj.dol.gov | | | |
| | Benefits Review Board – Black Lung Appeals Program & Longshore Appeals Program | 30 U.S.C. Section 901 et seq. | | | |

DEPARTMENTAL MANAGEMENT

| | | |
|----------------|-------------------------------|------------------|
| | Employees' Compensation | |
| | Appeals Board. Review appeals | 5 U.S.C. Section |
| | of claims under Federal | 8101 et seq. |
| | Employees' Compensation Act | |
| Pub. L. 99-570 | Anti-Drug Act of 1986 | |

DEPARTMENTAL MANAGEMENT

| APPROPRIATION HISTORY | | | | | |
|------------------------------|---|----------------------------|-----------------------------|-----------------------|------------|
| (Dollars in Thousands) | | | | | |
| | Budget Estimates to Congress | House Allowance | Senate Allowance | Appropriations | FTE |
| 2005 | | | | | |
| Base Appropriation...1/ | \$287,168 | \$259,967 | \$350,319 | \$320,685 | 1,420 |
| 2006 | | | | | |
| Base Appropriation...2/ | \$244,423 | \$264,022 | \$344,800 | \$297,580 | 1,419 |
| 2007 | | | | | |
| Base Appropriation | \$242,091 | \$262,039 | \$267,346 | \$298,920 | 1,380 |
| 2008 | | | | | |
| Base Appropriation...3/ | \$254,236 | \$318,046 | \$338,503 | \$291,874 | 1,237 |
| 2009 | | | | | |
| Base Appropriation...4/ | \$263,483 | \$0 | \$0 | \$314,198 | 1,374 |
| 2010 | | | | | |
| Base Appropriation | \$355,154 | \$375,245 | \$382,245 | \$355,154 | 1,461 |
| 2011 | | | | | |
| Base Appropriation...5/ | \$428,624 | \$387,927 | \$411,982 | \$356,861 | 1,463 |
| 2012 | | | | | |
| Base Appropriation...6/ | \$371,554 | \$268,733 | \$347,009 | \$346,353 | 1,410 |
| 2013 | | | | | |
| Base Appropriation...7/ | \$348,927 | \$0 | \$0 | \$328,237 | 1,357 |
| 2014 | | | | | |
| Base Appropriation...8/ | \$347,956 | \$0 | \$0 | \$336,929 | 1,369 |
| 2015 | | | | | |
| Base Appropriation | \$346,189 | \$0 | \$0 | \$0 | 0 |

1/ Reflects a \$2,735,000 reduction pursuant to P.L. 108-447.

2/ Reflects a \$3,005,000 reduction pursuant to P.L. 109-148.

3/ Reflects a \$5,184,000 reduction pursuant to P.L. 110-161.

4/ This bill was only reported out of Subcommittee.

5/ Reflects a \$29,172,000 reduction pursuant to P.L. 112-10.

6/ Reflects a .189% across the board reduction pursuant to P.L. 112-74

7/ Reflects a 0.2% across the board rescission pursuant to P.L. 113-6 and the sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

8/ Reflects the full appropriation pursuant to P.L. 113-76 without enacted rescissions.

DEPARTMENTAL MANAGEMENT

OVERVIEW

Introduction

The primary goal of the U.S. Department of Labor (DOL) is to protect and promote the interests of the American worker—a goal that is captured in the Secretary’s vision. The Departmental Management (DM) Salaries and Expenses (S&E) appropriation contributes to the Secretary’s vision by providing critical policy, regulatory, legal, and administrative services to every agency within the Department.

The DM S&E appropriation is composed of the following nine budget activities: Program Direction and Support; Legal Services; International Labor Affairs; Administration and Management; Adjudication; Women’s Bureau; Civil Rights; Chief Financial Officer; and Departmental Program Evaluation. Three of the nine activities (Program Direction and Support; Administration and Management; and Adjudication) include a consolidation of several smaller operating programs.

Program Direction and Support

The Program Direction and Support (PDS) activity provides leadership and direction for the various DOL agencies. As part of its responsibilities, PDS oversees a program of analysis and general research on issues affecting the American workforce and evaluates the effectiveness of Departmental programs. PDS includes funding for the following organizations: Office of the Secretary; Office of the Deputy Secretary; Office of the Assistant Secretary for Policy; Office of Congressional and Intergovernmental Affairs; Office of Public Affairs; Office of Public Engagement; and the Center for Faith-based and Neighborhood Partnerships.

Office of the Solicitor

The Office of the Solicitor (SOL) provides legal services and certain non-legal services to the Secretary and to the client agencies within DOL. Its central purposes are law enforcement, legal advice, and compliance assistance. Unlike many of the general counsels’ offices in the federal government, SOL has independent litigating authority under a number of Federal statutes. Approximately half of the attorneys in SOL are in regional offices outside Washington, D.C., and their responsibilities deal primarily with litigation in Federal district courts and before administrative law judges. SOL also provides legal advice to the Secretary and other agency heads on a wide variety of matters arising under the nearly 200 laws the Department enforces.

Bureau of International Labor Affairs

The Bureau of International Labor Affairs (ILAB) supports the President’s international agenda on labor matters, carries out international responsibilities for the Secretary of Labor, and oversees and coordinates the Department’s international activities. ILAB focuses on three primary areas: 1) international trade and labor, including mandates related to free trade

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agreements; 2) international child labor, forced labor, and human trafficking, including reporting and program mandates; and 3) international organizations, including mandated representation before the International Labor Organization.

Administration and Management

The Administration and Management activity develops Departmental policy, administrative programs, systems, and procedures in the areas of information resources; budget formulation and resource analysis; performance management; procurement; human resources; equal opportunity; safety and health; homeland security and emergency management; and administrative services.

In FY 2015, the Office of the Assistant Secretary for Administration and Management (OASAM) will continue to direct resources to support the following three key Departmental initiatives: (1) IT Modernization; (2) Improved Customer Service; and (3) Budget and Performance Integration and Analysis of Performance Results.

Adjudication

The Adjudication activity includes the Office of Administrative Law Judges, the Benefits Review Board, the Employees' Compensation Appeals Board, and the Administrative Review Board. They review and determine several thousand appeals each year, make legal interpretations, and establish legal precedents that set standards for the entire nation.

Women's Bureau

The mission of the Women's Bureau is to develop policies and standards and conduct inquiries to safeguard the interests of working women, advocate for their equality and economic security for themselves and their families, and promote quality work environments. This mission is as critical today as it has been since the agency was established in 1920 as women now comprise almost half of the Nation's workforce, and their contributions are vital to our country's economic prosperity. The Women's Bureau's mission is critical to the Secretary's vision for the Department. An opportunity economy includes workplaces free of discrimination, equal pay for equal work, and fair and equitable working environments. The Women's Bureau initiatives go to the heart of these issues.

Civil Rights Center

The Civil Rights Center's (CRC) mission is to ensure compliance with Federal civil rights laws and regulations that cover DOL employees, applicants for employment, DOL conducted programs, and programs and activities receiving or benefiting from DOL financial assistance.

Office of the Chief Financial Officer

The Office of the Chief Financial Officer's (OCFO) mission is to deliver timely, accurate, and reliable financial information through efficient and effective financial systems and business

DEPARTMENTAL MANAGEMENT

processes. OCFO fosters effective stewardship of public funds, safeguards fiscal integrity through effective internal controls, and provides timely, accurate, and useful financial information to decision makers.

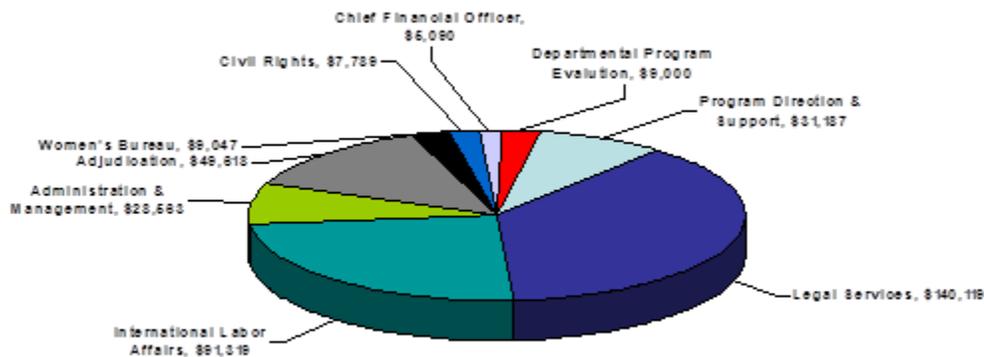
Departmental Program Evaluation

The Departmental Program Evaluation activity designates and centralizes specific program evaluation funds that can be used in collaboration with various Department of Labor agencies for individual program evaluations to identify what is working, what is not working, and improvements that would help ensure resources are spent effectively Department-wide.

Cost Model

The FY 2015 budget request for the Departmental Management Salaries and Expenses appropriation is \$371,732,000 and 1,397 FTE. The total includes \$345,881,000 and 1,285 FTE provided for general funds; \$25,543,000 and 110 FTE provided from the Black Lung Disability Trust Fund; and \$308,000 and 2 FTE provided from the Unemployment Trust Fund. The total of \$371,732,000 includes net program increases of \$9,418,000 and net built-in increases in the amount of \$1,846,000.

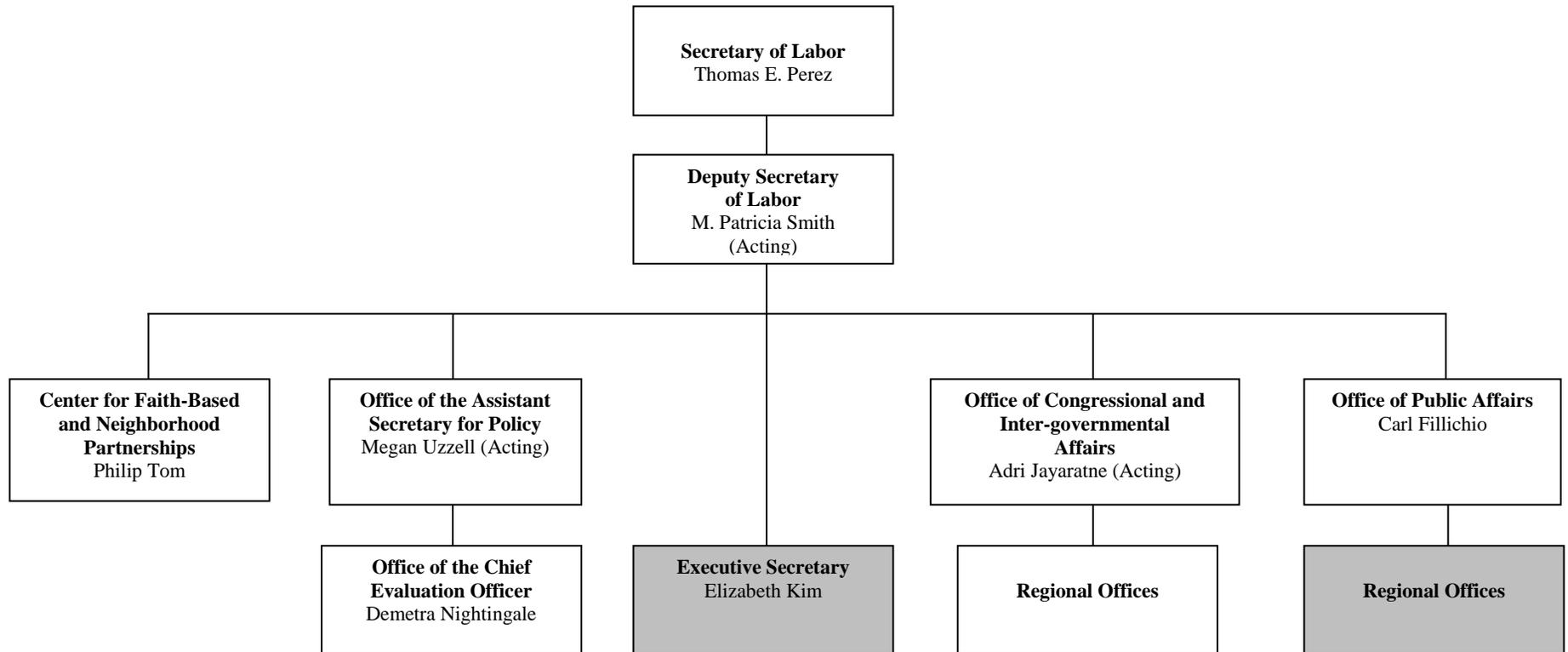
FY 2015 Budget Request by Program Activity
Total DM Budget: \$371,732
(Dollars in Thousands)



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ORGANIZATION CHARTS

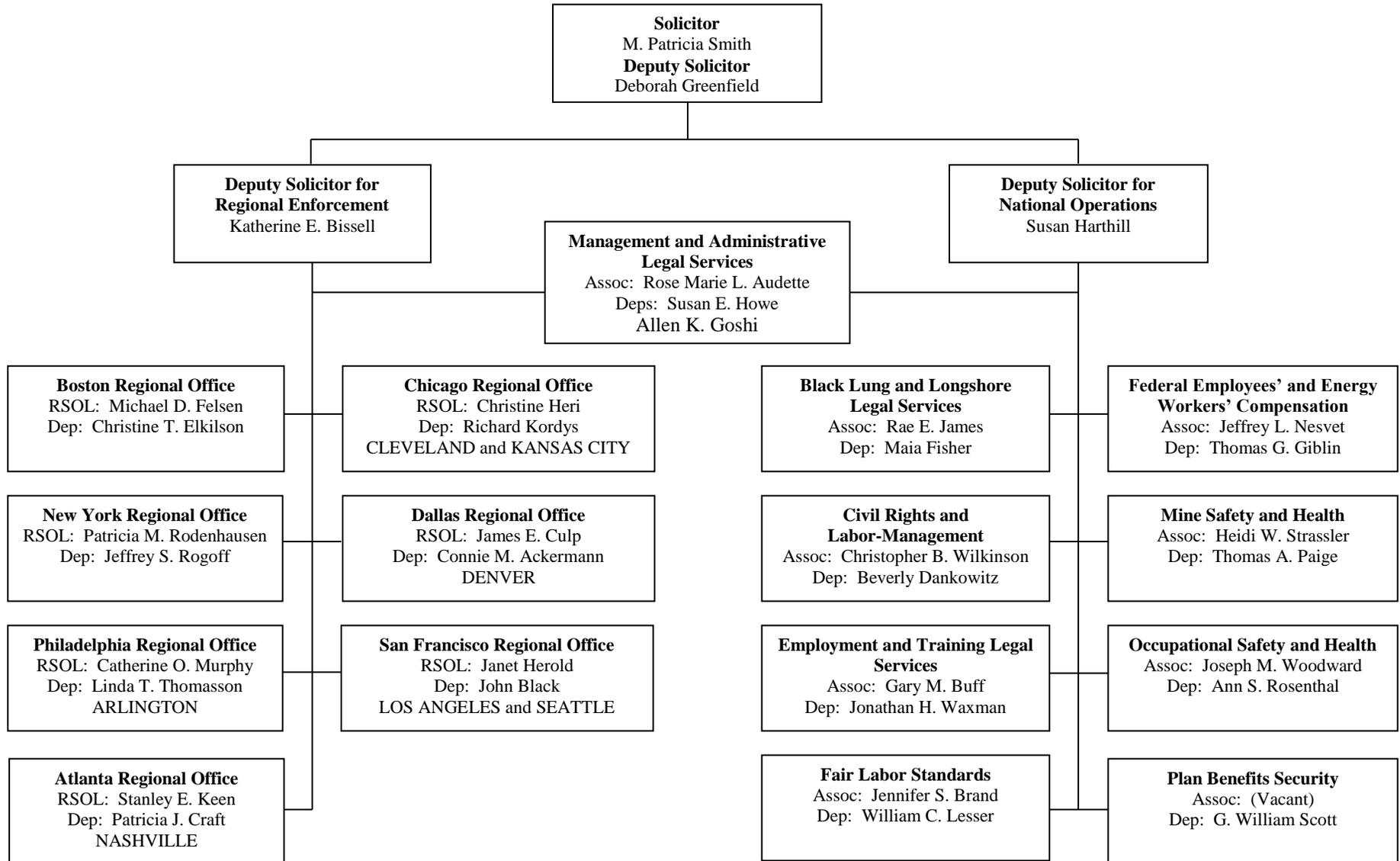
PROGRAM DIRECTION AND SUPPORT



Shaded box indicates funding through the Working Capital Fund.

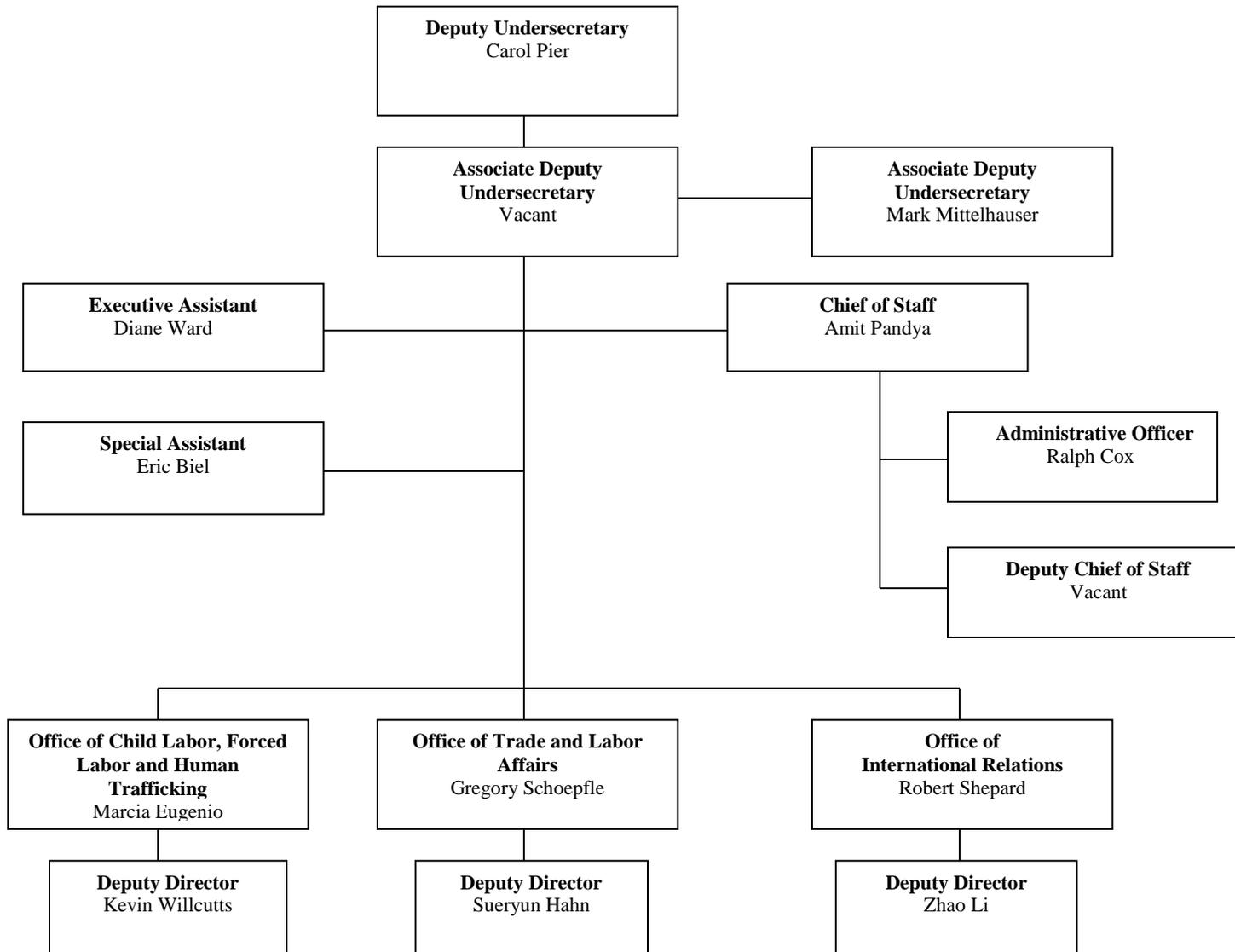
DEPARTMENTAL MANAGEMENT

OFFICE OF THE SOLICITOR



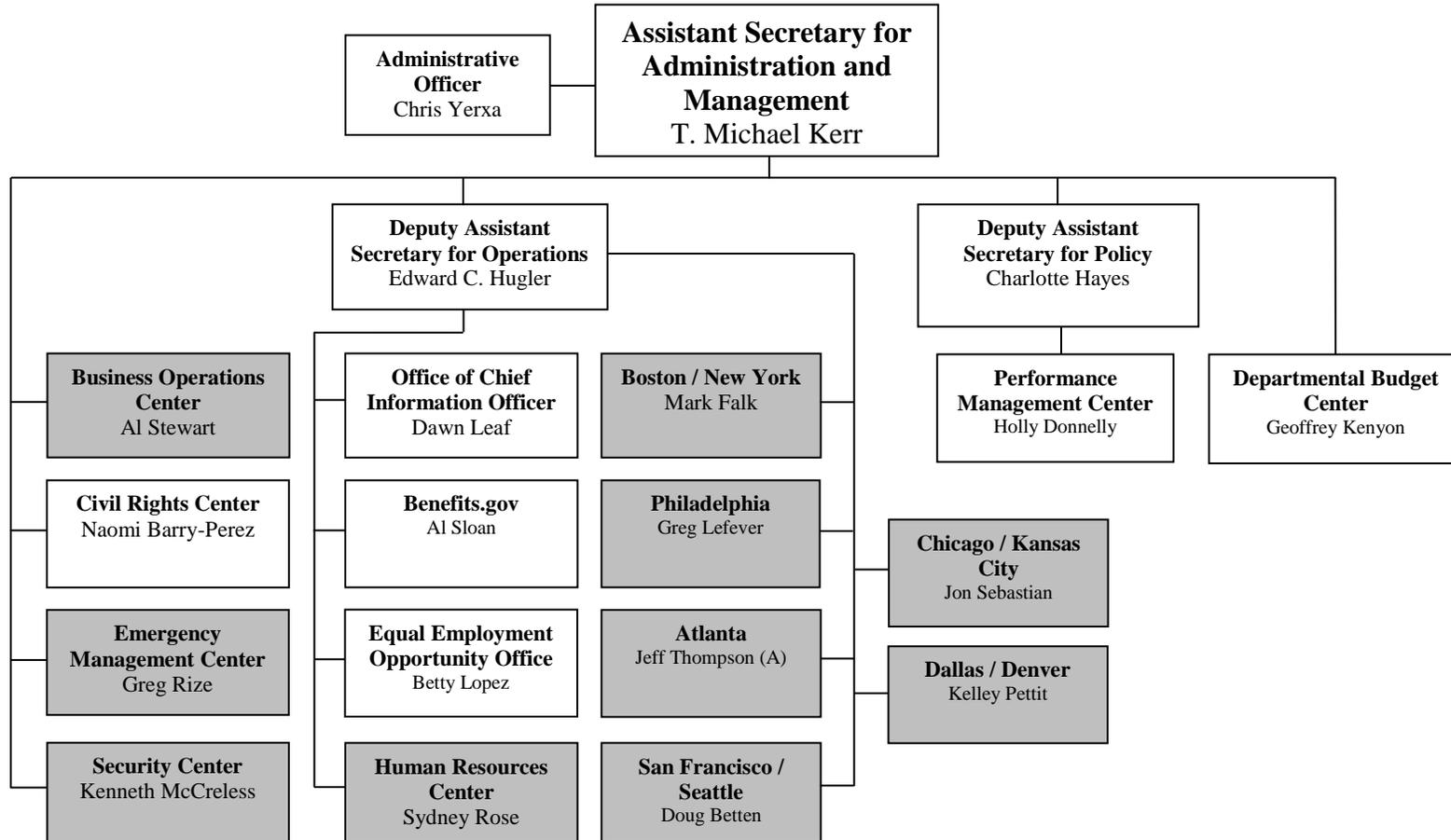
DEPARTMENTAL MANAGEMENT

INTERNATIONAL LABOR AFFAIRS BUREAU



DEPARTMENTAL MANAGEMENT

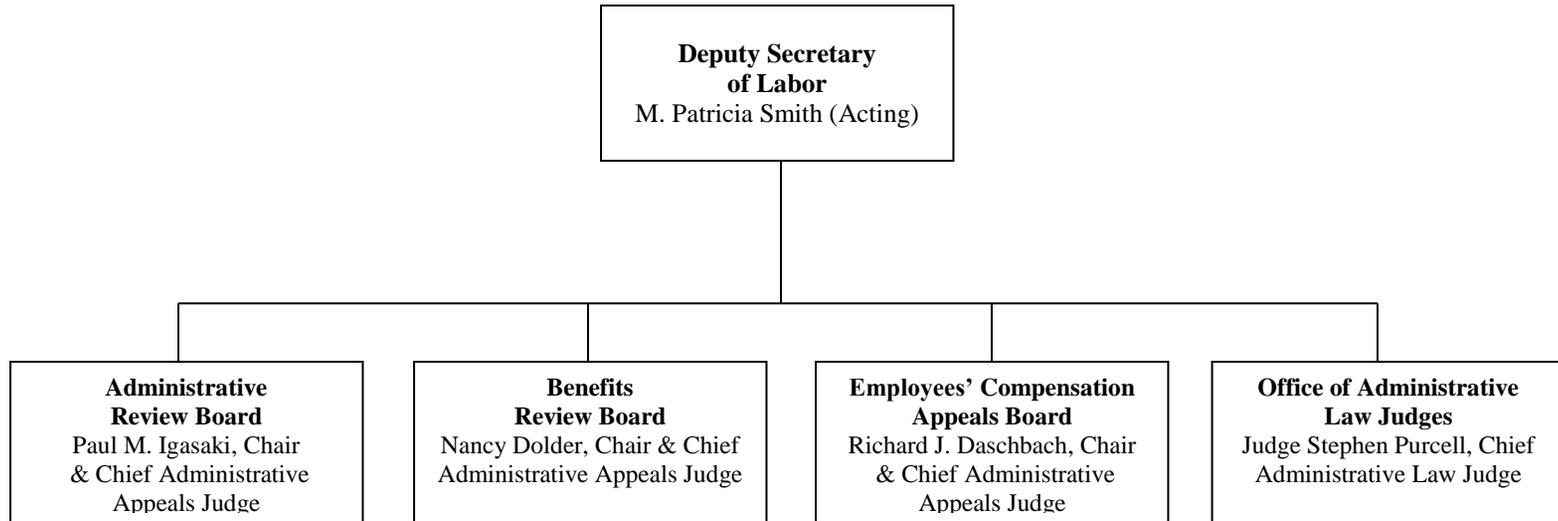
OFFICE OF ASSISTANT SECRETARY FOR ADMINISTRATION AND MANAGEMENT



Shaded box indicates funding through the Working Capital Fund.

