

FY 2008

CONGRESSIONAL BUDGET JUSTIFICATION

DEPARTMENTAL MANAGEMENT

PERFORMANCE BUDGET

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GENERAL STATEMENT

Introduction

The primary goal of the U.S. Department of Labor (DOL) is to protect and promote the interests of the American worker. The Departmental Management (DM) Salaries and Expenses (S&E) appropriation is responsible for formulating and overseeing the implementation of Departmental policy and management activities in support of that goal. Departmental Management is important in this regard because it provides leadership and direction for the various agencies within DOL.

The DM S&E appropriation is composed of the following eleven essential budget activities: Program Direction and Support; Legal Services, which provides funds for the Department's Office of the Solicitor; International Labor Affairs; Administration and Management; Adjudication; Women's Bureau; Civil Rights; Chief Financial Officer; Information Technology Systems; Frances Perkins Building Security Enhancements; and Management Crosscut Activities. Two of the eleven activities (Program Direction and Support and Adjudication) include a consolidation of several smaller operating programs.

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 Small Business Programs; Office of Public Liaison; Office of the 21st Century Workforce; and the Center for Faith Based and Community Initiatives.

The Office of the Solicitor (SOL) provides legal services to the Secretary and to the agencies within DOL. Its central purposes are law enforcement, legal advice, and compliance assistance. SOL is relatively unique among general counsels' offices in the Federal government because it has independent litigating authority under a number of Federal statutes. Approximately half the attorneys in SOL are in regional offices outside Washington, D.C. and their responsibilities consist almost entirely of work related to 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.

The purpose of the Bureau of International Labor Affairs (ILAB) is to provide support for the President's foreign policy agenda, particularly the international trade agenda in the area of labor rights. ILAB achieves its mission by participating actively in interagency policymaking on trade, labor, and economic matters, representing the U.S. Government before the International Labor Organization (ILO), and serving as the lead U.S. Government agency on labor issues before the Organization for Economic Cooperation and Development (OECD), G-8, Asian Pacific Economic Cooperation (APEC), Organization of American States (OAS), and other international bodies.

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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 planning; procurement; human resources; equal opportunity; safety and health; homeland security and emergency management; and administrative services. This mission is achieved through service centers that are functionally organized, such as the Departmental Budget Center (DBC) and Human Resources Center (HRC).

The Adjudication activity, which includes the Office of Administrative Law Judges, Benefits Review Board, Employees' Compensation Appeals Board, and Administrative Review Board, reviews and determines several thousand appeals each year, makes legal interpretations, establishes legal precedents, and sets standards within their jurisdictional areas for the entire nation. The work of the offices funded in this activity contributes to the security and preparedness of the American workforce and the quality of American workplaces.

The mission of the Women's Bureau is to formulate standards and policies that promote the welfare of wage-earning women, improve their working conditions, increase their efficiency, and advance their opportunities for profitable employment. The Women's Bureau develops and implements projects addressing issues of importance to working women, provides information about women in the labor force to stakeholders and customers, and advises and assists in the development of DOL policies and programs.

The Civil Rights Center's (CRC) mission is ensuring compliance with Federal civil rights laws and their implementing regulations. These laws and regulations cover DOL employees and applicants for employment, DOL conducted programs, and DOL programs and activities receiving or benefiting from DOL financial assistance. The CRC also has the following core responsibilities: administering DOL's equal employment opportunity (EEO) program consistent with the U.S. Equal Employment Opportunity Commission's (EEOC) directives; ensuring compliance with Federal equal opportunity and nondiscrimination laws and regulations by recipients of financial assistance and DOL conducted programs; processing employment-related complaints under Title II of Americans with Disabilities Act (ADA); coordinating enforcement of DOL compliance with the Architectural Barriers Act of 1968, and overseeing the implementation of DOL employee rights policies.

The Office of the Chief Financial Officer's (OCFO) mission is to foster effective stewardship of public funds, safeguard fiscal integrity through effective internal controls, and provide timely, accurate, and useful financial information to decision makers. The OCFO's mission supports the President's Management Agenda through effective stewardship of DOL's financial resources.

The IT Crosscut, Management Crosscut and Frances Perkins Building Security Enhancement activities are used to address department-wide priorities by serving the needs of all or a number of Departmental agencies in an integrated fashion and funding enterprise-wide initiatives.

The FY 2008 Departmental Management budget directly supports the Department of Labor's strategic goals:

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- **A Prepared Workforce:** Develop a prepared workforce by providing effective training and support services to new and incumbent workers and supplying high quality information on the economy and labor market.
- **A Competitive Workforce:** Meet the competitive labor demands of the worldwide economy by enhancing the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of global competition.
- **Safe and Secure Workplaces:** Promote workplaces that are safe, healthful, and fair; guarantee workers receive the wages due them; foster equal opportunity in employment; and protect veterans' employment and re-employment rights.
- **Strengthened Economic Protections:** Protect and strengthen worker economic security through effective and efficient provision of unemployment insurance and workers' compensation; ensuring union transparency; and securing pension and health benefits.

In addition, based on Program Assessment Rating Tool (PART) findings, the Department has started to establish efficiency measurement for budget activities in this appropriation.

Issues, Outcomes and Strategies

Issues

There are several issues confronting DM. Some of the major issues include the ability to promote greater flexibility desired by workers and employers (i.e., a flexible workforce); reducing the regulatory burden; helping the regulated community understand and comply with all statutory and regulatory responsibilities; integrating technology in DOL programs; attracting a prepared, diverse, and competent workforce; implementing management improvements and organizational flexibility; and providing better and more secure services to citizens, business, government and DOL employees.

A primary focus of DOL, and thus DM, is to promote greater flexibility desired by workers and employers. In order to compete more effectively in the highly competitive global economy, many employers have restructured their companies, downsized their workforces, and increasingly relied on non-traditional employment practices that include part-time, temporary, and contractor-supplied workers. Experts expect these non-traditional work arrangements to increase substantially in coming decades. It is estimated that within 25 years, half the people who work for an organization will not be on its payroll. At the same time Americans are working more hours on average and many have difficulty balancing work demands with their personal lives.

A major issue of DM is working with DOL agencies to find creative ways for them to meet both their own and DOL's performance goals. Client initiatives, goals, and demands must be supported with limited resources and a smaller workforce. In an era of declining resources and staff, the challenge for DM and the activities it supports is to find creative ways to meet performance goals and continue to deliver services that are timely, relevant, and value-added.

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In the area of compliance assistance the challenge is to help the regulated community understand and comply with all statutory and regulatory responsibilities to reduce violations of law and associated civil or criminal sanctions. In addition, there is the issue of reducing regulatory burden. In particular, some regulations written decades ago may no longer be applicable or effective, and they may impose costs on employers without yielding any corresponding benefits to the workforce. DM agencies work with DOL agencies and employers to address these issues.

The use and deployment of technology is another critical issue facing the Department. As business is increasingly transacted electronically and as the Department's web presence continues to increase in importance in its interface with the American public, the need for effective and efficient management of electronic information is critical. Technology deployment is also important in achieving better use of resources to accomplish DOL's strategic goals, meeting program mission objectives, and optimizing each activity's mission.

An additional critical issue is the development and maintenance of a prepared, diverse, and competent federal workforce. This issue is important to identify the human capital required to meet organizational goals and needs, address succession planning needs due to the aging of the workforce, and meet skill gaps that occur as a result. The challenge of management improvements and organizational flexibility is critical to "getting the right people in the right place at the right time" so that variable and fluctuating workloads can be effectively managed and ensuring that the appropriate balance of competencies are available to handle the variable workload.

In addition, there are several activity specific issues confronting DM. For example, Legal Services faces the challenge of handling increasingly complex, resource-intensive cases against adversaries who are represented from lawyers from the country's top law firms. The Administration and Management activity's challenge is ensuring information resources are properly protected from a plethora of threats that are ever increasing in complexity, frequency, and impact. This activity also faces the challenge of deploying e-Government solutions department-wide in order to more effectively meet DOL goals and objectives while also supporting the PMA. The Women's Bureau is currently dealing with the issue of greater workplace flexibility in order to better serve the needs of working women. Finally, the OCFO is addressing the problem of improper payments which ensures program funds are used in the manner in which they were appropriated. The OCFO is also confronted with the issue of the effectiveness of internal financial management controls as defined by OMB's recent revision of Circular A-123.

Outcomes and Strategies

An important outcome that DM will support for FY 2008 is to provide the Department with a comprehensive communications program that will project DOL as one unified agency providing balanced, diverse services to the public while working with the agencies to deliver their specialized program messages. This will be accomplished by utilizing the Office of Public Affairs (OPA) to work with agencies to develop communication strategies to ensure each message is targeted to the appropriate issue, event, or audience.

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DM will also continue to support the elimination of exploitative international child labor. Additional targeted performance goals and outcomes include improving the implementation and adherence to core labor standards in developing countries in support of U.S. trade liberalization and improving the living standards and conditions of work internationally. The strategies that will be employed to reduce and/or eliminate child labor, include providing oversight of ongoing child labor elimination projects, participating in mid-term and final evaluations of these projects, conducting financial and performance audits, strengthening the capacity to enforce national labor laws, and strengthening social safety nets.

Additionally, DM will continue its oversight and strategic management of international cooperation projects. ILAB will help ensure the long-term sustainability of these efforts by both monitoring the progress of these projects toward their stated objectives and by carrying out the administrative requirements of the labor provisions of free trade agreements and the Central American Free Trade Agreement (CAFTA). ILAB is working with the State Department on its specific role in supporting CAFTA.

Moreover, DM will support the FY 2008 performance goal of timely, high-quality, cost-effective, and customer-oriented management, administrative, and support services to DOL agencies and employees in areas such as finance, procurement and human resources. The strategies used to achieve this outcome include improved integration of performance and resource reporting to senior managers, continued development and expansion of automated budget submissions, continued integration and alignment under the E-Government and Human Resources Lines of Business Presidential Priority Initiatives, and continued assistance to agency managers and analysts in implementing the integrated DOL-wide IT capital investment management, enterprise architecture, and security practices.