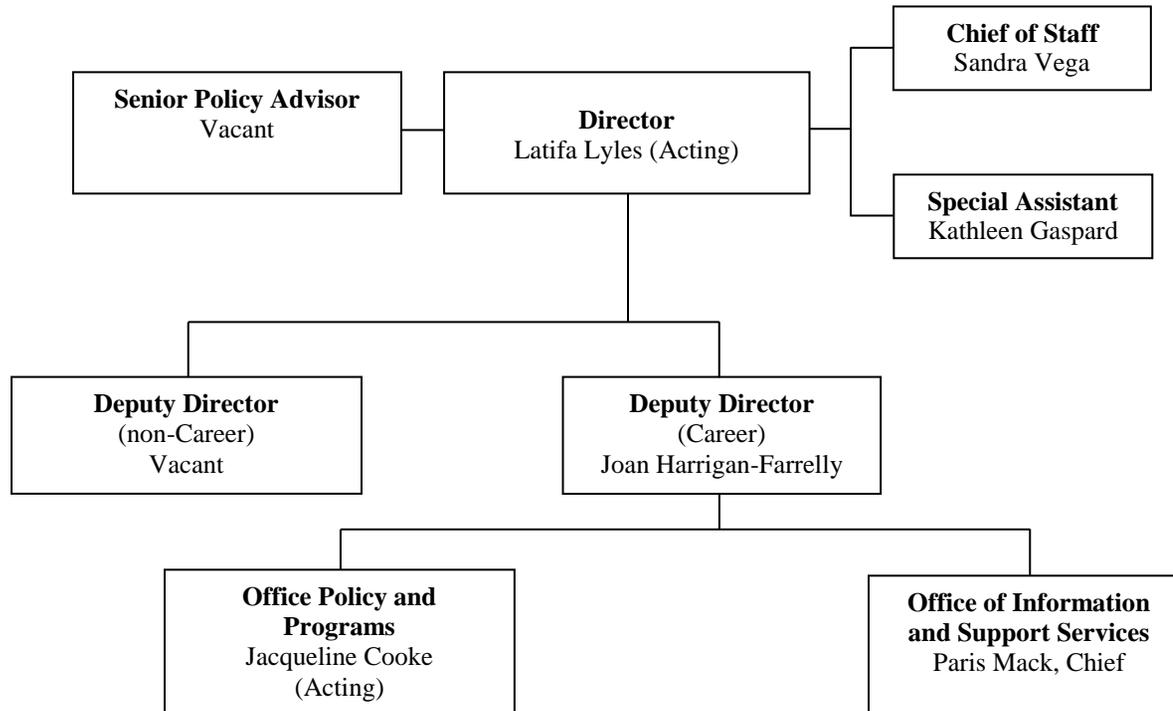
DEPARTMENTAL MANAGEMENT

ADJUDICATION



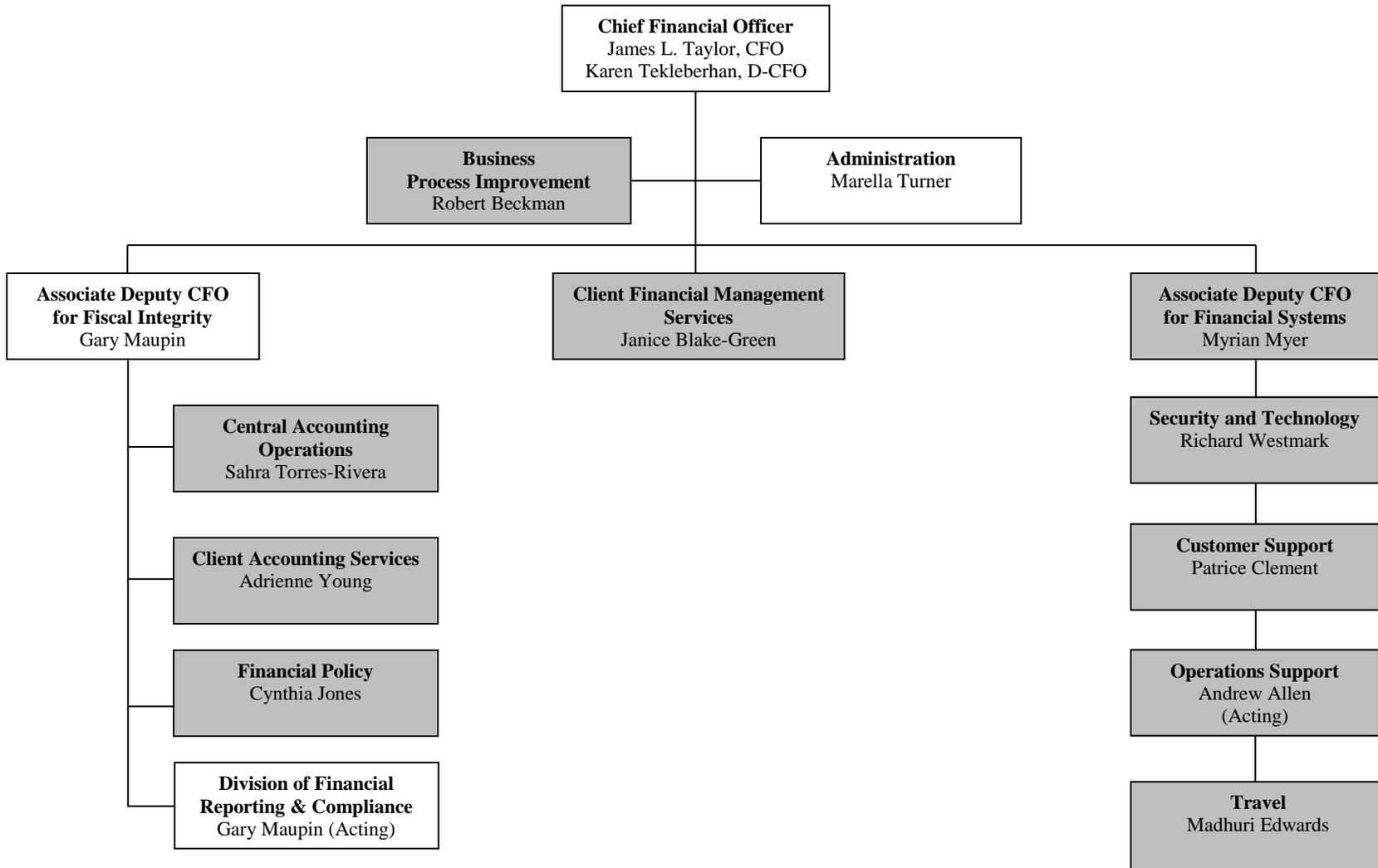
DEPARTMENTAL MANAGEMENT

WOMEN'S BUREAU



DEPARTMENTAL MANAGEMENT

OFFICE OF THE CHIEF FINANCIAL OFFICER



Shaded box indicates funding through the Working Capital Fund

PROGRAM DIRECTION AND SUPPORT

| BUDGET AUTHORITY BEFORE THE COMMITTEE | | | | |
|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | |
| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| Activity Appropriation | 31,010 | 31,010 | 31,187 | 177 |
| FTE | 120 | 127 | 127 | 0 |

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 121.

Introduction

The Program Direction and Support activity includes the following seven organizations: (1) the Office of the Secretary of Labor; (2) the Office of the Deputy Secretary of Labor; (3) the Office of the Assistant Secretary for Policy; (4) the Office of Congressional and Intergovernmental Affairs; (5) the Office of Public Affairs; (6) the Center for Faith-based and Neighborhood Partnerships; and (7) the Office of Public Engagement.

This activity provides centralized leadership and direction for the entire Department. Other core responsibilities include: (1) serving as the primary economic advisor to the Secretary of Labor and providing economic analysis of special topical initiatives as well as general issues; (2) overseeing a program of analysis and general research on issues affecting the American workforce; (3) evaluating the effectiveness of Departmental programs; (4) serving as the principal representative on the Department's legislative program; (5) coordinating legislative proposals with staff of other Federal agencies; and (6) maintaining a program of public information and communications to inform the public of the services and protection afforded by Departmental agencies.

Five-Year Budget Activity History

| <u>Fiscal Year</u> | <u>Funding</u> (Dollars in Thousands) | <u>FTE</u> |
|---------------------------|---|-------------------|
| 2010 | \$33,375 | 160 |
| 2011 | \$32,909 | 130 |
| 2012 | \$33,220 | 118 |
| 2013 | \$31,010 | 121 |
| 2014 | \$31,010 | 127 |

FY 2015

The FY 2015 budget request for the Program Direction and Support (PDS) activity is \$31,187,000 and 127 FTE. Funding at this level will provide for continued support of leadership on key DOL initiatives and mandates.

Specifically, PDS funding will provide operational resources for the following offices:

PROGRAM DIRECTION AND SUPPORT

- Office of the Assistant Secretary for Policy (OASP): coordinates and advances the Department's regulatory agenda and ongoing involvement in interagency planning and policy development efforts, promoting a culture within DOL that produces greater transparency and encourages public participation in DOL agencies' initiatives (all within the Regulation, Transparency and Disclosure theme);
- The Chief Evaluation Office (CEO): manages the Department's extensive program evaluation efforts to find effective solutions to issues facing today's workers;
- Office of Congressional and Intergovernmental Affairs (OCIA): develops and implements policies that affect legislative programs while maintaining Congressional relationships;
- Office of Public Engagement (OPE): advises the Secretary on policy affecting Departmental programs and priorities, and advises constituency organizations in addressing America's social problems in the labor arena;
- Center for Faith-based and Neighborhood Partnerships (CFBNP): builds partnerships with faith-based groups, community organizations, and neighborhood leaders, working in collaboration with DOL agencies to improve the lives of the most vulnerable and disadvantaged workers and job seekers;
- Office of Public Affairs (OPA): executes a nationwide communications program on Departmental programs and activities as they relate to employment and earnings, employment standards, pensions, worker training and placement support services, veterans, training and job rights, workplace safety and health, youth initiatives, child labor, international labor issues, labor statistics, equal employment opportunity workplace initiatives and disabled employment issues.

FY 2014

The FY 2014 enacted budget for the Program Direction and Support budget activity is \$31,010,000 and 127 FTE. PDS will continue to support the Secretary, Deputy Secretary, and their respective offices on key DOL initiatives and mandates in promoting and protecting opportunity for workers and their families. These resources will also allow the Department to continue to make strides in evidence-based, data-driven management.

The Office of Recovery for Auto Communities and Workers (ORACW), which is included in this budget activity, will be terminated in FY 2014. The ORACW established itself as a "one-stop shop" for struggling automotive communities during a time when the industry experienced crisis conditions. ORACW was instrumental in the Administration's successful restructuring efforts of the American automotive industry and has completed its mission.

FY 2013

Despite the extraordinary economic challenges in FY 2013, the Department achieved record efficiencies in several areas as detailed in the specific agency budgets. The PDS resources were used to provide leadership and support key initiatives department-wide.

PROGRAM DIRECTION AND SUPPORT

Department leadership continued to hold agency leadership accountable for achieving the Department's mission, goals, and strategic objectives, as measured by outcome data trends, analysis of annual performance, and the corresponding out-puts tracked internally and through the budget process. Agencies continued to be accountable for achieving performance goals by adjusting strategies based on concrete evidence—fostering a culture that emphasized continuous improvement in all DOL agencies.

During FY 2013, the Office of the Assistant Secretary for Policy (OASP) provided policy analysis of the highest quality to the Secretary, Deputy Secretary and agency leadership staff in the form of written policy papers or substantive contributions to policy papers on Green Jobs, Agricultural Workers in the United States, Poverty, Unemployment of Young Veterans, Establishing a Federal Benefit Agency Working Group, the Long Term Unemployed and the Contingent Workforce. Each of these policy papers were linked to Departmental policy priorities or specific program agency goals and used to help make informed decisions.

PROGRAM DIRECTION AND SUPPORT

| DETAILED WORKLOAD AND PERFORMANCE | | | | |
|--|----------------------------|---------------|----------------------------|----------------------------|
| | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | Target | Result | Target | Target |
| Program Direction and Support | | | | |
| Strategic Goal ALL - All Strategic Goals | | | | |
| Strategic Objective ALL.1 - All Strategic Objectives | | | | |
| Outreach Support for Secretary's Initiatives (Number of Events) | 100 | 100 | 100 | 100 |
| DOL Newsletter | 51 | 51 | 51 | 51 |
| Program Direction and Support | | | | |
| Strategic Goal ALL - All Strategic Goals | | | | |
| Strategic Objective ALL.1 - All Strategic Objectives | | | | |
| OASP Contract Research Studies | -- | -- | -- | 10 |
| Policy Roundtables/Forums for Secretary's Initiatives (Number of Events) | -- | -- | -- | 12 |
| Post-doctoral fellowships and internships | -- | -- | -- | 4 |
| Internal Policy Research Working Paper Series | -- | -- | -- | 12 |

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

PROGRAM DIRECTION AND SUPPORT

Detailed Workload Performance Narrative for Selected PDS Components

Office of the Assistant Secretary for Policy (OASP)

OASP provides advice to the Secretary, Deputy Secretary and Department on matters of policy development, evaluation, regulations, budget and legislation that will improve the lives of workers, retirees, and their families. Integral to this role, OASP leads special initiatives and manages cross- and inter-Department activities to advance the mission of the Department of Labor.

OASP contributes to the accomplishment of all Departmental strategic and outcome goals, using a variety of strategies to leverage efforts and ensure optimal performance of the program and enforcement.

To support the Secretary, Deputy Secretary and Department, OASP's principal outcomes are:

1. Providing the Secretary with **timely, full and accurate information, analysis, and evaluation** reflecting a Department-wide perspective (for both policymaking purposes and public statements)
2. Facilitating the **timely promulgation and roll-out of high quality regulations** that are consistent with Executive Orders, the Secretary's vision, statutes and OMB Bulletins
3. Enhancing the quality of DOL's policy, regulatory and legislative initiatives and innovations by **facilitating cross-agency collaboration and interagency cooperation.**
4. **Facilitating efforts to provide workers with a voice in the workplace and enabling DOL transparency** by providing the public with portals that contain up-to-date cross-agency information on DOL's activities.

Office of Public Affairs (OPA)

OPA is committed to furthering the efforts of all DOL agencies in support of the Department's vision of "good jobs for everyone." To that end, an essential component of OPA's contribution is creative, timely and effective messaging about DOL's work as it relates to the Department's vision. OPA will continue the implementation of a multi-dimensional communications plan to educate the media and the public as a whole about DOL's efforts. In FY 2015, OPA will perform the following tasks as a part of its internal and external communication strategies and in support of Departmental outcome goals:

- Draft speeches and talking points for the Secretary and major departmental heads, ensuring that they take advantage of every opportunity to promote and reiterate the Secretary's vision.
- Edit news releases and advisories ensuring appropriate references to the Secretary's vision.
- Ensure that the Secretary's message is consistent in the Department's internal and external new media forums such as Facebook, Twitter, Web chats and blogs.
- Draft and publish "Dear Colleagues from the Secretary" to DOL staff to communicate important updates or messages.

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- Use Frances—the DOL (intranet only) online magazine—as a means of communicating with and connecting to DOL staff.
- Host employee Web chats to engage employees in dialogue regarding current events or developments.
- Eliminate unnecessary or non-compliant external websites to make information more accessible and centralized.
- Establish a Social Media Strategy Team to better analyze and plan social media initiatives.
- Ensure that press materials are translated into foreign languages, if appropriate.

OPA will continue to improve DOL's expansive news media work, as well as manage multiple Facebook and Twitter accounts, a reinvigorated YouTube account, two blogs (one internal and one external), and a Flickr account. The Department's use of social networking sites continues to expand, including BLS and Job Corps acquiring agency-managed accounts for Twitter and Facebook, respectively. To meet this increased demand, OPA will begin using the content management tool HootSuite, which will allow the Department to better meet agency and customer needs, as well as track progress towards performance metrics.

OPA will continue publishing the DOL newsletter in FY 2015. Nearly everyone on the OPA staff contributes to this messaging tool. The newsletter is issued each Thursday and has more than 120,000 non-DOL subscribers, with an average of more than 330 new subscribers each week. This figure is in addition to the 16,200 DOL employees who receive the newsletter in electronic format each week.

PROGRAM DIRECTION AND SUPPORT

| BUDGET ACTIVITY BY OBJECT CLASS | | | | | |
|--|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | | |
| | | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| 11.1 | Full-time permanent | 14,843 | 14,973 | 15,110 | 137 |
| 11.3 | Other than full-time permanent | 30 | 185 | 185 | 0 |
| 11.5 | Other personnel compensation | 1,197 | 330 | 330 | 0 |
| 11.9 | Total personnel compensation | 16,070 | 15,488 | 15,625 | 137 |
| 12.1 | Civilian personnel benefits | 4,173 | 3,776 | 3,776 | 0 |
| 13.0 | Benefits for former personnel | 100 | 0 | 0 | 0 |
| 21.0 | Travel and transportation of persons | 753 | 418 | 418 | 0 |
| 22.0 | Transportation of things | 0 | 0 | 0 | 0 |
| 23.1 | Rental payments to GSA | 2,455 | 2,598 | 2,639 | 41 |
| 23.3 | Communications, utilities, and miscellaneous charges | 512 | 264 | 264 | 0 |
| 24.0 | Printing and reproduction | 135 | 56 | 56 | 0 |
| 25.1 | Advisory and assistance services | 1,625 | 400 | 400 | 0 |
| 25.2 | Other services from non-Federal sources | 352 | 937 | 937 | 0 |
| 25.3 | Other goods and services from Federal sources 1/ | 4,241 | 6,799 | 6,798 | -1 |
| 25.4 | Operation and maintenance of facilities | 48 | 8 | 8 | 0 |
| 25.5 | Research and development contracts | 0 | 0 | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 121 | 57 | 57 | 0 |
| 26.0 | Supplies and materials | 373 | 185 | 185 | 0 |
| 31.0 | Equipment | 52 | 24 | 24 | 0 |
| 42.0 | Insurance claims and indemnities | 0 | 0 | 0 | 0 |
| | Total | 31,010 | 31,010 | 31,187 | 177 |
| | | | | | |
| | 1/Other goods and services from Federal sources | | | | |
| | Working Capital Fund | 3,878 | 4,494 | 4,574 | 80 |
| | DHS Services | 100 | 0 | 0 | 0 |
| | Services by Other Government Departments | 263 | 2,305 | 2,224 | -81 |

PROGRAM DIRECTION AND SUPPORT

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

| | |
|--|-------|
| Costs of pay adjustments | \$137 |
| Personnel benefits | -5 |
| Federal Employees' Compensation Act (FECA) | 5 |
| Benefits for former personnel | 0 |
| Travel and transportation of persons | 0 |
| Transportation of things | 0 |
| Rental payments to GSA | 41 |
| Communications, utilities, and miscellaneous charges | 0 |
| Printing and reproduction | 0 |
| Advisory and assistance services | 0 |
| Other services from non-Federal sources | 0 |
| Working Capital Fund | 80 |
| Other Federal sources (DHS Charges) | 0 |
| Other goods and services from Federal sources | -81 |
| Research & Development Contracts | 0 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | 0 |
| Supplies and materials | 0 |
| Equipment | 0 |
| Insurance claims and indemnities | 0 |

Built-Ins Subtotal **\$177**

Net Program **\$0**

Direct FTE **0**

| | Estimate | FTE |
|-------------------------|-----------------|------------|
| Base | \$31,187 | 127 |
| Program Increase | \$0 | 0 |
| Program Decrease | \$0 | 0 |

LEGAL SERVICES

| BUDGET AUTHORITY BEFORE THE COMMITTEE | | | | |
|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | |
| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| Activity Appropriation | 129,862 | 132,741 | 140,119 | 7,378 |
| FTE | 693 | 674 | 709 | 35 |

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 667.

Introduction

The Office of the Solicitor (SOL) is the legal enforcement and support arm of the Department of Labor. Its mission is to meet the legal service demands of the entire Department, including providing the legal support necessary to enable the Secretary of Labor to further goals that support the President’s strategic vision to improve opportunities and quality of life for the American people. SOL provides its legal services through National Office Divisions that are generally devoted to the major laws under the Department’s jurisdiction and Regional Offices that undertake front-line enforcement initiatives, including trial-level litigation to protect and improve the working conditions and security of America’s working women and men.