DM will also continue to provide leadership and direction in providing professional guidance and assistance to the Secretary and program leadership on matters related to various areas such as budget, planning, and human resources. In order to accomplish this goal, leadership and support will be provided to the Strategic and Performance Planning Work Group to target improvements in the cost-effectiveness, economy or efficiency of DOL programs, and marginal cost methodologies. Criteria will also be developed to ensure that programs not achieving acceptable results receive priority attention for evaluations. Furthermore, the strategy will also include working closely with OMB in completing scheduled PART reviews and ensuring that PART assessments are used to improve the operation and results of Departmental programs. In addition, the automated budget submission will be expanded to include a wider range of program offices.

Another targeted outcome is attracting a highly skilled and diverse federal workforce to support workforce planning efforts and meet skill gaps. This outcome will be achieved through succession planning outreach efforts such as the MBA Fellows, Senior Executive Service, and Management Development Programs. Attracting highly skilled employees will also be achieved by utilizing newly approved career intern program flexibility, recruitment bonuses and student loan repayment programs.

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An important outcome to be achieved in FY 2008 is the expert and expeditious adjudication of cases that would otherwise overload and overtax the federal court system. Another key outcome will be ensuring that appeal decisions are consistent with federal statutes and regulations, and that decisions will enhance and clarify the body of law. The strategies that will be employed by the adjudicatory boards to accomplish these goals will be increasing output, reducing the number of pending appeals, reducing the time that the average appellant must wait to receive a decision, enhancing the quality of case law, and ensuring greater consistency among appeal decisions. Another focus of the performance strategy will be the phased implementation of the e-Judication project involving re-engineering and modernizing adjudicatory functions and business practices by providing a customer-centric platform for litigants before the Boards, allowing real-time access and electronic filing, and providing a state-of-the art case tracking, management and production information system used in common by the Boards, Office of Administrative Law Judges (OALJ) and the Solicitor's Office (SOL). The Department is providing focused attention on these activities to ensure these outcomes are reached within available resources.

DM will also provide leadership and support in focusing on outcomes supporting women in the workplace including increasing women's employment in high growth, demand driven occupations; increasing opportunities for women to improve their economic security and retirement savings; increasing the number of employers developing flexible workplace programs and policies; and building value-added partnerships to increase the number of women served by Bureau projects. New outcome measures have been designed and are being implemented for two major demonstration projects (Wi\$e Up and Working Women in Transition). The strategies that will be used to accomplish these outcomes focus on working with private sector partners to replicate demonstration projects and providing "high-tech" and "high-touch" resources to women who are reentering the workforce after an extended period of absence.

In the area of civil rights, DM will provide assistance towards the following performance goals: administering DOL's EEO program consistent with the U.S. Equal Employment Opportunity Commission's (EEOC) directives, which includes administering an effective discrimination complaint processing system for discrimination complaints filed by DOL employees and applicants for employment with DOL; ensuring compliance with Federal equal opportunity and nondiscrimination laws and regulations by recipients of financial assistance and DOL conducted programs; and processing employment-related complaints under Title II of the Americans with Disabilities Act (ADA). The related strategies to be implemented include improving efficiency in handling complaints, conducting compliance monitoring/investigations, increasing the use of private sector contractors for complaint investigations, educating managers and supervisors on their obligations in ensuring an equal opportunity workplace that is free of discrimination, providing a reasonable guarantee of equality of opportunity and nondiscrimination in the One-Stop Career system, and integrating technology into work and business processes in order to extend the Department's reach externally.

In support of the PMA through the effective stewardship of financial resources, DM will provide comprehensive direction to all DOL program agencies on financial matters arising from legislative and regulatory mandates and help the Department's agencies strengthen their financial management and accountability. Additional strategies in this regard include reducing improper payments; evolving from a reactive, transaction-driven organization to a more proactive

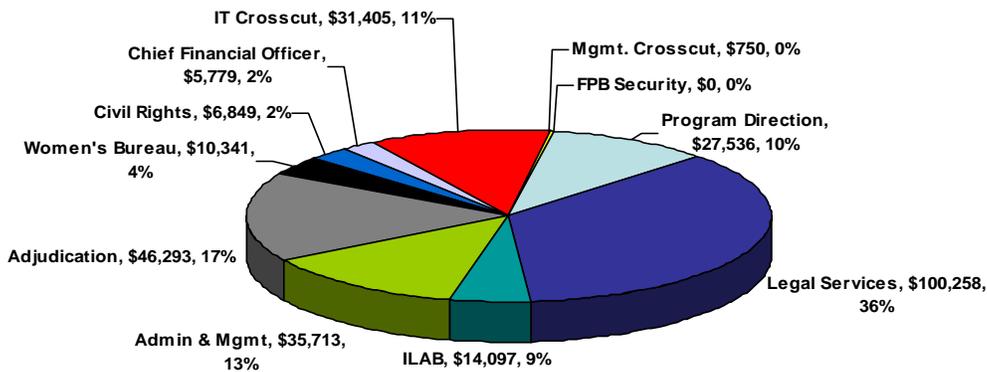
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analytically-driven organization; leveraging technology to provide DOL leaders with more timely, accurate, and useful financial management information to improve program performance; providing state-of-the-art tools to facilitate and enhance decision-making; and identifying and remediating potential financial management problems that could affect the integrity of DOL's stewardship of financial resources.

Cost Model

The total budget request for the Departmental S&E appropriation for FY 2008 totals \$279,021,000 and 1,369 FTE. This total includes \$253,918,000 and 1,185 FTE provided from general funds; \$24,785,000 in mandatory funding and 181 FTE provided from the Black Lung Disability Trust Fund; and \$318,000 and 3 FTE provided from the Unemployment Trust Fund. The total of \$279,021,000 includes net built-in increases in the amount of \$11,754,000, program increases totaling \$45,718,000 and program decreases totaling \$101,375,000.

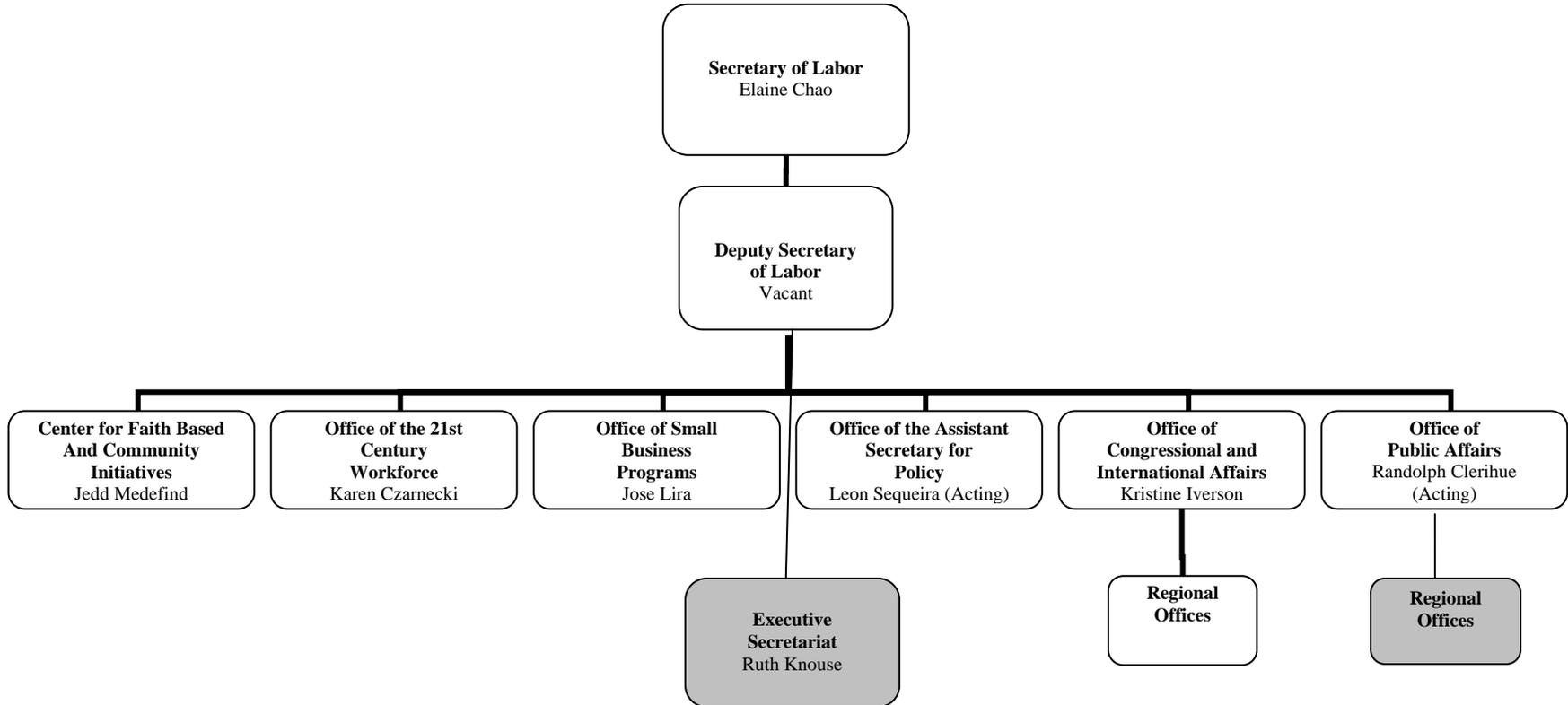
FY 2008 Budget Request by Program Activity
Total DM Budget: \$279,021,000
(\$ in Thousands)