SOL plays a critical role in advancing the Department’s mission through enforcement of worker safety and protection laws and implementation of the Secretary’s regulatory and program agendas. SOL works closely with other DOL agencies to develop and implement specific policies and mission critical programs. Additionally, SOL helps improve the effectiveness of training programs for American workers – ensuring the nation’s workers’ protection laws are forcefully and fairly applied, and advising the Secretary and Departmental leadership on a full range of legal issues. As a result, SOL shares the outcome goals of each of its clients. SOL’s services to its client agencies fall into four primary categories: pre-litigation, litigation, opinion and advice, and assistance in development of regulations. SOL contributes to the accomplishment of all of the Department’s Strategic and Outcome goals by:

- undertaking **litigation** to carry out the Secretary’s priority enforcement initiatives, and to defend the Secretary’s vision and the program agencies of the Department;
- assisting in the development, drafting and legal review of **legislation, regulations, Executive Orders**, and other matters affecting Departmental programs; and
- providing **legal opinions/advice** to the Secretary and Departmental and agency officials.

DOL actions are based on sound legal advice that is:

- Timely;
- Understandable;
- Able to identify and mitigate legal risk;
- Effective; and
- In line with clients’ goals and priorities.

LEGAL SERVICES

The priorities in SOL's Congressional budget submission for FY 2015 mirror the Department's budget and program priorities and seek some additional FTE necessary to enable SOL to provide enhanced legal services in support of the Department's Strategic and Outcome Goals. This budget submission seeks to create more effective labor law enforcement by expanding legal advice and litigation services in the same subject areas where the Department is expanding investigative and compliance efforts. Expanding SOL's ability to support client agency work, and coordination with other federal and state agencies will increase efficient use of limited government resources. Timely and effective advice and litigation services, in support of worker wages, benefits, safety, and rights contribute to a sound economy and economic growth.

Five-Year Budget Activity History

| <u>Fiscal Year</u> | <u>Funding</u> (Dollars in Thousands) | <u>FTE</u> |
|--------------------|--|------------|
| 2010 | \$117,448 | 675 |
| 2011 | \$119,447 | 754 |
| 2012 | \$129,202 | 711 |
| 2013 | \$122,444 | 667 |
| 2014 | \$125,444 | 674 |

FY 2015

In FY 2015, SOL is requesting \$140,119,000 and 709 FTE.

The FY 2015 requested increase of \$7,378,000 from the FY 2014 level of \$132,741,000 includes an increase of \$5,000,000 and 30 FTE to provide legal support for Wage and Hour Division's (WHD) compliance actions; \$600,000 and 3 FTE for provision of legal services to support an increase in the Employee Benefits Security Administration's (EBSA) enforcement and regulatory efforts; \$400,000 and 2 FTE to provide legal services necessary to support the Occupational Safety and Health Administration's (OSHA's) expansion of the Whistleblower Protection Program; and \$566,000 to enable SOL to provide legal services to OWCP's Division of Coal Mine Workers' Compensation, including all litigation under the Black Lung Benefits Act.

In FY 2015, WHD will realize a combined (FY 2014 and FY 2015) increase of 300 FTE investigators. The corresponding SOL requested increase of 30 FTE will enable SOL to provide legal advice and litigation services that support WHD, primarily to enforce the Fair Labor Standards Act, which forms the largest percentage of Wage and Hour investigations. With WHD's planned focus on compliance actions (especially in priority industries where emerging business practices and trends have increased the risk of wage violations), additional SOL FTE are needed to improve strategic enforcement efforts and collaboration in support of increasing

LEGAL SERVICES

referrals for criminal prosecution to U.S. Attorneys and other enforcement agencies, consistent with the Solicitor's Strategy to Leverage Litigation Resources. The same will be true for improving collaboration during early consultation on Pre-Litigation matters, where SOL consults with Wage and Hour to assist with strategic planning and to ensure that investigators fully understand evidentiary requirements and investigative tools necessary to produce a litigation-worthy case. Overall, the requested funding and staff levels will enable SOL to keep up with the increase in workload in FY 2015 that will be generated by WHD's vastly increased investigation capacity.

The FY 2015 request is projected to provide additional resources for EBSA to enhance the Health Benefits Security Project (HBSP) that consolidates longstanding health benefits security initiatives and enforces health care regulations, including plan level and service provider investigations to ensure the provision of promised health benefits. The \$600,000 and 3 FTE request for SOL is for the provision of legal services to support an anticipated workload increase in EBSA's enforcement and regulatory efforts.

SOL requested 2 FTE to provide legal services necessary to support the Occupational Safety and Health Administration's (OSHA's) expansion of the Whistleblower Protection Program from approximately 115 to 160 investigators and expansion of the Whistleblower HQ staff to more robustly administer and enforce the program through additional training, audit, and other efforts. The additional 2 FTE in SOL will directly support OSHA's Whistleblower Protection Program to achieve effective enforcement of 22 whistleblower laws that protect workers who identify hazards at their workplaces or report violations of various trucking, airline, nuclear power, pipeline, environmental, rail, mass transit, maritime safety, consumer product safety, health care, and securities laws.

The increase of \$566,000 will enable SOL to continue to provide a full range of legal services to OWCP's Division of Coal Mine Workers' Compensation including all litigation under the Black Lung Benefits Act. SOL's regional offices participate in cases at the trial level to protect the Black Lung Disability Trust Fund against responsibility for payments that a solvent mine operator or insurance carrier should bear. SOL's regions also defend certain OWCP benefit awards to deserving claimants. SOL's national office handles all litigation beyond the trial level. These cases involve wide-ranging issues, including challenges to the meaning and applicability of statutory and regulatory provisions important to the Black Lung Program's administration and other novel or constitutional issues. In addition to litigation, SOL provides ongoing legal advice regarding program administration; drafts and assists with the implementation of regulations and legislation; and supports new program initiatives.

FY 2014

In FY 2014, SOL received \$132,741,000 and 674 FTE. The funding level includes a \$3,000,000 increase for built-in increases and a slight program increase above FY 2013 funding levels. The funding will enable SOL to provide comprehensive legal services to the Department to advance the Department's mission, the programs and priorities of the Secretary and each of our client agencies. SOL will work closely with its client agencies in supporting priority initiatives, such as

LEGAL SERVICES

WHD's enforcement of the Fair Labor Standards Act and EBSA's enforcement and regulatory efforts, particularly in the areas of pension and health care benefits.

SOL's FY 2014 funding level includes a program reduction of \$4,300,000 associated with the MSHA Litigation Backlog Project (MLBP). Beginning in FY 2013, due to sequestration and the reduction of the case backlog before the Federal Mine Safety and Health Review Commission, SOL initiated an orderly draw down of its involvement in the special project. SOL reduced staffing for the project by 30 FTE, and in FY 2014 continues to support the project through 44 FTE and three special project offices.

SOL and MSHA have together made significant improvement, thanks to help from Congress, in reducing the backlog of contested citations pending before the Federal Mine Safety and Health Review Commission. MSHA and SOL have reduced the "targeted backlog" of cases, which consists of contests filed between October 1, 2007 and February 28, 2012, by 98 percent as of September 30, 2013.

As the "targeted" backlog decreased, MSHA and SOL agreed that MSHA would transfer some cases assigned to its Conference Litigation Representative (CLR) program to the MLBP project and MLBP staff shifted their focus to handling these newer cases as well as the "targeted" backlog cases. The MSHA CLR staff continues to handle a significant portion of the newer cases. And with its permanent attorney staff, SOL continues to handle the more complex matters before the Commission, including violations designated as flagrant, cases involving accidents, fatalities and serious injuries, unwarrantable failure orders, high penalty and "special assessment" cases, temporary reinstatement and discrimination (whistleblower) cases, jurisdictional issues and other cases presenting novel or complex legal issues. SOL permanent attorney staff also provides training and general legal support for the MSHA CLR program.

The success achieved on the "targeted" backlog continues as MSHA and SOL work together to reduce the total caseload and keep it at a manageable level. The total caseload has been reduced to approximately 33,000 citations as of the end of FY 2013, from nearly 86,000 at the end of FY 2010. SOL will continue to coordinate with MSHA on strategies to improve compliance and maximize efficiencies in the case resolution process.

FY 2013

In FY 2013, SOL received \$129,862,000 and 693 FTE, 48 less than the 741 FTE received in FY 2012; and, 61 FTE less than the FY 2011 level of 754 FTE.

In FY 2013, the SOL Sequestration Plan included a reduction in the number of term/temporary employees in the MSHA Litigation Backlog Project (MLBP) from 74 FTE to 44 FTE. This reduction took effect beginning on June 1, 2013, for an estimated savings of \$3.5 million in FY 2013. SOL closed MLBP offices in Arlington, Virginia and Atlanta, Georgia, and reduced in staff in the Denver, Colorado MLBP office. The remaining FTE were divided among the existing MLBP offices in Philadelphia, Nashville and Denver. SOL managed the orderly reduction in staff by concluding employment of temporary, term, and reemployed annuitant

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employees, and transitioning back to MSHA responsibility for handling routine, noncomplex FMSHRC matters that had been handled by MSHA prior to creation of this special project.

In addition to the reduction in MLBP FTE, the SOL Sequestration Plan resulted in four hours of furlough for all staff, a reduction in administrative support categories and elimination of all performance bonuses and monetary awards. Throughout FY 2013, SOL continued to utilize its four strategic approaches to the provision of legal services: Early Intervention; Leveraging Litigation Resources; Providing Opinions and Advice for Strategic Initiatives; and Supporting Priority Regulations to drive the implementation of the agency's Operating Plan.

In FY 2013, SOL's IT Modernization Initiative was renamed SOL Legal Technology Systems (LTS) as the Matter Management System (MMS) and the Evidence Management System (EMS) both reached operation and maintenance status. In FY 2013, SOL deployed several upgrades to MMS, which included enhanced features, creation of new management reports, and conversion of legacy records. Through the use of MMS, SOL has improved information gathering for managing legal matters and tracking allocation of SOL legal service resources. SOL also fully deployed the cloud-based component of EMS and began using it to manage evidence on complex litigation matters.

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| DETAILED WORKLOAD AND PERFORMANCE | | | | | |
|---|--|----------------------------|---------------|----------------------------|----------------------------|
| | | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | | Target | Result | Target | Target |
| Strategic Goal ALL - All Strategic Goals | | | | | |
| Strategic Objective ALL.1 - All Strategic Objectives | | | | | |
| Pre Litigation: | | | | | |
| PRE-03 | Percentage of Strategic Matters Opened | 29.11%[e] | [base] | [base] | [base] |
| PRE-01 | Matters Opened | 2,939[p] | 3,463 | 3,172[p] | 3,572[p] |
| PRE-02 | Matters Concluded | 2,972[p] | 2,905 | 2,800[p] | 3,196[p] |
| PRE-04 | Matters Pending | 1,406[p] | 1,937 | 2,359[p] | 2,359[p] |
| Litigation: | | | | | |
| LIT-03 | Percentage of Strategic Matters Opened | 23.74%[e] | [base] | [base] | [base] |
| LIT-01 | Matters Opened | 11,905[p] | 11,068 | 12,941[p] | 13,331[p] |
| LIT-02 | Matters Concluded | 15,843[p] | 18,200 | 11,790[p] | 12,196[p] |
| LIT-04 | Matters Pending | -- | 13,177 | 15,441[p] | 15,441[p] |

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| DETAILED WORKLOAD AND PERFORMANCE | | | | | |
|--|--|----------------------------|---------------|----------------------------|----------------------------|
| | | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | | Target | Result | Target | Target |
| Opinion/Advice: | | | | | |
| OA-03 | Percentage of Strategic Matters Opened | 23.79%[e] | [base] | [base] | [base] |
| OA-01 | Matters Opened | 8,324[p] | 19,212 | 9,726[p] | 9,846[p] |
| OA-02 | Matters Concluded | 6,251[p] | 5,535 | 8,536[p] | 6,860[p] |
| OA-04 | Matters Pending | -- | 23,941 | 23,138[p] | 23,138[p] |
| Regulations: | | | | | |
| REG-03 | Percentage of Strategic Matters Opened | 47.76%[e] | [base] | [base] | [base] |
| REG-01 | Matters Opened | 79[p] | 55 | 70[p] | 71[p] |
| REG-02 | Matters Concluded | 54[p] | 66 | 61[p] | 61[p] |
| REG-04 | Matters Pending | -- | 137 | 139[p] | 139[p] |

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

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Detailed Workload Performance Narrative

Basic Performance Measures

SOL's basic performance measures involve a simple count of the number of Matters that SOL opens and concludes and the number of pending Matters each quarter in each of four categories of Matters (Pre-litigation, Litigation, Opinion/Advice and Regulation). These performance measures help SOL track production on a quarterly and annual basis, and to the extent that they track SOL's historical production measures, will allow SOL to compare production – Matters opened and concluded – over longer periods of time. SOL treats these basic performance measures as contextual measures that help to inform analysis and discussions of SOL's priority performance measures.

Priority Performance Measures

SOL's priority performance measures, Percentage of Strategic Matters Opened, gauge what proportion of Matters Opened in each category of work connects to one or more of the Solicitor's Strategies: (1) Early Intervention; (2) Leveraging Litigation Resources; (3) Providing Opinions and Advice for Strategic Initiatives; and (4) Supporting Priority Regulations. These measures are fundamentally quality measures, in that they meaningfully gauge to what extent SOL has applied our core strategies by handling Matters referred in a strategic manner. Not every Matter lends itself to application of a core strategy. SOL works to guide client agencies to refer Matters with the greatest strategic potential whenever available, but certain Matters (across all four categories) are necessary but fundamentally routine. Likewise, non-“strategic” Matters are not unimportant. Every day, SOL expends resources on a large number of Matters that are not going to register as “strategic” by the definitions that we have chosen, but are nonetheless important for the functioning of DOL – and these are reflected in our basic production measures, which are cumulative.

Setting Targets for FY 2015

FY 2015 targets for Percentage of Strategic Matters Opened have yet to be determined. SOL will use FY 2014 as a baseline year. The agency will continue coding each of our new matters in order to calculate our strategic percentages, and will then establish ambitious targets for FY 2015.

Furthermore, in FY 2014, SOL seeks to once again increase the resources devoted to Strategic Matters – which are the matters we hypothesize deliver the greatest impact on Outcomes. But because of changes to the way that we measure our Strategic Matters, we will also be using FY 2014 to establish a new baseline for this measure as well.

SOL abandoned its Percentage of Strategic Matters Opened targets for FY 2013 and determined it needed to use FY 2014 to establish a baseline for setting targets for FY 2015, after SOL transitioned from sampling our Matters Opened in order to calculate the results of our Priority Performance Measures to *coding* each individual matter - in order to calculate the results of these measures. This new methodology took effect for Q3 of FY 2013, and our results that quarter were substantially lower than any previous quarter.

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Changes to the targets for the basic workload production measures for FY 2015 are calculated based on the actual year-end results from FY 2013 and projected results for Fiscal Year 2014's performance - with attention to the number of additional FTE requested for FY 2014 and 2015, and an analysis of past performance in the legal areas for which additional FTE are requested. However, if SOL is successful in meeting its priority performance measure targets, SOL would expect to see basic workload performance results come in at or below the projected targets. SOL's projections for FY 2014 and FY 2015 reflect adjustments from the basic workload targets that were included in the President's FY 2014 Budget Request. SOL has increased the number of Opinion/Advice Pending Matters in FY 2014 because in FY 2013 SOL opened approximately 11,000 additional Opinion/Advice Matters due to the transfer of certain Federal Employees' Compensation Act matters to the Department from the U.S. Postal Service. This will lead to additional Opinion/Advice Matters Opened and Concluded going forward. SOL expects approximately 1,440 additional Opinion/Advice Matters per month to be opened in FY 2014 and FY 2015, and the conclusion of 3,000 of the new Opinion/Advice Matters is projected in FY 2014. The remaining 8,000 Opinion/Advice Pending Matters (from the original 11,000 received in FY 2013) are projected as pending at the end of FY 2014 and carryover in FY 2015 until information on the closure rate becomes available.

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| BUDGET ACTIVITY BY OBJECT CLASS | | | | | |
|--|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | | |
| | | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| 11.1 | Full-time permanent | 77,659 | 77,739 | 82,507 | 4,768 |
| 11.3 | Other than full-time permanent | 420 | 0 | 0 | 0 |
| 11.5 | Other personnel compensation | 10 | 1,964 | 1,964 | 0 |
| 11.8 | Special personal services payments | 0 | 1 | 1 | 0 |
| 11.9 | Total personnel compensation | 78,089 | 79,704 | 84,472 | 4,768 |
| 12.1 | Civilian personnel benefits | 20,575 | 20,919 | 21,935 | 1,016 |
| 13.0 | Benefits for former personnel | 0 | 0 | 0 | 0 |
| 21.0 | Travel and transportation of persons | 1,054 | 822 | 867 | 45 |
| 22.0 | Transportation of things | 0 | 0 | 0 | 0 |
| 23.1 | Rental payments to GSA | 9,026 | 8,723 | 9,110 | 387 |
| 23.2 | Rental payments to others | 0 | 6 | 6 | 0 |
| 23.3 | Communications, utilities, and miscellaneous charges | 1,042 | 705 | 800 | 95 |
| 24.0 | Printing and reproduction | 99 | 82 | 86 | 4 |
| 25.1 | Advisory and assistance services | 0 | 0 | 0 | 0 |
| 25.2 | Other services from non-Federal sources | 2,640 | 3,446 | 4,131 | 685 |
| 25.3 | Other goods and services from Federal sources 1/ | 13,498 | 14,133 | 14,165 | 32 |
| 25.4 | Operation and maintenance of facilities | 118 | 28 | 28 | 0 |
| 25.7 | Operation and maintenance of equipment | 1,942 | 1,821 | 1,912 | 91 |
| 26.0 | Supplies and materials | 1,031 | 1,010 | 1,060 | 50 |
| 31.0 | Equipment | 748 | 1,340 | 1,545 | 205 |
| 42.0 | Insurance claims and indemnities | 0 | 2 | 2 | 0 |
| | Total | 129,862 | 132,741 | 140,119 | 7,378 |
| | | | | | |
| | 1/Other goods and services from Federal sources | | | | |
| | Working Capital Fund | 12,479 | 12,558 | 12,590 | 32 |
| | DHS Services | 502 | 492 | 492 | 0 |
| | GSA Services | 499 | 820 | 820 | 0 |
| | Services by Other Government Departments | 0 | 145 | 145 | 0 |

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CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

| | |
|--|-------|
| Costs of pay adjustments | \$691 |
| Personnel benefits | 139 |
| Federal Employees' Compensation Act (FECA) | -85 |
| Benefits for former personnel | 0 |
| Travel and transportation of persons | 3 |
| Transportation of things | 0 |
| Rental payments to GSA | 0 |
| Rental payments to others | 0 |
| Communications, utilities, and miscellaneous charges | 0 |
| Printing and reproduction | 0 |
| Advisory and assistance services | 0 |
| Other services from non-Federal sources | 563 |
| Working Capital Fund | -495 |
| Other Federal sources (DHS Charges) | 0 |
| Other goods and services from Federal sources | 0 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | 0 |
| Supplies and materials | -4 |
| Equipment | 0 |
| Insurance claims and indemnities | 0 |

Built-Ins Subtotal **\$812**

Net Program **\$6,566**

Direct FTE **35**

| | Estimate | FTE |
|-------------------------|------------------|------------|
| Base | \$133,553 | 674 |
| Program Increase | \$6,566 | 35 |
| Program Decrease | \$0 | 0 |

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| BUDGET AUTHORITY BEFORE THE COMMITTEE | | | | |
|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | |
| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| Activity Appropriation | 87,481 | 91,125 | 91,319 | 194 |
| FTE | 105 | 105 | 105 | 0 |

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 106.

Introduction

The Bureau of International Labor Affairs' (ILAB) global mission is to advance workers' rights and livelihoods, particularly for the world's most vulnerable workers. ILAB promotes broad-based and inclusive economic growth, reduced inequality, and improved respect for workers' rights and working conditions. ILAB's efforts help ensure that workers around the world are treated fairly and are able to share in the benefits of the global economy. Although focused internationally, ILAB's mission also advances the Labor Department's domestic priorities by supporting the creation and retention of good jobs at home through efforts to level the global playing field with respect to workers' rights.

ILAB leads the U.S. government's representation on labor and employment issues in regional and multilateral institutions, such as the International Labor Organization (ILO), the G-20, the Organization for Economic Cooperation and Development (OECD), the Asia-Pacific Economic Cooperation (APEC) forum, and the Inter-American Conference of Ministers of Labor (IACML) of the Organization of American States. ILAB works through the interagency processes, ensuring U.S. international economic, trade, and development policy reflects the concerns and interests of workers, both in the United States and globally. In addition, ILAB makes grants for technical assistance to promote labor standards and acceptable conditions of work for workers and to contribute to the elimination of child labor and conducts research and reporting on international labor issues.

ILAB's work contributes to DOL's Strategic Goal 1 – to prepare workers for good jobs and to ensure fair compensation, and to Strategic Objective 1.3 - Improve worker rights and livelihoods, particularly for vulnerable populations.

Five-Year Budget Activity History

| <u>Fiscal Year</u> | <u>Funding</u> (Dollars in Thousands) | <u>FTE</u> |
|---------------------------|---|-------------------|
| 2010 | \$92,669 | 95 |
| 2011 | \$92,484 | 99 |
| 2012 | \$92,309 | 98 |
| 2013 | \$87,481 | 106 |
| 2014 | \$91,125 | 105 |

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FY 2015

The FY 2015 ILAB request of \$91,319,000 and 105 FTE includes a net built-in increase of \$194,000. With these resources, ILAB will:

- Enhance its capacity to promote fair working conditions and inclusive economic growth through integrated approaches to grant-funding of technical assistance;
- Fund projects that combat exploitative child labor internationally, promote fair working conditions, and bolster workers' rights;
- Sustain significantly enhanced efforts undertaken in the past two years to promote fair working conditions and inclusive economic growth in America's global trading partners through monitoring and enforcement of trade related labor provisions;
- Continue its global leadership role in reducing and eliminating child labor through policy leadership, research and substantial grant funding for projects overseas;
- Continue to effectively lead the labor dimensions of USG bilateral diplomacy; and
- Ensure that the U.S. maintains a leading role in multilateral fora – principally the International Labor Organization (ILO) and the G20 - for the discussion of international labor standards and international efforts to sustainably create jobs and improve livelihoods.

ILAB will continue to enhance its effectiveness and results without an increase in program resources by deepening and expanding its use of an integrated model of program design. ILAB increasingly takes an integrated approach that combines efforts to amend laws and strengthen enforcement with activities to assist worker organizations, improve industrial relations, effectively engage companies, and raise awareness about worker rights. Under this model, ILAB engages in in-depth monitoring, relationship building, and fact-finding in a country and then designs and awards a project that reflects this deep understanding of the country's practical and political reality. For example, ILAB may uncover a particularly critical labor law or enforcement weakness with a widespread impact on core labor standards that prevents accurate documentation of violations. A technical cooperation project would be designed to address such specific identified shortcomings. The result would be technical cooperation with practical and concrete results that would contribute to systemic, long-term change.

In recent years, ILAB has made grants of between \$56,000,000 and \$60,000,000 for child labor eradication, and approximately \$6,500,000 for other worker rights initiatives. With the resources requested for grants in FY 2015, ILAB will continue its recent approach of funding child labor projects to include elements that simultaneously promote broader worker rights and livelihoods. The integrated efforts undertaken will be in countries where child labor is prevalent, where the political and institutional context offers particular opportunities for the effective application of an integrated approach, and where the adoption of an integrated approach will be of benefit to both child labor eradication and worker rights goals.

ILAB's considerable experience in overseeing programs to eliminate child labor has demonstrated that such efforts are most effective when they are incorporated into a comprehensive framework to promote livelihoods for vulnerable families, extend targeted social protection, protect other worker rights, and support collective efforts to claim basic rights and

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advance the interest of workers. Such programs not only contribute to a fairer playing field for U.S. workers, but they also more effectively contribute to the broad-based development and social stability that are major goals of U.S. trade and foreign policy.

ILAB will also continue and expand its attention to supporting improvements in labor policy, labor administration and tripartite cooperation between employers, governments and workers as a supplement and enhancement of grant-funded programs. Building upon the strong base provided by current ILAB-funded programs such as the ILO's Better Work program (to improve labor conditions in factories exporting into the global supply chain of apparel and footwear) and other current small ILAB portfolio of trade union, employer association and government capacity building, these efforts would emphasize support to governments and employers and workers organizations to support improvements in labor standards, livelihoods, effective social protection, labor market policy, labor market data and analysis, labor inspections and industrial relations.

ILAB will continue and expand direct technical cooperation with other countries drawing on ILAB, DOL, and other U.S. experts to share good practices and provide targeted support, through inter-agency agreements with technically expert U.S. government agencies such as DOL's Wage and Hour Division or the Federal Mediation and Conciliation Service (FMCS).

The requested funding will enable ILAB to maintain and build upon its already extensive presence, resources and relationships to consolidate and build practical cooperation on labor matters with significant trading partners in the Western Hemisphere, such as Colombia, Haiti, Mexico, and the Dominican Republic. ILAB will also be able to address other areas of high importance to Administration policy. These include the Middle East and North Africa, where there is a convergence between US national security interest, economic challenges to the stability of particular countries and therefore the region, and significant opportunities for engagement on labor issues that can address these sources of instability. Free trade agreements with Oman, Morocco, Bahrain and Jordan offer natural platforms for enhanced engagement, as do multi-year grant-funded projects in Egypt and Jordan.

The Administration's "pivot" or "rebalance" to Asia, underlines the importance of labor standards and worker rights are explicitly recognized as contributing to economic growth, enjoyment of human rights and good governance. Well-established DOL dialogues with important countries such as China, India and Vietnam offer the means both to consolidate and deepen labor cooperation and to promote broader US policy interests. Other ILAB priority countries in this region include the Philippines, Malaysia, Indonesia, Korea, Cambodia, Bangladesh and Burma.

FY 2014

For FY 2014, the enacted budget of \$91,125,000 and 105 FTE will allow ILAB to build upon the programs and activities described below:

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Monitoring and Enforcement of Labor Provisions of Free Trade Agreements and Trade Preferences

ILAB will continue its current monitoring, enforcement, and remediation activities with trade partners, and countries which are of high priority because of their importance to U.S. national security or foreign policy interests or because their compliance with labor standards is particularly problematic.

The United States has free trade agreements currently with 15 developing and 5 developed countries, and is engaged in new trade negotiations with 9 countries under the Trans-Pacific Partnership FTA, and provides trade preferences to approximately 140 developing countries. ILAB will systematically monitor and engage three types of countries. These are the highest priority FTA partners, such as Colombia, prospective partners such as Vietnam, Malaysia or Brunei, and beneficiaries or potential beneficiaries of trade preferences. The last group includes Haiti, Egypt, Bangladesh, Democratic Republic of the Congo, Georgia, Iraq, Niger, Pakistan, Philippines, Sri Lanka, Swaziland, Burma and Uzbekistan.

ILAB monitors and enforces labor obligations under Free Trade Agreements through analysis of each country's labor practices and engages with the country to remedy the problems identified. In some cases, ILAB staff or consultants work directly to assist ministries of labor to improve their capacity to enforce international labor standards and other agreements. ILAB has observed an increasing number of submissions made under various free trade agreements (Bahrain, Guatemala, Honduras, Peru, Dominican Republic, and Mexico), alleging non-compliance with their terms. The workload presented by this high volume of evidence gathering and legal analysis has strained ILAB's capacity to maintain proper oversight of the entire range of trade relationships with significant labor dimensions. Monitoring, enforcement, and remediation under the Colombia Labor Action Plan accompanying the US-Colombia free trade agreement has required substantial additional FTE allocations from current ILAB resources, given its complexity and scope.

Systematic research and analysis on the status of labor rights in trade partner countries allows ILAB to coherently target policy engagement – including trade enforcement actions and technical cooperation activities – to specific countries and issues where the maximum impact may be achieved. Enforcement includes consideration and adjudication of formal complaints lodged under labor provisions of trade agreements, or under the preference petition process. These have increased substantially and are expected to continue to increase, requiring substantial resources for research, investigation and legal analysis. Enforcement also includes the application of remediation measures to assist trade partners in arriving at compliance with labor obligations. When monitoring identifies issues of concern that can be ameliorated, ILAB can provide experts in labor law, labor policy, labor administration, and other technical areas of enforcement.

ILAB will continue to improve the impact of its monitoring and reporting by developing systems to provide key information to the public through open government initiatives, including direct links on ILAB's website, thereby improving transparency and public disclosure. In addition,

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ILAB has developed a USG-wide system for sharing sensitive information that is improving interagency engagement with key trading partners.

Worker Rights Technical Assistance

ILAB makes grants for technical assistance to promote fair working conditions in FTA and trade preference partner countries. Priority countries for FTA-related technical cooperation might include Colombia, Morocco and Guatemala, existing FTA partners; Peru, an existing FTA partner and a TPP country; and Vietnam and Malaysia, TPP countries. ILAB will continue to deepen and expand its focus on other countries that receive trade preferences, such as Haiti and Bangladesh.

ILAB programs are helping to build effective labor inspectorates, improve industrial relations, strengthen worker organizations, and support innovative supply-chain approaches to improve working conditions. For example, ILAB is a leading funder of the Better Work (BW) program, a joint initiative run by the ILO and the International Finance Corporation to improve working conditions in the apparel sector of strategic countries. Current and future funding of BW will help ILAB to better comply with its statutory mandates in Haiti under the Haitian Hemispheric Opportunity through the Partnership Encouragement Act of 2008 (HOPE II), including monitoring compliance with core labor standards by Haitian apparel producers and facilitating remediation of identified violations. This funding would also be directed to some of the lowest cost apparel exporters with clear trade linkages, including Nicaragua, an FTA partner; Vietnam, Indonesia, Cambodia, Lesotho, and possibly Bangladesh. Empirical studies have shown BW to be an effective model for improving labor rights and working conditions in the apparel sector. By targeting the lower-cost apparel exporters, BW inhibits downward pressure on wages and working conditions throughout the global industry.

Child Labor and Forced Labor

ILAB will continue to undertake a strategic and global approach, in consultation – and often in partnership - with the ILO, to optimize efforts to address the root causes of child and forced labor. ILAB aims to improve the quality of life and increase household incomes of such laborers so that they do not fall victim to exploitation. ILAB will make grants for new international technical assistance programs that address harmful child labor, forced labor and human trafficking by withdrawing or preventing children from involvement in exploitive labor, promoting formal and transitional education opportunities for children, fostering family livelihoods and empowering adult workers, strengthening policies on child labor and education, and building and mainstreaming the capacity of national institutions to address these issues.

In order to meet Congressional reporting mandates and to improve the effectiveness of its grant-funded programs, ILAB will continue to support efforts to collect reliable data on the worst forms of child labor, raise awareness of child and forced labor, and mobilize a wide array of actors to address the problem. ILAB will continue to improve its reporting on the worst forms of child labor, as called for under the Trade and Development Acts of 2000 and 2002 on

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governments who are recipients of trade preferences under the Generalized System of Preferences. In line with its mandate under the Trafficking Victims Protection Reauthorization Acts (TVPRA) of 2005 and 2008, ILAB monitored efforts by governments and other actors to combat harmful child labor, forced labor, and human trafficking practices in foreign countries, and created and maintained a country-specific list of goods produced with forced labor or exploitative child labor. ILAB will seek to apply the knowledge gained from recent impact evaluations. If these evaluations prove that certain education or livelihood interventions have a positive impact in eliminating and preventing child labor, ILAB will support the replication and scaling up of those interventions with existing resources.

International Diplomacy and Policy

ILAB will engage extensively and substantively with other countries' labor ministries and with international and regional organizations to defend, uphold, and promote international labor standards, livelihoods, and social protection. ILAB will continue to coordinate U.S. Government participation in the ILO and help support U.S. participation in the G20 Labor and Employment Ministers process. It will also continue to represent the U.S. government as part of the Employment, Labor and Social Affairs Committee of the Organization for Economic Cooperation and Development (OECD) and the labor bodies of other international and regional organizations, including the Asia Pacific Economic Cooperation Forum (APEC), the Inter-American Conference of Labor Ministers and the European Commission.

ILAB will continue working with the Department of State to promote labor diplomacy and ensure effective and timely reporting on labor issues, monitor developments in countries of particular importance to the United States, and represent and advance U.S. policy interests on international labor issues. ILAB will work to ensure effective interaction with foreign governments and stakeholders on labor standards and employment issues and to facilitate exchanges at both the technical and policy levels.

ILAB's bilateral dialogues and technical cooperation with key economies such as China, India, Vietnam and Brazil, and with free trade partners such as Oman and Jordan, will be enhanced and given greater priority. This effort will also bring to bear significant in-house technical expertise on labor law, enforcement, and administration and thus contribute to the approach to improving worker rights described above. ILAB will also maintain and seek to expand its work in large labor markets with an impact on the global labor market, such as China and India.

FY 2013

In FY 2013, ILAB continued the following efforts.

Worker Rights Technical Assistance: ILAB maintained Better Work programs in key countries such as Nicaragua, Haiti, Cambodia and Lesotho, and with ILO continued development of a program for Bangladesh. We also supported the Better Work program in Vietnam. The countries

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were selected for their significance to international apparel production, their history of poor labor rights, and their importance to U.S. national security interests.

ILAB also ensured that other programs to promote worker rights were provided with the resources necessary to accomplish establish worker rights centers, strengthen labor inspectorates, and build the capacity of worker organizations in Colombia Haiti, Peru, Vietnam and Sri Lanka.

Monitoring and Enforcement of Trade Agreements: ILAB substantially increased activities in the area of monitoring in FY 2013. ILAB devoted substantial resources to public submissions alleging non-compliance by trade partners with labor provisions of free trade agreements, including Bahrain, Mexico, the Dominican Republic and Honduras, and conducted investigations and analysis of worker rights in countries receiving or seeking trade preference benefits, including Sri Lanka, Bangladesh, the Philippines, South Sudan and Burma. We held labor cooperation mechanism meetings with free trade partner South Korea, and consultations under Free Trade Agreements with Bahrain and Guatemala.

ILAB continued to improve the impact of its monitoring and reporting by developing systems to provide key information to the public through both stakeholder consultation processes and open government initiatives. Stakeholder consultation processes include the National Advisory Committee on Labor Provisions of Free Trade Agreements and the Labor Advisory Committee on Free Trade Agreements. Open government initiatives include direct links on ILAB's website, thereby improving transparency and public disclosure. In addition, ILAB has developed a USG-wide system for sharing sensitive information that is improving interagency engagement with key trading partners.

Child Labor and Forced Labor: In FY 2013, ILAB's level of effort to address the root causes of child and forced labor was diminished – to the extent of approximately 8% or one potential new country program - as a result of the sequester of funds. ILAB continued developing new approaches to improve the livelihood and household incomes of child and forced laborers so that they do not fall victim to exploitation. ILAB continued to oversee its existing portfolio of international technical cooperation programs that address harmful child labor, forced labor, and human trafficking by withdrawing or preventing children from involvement in exploitive labor, promoting formal and transitional education opportunities for these children, fostering family livelihoods and empowering adult workers, strengthening policies on child labor and education, and building and mainstreaming the capacity of national institutions to address these issues. ILAB also continued to support research and the collection of reliable data on harmful child labor, to raise awareness of the problem, and to mobilize a wide array of actors to address it.

Research and Analysis: In addition to Congressionally-mandated and Presidentially-ordered research and publication on Child Labor and Forced Labor, ILAB continued to conduct and fund research and analysis on international labor issues related to trade agreements and programs and international worker rights. As called for under the Trade and Development Acts of 2000 and 2002, ILAB continued to produce reports on efforts by governments who are recipients of trade preferences under the Generalized System of Preferences to meet their international commitments to eliminate the worst forms of child labor. In line with its mandate under the Trafficking Victims Protection Act (TVPA) as reauthorized, ILAB monitored efforts by

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governments and other actors to combat harmful child labor, forced labor, and human trafficking in foreign countries and create and maintain a country-specific list of goods produced with forced labor or exploitative child labor. Under these mandates, ILAB also released a standard set of practices to reduce the likelihood of forced labor and harmful child labor and share information with interagency partners to promote their effective engagement of these issues. ILAB continued to produce an annual report on the trade and employment effects of the Andean Trade Preference Act.

International Cooperation and Improved Labor Diplomacy: ILAB engaged extensively and substantively with other countries' labor ministries and with international and regional organizations. ILAB continued to coordinate U.S. Government participation in the ILO and among labor and employment ministers of the G20 group of countries. It also continued to work with the Employment, Labor and Social Affairs Committee of the Organization for Economic Cooperation and Development (OECD) and the labor bodies of other international and regional organizations, including the Asia Pacific Economic Cooperation Forum (APEC) and the Inter-American Conference of Labor Ministers, among others. ILAB continued to develop and implement joint programs on labor issues of common concern with the European Commission and other important countries with which Letters of Understanding have been negotiated. ILAB also conducted annual bilateral dialogues on labor and employment with Brazil, India, China and Vietnam, and a new dialogue on worker health and safety with China.

Collaboration on International Labor Policy: ILAB continued to represent the Department of Labor in U.S. Government interagency trade and economic policy making as well as in labor advisory groups. These include the Trade Policy Staff Committee/Trade Policy Review Group (TPSC/TPRG), which are responsible for developing and administering U.S. trade policy and trade programs; the Labor Advisory Committee for Trade Negotiations and Trade Policy; the Committee for the Implementation of Textile Agreements (CITA); the Overseas Private Investment Corporation (OPIC); the President's Committee on the International Labor Organization; the Consultative Group on the Elimination of Child Labor and Forced Labor in Agricultural Products; and other standing and ad hoc committees and forums in which labor issues are addressed, such as the National Advisory Committee. ILAB also continued work with the Department of State in the labor diplomacy program to ensure effective and timely reporting on labor issues, to monitor developments in countries of particular importance to the United States, and to represent and advance U.S. policy interests on international labor issues. ILAB worked to ensure effective interaction with foreign governments and stakeholders on labor and employment issues and to facilitate exchanges at both the technical and policy levels.

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| DETAILED WORKLOAD AND PERFORMANCE | | | | | |
|--|---|----------------------------|---------------|----------------------------|----------------------------|
| | | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | | Target | Result | Target | Target |
| International Labor Services | | | | | |
| Strategic Goal 1 - Prepare workers for better jobs | | | | | |
| Strategic Objective 1.3 - Advance workers' rights, acceptable work conditions, and livelihoods, particularly for the world's vulnerable populations | | | | | |
| ILAB-06 | Number of countries in which child labor or forced labor are systematically monitored and analyzed | 155 | 157 | 150 | 155 |
| Strategic Goal ALL - All Strategic Goals | | | | | |
| Strategic Objective ALL.1 - All Strategic Objectives | | | | | |
| ILAB-02 | Number of countries with which ILAB engages in technical cooperation through technical assistance, technical exchanges or other forms of collaboration. | 71 | 69 | 71 | 78 |
| ILAB-02-A | Number of countries in which ILAB funds technical assistance programs (large grants and contracts). | 71 | 68 | 69 | 69 |
| ILAB-02-B | Number of countries with which ILAB engages in technical exchanges or other forms of collaboration. | 10 | 18 | 10 | 10 |

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

INTERNATIONAL LABOR SERVICES

Detailed Workload Performance Narrative

ILAB's work contributes to DOL's Strategic Goal 1 – to prepare workers for good jobs and to ensure fair compensation, and to Strategic Objective 1.3 - Improve worker rights and livelihoods, particularly for vulnerable populations.

FY 2011 was the baseline year for ILAB's production measures. Continual refinement of the data calculation process during FY 2011 and FY 2012 resulted in refinement of targets for policy process engagements and in a higher threshold for counting monitoring and enforcement of trade agreement labor provisions for FY 2013. This did not reflect a reduction in workload, but a refinement in counting methodology that has occurred continuously during and since the baseline year. Broader-scoped technical assistance projects were undertaken in FY 2012 and FY 2013, are being undertaken in FY 2014, and are planned for FY 2015, resulting in fewer technical assistance projects, but significantly greater quality, scope, and impact (in numbers of workers and children who benefit and numbers of governments that perform better) of ILAB's technical assistance program.

The Bureau of International Labor Affairs (ILAB) supports the President's international labor agenda and coordinates the international activities for the Department of Labor. Activities include promotion of good labor policies and labor rights through intergovernmental organizations and bilateral relationships with other countries, as well as implementation of projects in developing countries to improve workers' rights and living standards and to protect vulnerable workers, including women and children. ILAB's duties and operations derive from the President's agenda in conjunction with Congressional mandates in three primary areas:

- International trade and labor, including mandates related to free trade agreements.
- International child labor, forced labor, and human trafficking, including reporting and program mandates.
- International organizations, including mandated representation before the International Labor Organization (ILO).

ILAB currently oversees approximately 60 technical assistance projects totaling some \$300,000,000. These projects tackle an array of labor-related issues, including:

- Addressing harmful child labor, forced labor, and human trafficking by withdrawing or preventing children from involvement in exploitive labor;
- Promoting formal and transitional education opportunities for these children; and
- Developing model programs to enable workers to exercise their rights.
- Strengthening the capacity of governments to adopt, promote and enforce labor standards and acceptable work conditions.

In addition, ILAB carries out ongoing activities to support the President's agenda on international labor. Most notably, ILAB provides participation and coordination of interagency policy groups, and representation on several international bodies.

INTERNATIONAL LABOR SERVICES

ILAB has 12 output measures, including two sub-measures, which track how ILAB engages with countries in technical collaboration. In FY 2013 ILAB met or exceeded all its targets except for two which measure oversight of grant-funded programs and one which measures the number of countries monitored for fundamental labor rights. ILAB has already redressed the problem with oversight measures by clearing the backlog of audits and review of financial reports in the course of the first quarter of FY 2014. The measure for number of countries monitored will be replaced in ILAB's FY 2014 and subsequent Operating Plans and reporting frameworks, with a measure that measures the quality and depth of the monitoring rather than the sheer number of countries. It also bears noting that ILAB production under this measure has increased steadily since the current reporting framework was adopted, and the shortfall from the target for FY 2013 reflected excessively ambitious target-setting.

The annual results for FY 2013 outcome measures met or exceeded their targets.

The results for the numbers of workers with better livelihoods and the number of workers better able to exercise their rights or enjoying improved working conditions exceeded targets; the former by several multiples and the latter by approximately 65%.

The number of policy positions adopted in international fora and by countries that reflect ILAB and DOL priorities significantly exceeded the annual target. Also substantially in excess of targets were the number of countries with increased capacity to address child labor and the number of children in or at risk of child labor who were provided educational services.

In FY 2015 ILAB will continue the approach set in FY 2013 and to be continued in 2014 that has resulted in this performance. ILAB will continue to enhance its effectiveness and results without an increase in program resources by deepening and expanding its use of an integrated model of program design. In recent years, ILAB has made grants of between \$56 million and \$60 million for child labor eradication, and approximately \$6,500,000 for other worker rights initiatives.

With the resources requested for grants in FY 2015, ILAB will carry further its recent approach of funding child labor projects include elements that simultaneously promote broader worker rights and livelihoods. The integrated efforts undertaken will be in countries where child labor is prevalent, where the political and institutional context offers particular opportunities for the effective application of an integrated approach, and where the adoption of an integrated approach will be of benefit to both child labor eradication and worker rights goals. This is expected to allow ILAB to increase performance on outcome indicators without diminution in others.

INTERNATIONAL LABOR SERVICES

| BUDGET ACTIVITY BY OBJECT CLASS | | | | | |
|--|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | | |
| | | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| 11.1 | Full-time permanent | 10,947 | 11,637 | 11,775 | 138 |
| 11.3 | Other than full-time permanent | 15 | 84 | 0 | -84 |
| 11.5 | Other personnel compensation | 150 | 125 | 125 | 0 |
| 11.9 | Total personnel compensation | 11,112 | 11,846 | 11,900 | 54 |
| 12.1 | Civilian personnel benefits | 2,877 | 3,417 | 3,410 | -7 |
| 21.0 | Travel and transportation of persons | 1,078 | 950 | 1,375 | 425 |
| 22.0 | Transportation of things | 10 | 12 | 13 | 1 |
| 23.1 | Rental payments to GSA | 830 | 1,055 | 1,072 | 17 |
| 23.3 | Communications, utilities, and miscellaneous charges | 124 | 118 | 127 | 9 |
| 24.0 | Printing and reproduction | 168 | 26 | 32 | 6 |
| 25.1 | Advisory and assistance services | 2,730 | 3,500 | 3,500 | 0 |
| 25.2 | Other services from non-Federal sources | 1,315 | 140 | 140 | 0 |
| 25.3 | Other goods and services from Federal sources 1/ | 3,823 | 4,640 | 4,296 | -344 |
| 25.4 | Operation and maintenance of facilities | 0 | 1 | 1 | 0 |
| 25.5 | Research and development contracts | 875 | 430 | 420 | -10 |
| 25.7 | Operation and maintenance of equipment | 29 | 15 | 15 | 0 |
| 26.0 | Supplies and materials | 71 | 74 | 112 | 38 |
| 31.0 | Equipment | 82 | 76 | 81 | 5 |
| 41.0 | Grants, subsidies, and contributions | 62,357 | 64,825 | 64,825 | 0 |
| | Total | 87,481 | 91,125 | 91,319 | 194 |
| | | | | | |
| | 1/Other goods and services from Federal sources | | | | |
| | Working Capital Fund | 3,476 | 3,729 | 3,754 | 25 |
| | DHS Services | 27 | 23 | 23 | 0 |
| | Services by Other Government Departments | 215 | 783 | 414 | -369 |

INTERNATIONAL LABOR SERVICES

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

| | |
|--|------|
| Costs of pay adjustments | \$54 |
| Personnel benefits | 5 |
| Federal Employees' Compensation Act (FECA) | -12 |
| Travel and transportation of persons | 425 |
| Transportation of things | 1 |
| Rental payments to GSA | 17 |
| Communications, utilities, and miscellaneous charges | 9 |
| Printing and reproduction | 6 |
| Advisory and assistance services | 0 |
| Other services from non-Federal sources | 0 |
| Working Capital Fund | 25 |
| Other Federal sources (DHS Charges) | 0 |
| Other goods and services from Federal sources | -369 |
| Research & Development Contracts | -10 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | 0 |
| Supplies and materials | 38 |
| Equipment | 5 |
| Grants, subsidies, and contributions | 0 |

Built-Ins Subtotal **\$194**

Net Program **\$0**

Direct FTE **0**

| | Estimate | FTE |
|-------------------------|-----------------|------------|
| Base | \$91,319 | 105 |
| Program Increase | \$0 | 0 |
| Program Decrease | \$0 | 0 |

ADMINISTRATION AND MANAGEMENT

| BUDGET AUTHORITY BEFORE THE COMMITTEE | | | | |
|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | |
| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| Activity Appropriation | 28,413 | 28,413 | 28,563 | 150 |
| FTE | 112 | 112 | 112 | 0 |

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 111.