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ORGANIZATION CHART

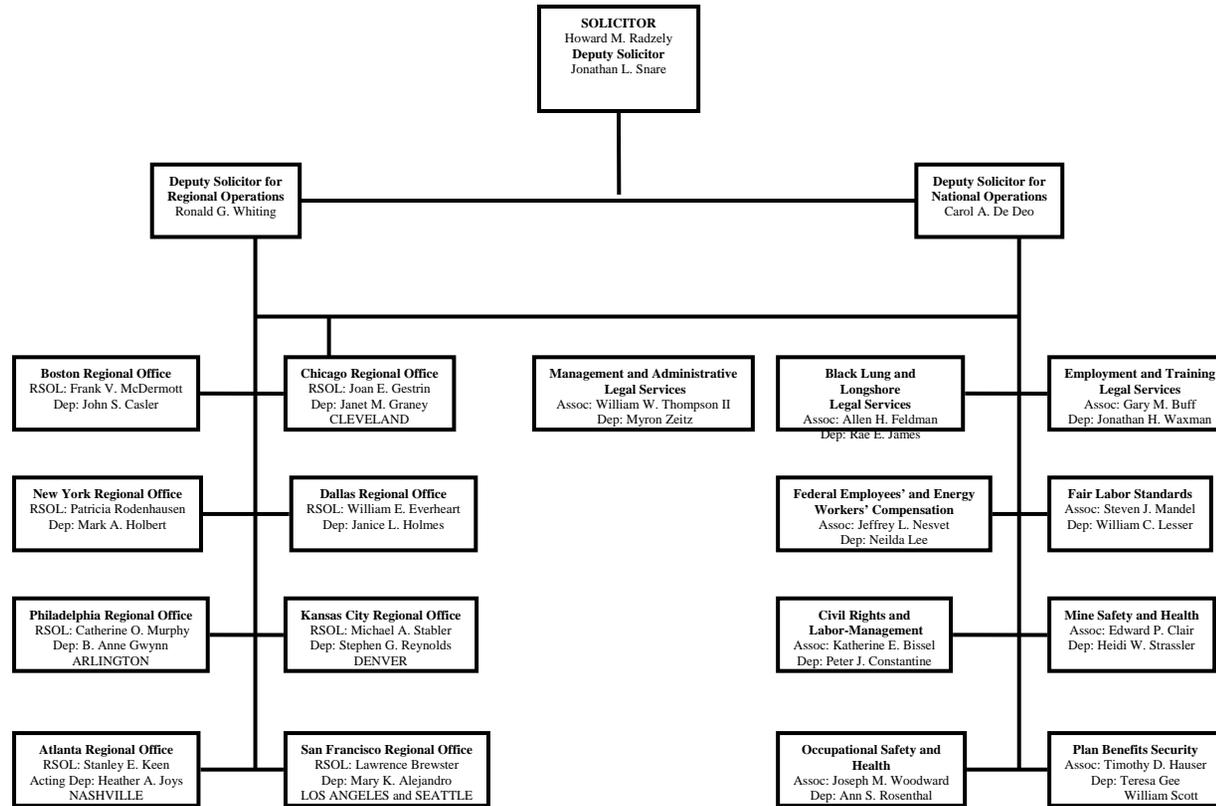
PROGRAM DIRECTION AND SUPPORT



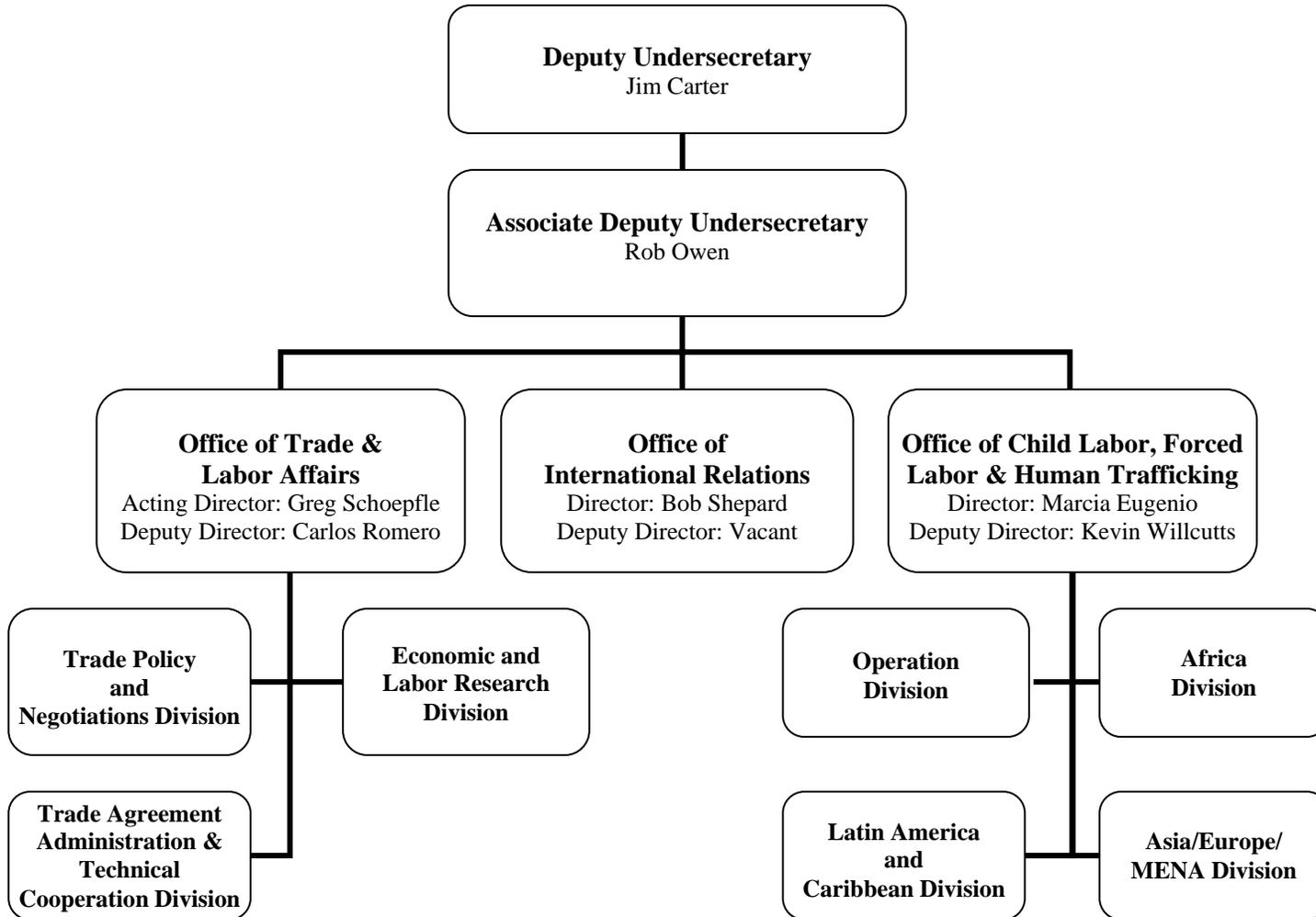
Shaded box indicates funding through the Departmental Management Working Capital Fund

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Office of the Solicitor Organization Chart

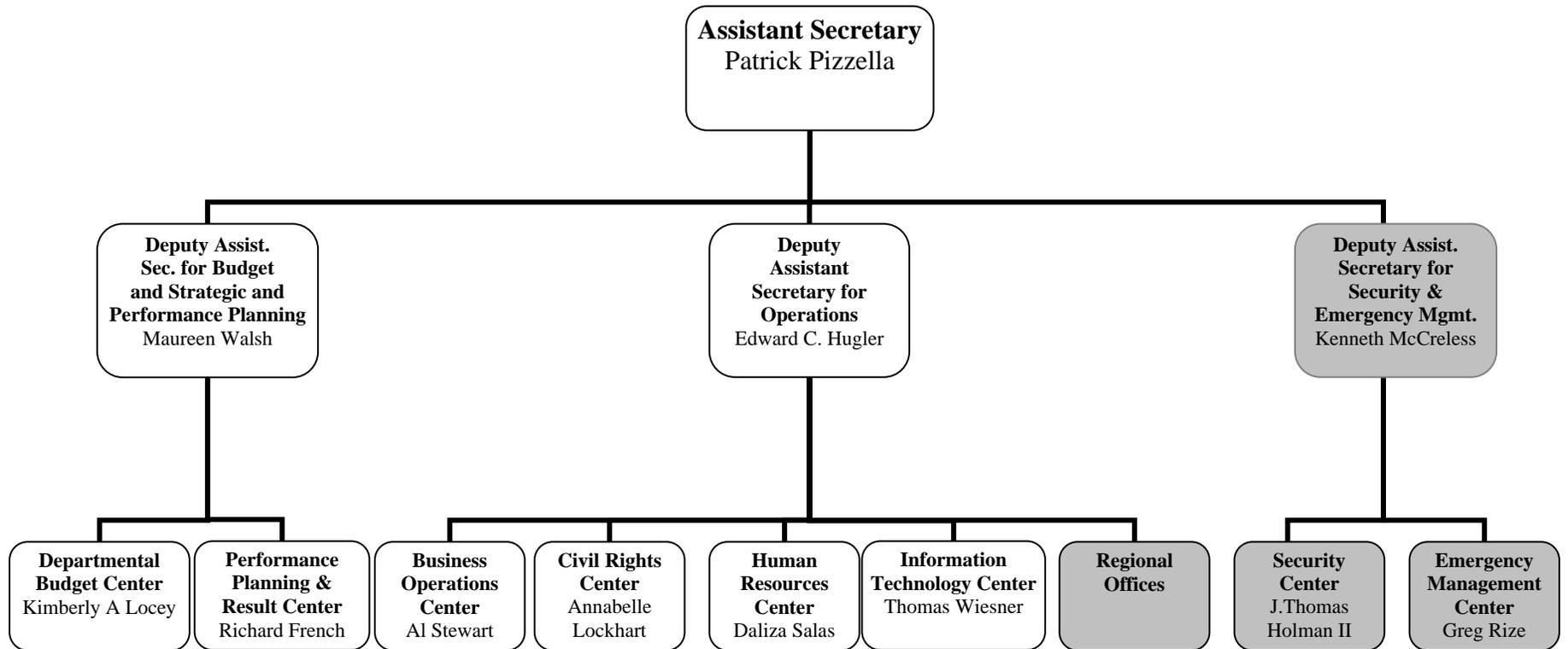


ILAB ORGANIZATIONAL CHART



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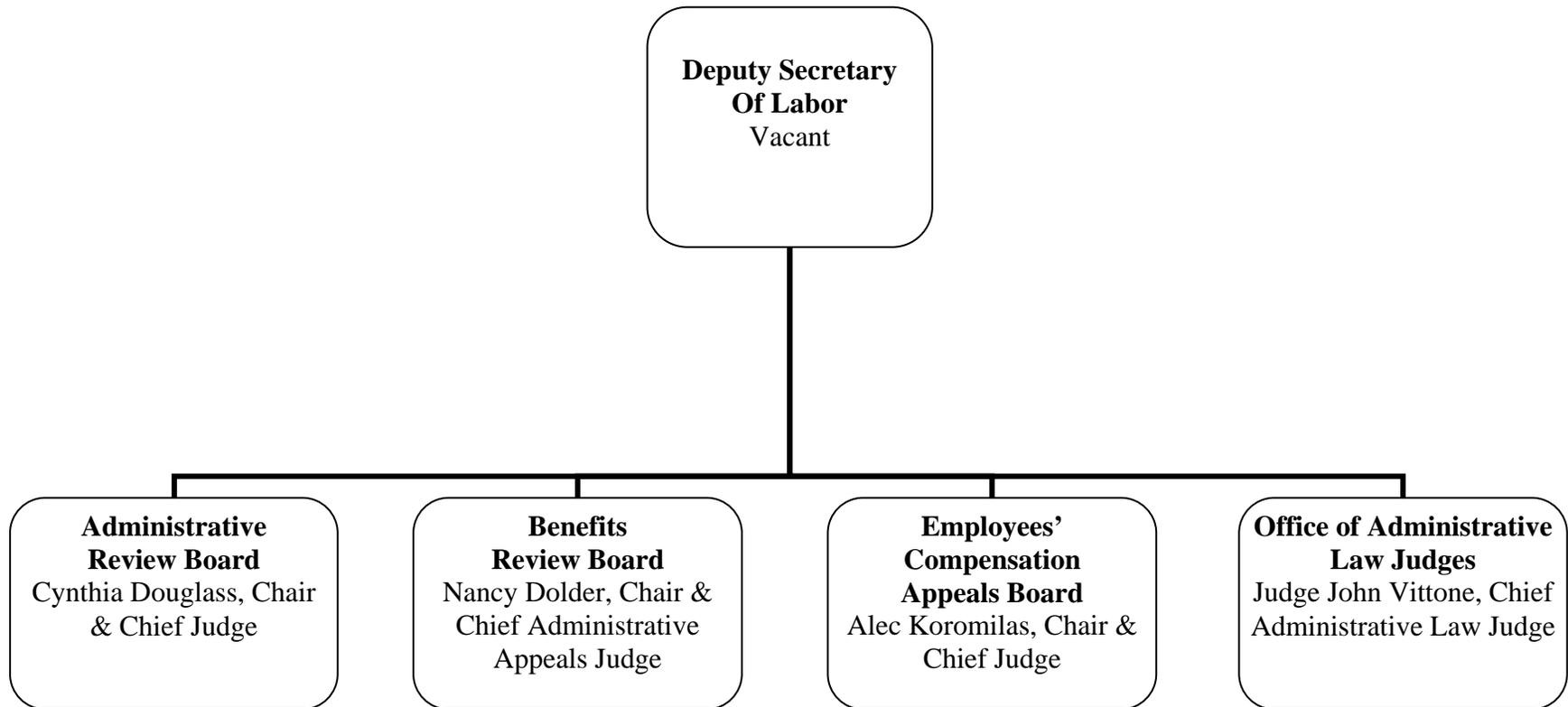
**OFFICE OF ASSISTANT SECRETARY FOR
ADMINISTRATION AND MANAGEMENT**



Shaded areas receive funding from WCF

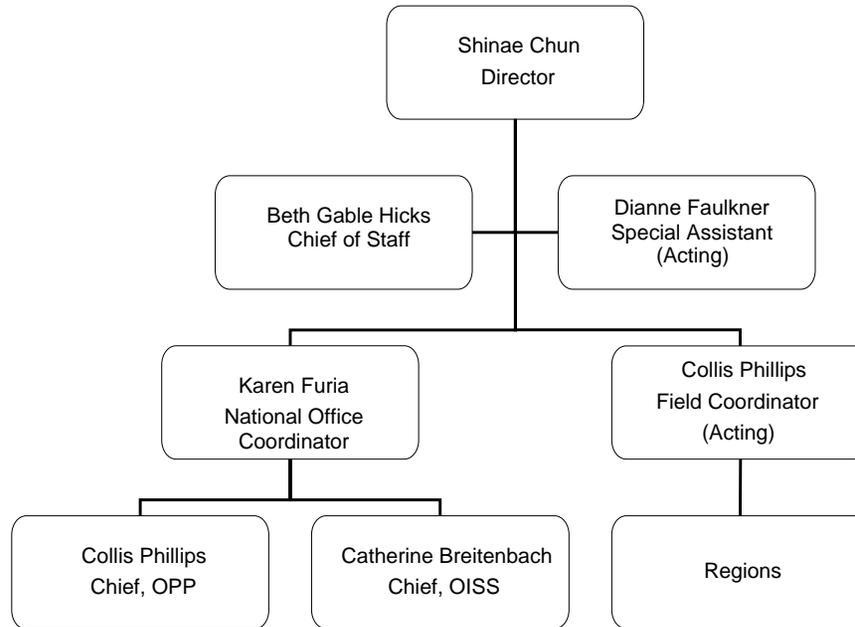
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ADJUDICATION



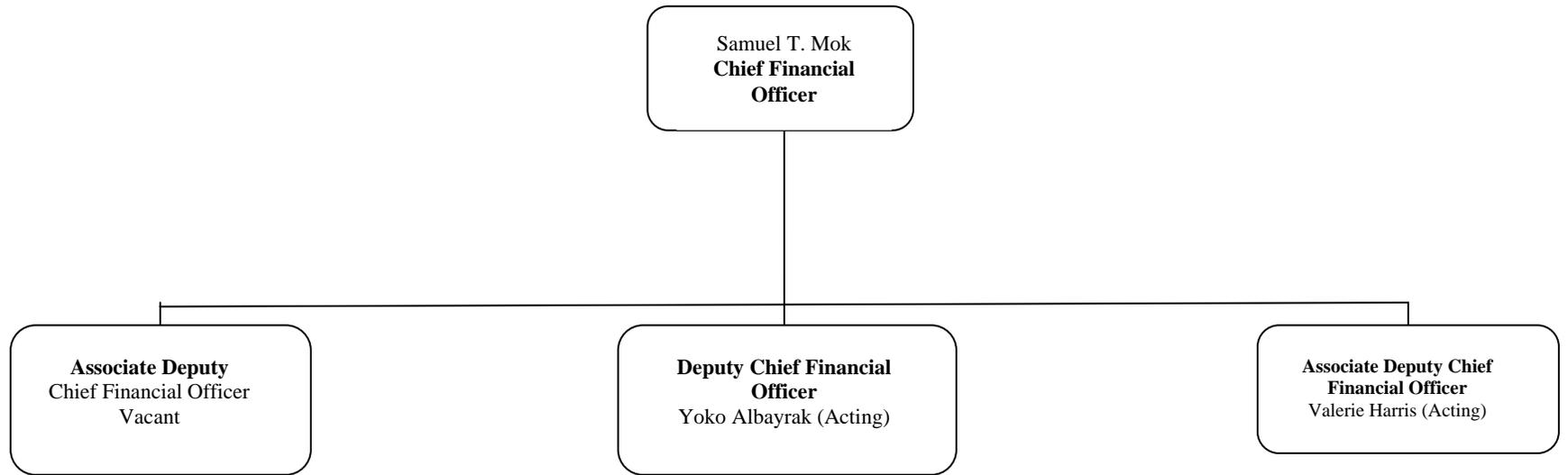
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WOMEN'S BUREAU



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OFFICE OF THE CHIEF FINANCIAL OFFICER



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APPROPRIATION LANGUAGE

Departmental Management

SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of three sedans, and including the management or operation, through contracts, grants or other arrangements of Departmental activities conducted by or through the Bureau of International Labor Affairs, including bilateral and multilateral technical assistance and other international labor activities, \$253,918,000, of which \$31,405,000 is for the acquisition of Departmental information technology, architecture, infrastructure, equipment, software and related needs, which will be allocated by the Department's Chief Information Officer in accordance with the Department's capital investment management process to assure a sound investment strategy; together with not to exceed \$318,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.

Note. — A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

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AMOUNTS AVAILABLE for OBLIGATIONS						
(Dollars in Thousands)						
	FY 2006 Enacted		FY 2007 C. R.		FY 2008 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation (Amount shown in Appropriation Language)	1,218	300,275	1,122	297,361	1,185	253,918
Reduction pursuant to (P.L. 109-149 in FY 2006)	0	-3,003	0	0	0	0
Appropriation, Revised	1,218	297,272	1,122	297,361	1,185	253,918
A.1) Subtotal Appropriation	1,218	297,272	1,122	297,361	1,185	253,918
Reimbursements	17	33,031	17	14,000	17	14,000
Trust Funds - Black Lung	181	24,239	181	25,255	181	24,785
Trust Funds - Unemployment						
Trust Fund	3	308	3	308	3	318
A.2) Subtotal	201	57,578	201	39,563	201	39,103
B. Gross Budget Authority	1,419	354,850	1,323	336,924	1,386	293,021
Reimbursements	-17	-33,031	-17	-14,000	-17	-14,000
B.1) Subtotal	-17	-33,031	-17	-14,000	-17	-14,000
C. Budget Authority	1,402	321,819	1,306	322,924	1,369	279,021
Reimbursements	17	33,031	17	14,000	17	14,000
IT Crosscut	0	-1,600	0	-1,100	0	-950
C.1) Subtotal	17	31,431	17	12,900	17	13,050
D. Total Budgetary Resources	1,419	353,250	1,323	335,824	1,386	292,071
E. Total, Estimated Obligations	1,419	353,250	1,323	335,824	1,386	292,071

The 2007 level is the assumed current rate under the terms of P.L. 109-289, as amended.