Introduction

The Office of the Assistant Secretary for Administration and Management (OASAM) provides the infrastructure and support that enables the Department to support the Secretary’s vision of “Promoting and Protecting Opportunity.”.

OASAM provides leadership and support for the Department via the following management disciplines: Business Operations, Procurement, Budget and Performance Integration, Information Technology, Human Resources, Civil Rights, Security and Emergency Management, and Strategic Planning. OASAM civil rights activities are detailed in the Civil Rights budget activity narrative later in the Departmental Management justification.

Each of the five Administration and Management business units are designed as centers of excellence with unique mission responsibilities. OASAM emphasizes integrated performance along with seamless and transparent information sharing across business units. The five business units include:

- Departmental Budget Center (DBC)
- Performance Management Center (PMC)
- Human Resources Center (HRC)
- Office of the Chief Information Officer (OCIO)
- Business Operations Center (BOC)

Each of the centers listed above also receive funding for certain activities funded through the Working Capital Fund (WCF). In addition, OASAM Field Services, Emergency Management Center and the Security Center receive full funding of their activities through the WCF. These activities are detailed in the WCF justification.

OASAM develops Departmental policy, administrative programs, systems, and procedures in the areas of information resources; budget formulation and resource analysis; performance planning and analysis; procurement; human resources; equal opportunity; safety and health; homeland security and emergency management; and administrative services. OASAM also provides support for all programs in the DOL regions through the efforts of the Departmental Budget Center and Human Resources Center.

ADMINISTRATION AND MANAGEMENT

Five-Year Budget Activity History

| <u>Fiscal Year</u> | <u>Funding</u> (Dollars in Thousands) | <u>FTE</u> |
|--------------------|--|------------|
| 2010 | \$33,707 | 151 |
| 2011 | \$30,314 | 121 |
| 2012 | \$30,282 | 126 |
| 2013 | \$28,413 | 111 |
| 2014 | \$28,413 | 112 |

FY 2015

The FY 2015 request level for the Office of the Assistant Secretary for Administration and Management (OASAM) is \$28,563,000 and 112 FTE. OASAM will continue to provide outstanding customer service and support client agencies as they identify ways to better achieve the outcome goals identified in the Department's strategic plan. OASAM remains committed to facilitating the integration of budget and performance planning across the Department, an increasingly vital part of its work. The ongoing collection and interpretation of budget and performance data will allow DBC and PMC to cooperate in the development of tools that help agencies improve outcomes despite tightening resources.

The Human Resources Center will continue to ensure that the Department operates in a results-oriented performance culture that includes diverse leadership and high-performing teams. This will ensure continuity of leadership and a learning environment that drives continuous improvement in performance. The BOC will continue to manage the Department's procurement and grants management programs. BOC will continue leadership, planning, and management of the automation of the Department's business activities.

FY 2014

The FY 2014 enacted level for OASAM is \$28,413,000 and 112 FTE. This funding level will allow OASAM's DBC and PMC to continue an integrated departmental budget and performance approach providing a more complete picture of agency operations and assist agencies with aligning performance activities and budget resources with goals and objectives. PMC will publish the FY 2014-FY 2018 Strategic Plan, and roll it out as a communications tool for DOL and its stakeholders. The BOC will implement procurement reform and HRC will continue to deploy its "Back to Basics" Initiative. The "Back to Basics" initiative contains three major strategies which focus on Customer Service, Workforce Competency and improving Efficiency, Effectiveness and Accountability.

ADMINISTRATION AND MANAGEMENT

FY 2013

In FY 2013, OASAM's budget supported Departmental services in the areas of budget, human resources, procurement, information technology, and other administrative services. OASAM was able to enhance the Department's existing technology infrastructure, develop new technological capabilities which improved overall agency mission performance. OASAM continued to move toward a modernized, standardized, IT structure for the Department, which improved overall agency performance. BOC provided procurement training, technical assistance, accountability reviews, and direct support to agencies for procurement of products and services in compliance with federal regulations.

ADMINISTRATION AND MANAGEMENT

| DETAILED WORKLOAD AND PERFORMANCE | | | | |
|---|--|---------------|----------------------------|----------------------------|
| | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | Target | Result | Target | Target |
| Administration and Management | | | | |
| Strategic Goal ALL - All Strategic Goals | | | | |
| Strategic Objective ALL.1 - All Strategic Objectives | | | | |
| OASAM- DM- DBC-3 | Percent of apportionments processed within 3 days of receipt from agencies | | | |
| | 60.00% | 66.00% | 70.00% | 70.00% |
| OASAM- DM- DBC-4 | Percent of allotments processed within 3 days of receipt from agencies | | | |
| | 60.00% | 90.00% | 70.00% | 70.00% |
| Administration and Management | | | | |
| Strategic Goal ALL - All Strategic Goals | | | | |
| Strategic Objective ALL.1 - All Strategic Objectives | | | | |
| OASAM- DM- OCIO-P-1 | Enterprise Services: Percent of network and application services uptime | | | |
| | 99.00% [p] | 99.89% | 99.00% [p] | 99.00% [p] |
| OASAM- DM- OCIO-9 | IT Governance: Percent of ITARB requests not referred for remediation resolved within 10 business days | | | |
| | [base] | 83.85% | 75.00% | 80.00% |

ADMINISTRATION AND MANAGEMENT

| DETAILED WORKLOAD AND PERFORMANCE | | | | |
|--|----------------------------|---------------|----------------------------|----------------------------|
| | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | Target | Result | Target | Target |
| Administration and Management | | | | |
| Strategic Goal ALL - All Strategic Goals | | | | |
| Strategic Objective ALL.1 - All Strategic Objectives | | | | |
| OASAM- Percent of Workforce Transition Flexibilities (i.e., VERA/VSIP) approved by OPM DM- HRC-7 | 85.00% | 100.00% | 85.00% | 85.00% |

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

ADMINISTRATION AND MANAGEMENT

Detailed Workload Performance Narrative

The OASAM workload measures demonstrate a commitment to provide mission critical services to the Department. The measures are aligned with the Department's mission, goals, and organizational objectives, and are fully integrated into the Department's strategic plan. The indicators measure OASAM's responsiveness, communications, problem solving abilities, and ease of use of products and/or services in supporting the Department's agencies in their achievement of the Secretary's vision of "Promoting and Protecting Opportunity".

ADMINISTRATION AND MANAGEMENT

| BUDGET ACTIVITY BY OBJECT CLASS | | | | | |
|--|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | | |
| | | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| 11.1 | Full-time permanent | 13,464 | 13,008 | 13,116 | 108 |
| 11.3 | Other than full-time permanent | 0 | 0 | 11 | 11 |
| 11.5 | Other personnel compensation | 0 | 66 | 66 | 0 |
| 11.8 | Special personal services payments | 0 | 0 | 0 | 0 |
| 11.9 | Total personnel compensation | 13,464 | 13,074 | 13,193 | 119 |
| 12.1 | Civilian personnel benefits | 3,400 | 3,703 | 3,649 | -54 |
| 13.0 | Benefits for former personnel | 0 | 50 | 50 | 0 |
| 21.0 | Travel and transportation of persons | 172 | 142 | 142 | 0 |
| 22.0 | Transportation of things | 0 | 0 | 0 | 0 |
| 23.1 | Rental payments to GSA | 1,900 | 2,100 | 2,131 | 31 |
| 23.3 | Communications, utilities, and miscellaneous charges | 120 | 71 | 71 | 0 |
| 24.0 | Printing and reproduction | 4 | 41 | 41 | 0 |
| 25.1 | Advisory and assistance services | 31 | 106 | 106 | 0 |
| 25.2 | Other services from non-Federal sources | 226 | 793 | 793 | 0 |
| 25.3 | Other goods and services from Federal sources 1/ | 4,406 | 3,869 | 3,923 | 54 |
| 25.4 | Operation and maintenance of facilities | 0 | 0 | 0 | 0 |
| 25.5 | Research and development contracts | 0 | 0 | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 4,327 | 3,850 | 3,850 | 0 |
| 26.0 | Supplies and materials | 329 | 551 | 551 | 0 |
| 31.0 | Equipment | 34 | 63 | 63 | 0 |
| | Total | 28,413 | 28,413 | 28,563 | 150 |
| | | | | | |
| | 1/Other goods and services from Federal sources | | | | |
| | Services by Other Government Departments | 110 | 157 | 157 | 0 |
| | Working Capital Fund | 4,296 | 3,556 | 3,610 | 54 |
| | DHS Services | 0 | 62 | 62 | 0 |
| | GSA Services | 0 | 44 | 44 | 0 |

ADMINISTRATION AND MANAGEMENT

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

| | |
|--|-------|
| Costs of pay adjustments | \$119 |
| Personnel benefits | 0 |
| Federal Employees' Compensation Act (FECA) | -54 |
| Benefits for former personnel | 0 |
| Travel and transportation of persons | 0 |
| Transportation of things | 0 |
| Rental payments to GSA | 31 |
| Communications, utilities, and miscellaneous charges | 0 |
| Printing and reproduction | 0 |
| Advisory and assistance services | 0 |
| Other services from non-Federal sources | 0 |
| Working Capital Fund | 54 |
| Other Federal sources (Census Bureau) | 0 |
| Other Federal sources (DHS Charges) | 0 |
| Other goods and services from Federal sources | 0 |
| Research & Development Contracts | 0 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | 0 |
| Supplies and materials | 0 |
| Equipment | 0 |

Built-Ins Subtotal **\$150**

Net Program **\$0**

Direct FTE **0**

| | Estimate | FTE |
|-------------------------|-----------------|------------|
| Base | \$28,563 | 112 |
| Program Increase | \$0 | 0 |
| Program Decrease | \$0 | 0 |

ADJUDICATION

| BUDGET AUTHORITY BEFORE THE COMMITTEE | | | | |
|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | |
| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| Activity Appropriation | 44,465 | 45,662 | 49,618 | 3,956 |
| FTE | 240 | 241 | 251 | 10 |

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 243.

Introduction

The Adjudication activity is part of the Department’s overarching Worker Protection effort. Adjudication funds four components: (1) the Office of the Administrative Law Judges (OALJ) and three Adjudicatory Boards which include (2) the Administrative Review Board (ARB), (3) the Benefits Review Board (BRB), and (4) the Employees’ Compensation Appeals Board (ECAB).

The Office of Administrative Law Judges (OALJ) presides over formal hearings concerning many labor-related matters. The office's mission is to render fair and equitable decisions under the governing law, the facts of each case, and the procedures mandated by the Administrative Procedure Act under which OALJ has established its own rules of practice and procedures.

The Adjudicatory Boards (also referred to collectively as the Boards) make decisions on several thousand appeals every year that set nationwide standards and legal precedent. The Boards are quasi-judicial bodies that review appeals under a variety of workers’ compensation benefit and protection laws and programs that are part of the Department’s worker protection mission.

Office of Administrative Law Judges (OALJ)

Hearings concerning Black Lung benefits and Longshore Workers' compensation constitute the largest part of the office's work in addition to the significantly increasing Permanent Labor Certification (PERM) Immigration cases. The Department's administrative law judges, however, also hear and decide cases arising from over 80 labor-related statutes and regulations, including, for example, such diverse subjects as:

- Whistleblower complaints involving corporate fraud, nuclear, environmental, pipeline safety, aviation, commercial trucking, railways, and other statutes.
- Minimum wage disputes.
- Enforcement actions involving the working conditions of migrant farm laborers.
- Disputes involving child labor violations.
- Civil fraud in federal programs.

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Designated judges also serve as members of the Board of Alien Labor Certification Appeals (BALCA) which adjudicate the PERM Immigration cases. In addition to formal adjudication, OALJ implements alternative dispute resolution through its settlement judge process.

Over the past decade, OALJ has experienced increased workloads as Congress passed new whistleblower protection laws, such as the Aviation Investment and Reform Act, the Sarbanes-Oxley Act, Federal Rail Safety Act, the National Transit Systems Security Act, and the Pipeline Safety Improvement Act of 2002. Since FY 2008, regulatory changes and reallocation of enforcement priorities at the Employment and Training Administration have resulted in significant increases of administrative law judges hearings relating to H-2A and H-2B temporary labor certification applications. Moreover, appeals relating to Permanent Labor Certification (PERM) applications have not decreased as was anticipated upon the transition to the PERM program and have significantly increased since FY 2010 totaling 11,910 new cases being appealed during the last four years as compared to less than 500 cases per year prior to FY 2010, with the anticipated increase in receipt of new PERM cases appealed to OALJ at a rate of 3,400 per year.

The FY 2015 OALJ request directly supports the Secretary's vision of "Promoting and Protecting Opportunity" by rendering case decisions that affect important strategic and outcome goals by providing economic benefits to employers, workers and their families by adjudicating workers' compensation cases in the Black Lung and Longshore programs; promoting safe and fair workplace environments for American workers by adjudicating cases in the Traditional Program area such as Whistleblower protection, Wage and Hour cases, Compliance cases and over 70 other types of worker protection cases; and providing workers from other countries immigrating into the US an equitable opportunity to join the American workforce by adjudicating Immigration cases.

The Adjudicatory Boards

The Department of Labor's Adjudicatory Boards consist of the Administrative Review Board, the Benefits Review Board, and the Employees' Compensation Appeals Board. The three Boards are quasi-judicial bodies that review appeals under a variety of workers' compensation benefit and protection laws and programs that are part of the Department's over-arching, worker protection mission. Collectively, the Boards make decisions on several thousand appeals every year that set not only legal precedent but nationwide standards.

The Administrative Review Board (ARB). The ARB issues final agency decisions in appeals of cases arising under more than 60 worker-protection statutes and executive orders as outlined in Secretary's Order No. 2-2012 dated November 16, 2012. Most of the ARB's cases arise from whistleblower complaints under corporate fraud, environmental, nuclear, aviation, trucking and rail safety statutes filed with the OSHA Whistleblower Protection Program. The ARB also reviews certain civil rights enforcement actions arising under OFCCP's executive orders and statutes, and worker protection statutes such as the Child Labor and Migrant and Seasonal Worker Protection Acts. A growing number of appeals are also considered under the Davis-Bacon and Service Contract Acts and the H-1B non-immigrant visa provisions of the

ADJUDICATION

Immigration and Naturalization Act. In the past 10 years, the federal courts have upheld ARB decisions in more than 96 percent of cases appealed.

The Benefits Review Board (BRB). The Benefits Review Board (BRB) decides appeals from the OALJ under the Black Lung (BL) and Longshore (LS) Acts, including appeals filed under the Defense Base Act. Historically, less than 15 percent of BRB decisions are appealed to the federal circuit courts, and 85 percent of these are affirmed.

In FY 2011, as part of the Department's information technology (IT) modernization effort, the BRB took the lead in implementing a consolidated, appeals management system. This new system provides reliable IT support to the Boards, improving production through better tracking and streamlined systems. The improved processes have resulted in other agencies expressing an interest in the system as a possible solution to their issues.

The Employees' Compensation Appeals Board (ECAB). The ECAB decides appeals on claims filed under the Federal Employees' Compensation Act (FECA). Any federal employee who becomes ill or injured as a result of employment may appeal the decision of the Labor Department's Office of Workers' Compensation Programs (OWCP) to ECAB. ECAB decisions are final, binding on OWCP, and not subject to further review.

The Boards support the Secretary's vision and contribute to the attainment of all the remaining Department's Strategic Goals by fully and fairly reviewing appeals and issuing timely dispositions consistent with applicable laws. The Boards are active participants in the Department's effort to accelerate IT modernization and to improve transparency, public disclosure, and customer service.

The ARB contributes to attaining Strategic Goals 2, 3, and 5, and Strategic Objectives 2.1, 3.1, 3.2, and 5.1. The ARB does this by determining issues on working conditions and the safety of the workplace, wage equality, work-place environment, the integrity of economic data, and whistleblower statutes. The Sarbanes-Oxley (SOX) whistleblower statute provides protection to employees in the finance field who report information, including price or other data relevant to a publicly held corporation that is hidden or not accurately reported which applies to Strategic Goal 5 and Objective Goal 5.1.

The BRB contributes to the Department's income security programs to help ensure work related benefits and improved working conditions through Strategic Goals 1, 2, 3 and 4. BRB's mission also contributes to the Strategic Objectives 1.1, 2.1, 3.2, and 4.1.

ECAB helps facilitate the return to work of ill or injured workers, payment of medical expenses, and ensure income support when work is not possible. This focus contributes to Strategic Goal 4 and Strategic Objective 4.1 which provides income support when work is impossible or unavailable, facilitates return to work, and supports OWCP.

In addition, the Boards support the budget themes set about by the Department. By continuing to produce high-quality decisions on a timely basis, all three Boards are assisting DOL in making America a magnet for jobs by giving businesses a fair shot by ensuring a common set of rules

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and leveling the playing field for American workers by promoting fair working conditions. The Boards also contribute to the success of DOL in assuring workers get an honest day's pay for an honest day's work by enhancing worker safety and fostering compliance through worker education and worker voice.

Five-Year Budget Activity History

| <u>Fiscal Year</u> | <u>Funding</u> (Dollars in Thousands) | <u>FTE</u> |
|--------------------|--|------------|
| 2010 | \$29,286 | 250 |
| 2011 | \$29,451 | 245 |
| 2012 | \$29,172 | 248 |
| 2013 | \$27,953 | 243 |
| 2014 | \$29,420 | 241 |

FY 2015

A total of \$49,618,000 and 251 FTE are requested for Adjudication. The request provides for a program increase in general funds including \$2,027,000 and 10 FTE for OALJ's increased workload and \$237,000 for the Adjudicatory Boards' DOL appeals system; and an increase in Black Lung Trust funds in the amount of \$1,260,000.

Administrative Law Judges: The FY 2015 request for the Office of Administrative Law Judges is \$28,641,000 and 140 FTE. OALJ will be able to increase case productivity by adjudicating 621 more cases and a 10% increase over FY 2014 projections. This request includes funding for an additional 10 FTE and \$2,027,000 with a \$693,000 increase in Black Lung Trust funds for a partial restoration of mandatory sequestration cuts which were 5.1% in FY 2013 and 7.2% in FY 2014 totaling \$2,076,400.

OALJ hears and decides cases that arise from a DOL agency such as the Office of Worker's Compensation for Black Lung and Longshore or cases directly, such as some whistleblower complaints. The life cycle of a case starts within a DOL agency which can be appealed to the OALJ for a hearing and may be appealed depending on the regulation to the Benefits Review Board, to the Administrative Review Board, or to other venues. OALJ holds hearings within 75 miles of the claimant's home. To manage this workload, OALJ has seven District Offices across the country in areas where they can easily serve the parties in the cases. Each office houses a courtroom to hold hearings in that location when feasible to the parties. All hearings are open to the public and are transcribed by court reporters. The case file is paper based, but the tracking of all the events which occur in each case and all the documents issued by the judges are electronic. Judges issue approximately 25,000 documents a year and all final decisions are published on OALJ's web site as required under eFOIA.

Adjudicatory Boards: The FY 2015 request for the Adjudicatory Boards is \$20,977,000 and 111 FTE. This includes an increase of \$567,000 in Black Lung Trust funds to support the work

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of the Boards in black lung cases. Funding at this level will allow the Boards to avoid costly staff furloughs and increase case dispositions seen in FY 2013 when staff was furloughed up to 7 days per employee.

In FY 2015, the Boards will continue their commitment to the careful review and consideration of appeals and the issuance of high quality decisions that are consistent and timely contributing to the themes of enhancing worker safety and reducing improper payments and speeding return to work.

Administrative Review Board: The number and range of cases appealed to ARB in FY 2015 are expected to remain steady with respect to the FY 2014 levels at the Request Level. Most of the appeals to ARB arise from decisions of the OALJ, and more than 80 percent of these originate under whistleblower statutes. The stability assumes no additional change in law, environmental factors, and enforcement patterns in FY 2014. After the remaining two years and older cases are closed in FY 2014, ARB projects the average age of pending cases to move closer to one year in FY 2015. These projections are affected, however, by the mix, volume and complexity of the cases received during the year and ARB resource levels.

At the FY 2015 request, production is expected to be flat to FY 2014 projections. Decided cases will be 122 while new cases are projected to be 115, resulting in 94 pending appeals at the end of the FY 2015.

Benefits Review Board: OALJ production drives the workload of the BRB since the majority of all appeals to the BRB arise from OALJ decisions with a smaller portion coming from the District Director. Traditionally, as the OALJ renders its decisions, BRB Black Lung receives 40 to 45 percent of those cases in appeals while BRB Longshore/LDA receives 10 to 15 percent. The number of Black Lung and Longshore/LDA appeals filed is expected to decrease slightly in FY 2015. Cases pending from OALJ due to furloughs and/or the October 2013 shutdown will likely return to historical levels after returning to full funding levels in 2014. With full funding, the number of appeals decided will increase over FY 2013 levels when all BRB staff members were furloughed, but remain in line with the projected FY 2014 levels. Longshore/LDA will receive 200 new cases and decide 205 cases resulting in pending cases of 122. Black Lung will receive 520 new cases and decide 620 cases resulting in 144 Black Lung pending appeals.

Employees' Compensation Appeals Board: Appeals to ECAB come directly from OWCP. ECAB is expected to continue to have closed cases surpass new cases in FY 2015. At the Request Level, decided cases will be higher than FY 2014 at 2,400, resulting in pending appeals of 668. Since ECAB ended FY 2013 with strong production results in a year where staff was furloughed, full funding will enable ECAB to apply efficiencies which will result in better production than FY 2013, and that is carried forward from FY 2014. ECAB will continue to seek and make adjustments in its appeals case processing that will expedite final decisions.

FY 2014

Administrative Law Judges: The FY 2014 enacted budget for the Office of Administrative Law Judges is \$25,682,000 and 130 FTE which is 11 FTE and \$674,000 less than FY 2012. It is

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more than FY 2013 funding, but OALJ will continue to have to absorb mandatory sequestration cuts in the Black Lung Trust funded program. At the beginning of FY 2013, OALJ had 141 FTE and through not filling positions and furloughs was reduced by the EOFY 2013 at 130 FTE. OALJ's productivity in FY 2014 will be less than FY 2013 by 7% in all case areas. This translates into the EOFY 2014 OALJ projections having 13,488 cases pending which is a 19% increase above the EOFY 2013 case pending of 11,325; however, based on Q1 actuals, OALJ is projected to have a 25% increase in cases pending at the EOFY 2014.

Adjudicatory Boards:

ARB: ARB is expected to close 122 appeals in FY 2014, receive 115 new appeals and end the year with 101 appeals pending.

BRB: The BRB is expected to close 825 appeals, receive 750 new appeals during the year, and end FY 2014 with 371 appeals pending. The decisions will continue to be of the highest quality evidenced by The United States Courts of Appeals affirmance rate at or above the 85% annual target.

Black Lung Program (BRB-BL): By the end of FY 2014, BRB-BL is projecting to close 620 appeals, receive 550 new appeals and end the year with 244 appeals pending.

Longshore/LDA & Related Programs (BRB-LS): BRB-LS/LDA is projecting to close 205 appeals, receive 200 new appeals and end the year with 127 appeals pending.

Office of the Clerk of the Board (OCAB): During FY 2014, OCAB is projecting to docket 2,997 new appeals, handle the close-out of 3,247 appeals, and process several thousand interim motions and requests.

ECAB: ECAB is expected to close 2,300 appeals in FY 2014. There are 2,132 new appeals projected to be filed, leaving 936 appeals pending at the end of the fiscal year.

FY 2013

Administrative Law Judges: The Office of Administrative Law Judges (OALJ) for FY 2013 disposed of 6,611 cases which is 10% less than FY 2012 of 7,286 cases. Pending cases increased from 9,490 at EOFY 2012 to 11,325 at EOFY 2013 which is a 16% increase. In FY 2013 OALJ received 8,446 new cases. The largest growth of new cases continues to be in the PERM Immigration area, which are adjudicated by the Board of Alien Labor Certification Appeals (BALCA) within OALJ. The growth of PERM Immigration cases has increased over the past five years with FY 2009, 491 cases were received; in FY 2010, 1,662 cases were received; in FY 2011, 2,987 cases were received, in FY 2012, 3,768 cases were received; and for FY 2013, 3,493 cases were received. OALJ is projecting 3,400 new cases for FY 2014. Other case areas remain stable.

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Adjudicatory Boards:

ARB: ARB closed 110 appeals in FY 2013, received 106 new appeals and ended the year with 105 appeals pending. The ARB's decisions on appeal were affirmed in 3 out of 4 of decisions issued by Federal District Courts in FY 2013 (75% affirmance rate) and 7 out of 8 decisions issued by Federal Courts of Appeals (87.5% affirmance rate).

BRB: The BRB closed 771 appeals, disposed of 93 motions for reconsideration and 384 attorney fee petitions. The United States Courts of Appeals affirmed BRB decisions in more than 93% of the cases appealed.

Black Lung Program (BRB-BL): Closed 582 appeals, received 421 new appeals and ended the year with 314 appeals pending. Decisions received from the U.S. Courts of Appeals affirmed 133 of 136 (97.8 percent).

Longshore & Related Programs (BRB-LS): Closed 189 appeals, received 199 new appeals and ended the year with 132 appeals pending. Decisions received from the U.S. Courts of Appeals affirmed 23 of 32 appeals (71.9 percent).

Office of the Clerk of the Board (OCAB): During FY 2013, OCAB docketed 2,858 new appeals, handled the close-out of 3,171 appeals, prepared and transmitted 125 BRB and 14 ARB case records to the U.S. Courts of Appeals, and processed several thousand interim motions and requests.

ECAB: ECAB closed 2,290 appeals in FY 2013. There were 2,132 new appeals docketed and 1,104 appeals pending at the end of the fiscal year.

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| DETAILED WORKLOAD AND PERFORMANCE | | | | |
|--|----------------------------|---------------|----------------------------|----------------------------|
| | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | Target | Result | Target | Target |
| Adjudication | | | | |
| Strategic Goal 3 - Promote fair and high quality work-life environments | | | | |
| Strategic Objective 3.3 - Secure wages and overtime | | | | |
| ALJ-IM-01 OALJ IMMIGRATION New Cases: | 4,000[p] | 3,493 | 3,400[p] | 3,400[p] |
| ALJ-IM-02 OALJ IMMIGRATION Dispositions: | 2,304 | 2,012 | 1,876 | 2,215 |
| ALJ-IM-03 OALJ IMMIGRATION Pending Cases: | 5,467[p] | 5,252 | 6,776[p] | 7,961[p] |
| ALJ-IM-04 OALJ IMMIGRATION Pending Months: | 28 | 31 | 43 | 41 |
| ALJ-TI-01 OALJ TRADITIONAL IMMIGRATION New Cases: | 220[p] | 198 | 200[p] | 175[p] |
| ALJ-TI-02 OALJ TRADITIONAL IMMIGRATION Dispositions: | 211 | 217 | 202 | 190 |
| ALJ-TI-03 OALJ TRADITIONAL IMMIGRATION Pending Cases: | 79[p] | 51 | 49[p] | 34[p] |
| ALJ-TI-04 OALJ TRADITIONAL IMMIGRATION Pending Months: | 4 | 3 | 3 | 2 |

ADJUDICATION

| DETAILED WORKLOAD AND PERFORMANCE | | | | | |
|--|---------------------------------------|----------------------------|---------------|----------------------------|----------------------------|
| | | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | | Target | Result | Target | Target |
| ALJ-T-01 | OALJ TRADITIONAL New Cases: | 400[p] | 486 | 500[p] | 500[p] |
| ALJ-T-02 | OALJ TRADITIONAL Dispositions: | 360 | 447 | 417 | 450 |
| ALJ-T-03 | OALJ TRADITIONAL Pending Cases: | 635[p] | 634 | 717[p] | 767[p] |
| ALJ-T-04 | OALJ TRADITIONAL Pending Months: | 21 | 17 | 21 | 20 |
| Strategic Goal 4 - Secure retirement, health, and other employee benefits and, for those not working, provide income security | | | | | |
| Strategic Objective 4.1 - Provide income support when work is impossible or unavailable and facilitate return to work | | | | | |
| ALJ-BL-01 | OALJ BLACK LUNG New Cases: | 1,200[p] | 1,301 | 1,300[p] | 1,300[p] |
| ALJ-LDA-01 | OALJ DEFENSE BASE ACT New Cases: | 720[p] | 768 | 720[p] | 720[p] |
| ALJ-LDA-02 | OALJ DEFENSE BASE ACT Dispositions: | 643 | 809 | 754 | 800 |
| ALJ-LDA-03 | OALJ DEFENSE BASE ACT Pending Cases: | 767[p] | 649 | 615[p] | 535[p] |
| ALJ-LDA-04 | OALJ DEFENSE BASE ACT Pending Months: | 14 | 10 | 10 | 8 |

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| DETAILED WORKLOAD AND PERFORMANCE | | | | |
|--|----------------------------|---------------|----------------------------|----------------------------|
| | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | Target | Result | Target | Target |
| ALJ-BL- 02 OALJ BLACK LUNG Dispositions: | 1,142 | 1,004 | 929 | 1,022 |
| ALJ-BL- 03 OALJ BLACK LUNG Pending Cases: | 2,617[p] | 2,856 | 3,227[p] | 3,505[p] |
| ALJ-BL- 04 OALJ BLACK LUNG Pending Months: | 27 | 34 | 42 | 41 |
| ALJ-LS- 01 OALJ LONGSHORE New Cases: | 2,200[p] | 2,200 | 2,200[p] | 2,200[p] |
| ALJ-LS- 02 OALJ LONGSHORE Dispositions: | 2,218 | 2,122 | 1,979 | 2,300 |
| ALJ-LS- 03 OALJ LONGSHORE Pending Cases: | 1,787[p] | 1,883 | 2,104[p] | 2,004[p] |
| ALJ-LS- 04 OALJ LONGSHORE Pending Months: | 10 | 11 | 13 | 10 |
| Adjudication | | | | |
| Strategic Goal 4 - Secure retirement, health, and other employee benefits and, for those not working, provide income security | | | | |
| Strategic Objective 4.1 - Provide income support when work is impossible or unavailable and facilitate return to work | | | | |
| ECAB- 01 New Appeals | 2,200[p] | 2,132 | 2,132[p] | 2,132[p] |

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| DETAILED WORKLOAD AND PERFORMANCE | | | | | |
|--|------------------------------|----------------------------|---------------|----------------------------|----------------------------|
| | | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | | Target | Result | Target | Target |
| ECAB-02 | Closed Appeals | 2,230 | 2,290 | 2,300 | 2,400 |
| ECAB-03 | Pending Appeals | 1,233 | 1,104 | 936 | 668 |
| ECAB-05 | Average Case Processing Time | 7.32 | 6.01 | 6.00 | 6.00 |
| Adjudication | | | | | |
| Strategic Goal 4 - Secure retirement, health, and other employee benefits and, for those not working, provide income security | | | | | |
| Strategic Objective 4.1 - Provide income support when work is impossible or unavailable and facilitate return to work | | | | | |
| BRB-LS/LDA-01 | New Appeals | 189[p] | 199 | 200[p] | 200[p] |
| BRB-LS/LDA-02 | Closed Appeals | 182 | 189 | 205 | 205 |
| BRB-LS/LDA-03 | Pending Appeals | 121 | 132 | 127 | 122 |
| BRB-LS/LDA-05 | Average Case Processing Time | 12 | 10 | 12 | 12 |

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| DETAILED WORKLOAD AND PERFORMANCE | | | | | |
|--|------------------------------|---------------|----------------------------|----------------------------|--------|
| | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request | |
| | Target | Result | Target | Target | |
| Adjudication | | | | | |
| Strategic Goal 4 - Secure retirement, health, and other employee benefits and, for those not working, provide income security | | | | | |
| Strategic Objective 4.1 - Provide income support when work is impossible or unavailable and facilitate return to work | | | | | |
| ARB-01 | New Appeals | 100[p] | 106 | 115[p] | 115[p] |
| ARB-02 | Closed Appeals | 112 | 110 | 122 | 122 |
| ARB-03 | Pending Appeals | 105 | 108 | 101 | 94 |
| ARB-05 | Average Case Processing Time | 14 | 12 | 12 | 12 |
| Strategic Goal 4 - Secure retirement, health, and other employee benefits and, for those not working, provide income security | | | | | |
| Strategic Objective 4.1 - Provide income support when work is impossible or unavailable and facilitate return to work | | | | | |
| BRB- BL-01 | New Appeals | 450[p] | 421 | 550[p] | 520[p] |
| BRB- BL-02 | Closed Appeals | 522 | 582 | 620 | 620 |
| BRB- BL-03 | Pending Appeals | 383 | 314 | 244 | 144 |
| BRB- BL-05 | Average Case Processing Time | 12 | 11 | 12 | 12 |

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

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Detailed Workload Performance Narrative

Administrative Law Judges:

The FY 2015 request for the Office of Administrative Law Judges is \$28,641,000 and 140 FTE. OALJ will be able to increase case productivity by adjudicating 820 more cases and a 13% increase over FY 2014 projections. This request includes funding for an additional 10 FTE and an increase in Black Lung Trust funds for a partial restoration of mandatory sequestration cuts which were 5.1% in FY 2013 and 7.2% in FY 2014. The 10 FTE, of which five (5) are judges and five (5) law clerks, will increase performance targets from the FY 2014 projected disposition levels of 6,157 for a total disposition rate in FY 2015 of 6,977 cases with a productivity increase of 13%.

At the end of FY 2010, OALJ had a pending caseload of 5,941 cases, and is projected to have a pending caseload at the end of FY 2014 of 13,488. Without additional funds to increase the number of judges and support staff, OALJ's backlog of cases will continue to grow at a rate of over 2,000 cases or 19% per year. At the request, OALJ will reduce the increase of pending cases by 34%.

Thus, in FY 2015, OALJ will continue to address a changing mix of adjudicatory responsibilities, with a rising number of enforcement actions, immigration-related appeals, new types of whistleblower cases, and Defense Base Act hearings, plus Longshore, Immigration and Black Lung cases. OALJ will adjust to these changes by assigning cases throughout the country based on geographic location without regard to case type.

Adjudicatory Boards:

The FY 2015 request for the Adjudicatory Boards is \$20,977,000 and 111 FTE. Workload estimates for all three Adjudicatory Boards are based on Worker Protection claims. None of the Boards has control over its incoming workload. More than 90 percent of ARB appeals come from the Office of Administrative Law Judges (OALJ) as do virtually all of new appeals to the Benefits Review Board (BRB). All appeals to the Employees' Compensation Appeals Board (ECAB) originate in the Federal Employees Compensation Division of the Office of Workers' Compensation Programs. By the time the Boards receive an appeal, the original claim is generally several years old. Any delay at the appellate level is likely to be viewed as a hardship by the parties. The Boards' common goal is to close appeals within less than 12 months of receipt. While the ARB has yet to reach this goal, reaching or approaching it is far more likely with full funding in FY 2015.

New appeals to ARB are expected to increase in FY 2014 and remain stable through FY 2015 with no foreseeable changes in statutes during that period. Although highly unpredictable, it is projected that the increase from the 2013 result of 106 new appeals to 115 new appeals in 2015. At the request, ARB is expected to close 122 cases which continue to exceed the projected new case totals. With this trend, pending appeals will continue to decline to 94 with average processing time of 12.5 months by the end of FY 2015.

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The BRB new appeals totals are expected to remain steady at FY 2013 levels in Longshore/LDA and returning to historical trends in Black Lung through FY 2015. Without furloughs required in FY 2014, it is projected that more new appeals will be processed by the Docket staff as well as sent to BRB from OALJ. The dramatic decrease seen in FY 2013 will be resolved in FY 2014 and return to FY 2012 historical levels in FY 2015. New appeals are projected to increase to 550 in FY 2014 and decrease to 520 in FY 2015 in Black Lung. Longshore/LDA new appeals are projected to remain steady with FY 2013 at 200 appeals through FY 2015.

At request, Longshore/LDA closed case production is expected to be greater than the new cases projection at 205 at the end of FY 2015. Black Lung closed cases total for the year will be 620 which is in line with pre-sequestration trends seen in FY 2012. The resulting number of pending appeals for Longshore/LDA will decrease to 127, and Black Lung pending appeals will end FY 2015 with 144 pending appeals. Processing times at the base funding level will be below the 12 months targeted.

New appeals to ECAB that increased in FY 2013 are expected to remain steady at 2,132 through FY 2015 without changes to current legislation expected. At the Request level, closed appeals will exceed new appeals at 2,400. Funding at this level will allow ECAB to maintain the historically low processing time from the 2013 results at 6.0 months.

Full funding will ensure that all three Boards are able to continue to produce strong decisions in a timely manner and support the Secretary's vision and departmental budget themes of 1) Making America a magnet for jobs by leveling the playing field for American workers by promoting fair working conditions, and 3) Assuring workers get an honest day's pay for an honest day's work by enhancing worker safety and fostering compliance through worker voice.

ADJUDICATION

| BUDGET ACTIVITY BY OBJECT CLASS | | | | | |
|--|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | | |
| | | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| 11.1 | Full-time permanent | 24,144 | 24,955 | 27,042 | 2,087 |
| 11.3 | Other than full-time permanent | 79 | 352 | 365 | 13 |
| 11.5 | Other personnel compensation | 0 | 239 | 244 | 5 |
| 11.9 | Total personnel compensation | 24,223 | 25,546 | 27,651 | 2,105 |
| 12.1 | Civilian personnel benefits | 6,241 | 6,681 | 7,437 | 756 |
| 13.0 | Benefits for former personnel | 0 | 0 | 12 | 12 |
| 21.0 | Travel and transportation of persons | 278 | 235 | 289 | 54 |
| 22.0 | Transportation of things | 15 | 0 | 0 | 0 |
| 23.1 | Rental payments to GSA | 3,857 | 3,977 | 4,021 | 44 |
| 23.3 | Communications, utilities, and miscellaneous charges | 429 | 376 | 383 | 7 |
| 24.0 | Printing and reproduction | 15 | 7 | 8 | 1 |
| 25.1 | Advisory and assistance services | 0 | 215 | 345 | 130 |
| 25.2 | Other services from non-Federal sources | 1,015 | 670 | 677 | 7 |
| 25.3 | Other goods and services from Federal sources 1/ | 6,838 | 6,128 | 6,660 | 532 |
| 25.4 | Operation and maintenance of facilities | 27 | 27 | 245 | 218 |
| 25.5 | Research and development contracts | 0 | 0 | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 1,175 | 1,476 | 1,456 | -20 |
| 26.0 | Supplies and materials | 256 | 210 | 239 | 29 |
| 31.0 | Equipment | 96 | 114 | 195 | 81 |
| 42.0 | Insurance claims and indemnities | 0 | 0 | 0 | 0 |
| | Total | 44,465 | 45,662 | 49,618 | 3,956 |
| | | | | | |
| | 1/Other goods and services from Federal sources | | | | |
| | Working Capital Fund | 6,544 | 5,715 | 6,169 | 454 |
| | DHS Services | 217 | 340 | 351 | 11 |
| | Services by Other Government Departments | 77 | 73 | 140 | 67 |

ADJUDICATION

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

| | |
|--|------|
| Costs of pay adjustments | \$61 |
| Personnel benefits | 346 |
| Federal Employees' Compensation Act (FECA) | -164 |
| Benefits for former personnel | 12 |
| Travel and transportation of persons | 6 |
| Transportation of things | 0 |
| Rental payments to GSA | 44 |
| Communications, utilities, and miscellaneous charges | 7 |
| Printing and reproduction | 1 |
| Advisory and assistance services | 3 |
| Other services from non-Federal sources | -91 |
| Working Capital Fund | 165 |
| Other Federal sources (DHS Charges) | 11 |
| Other goods and services from Federal sources | 67 |
| Research & Development Contracts | 0 |
| Operation and maintenance of facilities | -19 |
| Operation and maintenance of equipment | -50 |
| Supplies and materials | 29 |
| Equipment | 4 |
| Insurance claims and indemnities | 0 |

Built-Ins Subtotal **\$432**

Net Program **\$3,524**

Direct FTE **10**

| | Estimate | FTE |
|-------------------------|-----------------|------------|
| Base | \$46,094 | 241 |
| Program Increase | \$3,524 | 10 |
| Program Decrease | \$0 | 0 |

WOMEN'S BUREAU

| BUDGET AUTHORITY BEFORE THE COMMITTEE | | | | |
|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | |
| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| Activity Appropriation | 10,955 | 11,536 | 9,047 | -2,489 |
| FTE | 53 | 56 | 35 | -21 |

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 56.

Introduction

Public Law 66-259 authorized the creation of the Women’s Bureau to “formulate standards and policies which shall promote the welfare of wage-earning women, improve their working conditions, increase their efficiency, and advance their opportunities for profitable employment.” The mission of the Women’s Bureau remains much the same today, as new challenges in today’s dynamic and complex labor market make the Bureau’s mission as critical now as it was when the agency was first created in 1920.

The Bureau supports the Department’s mission and the Secretary’s vision of ‘Promoting and Protecting Opportunity’ by contributing to the strategic objective of “breaking down barriers to fair and diverse workplaces and narrowing wage and income inequality.” Historically, the Bureau has played an important role in the enactment of important state and federal labor and civil rights laws, such as the Fair Labor Standards Act (1938) and the Equal Pay Act (1963). These laws have enabled millions of women to make enormous strides in the workplace. Women now comprise almost half of the nation’s workforce, and their productivity and economic contributions are vital to our country’s prosperity and security.

The increased number of women, particularly women with children, in the labor force has been a major social transformation over the past several decades, creating a new reality for workplaces, employers, and families. While many women have made great advances in educational attainment, professional attainment, and personal financial well-being, many continue to face gender-specific barriers that inhibit them from attaining occupational integration, equal compensation with men, and fair treatment. The persistence of barriers to women’s full and equal labor force participation support the case for a continued focus on and advocacy for women preparing to enter or in the workplace.

Strategic Framework

The Bureau will utilize the following strategies to reduce barriers to women’s access to and retention in better jobs and ensure their fair treatment in the workplace.

Strategy 1: Conduct research, economic analysis and evaluation to inform policy and program change.

WOMEN'S BUREAU

Strategy 2: Promote implementation of policies, programs, and workplace practices that reduce barriers to women's access to and retention in better jobs, and enhance public education and raise awareness of key issues.

Five-Year Budget Activity History

| <u>Fiscal Year</u> | <u>Funding</u> (Dollars in Thousands) | <u>FTE</u> |
|--------------------|--|------------|
| 2010 | \$11,604 | 58 |
| 2011 | \$11,581 | 57 |
| 2012 | \$11,559 | 56 |
| 2013 | \$10,955 | 56 |
| 2014 | \$11,536 | 56 |

FY 2015

The FY 2015 request is \$9,036,000 and 35 FTE, which reflects a reduction of \$2,500,000 and 21 FTE from the FY 2014 Enacted level. The budget reduces the Women's Bureau's regional offices and staff because they are not essential to the Bureau's policy or research work. The funding and FTE will be reinvested as part of the increase requested for the Wage and Hour Division for enforcement of the Family and Medical Leave Act and Fair Labor Standards Act – two laws that have direct and tangible benefits for women in the workforce.

At the requested level, the Women's Bureau will restructure its organization, including consolidation of the regional offices to more efficiently and effectively conduct public policy analyses and carry out a focused research agenda that will inform its policy and program activities. The budget reduces the number of the Women's Bureau's regional offices from 8 to 6 and reduces staffing in these offices from 27 to 6 – one position in each office.

In FY 2015, the Women's Bureau will promote policies and practices that focus on providing greater access to and preparation for better jobs for women and promoting fair compensation and equal pay. The Bureau will research and analyze strategies to increase the economic security and workplace participation and retention of targeted populations of women. The Bureau will collaborate with organizations and government agencies to promote change at the organizational and institutional level.

FY 2014

At the enacted level of \$11,536,000 and 56 FTE, the Bureau will continue to advance the Administration's goal of improving working conditions and increasing employment opportunities for women. The Bureau will concentrate on the DOL's Strategic Goal 3: To promote fair and high quality work environments by breaking down barriers to fair and diverse workplaces and narrowing wage and income inequality.

WOMEN'S BUREAU

The Bureau is concentrating on three priority areas, which are: increasing women's access to and preparation for better jobs; promoting fair compensation and equal pay, and improving workplace practices and supports.

Increase Women's Access to and Preparation for Better Jobs: The Women's Bureau aims to help women prepare for, participate and advance in, and retain non-traditional, high-growth, and high-paying jobs. The Bureau will conduct research and promote the employment of women in non-traditional jobs such as information technology (IT) and in the transportation sector, where, according to the Bureau of Labor Statistics¹, women represent 15% of the workforce. The Bureau will also focus on women in manufacturing. This initiative will include analyses of recruitment and retention strategies in a range of jobs with varying education and training requirements. Findings of this research will assist in developing industry practice and/or policy recommendations and serve as resources as the Bureau works to increase the rate of women's participation in various industry/occupational sectors.

Promote Fair Compensation and Equal Pay: The Women's Bureau seeks to educate workers on their rights and employers on their obligations under the law to ensure fair compensation. The Bureau will continue to be a leading voice for equal pay for women and continue to collaborate with member agencies of the President's National Equal Pay Task Force, including DOL's Office of Federal Contract Compliance Programs, the Department of Justice, Office of Personnel Management and the Equal Employment Opportunity Commission. The Women's Bureau is working on a number of research papers on the issue of Equal Pay, including Occupational Segregation and the Wage Gap and Why the Gender Wage Gap Persists Today in spite of Women's progress academically and professionally.

Improve Workplace Practices and Supports: The Women's Bureau identifies, fosters and promotes policies and efforts that enable women to succeed in their work and personal lives. Today's labor force comprises an increasing number of working mothers and women who are responsible for caring for disabled or elderly family members. Many low-paying occupations that tend to have large shares of women employed lack adequate flexibility, benefits and supports. The Women's Bureau will hold Regional Forums in collaboration with other DOL Agencies and the White House on leave policies such as FMLA, sick days, and paid family and medical leave. The Bureau will also update A Working Woman's Guide to Her Job Rights which will inform women workers about their rights under the law and the government resources available if they believe their rights have been violated or undermined. In addition to providing education to women who access DOL for information, the Bureau will also identify entities that serve women locally and disseminate the materials to them through the agency's new Clearinghouse, DOL regional and district offices, American Job Centers, DOL grantee organizations, women's advocacy groups and other community-based organizations.