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SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2007 C. R.	FY 2008 Agency Request	Net Change
Budget Authority			
General Funds	297,361	253,918	-43,443
Trust Funds	25,563	25,103	-460
Total	322,924	279,021	-43,903
Full Time Equivalents			
General Funds	1,122	1,185	+63
Trust Funds	184	184	0
Total	1,306	1,369	+63

Explanation of Change	FY 2008 Change							
	FY 2007 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
Costs of pay adjustments	1,306	128,478	0	360	0	3,514	0	3,874
Personnel benefits	0	27,438	0	61	0	1,025	0	1,086
Two More Days of Pay	0	0	0	127	0	1,035	0	1,162
Federal Employees Compensation Act (FECA)	0	707	0	0	0	32	0	32
Travel	0	2,568	0	17	0	168	0	185
Transportation of Things	0	22	0	0	0	5	0	5
GSA Space Rental	0	17,797	0	1	0	547	0	548
Communications, utilities & miscellaneous charges	0	1,698	0	13	0	72	0	85
Printing and reproduction	0	446	0	0	0	52	0	52
Advisory and assistance services	0	14,759	0	25	0	161	0	186
Other services	0	19,426	0	135	0	1,247	0	1,382
Working Capital Fund	0	27,242	0	0	0	2,182	0	2,182
Other Government Accounts (DHS Charges)	0	768	0	0	0	17	0	17
Purchase of goods and services from other Government accounts	0	5,820	0	6	0	7	0	13
Total Operations and Maintenance of Facilities	0	49	0	0	0	0	0	0
Operation and maintenance of equipment	0	12,647	0	28	0	80	0	108
Supplies and materials	0	1,694	0	23	0	165	0	188
Equipment	0	7,261	0	7	0	675	0	682
Grants	0	54,105	0	0	0	0	0	0
Built Ins Subtotal	+1,306	+322,924	0	+803	0	+10,983	0	+11,786
B. Programs:								
Funding for Non-Legal Services	551	88,198	0	0	30	4,398	30	4,398
Implementation of TVPRA	0	0	0	0	0	1,500	0	1,500
Legal Support for Enforcement and Legal Advice for Office of Labor Management Standards	551	88,198	0	0	2	225	2	225
Legal Support for Enforcement and Legal Advice for Wage and Hour Administration	551	88,198	0	0	4	600	4	600
Legal Support for Mine Safety	551	88,198	0	0	17	2,700	17	2,700
To provide for an increase for the Departmental IT Systems activities			0	0	0	31,405	0	31,405
To provide for an increase for the Management Crosscut			0	0	0	750	0	750
To restore funds for staff and other inflationary costs that were not provided under the assumed full-year CR level in FY 2007	551	88,198	0	0	22	2,340	22	2,340
To restore funds for staff and other inflationary costs that were not provided under the assumed full-year CR level in FY 2007			0	0	15	1,800	15	1,800
Programs Subtotal			0	0	+90	+45,718	+90	+45,718
Total Increase	+1,306	+322,924	0	+803	+90	+56,701	+90	+57,504
Decreases:								
A. Built-Ins:								
Federal Employees Compensation Act (FECA)	0	0	0	0	0	-32	0	-32
Built Ins Subtotal	0	0	0	0	0	-32	0	-32
B. Programs:								
Frances Perkins Building Structural Security Enhancements	0	6,964	0	0	0	-6,964	0	-6,964
ILAB Program Decrease			0	0	-27	-60,436	-27	-60,436
Reduction to Workload in Black Lung Administrative Costs			0	-951	0	0	0	-951
Reduction to Workload in Black Lung Administrative Costs			0	-312	0	0	0	-312
To provide for a decrease for the Departmental IT Systems activities			0	0	0	-29,462	0	-29,462

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To provide for a decrease for the Management activities	0	0	0	0	0	-1,683	0	-1,683
To reflect the absorption of inflationary costs not provided under an annualized full-year continuing resolution			0	0	0	-320	0	-320
To reflect the absorption of inflationary costs not provided under an annualized FY 2007 full-year continuing resolution			0	0	0	-272	0	-272
To reflect the absorption of inflationary costs not provided under an annualized FY 2007 full-year continuing resolution			0	0	0	-975	0	-975
Programs Subtotal			0	-1,263	-27	-100,112	-27	-101,375
Total Decrease	0	0	0	-1,263	-27	-100,144	-27	-101,407
Total Change	+1,306	+322,924	0	-460	+63	-43,443	+63	-43,903

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SUMMARY BUDGET AUTHORITY and FTE by ACTIVITY
(Dollars in Thousands)

	FY 2006 Enacted 1/		FY 2007 C. R. 2/		FY 2008 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
Program Direction and Support	135	25,534	135	25,534	150	28,680
General Funds	135	25,534	135	25,534	150	28,680
Legal Services	604	87,886	551	88,198	626	103,135
Black Lung Disability Trust Funds	56	7,435	56	7,747	56	7,655
General Funds	545	80,143	492	80,143	567	95,162
Unemployment Trust Funds	3	308	3	308	3	318
International Labor Services	85	72,516	85	72,516	58	14,097
General Funds	85	72,516	85	72,516	58	14,097
Administration and Management	125	32,865	111	32,865	111	33,362
General Funds	125	32,865	111	32,865	111	33,362
Adjudication	309	43,659	296	44,363	296	45,419
Black Lung Disability Trust Funds	125	16,804	125	17,508	125	17,130
General Funds	184	26,855	171	26,855	171	28,289
Womens Bureau	60	9,666	60	9,666	60	9,832
General Funds	60	9,666	60	9,666	60	9,832
Civil Rights	46	6,386	40	6,386	40	6,763
General Funds	46	6,386	40	6,386	40	6,763
Chief Financial Officer	38	5,287	28	5,287	28	5,578
General Funds	38	5,287	28	5,287	28	5,578
Information Technology Systems	0	29,462	0	29,462	0	31,405
General Funds	0	29,462	0	29,462	0	31,405
Management Crosscut Activities	0	1,683	0	1,683	0	750
General Funds	0	1,683	0	1,683	0	750
Frances Perkins Building (FPB) Security Enhancements	0	6,875	0	6,964	0	0
General Funds	0	6,875	0	6,964	0	0
Total	1,402	321,819	1,306	322,924	1,369	279,021
General Funds	1,218	297,272	1,122	297,361	1,185	253,918
Unemployment Trust Funds	3	308	3	308	3	318
Black Lung Disability Trust Funds	181	24,239	181	25,255	181	24,785

1/ The FY 2006 reflects enacted, not actual, levels.

2/ The 2007 level is the assumed current rate under the terms of P.L. 109-289, as amended.

DEPARTMENTAL MANAGEMENT

Budget Authority by Object Class (Dollars in Thousands)				
	FY 2006 Enacted	FY 2007 C. R.	FY 2008 Request	FY 08 Request / FY 07 C. R.
Total Number of Full-Time Permanents Positions	1,419	1,323	1,386	63
Full-Time Equivalent				
Full-time Permanent	1,389	1,293	1,356	63
Other	13	13	13	0
Reimbursable	17	17	17	0
Average ES Salary	136,673	136,673	136,673	0
Average GM/GS Grade	11.6	11.58	11.61	0.03
Average GM/GS Salary	86,697	89,464	95,513	6,049
Average Salary of Ungraded Positions	108,063	108,063	108,063	0
11.1 Full-time permanent	125,913	125,862	135,796	9,935
11.3 Other than full-time permanent	1,032	226	536	310
11.5 Other personnel compensation	2,778	2,385	2,188	-197
11.8 Special personal services payments	7	5	5	0
12.1 Civilian personnel benefits	27,962	28,145	30,776	2,632
21.0 Travel and transportation of persons	3,235	2,568	2,437	-131
22.0 Transportation of things	26	22	27	5
23.1 Rental payments to GSA	17,079	17,797	18,477	680
23.2 Rental payments to others	0	0	0	0
23.3 Communications, utilities, and miscellaneous charges	1,987	1,698	1,745	47
24.0 Printing and reproduction	649	446	487	41
25.1 Advisory and assistance services	3,185	14,759	14,412	-347
25.2 Other services	24,433	19,426	10,164	-9,262
25.3 Other purchases of goods and services from Government accounts 1/	25,479	33,830	35,818	1,988
25.4 Operation and maintenance of facilities	22	49	49	0
25.7 Operation and maintenance of equipment	22,469	12,647	14,244	1,597
26.0 Supplies and materials	1,826	1,694	1,830	136
31.0 Equipment	14,993	7,261	7,915	654
41.0 Grants, subsidies, and contributions	48,744	54,105	2,115	-51,990
Total	321,819	322,924	279,021	-43,903
1/Other Purchases of Goods and Services From Government Accounts				
Other Services - WCF	24,363	27,242	29,464	2,222
Department of Homeland Security Services (DHS)	589	768	770	2
Census Services	109	53	57	4

DEPARTMENTAL MANAGEMENT

APPROPRIATION HISTORY
(Dollars in Thousands)

	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
1998	172,229	172,032	171,964	171,181	1,512
1999	209,482	184,192	209,184	211,075	1,522
2000	278,798	211,553	268,455	265,672	1,596
2001	459,144	266,479	359,554	401,946	1,516
2002	352,355	383,878	361,834	258,628	1,417
2003	350,042	341,967	419,575	374,034	1,527
2004	296,937	276,419	375,010	373,540	1,536
2005	310,873	259,967	350,319	344,491	1,453
2006	268,662	264,022	344,800	321,819	1,402
2007	267,345				
2008	279,021				

- 1/ Reflects a \$367,000 reduction pursuant to P.L. 106-51.
- 2/ Reflects a \$263,000 reduction pursuant to P.L. 106-113.
- 3/ Reflects a \$483,000 reduction pursuant to P.L. 106-554.
- 4/ Reflects a \$1,636,000 reduction pursuant to P.L. 107-116 and 107-206.
- 5/ Reflects a \$2,297,000 reduction pursuant to P.L. 108-07.
- 6/ Reflects a \$2,509,000 reduction pursuant to P.L. 108-199.
- 7/ Reflects a \$2,735,000 reduction pursuant to P.L. 108-447.
- 8/ Reflects a \$3,005,000 reduction pursuant to P.L. 109-148.