FY 2013

In FY 2013, the Bureau was successful in carrying out its policy and research objectives, conducting outreach and technical assistance, and in collaborating with sister agencies, other Federal departments, and state and local organizations.

¹ *Women in the Labor Force: A Databook (2012 edition)*

WOMEN'S BUREAU

The Bureau worked closely with the Veterans' Training and Employment Services (VETS) to plan and implement a Women Veterans' Employment Program in the Veterans' Employment and Training Service (VETS) within the U.S. Department of Labor. The Women Veteran Program will serve to increase awareness of American Job Centers and other DOL resources and services among women veterans in the labor force and those who influence them; to educate employers on best practices for hiring and retaining women veterans; as well as to formulate policies and/or improve existing services for women veterans. The Bureau detailed a staff person to work with VETS to launch the initiative, which is now staffed by a full-time VETS Women Veteran Program Manager.

The Bureau was the lead in drafting the National Equal Pay Task Force report *Fifty Years After the Equal Pay Act: Assessing the Past, Taking Stock of the Future*, and assisted with the White House's Equal Pay anniversary event. The Bureau disseminated Equal Pay Guides for women and employers in English, Spanish, French, Vietnamese, and Chinese. The Bureau also provided information related to women's wages and compensation, including information on women's earnings by sex, race, and ethnicity; women's-to-men's earnings ratio; median weekly earnings for the leading occupations for women; and the highest-paying occupations for women.

The Bureau funded a gender analysis of the Department's Worker Rights: Access, Assertion, and Knowledge (WRAAK) survey results. The survey focused on workers' experiences with wage and hour and safety violations in the workplace, and access to education materials on workers' rights. The Bureau found that women were significantly less likely to have access to relevant education opportunities and information than men. In FY 2014, the Bureau will develop materials to educate workers on their rights and where to seek help if they think their rights have been violated.

The Bureau hosted an Older Women Workers Roundtable, bringing together researchers and policy experts on the topic of aging to share and discuss their current research findings relevant to the employment issues of women age 55 and older in the U.S. labor force. The roundtable will help the Bureau identify gaps in research and public policy that may assist in improving older women workers' employment, training, and learning opportunities, as well as their financial security and working conditions. The Bureau developed a fact sheet on older women and work.

In FY 2013, the Bureau collaborated with the Chief Evaluation Office to fund a multi-year demonstration project in multiple sites to test promising strategies or models that will substantially improve outcomes for youth who are disconnected from work, school, and sometimes family or at risk of such disconnection. The pilot project will help the youth access subsidized job training programs and associated supports. The Women's Bureau and the Chief Evaluation Office are also providing funds for a follow-on supplement to the study to learn more about the effectiveness of strategies and models for young women at risk of being disconnected or who are disconnected. Young women may face barriers to employment that offers economic security that differ from those facing young men, including pregnancy, motherhood, and challenges in gaining access to traditionally male occupations.

The Bureau also began collaborating with ETA on a five-year feasibility study to design, implement, and evaluate a demonstration pilot at different sites focused on assessing evidence-

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based strategies for overcoming barriers encountered by individuals desiring employment in non-traditional occupations.

FY 2013 was the 50th anniversary of the Presidential Commission on the Status of Women's American Women Report. In conjunction with the Bureau's commemorative event "50 Years Later- Women, Work, and the Work Ahead," the Bureau undertook policy and research papers on key issues, such as domestic workers, pay secrecy, occupational segregation and the gender wage gap, paid leave, worklife balance, effective scheduling for hourly workers, and family responsibilities discrimination. The papers will be used to support policy development in the WB.

In FY 2013, the Bureau conducted outreach on the topics of women veterans, vulnerable women, higher-paying jobs, STEM and non-traditional jobs), equal pay; and workplace flexibility. The Bureau conducted outreach to organizations serving diverse constituents, including older workers, immigrants, tradeswomen, domestic workers, job seekers, Latinas, African Americans, Asian Americans, women veterans, people who are homeless, businesses, and students. Many government agencies, community-based organizations, and educational institutions, including community and technical colleges, are disseminating the Bureau's Why Green is Your Color: A Woman's Guide to a Sustainable Career and Trauma-Informed Care for Women Veterans Experiencing Homelessness: A Guide for Service Providers to their constituents/students/clients.

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| DETAILED WORKLOAD AND PERFORMANCE | | | | | |
|---|--|----------------------------|---------------|----------------------------|----------------------------|
| | | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | | Target | Result | Target | Target |
| Women's Bureau | | | | | |
| Strategic Goal 3 - Promote fair and high quality work-life environments | | | | | |
| Strategic Objective 3.1 - Break down barriers to fair and diverse workplaces and narrow wage and income inequality | | | | | |
| 1-WB- PRO-01 | Number of policy and research outputs created | 3 | 3 | 20 | 10 |
| 2-WB- TA-01 | Number of technical assistance tools created | 6 | 4 | 13 | 4 |
| 3-WB- O-01 | Number of WB activities | 155 | 245 | 145 | 12 |
| 4-WB- TA-02 | Number of technical assistance hours provided | 2,125 | 2,790 | 1,200 | 72 |
| 5-WB- AC-02 | Percent of collaborators who implement recommended policies/strategies | -- | -- | [base] | TBD |
| 6-WB- AC-03 | Percent of collaborators who take an action to increase awareness and education on the Bureau's behalf | [base] | -- | [base] | TBD |
| 7-WB- CS-01 | Percent of all written correspondence inquiries responded to and sent to the inquirer within 1 week of WB's official receipt of correspondence | 80.00% | 100.00% | 80.00% | TBD |

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

WOMEN'S BUREAU

Detailed Workload Performance Narrative

In FY 2015, the Women's Bureau will focus on promoting greater access to and preparation for better jobs for women and promoting fair compensation and equal pay. The Bureau will dedicate more of its resources to research, policy and the development of technical assistance tools, including fact sheets, curricula, tool kits and multimedia. The Bureau will create 10 policy and research outputs and 4 technical assistance tools in FY 2015.

Increase Women's Access to and Preparation for Better Jobs

The Bureau will conduct research and develop strategies to promote better workforce opportunities for women and explore ways to increase their participation and retention in high growth, high wage occupations. The issue papers and fact sheets the Bureau develops will shed light on how to expand the opportunities available for women to enter higher-paying industries and occupations in the coming years.

There are many high growth occupations that continue to be filled primarily by women and are lower-paying, such as jobs in the homecare, retail, and the food service industries. The Bureau will focus on specific strategies to improve women's status and compensation in targeted occupations. Improving employment outcomes for women will require a comprehensive effort among employees, employers and community leaders to increase appreciation for the societal value of this labor and promote commensurate compensation. Additionally, the Bureau will promote promising practices that assist women transition into higher-paying occupations.

In addition, the Bureau will sponsor research on the role of women within specific industries and occupations, such as financing, engineering, manufacturing and construction, with an anticipated increase in jobs and a projected low participation rate of women. The research may include women's knowledge about and perceptions of these industries. The Bureau will focus on: growth trends and employment outlook; women's current participation, including by age, race/ethnicity, geographic location; and other characteristics and factors that contribute to women's entry, retention and turnover rates. The studies may also identify successful models and promising practices that may result in higher retention rates for women and explore approaches or solutions to overcome barriers to advancement that women face.

Promote Fair Compensation and Equal Pay

The Bureau will continue its work as a leading advocate for equal pay for women and its national and local collaborations with member agencies of the Equal Pay Task Force. The Bureau will work with state and local governments and organizations to share model policies and practices and to continue to raise awareness and increase education in this area. The Bureau will establish or continue collaborative relationships with organizations, governments and employers and provide them technical assistance and resources to assist with their efforts to ensure equal pay.

The Bureau will research promising equal pay practices among states and employers; the effects of workplace flexibility and leave policies on equal pay; as well as the relationship between self-employment, and part-time, temporary, contract, and other "contingent" work arrangements and equal pay. The Bureau will analyze industries that have a low male-female wage gap to

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determine factors that have contributed to the low wage gap. The Bureau will ensure that government research on equal pay is accessible to employers and policymakers.

Infrastructure

To continue to be a strong voice for working women, the Bureau will increase its capacity to conduct research and strengthen its policy functions and objectives and continue to improve its communication infrastructure and ensure digital access.

The Bureau will be implementing a streamlining process in FY 2015 in keeping with DOL's mandate to streamline its regional offices. The Bureau will use a phased approach to reduce the number of regional offices and expand the roles and responsibilities of the regional staff in implementing and supporting the Bureau's and DOL's policy initiatives and programs.

The Bureau will also expand the use of advanced tools and technologies and innovative web designs presented through multiple formats to make content more broadly available, accessible, and understandable, which will directly increase stakeholder engagement and effectiveness

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| BUDGET ACTIVITY BY OBJECT CLASS | | | | | |
|--|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | | |
| | | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| 11.1 | Full-time permanent | 5,109 | 5,500 | 3,995 | -1,505 |
| 11.3 | Other than full-time permanent | 0 | 5 | 5 | 0 |
| 11.5 | Other personnel compensation | 110 | 57 | 57 | 0 |
| 11.9 | Total personnel compensation | 5,219 | 5,562 | 4,057 | -1,505 |
| 12.1 | Civilian personnel benefits | 1,276 | 1,430 | 800 | -630 |
| 21.0 | Travel and transportation of persons | 109 | 175 | 175 | 0 |
| 22.0 | Transportation of things | 2 | 0 | 0 | 0 |
| 23.1 | Rental payments to GSA | 773 | 743 | 754 | 11 |
| 23.2 | Rental payments to others | 0 | 0 | 0 | 0 |
| 23.3 | Communications, utilities, and miscellaneous charges | 49 | 40 | 40 | 0 |
| 24.0 | Printing and reproduction | 5 | 50 | 50 | 0 |
| 25.1 | Advisory and assistance services | 262 | 256 | 256 | 0 |
| 25.2 | Other services from non-Federal sources | 1,270 | 130 | 130 | 0 |
| 25.3 | Other goods and services from Federal sources 1/ | 1,831 | 1,669 | 1,304 | -365 |
| 25.4 | Operation and maintenance of facilities | 4 | 0 | 0 | 0 |
| 25.5 | Research and development contracts | 0 | 1,000 | 1,000 | 0 |
| 25.7 | Operation and maintenance of equipment | 5 | 306 | 306 | 0 |
| 26.0 | Supplies and materials | 100 | 100 | 100 | 0 |
| 31.0 | Equipment | 50 | 75 | 75 | 0 |
| 41.0 | Grants, subsidies, and contributions | 0 | 0 | 0 | 0 |
| | Total | 10,955 | 11,536 | 9,047 | -2,489 |
| | | | | | |
| | 1/Other goods and services from Federal sources | | | | |
| | Working Capital Fund | 1,663 | 1,444 | 1,132 | -312 |
| | DHS Services | 40 | 58 | 58 | 0 |
| | Services by DOL Agencies | 128 | 119 | 66 | -53 |
| | GSA Services | 0 | 5 | 5 | 0 |
| | HHS Services | 0 | 37 | 37 | 0 |

WOMEN'S BUREAU

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

| | |
|--|------|
| Costs of pay adjustments | \$0 |
| Personnel benefits | -176 |
| Federal Employees' Compensation Act (FECA) | 0 |
| Travel and transportation of persons | 0 |
| Transportation of things | 0 |
| Rental payments to GSA | 11 |
| Rental payments to others | 0 |
| Communications, utilities, and miscellaneous charges | 0 |
| Printing and reproduction | 0 |
| Advisory and assistance services | 0 |
| Other services from non-Federal sources | 0 |
| Working Capital Fund | 229 |
| Other Federal sources (DHS Charges) | 0 |
| Other goods and services from Federal sources | -53 |
| Research & Development Contracts | 0 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | 0 |
| Supplies and materials | 0 |
| Equipment | 0 |
| Grants, subsidies, and contributions | 0 |

Built-Ins Subtotal **\$11**

Net Program **-\$2,500**

Direct FTE **-21**

| | Estimate | FTE |
|-------------------------|-----------------|------------|
| Base | \$11,547 | 56 |
| Program Increase | \$0 | 0 |
| Program Decrease | -\$2,500 | -21 |

CIVIL RIGHTS

| BUDGET AUTHORITY BEFORE THE COMMITTEE | | | | |
|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | |
| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| Activity Appropriation | 6,880 | 6,880 | 7,789 | 909 |
| FTE | 36 | 36 | 40 | 4 |

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 34.

Introduction

Operating under authority delegated pursuant to Secretary’s Orders, the Civil Rights Center (CRC) is the organizational unit within the Department of Labor (DOL) responsible for ensuring nondiscrimination and equal opportunity for two primary populations: 1) employees of, and applicants for employment with, DOL; and 2) the more than 40 million individuals served by programs and activities across the nation that are related to labor and the work force. CRC’s responsibility for the latter population is principally concentrated on the public workforce system, which delivers services primarily (although not exclusively) through the nationwide network of American Job Centers.

On the internal side, CRC administers DOL’s equal employment opportunity (EEO) program for employees of, and applicants for employment with, DOL. CRC’s Office of Internal Enforcement (OIE) is responsible for processing discrimination complaints filed by DOL employees and applicants for employment with DOL. OIE also manages the Department’s Reasonable Accommodation Resource Center and Centralized Accommodations Fund. OIE also coordinates enforcement of DOL compliance with the Architectural Barriers Act of 1968, develops and submits civil rights-related program plans and accomplishment reports, and provides training and technical assistance to DOL managers, supervisors, and employees about internal EEO matters.

The Office of External Enforcement (OEE) assesses, investigates and/or adjudicates complaints alleging discrimination and/or violations of equal opportunity requirements by recipients of financial assistance under Title I of the Workforce Investment Act (WIA); One-Stop partners listed in WIA Section 121(b) that offer programs or activities through the public workforce development system; State and local governments and other public entities operating programs and activities related to labor and the workforce, regardless of whether they receive federal financial assistance (for disability-related matters only); and any recipients of financial assistance from, or programs conducted by, DOL that are not included in the categories above. Examples of programs over which OEE has jurisdiction include the Unemployment Insurance (UI) and Job Corps programs.

The Office of Compliance and Policy (OCAP) conducts compliance reviews of the same entities listed under OEE, including reviews of State Governors’ Methods of Administration (MOA) nondiscrimination plans; develops regulations; reviews proposed legislation, regulations, guidance documents, and other materials developed by agencies within and outside of DOL; conducts other policy-related activities; and provides training and technical assistance for internal and external stakeholders.

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CRC contributes to the Department's Strategic Goal of *Promoting Fair and High-Quality Work Environments* and the following Strategic Objectives:

- (1) Strategic Objective 3.1 – Break down barriers to fair and diverse workplaces and narrow wage and income inequality; and
- (2) Strategic Objective 3.2 – Protect workers' rights.

Five-Year Budget Activity History

| <u>Fiscal Year</u> | <u>Funding</u> (Dollars in Thousands) | <u>FTE</u> |
|---------------------------|---|-------------------|
| 2010 | \$6,812 | 41 |
| 2011 | \$6,973 | 38 |
| 2012 | \$6,785 | 34 |
| 2013 | \$6,880 | 34 |
| 2014 | \$6,880 | 36 |

FY 2015

For FY 2015, CRC requests a total of \$ 7,789,000 and 40 FTE. This request includes an increase of \$909,000 (an increase of \$868,000 and a net increase of \$41,000 for built-ins) and 4 FTE over the FY 2014 Enacted Level. The program increase of \$868,000 will support the Office of External Enforcement. At the FY 2015 Agency Request Level, CRC will maintain its core function: developing, administering, and enforcing Departmental policies, practices, and procedures under various laws and policies including Title VI and Title VII of the Civil Rights Act of 1964; Section 188 of WIA; the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; the Equal Pay Act; Title IX of the Education Amendments of 1972; Title II of the Americans with Disabilities Act, Secretary's Order 4-2000 and related statutes and Executive Orders which prohibit discrimination in programs and activities receiving Federal financial assistance; and to direct, implement, and manage the Department's Equal Employment Opportunity (EEO) program to assure equal opportunity for all DOL employees and applicants for employment.

Funding at the Agency's Request Level will help ensure that CRC sustains its accomplishments in the Office of Internal Enforcement in terms of efficient case processing. It will also allow CRC to further operationalize and market a Department-wide Reasonable Accommodation Resource Center set up in FY 2013-2014. Most critically, it will help ensure that CRC's external enforcement program can respond to an increasing number of complaints alleging systemic discrimination in a manner that reflects the high standard of quality and timeliness expected from the federal government. CRC's request represents an incremental investment in the infrastructure of the external enforcement unit to bolster staffing resources by an additional four FTE to

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conduct investigations, perform quality reviews of contractors' investigative work, and prepare Initial and Final Determinations following investigations. Additionally, with the added staff in the Office of External Enforcement (OEE), CRC will be able to fully implement changes resulting from re-engineering efforts (which began in FY 2012) that focus on improving both the timeliness and quality of external enforcement case processing. Without these additional resources, the Office of Compliance and Policy will be required to continue supporting the Office of External Enforcement with direct staff time to supplement OEE's insufficient resources for complaint processing. Additional resources will also permit the Office of Compliance and Policy to expand its portfolio to include more compliance reviews of systemic concerns, greater compliance assistance to stakeholders, and the development of policy, procedures and guidance to strengthen the infrastructure of the program as a whole.

FY 2014

At the FY 2014 Enacted Level of \$6,880,000 and 36 FTE, CRC will be positioned to accomplish mission critical functions. At the Enacted Level, implementation of recent reengineering efforts in OEE will be hindered.

FY 2013

The CRC FY 2013 funding level was \$6,880,000, and 36 FTE. At this level, CRC accomplished core program work and in an effort to more efficiently and effectively investigate, and adjudicate complaints, conducted a more thorough reengineering of OEE's intake criteria, and continued to improve the processes and efficiency of OEE's complaint investigation and adjudication program. More specifically, the new procedures give precedence to complaints that appear clearly meritorious; present allegations regarding systemic policies or practices such as access for persons with disabilities or limited English proficiency; or raise issues related to CRC's increasing policy responsibilities.

In order to promote equal opportunity within DOL, CRC established a Reasonable Accommodation Resource Center to aid employees with disabilities to assess tools that can assist them in the performance of their duties; processed a significantly larger number of Informal Complaints (54 percent) and Formal Complaints (24 percent) than projected; revised the ADR (Mediation) Procedures/Policies and worked to strengthen existing relationships with Agency EEO Managers; and engaged in a pilot inventory program with DOD's Computer Electronics Accessibility Program (CAP) to enable DOL to provide the commonly requested assistive technology to DOL employees without delay.

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| DETAILED WORKLOAD AND PERFORMANCE | | | | |
|---|----------------------------|---------------|----------------------------|----------------------------|
| | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | Target | Result | Target | Target |
| Civil Rights | | | | |
| Strategic Goal 3 - Promote fair and high quality work-life environments | | | | |
| Strategic Objective 3.1 - Break down barriers to fair and diverse workplaces and narrow wage and income inequality | | | | |
| OASAM- External Enforcement: Number of External Complaints Received (Demand) DM- CRC-P-8 | 600[p] | 640 | 600[p] | 650[p] |
| OASAM- External Enforcement: Percent of External Complaints within CRC Jurisdiction (Demand) DM- CRC-12 | -- | 25% | 31% [p] | 35% [p] |
| OASAM- External Enforcement: Number of External Investigations Completed DM- CRC-13 | [base] | 41 | 40 | 50 |
| OASAM- External Enforcement: Number of Conciliation/Settlement Agreements Signed DM- CRC-16 | -- | -- | [base] | TBD |
| OASAM- External Enforcement: Number of Initial and Final Determinations Issued DM- CRC-31 | [base] | 14 | 20 | 30 |
| OASAM- Compliance Assistance: Number of External Compliance Reviews Conducted DM- CRC-22 | 16 | 15 | 16 | 16 |
| Strategic Objective 3.2 - Protect workers' rights | | | | |

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| DETAILED WORKLOAD AND PERFORMANCE | | | | |
|--|----------------------------|---------------|----------------------------|----------------------------|
| | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | Target | Result | Target | Target |
| OASAM- Internal Enforcement: Number of RA Assessments Completed (Demand) DM- CRC-D | -- | -- | [base] | TBD |
| OASAM- Internal Enforcement: Number of RA Requests Facilitated (Demand) DM- CRC-E | -- | -- | [base] | TBD |
| OASAM- Internal Enforcement: Percent of Investigations Issued within Regulatory Timeframes DM- CRC-6 | 92% | 98% | 92% | 92% |
| OASAM- Internal Enforcement: Percent of EEO Counseling Sessions Completed within Regulatory DM- Timeframes CRC-2 | 90% | 99% | 90% | 90% |
| OASAM- Internal Enforcement: Mediation Success Rate DM- CRC-4 | 36.00%[p] | 27.25% | 36.00%[p] | 36.00%[p] |
| OASAM- Internal Enforcement: Number of Informal Internal Complaints Received DM- CRC-P-2 | 200[p] | 254 | 200[p] | 200[p] |
| OASAM- Internal Enforcement: Number of Formal Internal Complaints Received DM- CRC-P-3 | 120[p] | 144 | 120[p] | 120[p] |

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

CIVIL RIGHTS

Detailed Workload Performance Narrative

Office of External Enforcement

CRC's Office of External Enforcement processes, investigates, and adjudicates complaints alleging discrimination against customers, applicants, employees, or members of the general public, by any of the wide range of external and DOL-conducted programs and entities described in the Introduction. The laws enforced by CRC prohibit discrimination on the basis of race, color, religion, sex (including pregnancy and gender identity), national origin (including limited English proficiency), age, disability, political affiliation or belief, and, for beneficiaries only, citizenship or participation in a program or activity financially assisted under WIA Title I.

In FY 2012, new leadership in CRC determined that significant deficiencies existed in the external enforcement program. Among the primary reasons for this conclusion were two facts regarding the disposition of discrimination complaints: first, that few, if any, adverse findings had been issued in over ten (10) years; and second, that resolution of complaints through other means, such as settlement agreements, did not occur in significant numbers. EEOC estimates that Federal agencies issue findings of discrimination in approximately 2-3 percent of internal cases, but notes that 30 percent of cases are settled before formal findings are issued, and that many of these settlements include favorable outcomes for the complainant. Based on its figures, EEOC calculates that discrimination may occur in up to 33 percent of Federal-sector EEO cases.²

In light of OEE's unusually low production numbers, during FY 2012 and FY 2013, CRC leadership modified OEE's policies and procedures; provided intensive staff training; and completed a rigorous review of OEE's case processing model. OEE also filled existing vacancies; engaged in a pilot program with a contractor (through the United States Postal Service (USPS)) to conduct investigations; and established parameters for complaint triage that promote the efficient targeting of resources. In FY 2012, CRC issued its first finding of discrimination in many years, against a State's Unemployment Insurance program. Finding egregious violations against an individual with a disability, CRC ordered remedies including developing policies and procedures to avoid future discrimination; outreach to the community; regular staff training; and sufficient monitoring to assess compliance. In FY 2013, an additional finding of discrimination against another state entity, as well as a separate finding and conciliation agreement with service providers, demonstrate OEE's growth. In FY 2014, OEE is continuing to increase the number of investigations completed and determinations issued, while at the same time increasing overall quality in case processing.