PROGRAM DIRECTION AND SUPPORT

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	25,534	25,534	25,534	0	28,680	3,146
FTE	135	135	135	0	150	15

Introduction

The Program Direction and Support (PDS) activity includes the following nine organizations: (1) the immediate Office of the Secretary of Labor, (2) the Office of the Deputy Secretary of Labor, (3) the Office of the Assistant Secretary for Policy (OASP), (4) the Office of Congressional and Intergovernmental Affairs (OCIA), (5) the Office of Public Affairs (OPA), (6) the Office of Small Business Programs (OSBP), (7) the Office of Public Liaison, (8) the Office of the 21st Century Workforce, and (9) the Center for Faith-Based and Community Initiatives.

This activity provides leadership and direction for the various agencies of the Department. Other 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) coordinating the Department's workplace substance abuse control program; (5) serving as the principal representative on the Department's legislative program; (6) coordinating legislative proposals with staff of other Federal agencies; (7) maintaining a program of public information and communications to inform the public of the services and protection afforded by Departmental agencies; and (8) monitoring procurement actions to ensure that small and disadvantaged businesses are provided maximum opportunities to participate in Departmental contracting activities for supplies and services.

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	26,296	161
2004	27,084	161
2005	26,618	150
2006	25,534	135
2007	25,534	135

FY 2008

The FY 2008 budget requests \$28,680,000 and 150 FTE for PDS. This level will ensure effective support of the Secretary, Deputy Secretary and OSEC leadership on key DOL initiatives; centralize timely and effective policy review and economic analysis; and enhancement of DOL's compliance assistance initiatives. Departmental public outreach will be accomplished through OPA with a comprehensive, nationwide public affairs program designed

PROGRAM DIRECTION AND SUPPORT

to inform the public of the Department's laws, policies, programs and activities in an effective, efficient, and economic manner with a full range of services and staff support. Furthermore, the Department will be able to quickly, accurately, and thoroughly respond to national emergencies such as those created by hurricanes Katrina, Rita, and Wilma as well as local emergencies under DOL's jurisdiction such as the Sago mine accident in 2006.

OASP will continue to lead and coordinate the Department's ongoing involvement in the interagency planning and policy development efforts in support of the National Strategy for Pandemic Influenza and the Implementation Plan. OASP will also continue to lead a workgroup established by the Homeland Security Council to coordinate guidance for and outreach to the private sector. Through its ongoing work with agency compliance assistance liaisons, OASP will support the Secretary's priority to continue expanding enforcement agencies' compliance assistance programs as part of a comprehensive commitment to protecting workers. Furthermore, OASP will provide recommendations and analyses of issues concerning long and short-term economic trends and macroeconomic and microeconomic policy areas.

OCIA and the Public Liaison will continue to work on legislative issues. OCIA works to secure passage of DOL objectives through Congress but is also tasked with assisting the President in achieving overall legislative objectives for the Administration, which may include objectives in which DOL plays only a secondary role. OCIA serves the Secretary, Deputy Secretary and their immediate staff, as well as agency Assistant Secretaries in the development and implementation of policies that affect legislative programs while maintaining Congressional relationships. The Public Liaison works directly for OSEC, advises the Secretary on policy and legislation affecting Departmental programs and priorities, and advises the Secretary and Deputy Secretary on constituency concerns.

This funding level will enable OPA to carry out a nationwide communications program covering a wide range of 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, disabled employment issues.

Business growth and preparation programs will continue to be administered through the Office of the 21st Century Workforce, which seeks to prepare the American worker for the jobs of the next century and through OSBP. OSBP will accomplish its goal through four strategies: (1) ensure procurement-related utilization of small, disadvantaged and women-owned businesses, and minority colleges and universities; (2) promote DOL interaction with minority-owned colleges and universities (MCUs); (3) serve as the Department's central referral point for compliance assistance and administrative oversight of DOL advisory committees and similar activities; and (4) provide outreach to and education of small businesses, including those owned by minorities, women, veterans and people with disabilities and assist small businesses with all of the Department's programs that affect them.

PROGRAM DIRECTION AND SUPPORT

FY 2007

The ongoing work of managing the DOL will continue, but with limited emphasis on initiatives such as compliance assistance and program and policy evaluation. OSEC is working toward the accomplishment of the major objectives of the Department, setting policy and providing direction for all agencies of the Department. OSEC maintains both a national and international presence for the Federal government on Departmental programs and labor-related issues. The Office of the Deputy Secretary provides oversight for the day-to-day management of the Department and carries out the goals and objectives of the Secretary.

During FY 2007 OASP will continue to work on projects of high priority to the Secretary. One of OASP's highest priorities is to ensure that the Department's policy process effectively addresses the policy goals of the Secretary.

OASP is taking the lead for the Department to achieve Departmental Goal 2J – Promote job flexibility and minimize regulatory burden. The Department published three direct final rules to correct or remove obsolete regulatory references for OSHA, MSHA, ESA, and ETA in FY 2006. A fourth direct final rule that will update regulations and references to responsibilities of the Office of the Secretary, ESA, and ETA will be published in FY 2007. Furthermore, OASP will complete its two-part regulatory review and clean-up project in FY 2007, which consists of a report identifying regulations and policy guidance documents that are inconsistent, conflicting, outdated or overly burdensome and, therefore, are candidates for elimination, clarification or revisions.

FY 2006

OASP directed available funding to promote job flexibility and minimize regulatory burden in support of the Department's Strategic Goal 4.2. Other available funding supported research that was closely aligned with the Secretary's policy agenda with flexibility to change as her policy agenda adapts to new issues and trends. OASP continued to develop research materials and provided printed resource materials for use and distribution by the Secretary at national and international meetings.

OASP's coordination with other DOL agencies in carrying out regulatory responsibilities, compliance assistance efforts, and other electronic-government initiatives directly tied to the Secretary's long-standing directives. Under goal 4.2 OASP had the responsibility for reviewing significant regulations and working with other DOL agencies to ensure that revisions were developed that maximize net benefits. Regulations that impose greater societal costs than benefits were revised, consistent with applicable governing statutes, and those identified as unnecessary were identified for withdrawal as appropriate. Also, best practices for and models of flexible workplace practices were identified and publicized through several internal and external publications.

PROGRAM DIRECTION AND SUPPORT

CHANGES IN FY 2008

(Dollars in Thousands)

Activity Changes

Built-in

To provide for:

Costs of pay adjustments	1,747
Personnel benefits	503
Two More Days of Pay	154
Federal Employees Compensation Act (FECA)	1
Travel	64
GSA Space Rental	80
Communications, utilities & miscellaneous charges	15
Printing and reproduction	23
Advisory and assistance services	5
Other services	150
Working Capital Fund	322
Purchase of goods and services from other Government accounts	0
Operation and maintenance of equipment	10
Supplies and materials	42
Equipment	31
Total Built-in	3,146

	Estimate	FTE
Base	\$26,880	135
Program Increase	\$1,800	15

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(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	87,886	88,198	88,198	312	103,135	14,937
FTE	604	551	551	-53	626	75

Introduction

The Office of the Solicitor (SOL) provides legal services and certain non-legal services to the Secretary of Labor and agencies within the Department of Labor (DOL). It is an office of approximately 435 attorneys and approximately 155 administrative and support staff. Because of fiscal limitations, SOL's FTE level has decreased from 709 in FY 2001 to 616 at the beginning of FY 2006, and further to 590 as of January, 2007. Approximately 80% of SOL's appropriated funds are utilized to support its authorized FTE complement. The balance of SOL's funds provide the services and supplies necessary to support the legal services provided by SOL.

As set forth in SOL's Strategic Plan for FY 2006-2011, the agency's mission is to "meet the legal service demands of the entire Department of Labor, including providing the legal support necessary to enable the Secretary of Labor to accomplish her goals." SOL assists the Secretary and all DOL agencies to achieve America's need for:

- A Prepared Workforce;
- A Competitive Workforce;
- Safe and Secure Workplaces; and
- Strengthened Economic Protections.

SOL supports DOL's accomplishment of these goals by responding to requests for legal advice regarding actions to be taken by the Department; providing legal review of all significant documents issued by DOL officials; providing comments and legal review of legislation, regulations, Executive Orders, and other matters affecting DOL programs; undertaking litigation to carry out the Secretary's priority enforcement initiatives; and defending the actions taken by the Secretary and the program agencies of DOL.

SOL is relatively unique among legal offices of agencies other than the Department of Justice (DOJ) in the Federal government because it has independent litigating authority under a number of Federal statutes. Approximately half the attorneys in SOL are in regional offices outside Washington, D.C., where their responsibilities consist almost entirely of litigation in Federal district courts and before administrative law judges. All litigation is supervised by SOL's national office, headquartered in Washington, D.C., but most of it is conducted almost completely independent of the DOJ.

In SOL, most of the 435 lawyers are involved in litigation, principally in the Federal courts and before administrative tribunals. Much of this litigation is also conducted without direct

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supervision or involvement by the DOJ. SOL attorneys also provide legal advice to the Secretary and other agency heads on a wide variety of matters under the nearly 200 laws the Department implements or enforces, including rulemakings, contracting, grant solicitations, ethics, and appropriation law. In addition, SOL undertakes certain non-legal services on behalf of client agencies in the Department at the request of these agencies because SOL personnel can utilize their training and familiarity with the issues raised to provide these services with greater efficiency and quality.

SOL is requesting increases in its base funding to provide \$4,398,000 to support 30 FTE who are currently providing non-legal services at the request of DOL to its client agencies for which SOL in FY 2006 received Economy Act reimbursements; \$2,700,000 to fund 17 new FTE necessary to provide enforcement support in line with the increase in enforcement FTE being requested for the Mine Safety and Health Administration (MSHA); \$225,000 to fund 2 new FTE to provide enforcement support for the Office of Labor Management Standards (OLMS); and, \$600,000 to fund 4 new FTE to provide enforcement support for the Wage and Hour Administration (WH).

While demand for legal services of SOL has continued to increase, SOL's appropriated funding level has required substantial decreases in FTE. As a result, since FY 2001, the number of authorized FTE has diminished from 709 to 590 as of January, 2007. The most dramatic loss – from 666 FTE to 590 FTE – has occurred since FY 2004. Without major enhancements in its appropriation, SOL is not able to meet these current or projected demands for its services. SOL's FY 2006 authorized FTE level of 604 included all attorneys, paralegals, and support staff; approximately 30 of these FTE were used to provide non-legal services for all client agencies

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	84,412	664
2004	87,879	666
2005	87,355	626
2006	87,886	604
2007	88,198	551

FY 2008

For FY 2008, SOL is requesting \$103,135,000 and 626 FTE, which includes \$4,398,000 for 30 FTE who are currently providing non-legal services at the request of DOL to its client agencies; \$225,000 to fund 2 FTE to provide additional legal support for OLMS, \$600,000 for 4 FTE to provide additional legal support for Wage Hour, and \$2,700,000 to fund 17 new FTE necessary to provide enforcement support in line with the increase in enforcement FTE being requested for MSHA. These additional 17 MSHA enforcement support FTE will further SOL's primary mission: that the nation's labor laws are forcefully and fairly applied while the Department implements priority enforcement initiatives. In addition, these resources will enable SOL better to defend the actions taken by the Department and to advise agency officials on legal issues, including the development of regulations, standards, and legislation. Appropriated support for the 30 FTE currently providing non-legal services to client agencies will enable SOL to continue

LEGAL SERVICES

to support crucial administrative priorities of DOL which can be provided most effectively and efficiently by SOL.

In FY 2008, SOL will continue to migrate toward the most efficient and effective use of its resources by assessing the implementation during FY 2007 of operational and financial data collection improvements in systems such as SOL's Time Distribution (TD) system, and in data analysis. The agency will also sharpen its focus on generating demonstrable results for its performance measures, which have been identified as benchmarks of SOL's organizational effectiveness.

SOL will continue its Honors Program so that it may meet the challenges of limited FTE availability and provide for succession in response to retirements of senior level attorneys and other professional staff.

FY 2007

In FY 2007, SOL will continue to the best of its ability under an extremely challenging fiscal environment to ensure that the Nation's labor laws are forcefully and fairly applied while the Department implements priority enforcement initiatives. As of January, 2007, SOL's CR FTE-related funding level is adequate to pay for only 551 FTE on an annualized basis to provide legal services for DOL. SOL will do its best to continue to defend the actions taken by the Department and to advise agency officials on legal issues including the development of regulations, standards, and legislation.

Initiatives that began in FY 2005 and FY 2006 will continue in FY 2007. These initiatives include: assessing the efficiency and effectiveness of SOL's 2005 and 2006 structural reorganizations; establishment of details as a way of providing a range of auxiliary non-legal services to its DOL clients; refinement of data collection tools such as SOL's TD system and Cost Analysis Manager (CAM); and strengthening its succession planning efforts by continuing the SOL's Honors Program.

FY 2006

During FY 2006, SOL continued to provide high-quality legal services to SOL's customers (the President, the Secretary of Labor, and client agencies) in the areas of litigation, regulations and standards, opinions and legal advice. SOL accomplished its core mandates despite the serious stress of having an appropriation level adequate to defray the cost of only 575 FTE to provide legal services. SOL's specific challenge was to explore ways of better utilizing limited resources in order to continue to support client agencies by providing timely and high-quality legal services. SOL's workload, including requests for legal opinions and advice, expanded because of the changing nature of the American workforce, new Departmental enforcement and regulatory initiatives, and increasingly complex cases. SOL resources, which are used to provide legal support for all DOL programs, were already over-extended because of the range and growth of assigned legal responsibilities. Increases in client agency FTE, new client enforcement and regulatory initiatives, and a continuing emphasis on compliance assistance,

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increased legal workload for SOL and put a strain upon SOL's ability to satisfy its responsibility to agencies in the Department.

SOL's strategy was designed to maintain its high quality and timely legal services, despite limited resources necessitated by budget realities. SOL continued to assess its structure in order to better serve the needs of DOL agencies and to facilitate the prompt delivery of legal services. As senior managers were in place in its national office, SOL began to assess the effectiveness of its organization.

SOL improved its data collection by starting a comprehensive review of the TD system and the CAM tool. The CAM tool uses data in the TD system to identify successful efficiency measures in order to apply them to various offices and activities. A committee of senior managers is currently working to improve the relevance and accuracy of SOL's data and to assess SOL's efficiency. SOL identified additional efficiencies through its participation in the e-Judication pilot, which began in 2005. This resulted in better tracking of cases and activities.

During FY 2006, SOL enhanced the quality of its legal talent. SOL's Honors Program, which began in 2003, was designed to improve the office's ability to attract top legal talent and to encourage superior graduating attorneys to join SOL. In 2005, the first class of Honors Program graduates moved into permanent positions in SOL's divisions and regions. In 2006, SOL continued to assess the value of the program and make changes as necessary, both in the program's operation and to keep it viable, despite hiring restrictions based on reduced funding. SOL continued to benefit from the work of a number of committees, including a training committee and a performance assessment committee, established to identify best practices and necessary improvements.

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WORKLOAD SUMMARY			
	FY 2006	FY 2007	FY 2008
	Actual	Estimate	Request
Legal Services			
Litigation:			
Matters Received	15,582	16,361	18,002
Matters Concluded	16,132	16,539	18,608
Matters Pending	14,441	14,263	13,337
Regulation:			
Matters Received	137	143	152
Matters Concluded	132	136	154
Matters Pending	244	251	253
Opinions/Advice:			
Matters Received	8,650	9,082	9,689
Matters Concluded	6,308	6,460	7,258
Matters Pending	18,757	21,379	24,152
Budget Activity Total	87,886	88,198	103,135

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CHANGES IN FY 2008

(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Costs of pay adjustments		2,106
Personnel benefits		624
Two More Days of Pay		571
Federal Employees Compensation Act (FECA)		-9
Travel		16
GSA Space Rental		209
Communications, utilities & miscellaneous charges		15
Printing and reproduction		1
Other services		437
Working Capital Fund		344
Other Government Accounts (DHS Charges)		10
Purchase of goods and services from other Government accounts		2
Operation and maintenance of equipment		43
Supplies and materials		17
Equipment		600
Total Built-in		4,986
Net Program		\$9,951
Direct FTE		75
	Estimate	FTE
Base	\$93,184	551
Program Increase	\$10,263	75
Program Decrease	-\$312	0

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**U.S. Department of Labor
Solicitor
Performance Budget Issue Paper
Legal Support for Mine Safety**

Applicable Performance Goal:

This decision paper supports all of SOL's strategic goals and will enable SOL to improve its performance with regard to its goals for FY 2008. Funds to pay for 17 FTE to provide legal services for increased enforcement FTE for MSHA will support DOL's Strategic Goal 3: Safe and Secure Workplaces, and Goal 4: Strengthened Economic Protections. The FTE also support DOL's Performance Goal 3B: Reduce work-related fatalities, injuries, and illnesses in mines. Funds and FTE for enforcement and legal advice for MSHA also directly support SOL's Strategic Goals and its PART performance measures by enabling SOL to devote additional resources to meet enhanced enforcement needs, which in turn support the SOL goals:

- Maintain an Effective Litigation Strategy that Advances Departmental Goals;
- DOL Regulations Achieve Agency Policy Objectives and Comply with All Legal Requirements;
- DOL Actions Are Based on Sound Legal Advice.

Requested Resources:

A total of +\$2,700,000 is requested, an increase of +\$2,700,000 from the FY 2007 C.R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

SOL is requesting 17 FTE and \$2,700,000 to support increased enforcement activities by one of its client agencies, MSHA.

For FY 2008, DOL is requesting funds to provide for 170 FTE for Coal Mine Safety and Health (CMS&H) inspectors, special investigators, and conference litigation staff. These FTE are being requested to respond to the mine disasters that occurred in 2006, increases in coal industry activity owing to an increased demand for coal, and the enactment of the 2006 MINER Act, which provides for new categories of violations and dramatically increased penalties. The dramatic increase in mine inspectors will result in a similar increase in inspections and in the number of citations issued for serious violations. When serious safety and health violations are challenged by mine operators, DOL attorneys must defend contested citations before the Mine Safety and Health Commission and other tribunals. Experience has shown that caseloads and legal advice requests increase in proportion to increased enforcement FTE in SOL's client agencies. If SOL does not have enough attorneys to defend the increased number of contested violations, the MSHA enforcement initiative will lose credibility, as citations that are dismissed

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without prosecution provide no disincentive to further violations. Blunting the enforcement tools added by new penalties and funding for MSHA by failing to provide proportional funding for the attorneys needed to defend citations when they are challenged may thus actually increase the number of otherwise preventable injuries and deaths. As a direct consequence of the increase in enforcement activity that will result from the addition of 170 FTE to MSHA, SOL seeks 17 FTE to provide additional litigation and advice services.

Marginal Cost Impact:

Since there is no planned shift in resources, there will be no marginal cost impact.

Offsets:

SOL has no ability to offset budget initiatives without further depleting its FTE. Because SOL's operating budget funds primarily salaries, benefits and support (space, WCF, etc.), absorption of the pay raises and rescissions over the last two fiscal years has had a significant impact on SOL's ability to keep pace with an increasingly demanding workload.

Base Level Funding (\$ in thousands):

Base:
Estimate: +\$88,198 FTE: 551

Program Performance at Request Level (\$ in thousands):

Program Changes:
Estimate: +\$2,700 FTE: 17

The 2008 Budget for one of SOL's client agencies, MSHA, includes additional FTE and funding for coal mine safety and health enforcement. Increased support is essential to enable SOL to properly align its efforts with those of its client agencies. Increases in client agency FTE also increase SOL's workload and impair SOL's ability to satisfy its responsibility to the Department. If SOL's client agencies receive additional FTE and/or funding without a commensurate increase in legal resources for SOL, the client agencies will not realize the full potential from their increased efforts. To the extent that client-agency-generated work increases without a corresponding increase in SOL FTE, legal staff will not be available to support work in those client areas.