² See http://www1.eeoc.gov/eeoc/newsroom/wysk/federal_sector_eeo_process.cfm?renderforprint=1

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Funding at this level will help ensure that CRC's external enforcement program, with an increasing demand, reflects the high standard of quality and timeliness expected from the federal government, while fulfilling the program's mission of effectively investigating and resolving allegations of discrimination that arise throughout the Nation's workforce system and beyond.

Office of Compliance and Policy

The WIA nondiscrimination regulations are structured to place much of the responsibility for ensuring equal opportunity on State Governors. CRC has the authority to conduct compliance reviews to ensure that Governors and other responsible stakeholders are carrying out their equal opportunity obligations. Compliance reviews are beneficial for two primary purposes: 1) they target systemic concerns such as those arising from or perpetuated by policies or systems of administration; and 2) they are often proactive. Given these attributes, compliance reviews - while intensive - tend to catch problems before liability ensues and/or respond to problems in efficient, far-reaching ways. Compliance reviews promote prevention and resolution. In addition to reviews, OCAP offers extensive training - through on-site visits, webinars, and tele/video conferencing - to workforce system administrators and other stakeholders so that they may effectively establish, monitor, review, and adjust programs to ensure nondiscrimination and equal opportunity. OCAP also devises and reviews policies and guidance on a range of equal opportunity issues for the Department.

OCAP is focused on three main areas: 1) a compliance program that seeks to identify non-compliance; 2) a compliance assistance program to help States and other stakeholders become more effective in ensuring equal opportunity; and 3) policy and regulatory development to clarify obligations, enhance efficiency, and promote nondiscrimination and equal opportunity.

Internal Enforcement

Funding at this level will support efforts designed to reduce Equal Employment Opportunity (EEO) complaints within the Department. CRC will discourage the filing of frivolous complaints while sustaining the accessibility of the complaint process for those who have legitimate concerns. To do this, CRC will focus on robust training (e.g., on-line programs, webinars, desk guides, and videocasts) for employees that targets pertinent trends. Additionally, when employees file complaints, CRC will offer enhanced Alternative Dispute Resolution (ADR) services. By promoting intensive communications and creative negotiations, CRC has improved and sustained the resolution rate of ADR since FY 2011. This improved rate has been largely sustained in FY 2013. According to cost savings estimates used by the Office of Personnel Management, this success produced savings of approximately \$690,000 annually for the Department. The method employed to make this happen requires significant staff effort and access to independent, experienced mediators. OIE has been recognized for the quality of its EEO program by the EEOC in public reports. To sustain excellence, as the cost of investigations, as travel, technology and other expenses are also increasing, additional funding is required.

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In addition to the EEO complaint process, CRC's Office of Internal Enforcement supports the Department's commitment to persons with disabilities and efforts to create and maintain an inclusive, diverse work environment where all employees can reach their potential and maximize their contributions. CRC supports to ensure that requests for accommodation are fulfilled in an efficient and effective manner, promoting the best employment outcomes and safeguarding the Department against liability.

By FY 2015, CRC intends to fully operate its Reasonable Accommodation Resource Center, a one-stop shop where managers and employees can learn about their rights and responsibilities; discern options for realizing maximum performance capability; procure technology or other equipment without delay; plan for training and implementation of accommodations; and otherwise further the Department's goals of recruiting and retaining individuals, including veterans with disabilities. As actual accommodations shall be funded through a Centralized Accommodations Fund, an element of a model program that removes any perceived financial disincentives for recruiting and retaining individuals with disabilities, CRC must have the staff and related resources to stretch the funding available and affect progress that can be sustained.

CIVIL RIGHTS

| BUDGET ACTIVITY BY OBJECT CLASS | | | | | |
|--|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | | |
| | | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| 11.1 | Full-time permanent | 3,862 | 3,562 | 4,037 | 475 |
| 11.5 | Other personnel compensation | 100 | 42 | 45 | 3 |
| 11.9 | Total personnel compensation | 3,962 | 3,604 | 4,082 | 478 |
| 12.1 | Civilian personnel benefits | 947 | 979 | 1,100 | 121 |
| 13.0 | Benefits for former personnel | 0 | 0 | 0 | 0 |
| 21.0 | Travel and transportation of persons | 0 | 17 | 19 | 2 |
| 23.1 | Rental payments to GSA | 384 | 358 | 364 | 6 |
| 23.3 | Communications, utilities, and miscellaneous charges | 25 | 52 | 55 | 3 |
| 24.0 | Printing and reproduction | 0 | 3 | 5 | 2 |
| 25.2 | Other services from non-Federal sources | 0 | 8 | 12 | 4 |
| 25.3 | Other goods and services from Federal sources 1/ | 1,520 | 1,794 | 2,084 | 290 |
| 25.4 | Operation and maintenance of facilities | 0 | 0 | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 5 | 6 | 6 | 0 |
| 26.0 | Supplies and materials | 25 | 56 | 56 | 0 |
| 31.0 | Equipment | 12 | 3 | 6 | 3 |
| 42.0 | Insurance claims and indemnities | 0 | 0 | 0 | 0 |
| 51.1 | Benefits | 0 | 0 | 0 | 0 |
| | Total | 6,880 | 6,880 | 7,789 | 909 |
| | | | | | |
| | 1/Other goods and services from Federal sources | | | | |
| | Working Capital Fund | 1,205 | 861 | 918 | 57 |
| | DHS Services | 8 | 9 | 9 | 0 |
| | Services by DOL Agencies | 7 | 0 | 0 | 0 |
| | HHS Services | 0 | 150 | 36 | -114 |
| | Services by Other Government Departments | 300 | 774 | 1,121 | 347 |

CIVIL RIGHTS

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

| | |
|--|-------|
| Costs of pay adjustments | \$100 |
| Personnel benefits | 15 |
| Federal Employees' Compensation Act (FECA) | 0 |
| Benefits for former personnel | 0 |
| Travel and transportation of persons | 2 |
| Rental payments to GSA | 6 |
| Communications, utilities, and miscellaneous charges | 3 |
| Printing and reproduction | 2 |
| Other services from non-Federal sources | 4 |
| Working Capital Fund | 57 |
| Other Federal sources (DHS Charges) | 0 |
| Other goods and services from Federal sources | -151 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | 0 |
| Supplies and materials | 0 |
| Equipment | 3 |
| Insurance claims and indemnities | 0 |

Built-Ins Subtotal **\$41**

Net Program **\$868**

Direct FTE **4**

| | Estimate | FTE |
|-------------------------|----------------|-----------|
| Base | \$6,921 | 36 |
| Program Increase | \$868 | 4 |
| Program Decrease | \$0 | 0 |

CHIEF FINANCIAL OFFICER

| BUDGET AUTHORITY BEFORE THE COMMITTEE | | | | |
|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | |
| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| Activity Appropriation | 5,061 | 5,061 | 5,090 | 29 |
| FTE | 18 | 18 | 18 | 0 |

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 19.

Introduction

The Office of the Chief Financial Officer (OCFO) is responsible for oversight of all financial management activities in the Department. The efficiency and effectiveness of OCFO allows the client agencies within DOL to accomplish their missions and ultimately the Department's goals.

The OCFO provides comprehensive direction to all DOL program agencies on financial matters arising from legislative and regulatory mandates such as:

- The Chief Financial Officers (CFO) Act of 1990
- The Government Management Reform Act (GMRA) of 1994;
- The Federal Financial Management Improvement Act (FFMIA) of 1996;
- The Federal Managers' Financial Integrity Act (FMFIA) of 1982;
- Debt Collection Improvement Act of 1996;
- The Reports Consolidation Act of 2000;
- The Improper Payments Information Act (IPIA) of 2002; and
- The Improper Payments Enforcement and Recovery Act (IPERA) of 2010
- The Improper Payments Enforcement and Recovery Improvement Act (IPERA) of 2012

To fulfill its financial management duties and responsibilities, OCFO focuses on proactive assistance to agencies with an emphasis on validating corrective actions aimed at enhancing internal controls. OCFO's mission supports overall Departmental management through effective and efficient stewardship of DOL's financial resources.

Five-Year Budget Activity History

| <u>Fiscal Year</u> | <u>Funding</u> (Dollars in Thousands) | <u>FTE</u> |
|---------------------------|---|-------------------|
| 2010 | \$5,361 | 31 |
| 2011 | \$5,350 | 19 |
| 2012 | \$5,340 | 19 |
| 2013 | \$5,061 | 19 |
| 2014 | \$5,061 | 18 |

CHIEF FINANCIAL OFFICER

FY 2015

The FY 2015 request of \$5,090,000 and 18 FTE will allow the Office of the Chief Financial Officer (OCFO) to maintain its core function of providing financial information and services that support the Department and central governmental agencies such as the Office of Management and Budget (OMB) and the Department of Treasury. The OCFO fosters effective stewardship of public funds, safeguards fiscal integrity through effective internal controls, and provides timely, accurate, and useful financial information to decision makers. The funds continue to support preparation of quarterly financial statements, the Annual Financial Report, and implementation of corrective and preemptive action plans to ensure agency internal controls over financial reporting and systems are well documented, sufficiently tested, and properly assessed. Additional resources and associated workload and performance data are included in the Working Capital Fund.

FY 2014

For FY 2014, the enacted budget of \$5,061,000 and 18 FTE will allow the OCFO to work to achieve long-term cost-efficiency, accuracy, and utility by improving operations and enabling sustainable accountability, to include analyzing the processes and tools associated with financial and accounting operations in DOL's new cloud computing based environment. The OCFO will ensure that the Department maintains an unmodified or "clean" independent auditors' opinion on the DOL financial statements in FY 2014, as well as meets monthly, quarterly and annual reporting requirements from Treasury and OMB.

FY 2013

The OCFO continued to demonstrate financial stewardship at the Department of Labor by preparing and presenting the FY 2013 Financial Statements accurately, displaying its high standard of financial management by once again receiving an unmodified ("clean") audit opinion in December 2013. This was the seventeenth year that DOL achieved a clean opinion, which provides independent confirmation that the Department's financial statements are presented fairly, transparently, and in conformity with U.S. Generally Accepted Accounting Principles (GAAP). For the second consecutive year, there were also no material weaknesses reported.

The Department's Agency Financial Report (AFR) was awarded the Certificate of Excellence in Accountability Reporting by the Association of Government Accountants, demonstrating the quality of the Department's reporting. Accurate, timely financial information holds the Department accountable to its stakeholders and improves the operational, budget, and policy decision-making processes which are the foundation for services the Department delivers to the American public.

In FY 2013, the OCFO participated in joint planning with the Departmental Budget Center and the agencies to minimize the impact of sequestration and avoid or reduce furlough days in a number of areas. There was also increased collaboration with the Office of the Assistant

CHIEF FINANCIAL OFFICER

Secretary for Administration and Management in preparing for the new personnel/payroll system and the new procurement system which interface with the financial management system.

CHIEF FINANCIAL OFFICER

| BUDGET ACTIVITY BY OBJECT CLASS | | | | | |
|--|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | | |
| | | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| 11.1 | Full-time permanent | 2,788 | 2,307 | 2,328 | 21 |
| 11.3 | Other than full-time permanent | 0 | 0 | 0 | 0 |
| 11.5 | Other personnel compensation | -40 | 42 | 42 | 0 |
| 11.9 | Total personnel compensation | 2,748 | 2,349 | 2,370 | 21 |
| 12.1 | Civilian personnel benefits | 725 | 602 | 602 | 0 |
| 13.0 | Benefits for former personnel | 0 | 2 | 2 | 0 |
| 21.0 | Travel and transportation of persons | 13 | 3 | 3 | 0 |
| 23.1 | Rental payments to GSA | 344 | 503 | 511 | 8 |
| 23.3 | Communications, utilities, and miscellaneous charges | 30 | 9 | 9 | 0 |
| 24.0 | Printing and reproduction | 76 | 0 | 0 | 0 |
| 25.1 | Advisory and assistance services | 0 | 0 | 0 | 0 |
| 25.2 | Other services from non-Federal sources | 283 | -8 | 0 | 8 |
| 25.3 | Other goods and services from Federal sources 1/ | 813 | 648 | 652 | 4 |
| 25.4 | Operation and maintenance of facilities | 0 | 0 | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 0 | 953 | 941 | -12 |
| 26.0 | Supplies and materials | 10 | 0 | 0 | 0 |
| 31.0 | Equipment | 19 | 0 | 0 | 0 |
| | Total | 5,061 | 5,061 | 5,090 | 29 |
| | | | | | |
| | 1/Other goods and services from Federal sources | | | | |
| | Working Capital Fund | 766 | 633 | 637 | 4 |
| | DHS Services | 14 | 15 | 15 | 0 |
| | Services by DOL Agencies | 5 | 0 | 0 | 0 |
| | GSA Services | 1 | 0 | 0 | 0 |
| | Services by Other Government Departments | 27 | 0 | 0 | 0 |

CHIEF FINANCIAL OFFICER

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

| | |
|--|------|
| Costs of pay adjustments | \$21 |
| Personnel benefits | 0 |
| Federal Employees' Compensation Act (FECA) | 0 |
| Benefits for former personnel | 0 |
| Travel and transportation of persons | 0 |
| Rental payments to GSA | 8 |
| Communications, utilities, and miscellaneous charges | 0 |
| Printing and reproduction | 0 |
| Advisory and assistance services | 0 |
| Other services from non-Federal sources | 8 |
| Working Capital Fund | 4 |
| Other Federal sources (DHS Charges) | 0 |
| Other goods and services from Federal sources | 0 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | -12 |
| Supplies and materials | 0 |
| Equipment | 0 |

Built-Ins Subtotal **\$29**

Net Program **\$0**

Direct FTE **0**

| | Estimate | FTE |
|-------------------------|----------------|-----------|
| Base | \$5,090 | 18 |
| Program Increase | \$0 | 0 |
| Program Decrease | \$0 | 0 |

DEPARTMENTAL PROGRAM EVALUATION

| BUDGET AUTHORITY BEFORE THE COMMITTEE | | | | |
|--|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | |
| | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| Activity Appropriation | 8,040 | 8,040 | 9,000 | 960 |
| FTE | 0 | 0 | 0 | 0 |

Introduction

The Departmental Evaluation Program was first funded in FY 2010, after the Administration and the Department recognized the need for a central office to oversee and conduct rigorous evaluations. These evaluations include random assignment experimental designs and other rigorous non-experimental studies to determine which programs and interventions work. The findings from evaluations inform policy, management, and resource allocation decisions. Previously, the Department’s evaluation capacity had eroded, and only a few high quality evaluations of programs were funded. In addition, the Department’s research and evaluation efforts have historically been focused mainly on job training and employment services. The Department-wide evaluation account now allows expansion of evaluation activities to other programs and all operating agencies, with a priority on large, lightly examined, and/or high-priority programs such as those responsible for worker protection and labor standards enforcement . The Department’s research and evaluation agenda is developed from learning agendas prepared by each agency annually, which lay out priority areas on which evaluations are needed. The Departmental plan is finalized based on feedback from the public, Congress, and stakeholders; and is made public each year.

The Department-wide evaluation activities are overseen by a Chief Evaluation Officer with staff skilled in evaluation design and statistical analysis. Staff is funded through the Program Direction and Support budget activity for Departmental Management. Members of the office manage evaluations funded with the Department-wide account and evaluation set-asides.

The underlying goals of the Department’s centralization of evaluation activities are to: (1) build evaluation capacity and expertise in the Department; (2) ensure high standards in evaluations undertaken by, or funded by the Department of Labor; (4) facilitate the use of evaluation and research findings for performance management priorities; (3) ensure the independence of the evaluation and research functions; and (4) make sure that evaluation and research findings are available and accessible in a timely and user-friendly way, so they inform policymakers, program managers, and the public. To further these goals, the Department of Labor is also building partnerships with the academic community and other outside parties to leverage private-sector research expertise.

DEPARTMENTAL PROGRAM EVALUATION

Five-Year Budget Activity History

| <u>Fiscal Year</u> | <u>Funding</u> (Dollars in Thousands) | <u>FTE</u> |
|--------------------|--|------------|
| 2010 | \$5,000 | 0 |
| 2011 | \$8,500 | 0 |
| 2012 | \$8,484 | 0 |
| 2013 | \$8,040 | 0 |
| 2014 | \$8,040 | 0 |

FY 2015

The FY 2015 request for the Departmental Program Evaluation is \$9,000,000. The increase of \$960,000 will be used for cross agency enforcement activities and additional structured evidence reviews under the Clearinghouse for Labor Evaluation and Research (CLEAR). Three principles guide the Department’s evaluation plan coordinated by the Chief Evaluation Office: 1) prioritize studies that focus on measuring the effectiveness of key program outputs and outcomes consistent with the overall Departmental Strategic Plan and the agency Operating Plans; 2) encourage the most rigorous evaluation designs possible, particularly experimental designs, but in a manner that is realistic given the programmatic missions/goals, programmatic maturity, data availability, and analytic capability; and 3) expand the knowledge, capacity, value, and understanding of high quality evaluation designs and methods department-wide. All evaluations are related to the Strategic Plan, statutory requirements, or emerging departmental priorities. In addition to formal evaluations, the DPE budget also supports ongoing development of the Clearinghouse for Labor Evaluation and Research (CLEAR), which provides access to evidence based evaluations of “what works” in programmatic and policy strategies.

The FY 2015 request increases to one percent the amount of specified program dollars that the Secretary may set aside for evaluation purposes. These funds will be coordinated by and complement those provided to the Chief Evaluation Office to conduct rigorous program evaluations, guided by the DPE Plan and the agency learning agendas.

Both the Administration and the Congress have an interest in learning whether Federal policies and programs are succeeding or failing – for example, whether participants are getting and retaining jobs, and whether those who find jobs are earning good wages. Access to data on employment outcomes is critical to effectively analyzing policy and program results, and the current methods for gathering these data (surveys and separate agreements with states) are inefficient, time consuming, and increasingly cost prohibitive. The Budget proposes to narrowly expand access to the National Directory of New Hires Database to assess the effectiveness of federal policies and programs in achieving positive labor market outcomes and to provide related demographic or economic statistics. This proposal would allow certain federal agencies a more reliable and affordable way to obtain data essential for research, evaluation, and statistical purposes while maintaining necessary mandated security, privacy, and confidentiality standards.

DEPARTMENTAL PROGRAM EVALUATION

FY 2014

The FY 2014 budget for Departmental Program Evaluation (DPE) is \$8,040,000. The annual evaluation plan is based on priorities included in agency learning agendas, evaluations required by statute, and studies on priority objectives in the Department's Strategic Plan. Thus, all evaluations are related to the Strategic Plan, statutory requirements, or emerging departmental priorities. The Department plans to conduct evaluations that impact several of its large budgetary FY 2014 initiatives related to employment and training such as apprenticeships and pre-apprenticeship programs, on-the-job training, and skills training for demand occupations, and targeted services for returning veterans and for persons with disabilities. The Department is particularly interested in examining strategies that focus on upgrading the skills of economically disadvantaged populations and that involve collaboration with Community Colleges and other Federal agencies such as the Department of Education and the Department of Health and Human Services.

In addition to evaluations of employment and training services and programs and the Unemployment Insurance program, DPE plans to conduct evaluations on worker protection and enforcement programs, to examine the effectiveness of alternative enforcement techniques, penalty strategies, compliance assistance and/or media strategies. Several evaluations involve gathering baseline data with respect to areas of labor rights such as pensions, health benefit rights and equal pay rights, and evaluating the effectiveness of various outreach strategies being developed by agencies, including the Occupational Safety and Health Administration and the Wage and Hour Division. These evaluations will support the Department's priorities on ensuring safe workplaces, promoting economic security, and increasing workers' knowledge of their rights.

FY 2013

In FY 2013, the Departmental Program Evaluation allowed the Department to continue its commitment to strengthen its research and evaluation program to assure that DOL initiatives are cost effective and serve their intended goals and the vision. In FY 2013, the Department conducted evaluations designed to examine the cost effectiveness of alternative enforcement techniques, penalty strategies, compliance assistance and/or media strategies. In addition, the Department continued to gather baseline data with respect to areas of labor rights such as pensions, health benefit rights and equal pay rights, as well as evaluate the effectiveness of various outreach strategies being developed by OSHA and the Wage and Hour Division. These evaluations supported the Secretary of Labor's outcome goal to increase workers' knowledge of their rights and their ability to exercise those rights without fear of recrimination.

Finally, the Department also conducted evaluations that impacted several of its large budgetary FY 2013 initiatives such as apprenticeships and pre-apprenticeship programs, on-the-job training, and skills training for demand occupations. The Department was particularly interested in examining strategies that focus on upgrading the skills of economically disadvantaged populations and that involve collaboration with Community Colleges and other Federal agencies such as the Department of Education and the Department of Health and Human Services.

DEPARTMENTAL PROGRAM EVALUATION

| DETAILED WORKLOAD AND PERFORMANCE | | | | |
|---|----------------------------|---------------|----------------------------|----------------------------|
| | FY 2013 Enacted | | FY 2014 Enacted | FY 2015 Request |
| | Target | Result | Target | Target |
| Departmental Program Evaluation | | | | |
| Strategic Goal ALL - All Strategic Goals | | | | |
| Strategic Objective ALL.1 - All Strategic Objectives | | | | |
| OASP Number of CEO evaluation projects begun each year – EVAL – 001 | 16 | 30 | 24 | 24 |

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

DEPARTMENTAL PROGRAM EVALUATION

Workload Summary Narrative

In FY 2015, the Chief Evaluation Office will continue to coordinate a Department-wide evaluation program that is responsive to the Administration's overarching goal and the Secretary's vision. The CEO plans to initiate 30 new evaluation studies in FY 2015. These evaluations will support the Department's priorities of ensuring a safe workplace, promoting economic security, and increasing workers' knowledge of their rights.

DEPARTMENTAL PROGRAM EVALUATION

| BUDGET ACTIVITY BY OBJECT CLASS | | | | | |
|--|---|----------------------------|----------------------------|----------------------------|--|
| (Dollars in Thousands) | | | | | |
| | | FY 2013 Enacted | FY 2014 Enacted | FY 2015 Request | Diff. FY15 Request / FY14 Enacted |
| 24.0 | Printing and reproduction | 0 | 0 | 0 | 0 |
| 25.1 | Advisory and assistance services | 8,040 | 8,040 | 9,000 | 960 |
| 25.2 | Other services from non-Federal sources | 0 | 0 | 0 | 0 |
| 25.3 | Other goods and services from Federal sources 1/ | 0 | 0 | 0 | 0 |
| 25.4 | Operation and maintenance of facilities | 0 | 0 | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 0 | 0 | 0 | 0 |
| 31.0 | Equipment | 0 | 0 | 0 | 0 |
| | Total | 8,040 | 8,040 | 9,000 | 960 |
| | | | | | |
| | 1/Other goods and services from Federal sources | | | | |

DEPARTMENTAL PROGRAM EVALUATION

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

| | |
|---|-----|
| Printing and reproduction | \$0 |
| Advisory and assistance services | 0 |
| Other services from non-Federal sources | 0 |
| Other goods and services from Federal sources | 0 |
| Operation and maintenance of facilities | 0 |
| Operation and maintenance of equipment | 0 |
| Equipment | 0 |

Built-Ins Subtotal **\$0**

Net Program **\$960**

Direct FTE **0**

| | Estimate | FTE |
|-------------------------|-----------------|------------|
| Base | \$8,040 | 0 |
| Program Increase | \$960 | 0 |
| Program Decrease | \$0 | 0 |