Object Class (\$ in thousands):

Object Class		FY 2008 Request
11.1	Full Time Perm Appts	+\$2,213
12.1	Other Benefits	+\$487
	TOTAL	+\$2,700

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U.S. Department of Labor Solicitor Performance Budget Issue Paper Funding for Non-Legal Services

Applicable Performance Goal:

This request supports all four of the Department's Strategic Goals: A Prepared Workforce; A Competitive Workforce; Safe and Secure Workplaces; and Strengthened Economic Protections. This decision paper supports all of SOL's performance goals. Although those performance goals are phrased in terms of legal activities, SOL's performance of these related non-legal services improves the quality of DOL activities, thus making it less likely that agency actions will be successfully challenged and more likely that litigation will be based on adequate factual and procedural records. The requested initiative will enable SOL to achieve its goals for FY 2008. Because these non-legal auxiliary services are wide ranging and varied, they also support client agency Outcome Goals and contribute significant value to the Department's operations.

Funds and FTE for these auxiliary services also directly support SOL's PART performance measures by enabling SOL to bring other resources to bear on its legal services, which support the SOL goals to:

- Maintain an Effective Litigation Strategy that Advances Departmental Goals;
- DOL Regulations Achieve Agency Policy Objectives and Comply with All Legal Requirements;
- DOL Actions Are Based on Sound Legal Advice.

Requested Resources:

A total of +\$4,398,000 is requested, an increase of +\$4,398,000 from the FY 2007 C.R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

SOL is requesting \$4,398,000 to provide non-legal auxiliary services for client agencies in support of all four Departmental Strategic Goals for FY 2006-2011. SOL's auxiliary services are provided at the request of its client agencies throughout SOL. These services include Freedom of Information Act (FOIA) coordination and reporting; FOIA administration, management and appeals; training services; administrative tort claims; drafting services; legislative and regulatory coordination; review of financial disclosure forms; labor relations assistance; and other investigative and non-legal activities. All of these activities fulfill Departmental obligations and failure to perform them completely and efficiently would drain resources away from achieving the Department's goals. The Department has determined that the best way to achieve that

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efficiency is to use SOL's expertise, taking advantage of the fact that, although these administrative activities could be performed by other Departmental agencies, they are closely related to legal services already being provided by SOL.

The FY 2005 appropriation reduced SOL's base funding by \$4,200,000 below the requested level. The FY 2006 appropriation increased by just \$531,000 the FY 2005 level. That increase was more than completely absorbed by inflation and the pay raise. SOL's FY 2006 appropriation pays for approximately 575 FTE to provide legal services. Approximately another 30 FTE provide the non-legal auxiliary services that were funded in FY 2006 through Economy Act reimbursements from client agencies. Without the addition of the requested \$4,398,000 for FY 2008, SOL will be required to stop providing these non-legal services. DOL has concluded that SOL can provide these services more effectively and with fewer FTE than client agencies would require because most of these activities are related to other legal services already being provided. Because SOL's continued provision of these services supports both Departmental and SOL goals, it is both appropriate and prudent to include the cost of these services in SOL's base appropriation.

Marginal Cost Impact:

Since there is no planned shift in resources, there will be no marginal cost impact.

Offsets:

SOL cannot offset this budget initiative without further depleting its FTE.

Base Level Funding (\$ in thousands):

Base:			
Estimate:	+\$88,198	FTE:	551

Program Performance at Request Level (\$ in thousands):

Program Changes:			
Estimate:	+\$4,398	FTE:	30

SOL internal challenges in FY 2008 will be to meet the growing demands on its workforce of larger, more complex legal issues while mandated pay raises and inflation continues to erode the FTE base. Because SOL's budget funds primarily FTE salaries, benefits and support (space, WCF, etc.), absorption of the pay raises and rescissions over the last two fiscal years has had a significant impact on SOL's ability to keep pace with an increasingly demanding workload. This, coupled with the ever-increasing costs of legal research tools and other types of technology needed for litigation support, has prohibited SOL from fully staffing to its appropriated level. Between 2001 and 2007, SOL's FTE have been reduced by almost 20%, while its major client agencies either retained the same FTE levels or increased their FTE. In FY 2006, SOL had an appropriation level sufficient to support only about 575 FTE within its resource allocation. As of

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January, 2007, SOL's CR funding level is adequate to support only 551 FTE, on an annualized basis, to provide legal services to the Department.

Object Class (\$ in thousands):

Object Class		FY 2008 Request
11.1	Full Time Perm Appts	+\$3,430
12.1	Other Benefits	+\$968
	TOTAL	+\$4,398

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**U.S. Department of Labor
Solicitor
Performance Budget Issue Paper
Legal Support for Enforcement and Legal Advice for Wage and Hour
Administration**

Applicable Performance Goal:

This decision paper supports all of SOL's strategic goals and will enable SOL to improve its performance with regard to its goals for FY 2008. Funds to pay for 4 FTE to provide legal services for increased enforcement FTE for Wage and Hour (WH) Administration will support DOL's Strategic Goal 3C: Ensure workers receive the wages and working conditions due them.

Funds and FTE for enforcement and legal advice for WH also directly support SOL's Strategic Goals and its PART performance measures by enabling SOL to devote additional resources to meet enhanced enforcement needs, which in turn support the SOL goals:

- Maintain an effective Litigation Strategy that Advances Departmental Goals;
- DOL Regulations Achieve Agency Policy Objectives and Comply with All Legal Requirements;
- DOL Actions Are Based on Sound Legal Advice.

Requested Resources:

A total of +\$600,000 is requested, an increase of +\$600,000 from the FY 2007 C. R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

SOL is requesting \$600,000 and 4 FTE to support increased enforcement activity for SOL's client WH. WH is undertaking a major initiative to improve the working conditions of non-citizen workers by substantially increasing the number of WH-initiated investigations in industries that employ vulnerable low-skilled and immigrant workers. This effort will result in a significant increase in violations identified. SOL's FTE are required to ensure that those employers who do not voluntarily comply are subjected to appropriate enforcement proceedings. DOL's ability to prevent employers from continuing such violations and to obtain for these employees money wrongfully withheld will be impaired if SOL does not have sufficient FTE to prosecute these violations. This request supports all SOL Strategic Goals and the Department's performance outcome goal 3C: Ensure workers receive the wages due them.

Increased legal service FTE is essential to enable SOL to properly increase its enforcement activities in line with increases in enforcement FTE of its client agencies. Experience has shown that caseloads and legal advice increase in proportion to increased enforcement FTE in SOL's client agencies. A greater number of investigators generate a greater number of serious violation findings. Among those violations, a substantial number will not be corrected voluntarily. The only deterrent to wide-spread flouting of the Government's order to correct dangerous or serious

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conditions is through legal prosecution of recalcitrant violators. SOL has historically requested at least 1 FTE for every 10 FTE requested for enforcement within client DOL agencies.

For FY 2008, DOL is requesting funds to provide for 36 FTE to be utilized in increasing WH enforcement of worker protections in low-wage industries, maximize the impact of its complaint program on employees, and reduce employer recidivism. The 4 SOL FTE will provide legal service support to these enforcement efforts to ensure that enforcement activities are as successful as possible.

Marginal Cost Impact:

Since there is no planned shift in resources, there will be no marginal cost impact

Offsets:

SOL has no ability to offset budget initiatives without further depleting its FTE.

Base Level Funding (\$ in thousands):

Base:
 Estimate: +\$88,198 FTE: 551

Program Performance at Request Level (\$ in thousands):

Program Changes:
 Estimate: +\$600 FTE: 4

DOL has requested additional FTE and/or funding for WH for enforcement and compliance assistance. Increased support is essential to enable SOL to properly align its efforts with those of its client agencies. Increases in client agency FTE also increase SOL's workload and put a strain on SOL's ability to satisfy its responsibility to the Department. If SOL's client agencies receive additional FTE and/or funding without a commensurate increase in legal resources for SOL, the client agencies will not realize the full potential of their increased efforts. To the extent that client-agency-generated work increases without a corresponding increase in SOL FTE, legal staff will not be able to support work in those client areas.

Object Class (\$ in thousands):

Object Class		FY 2008 Request
11.1	Full Time Perm Appts	+\$492
12.1	Other Benefits	+\$108
	TOTAL	+\$600

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**U.S. Department of Labor
Solicitor
Performance Budget Issue Paper
Legal Support for Enforcement and Legal Advice for Office of Labor Management
Standards**

Applicable Performance Goal:

This decision paper supports all of SOL's strategic goals and will enable SOL to improve its performance with regard to its goals for FY 2008. Funds to pay for 2 FTE to provide legal services for increased enforcement FTE for the Office of Labor Management Standards (OLMS) will support DOL's Strategic Goal 3: Safe and Secure Workplaces, and Goal 4: Strengthened Economic Protections. The FTE also support DOL's Performance 4C (Ensure union financial integrity, democracy and transparency).

Funds and FTE for enforcement and legal advice for OLMS also directly support SOL's Strategic Goals and its PART performance measures by enabling SOL to devote additional resources to meet enhanced enforcement needs, which in turn support the SOL goals:

- Maintain an effective Litigation Strategy that Advances Departmental Goals;
- DOL Regulations Achieve Agency Policy Objectives and Comply with All Legal Requirements;
- DOL Actions Are Based on Sound Legal Advice.

Requested Resources:

A total of +\$225,000 is requested, an increase of +\$225,000 from the FY 2007 C. R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

SOL is requesting \$ 225,000 and 2 FTE to support increased enforcement activity for SOL's client OLMS. The request supports all SOL Strategic Goals and the Department's performance outcome goal 4C: Ensure union financial integrity, democracy and transparency.

Increased legal service FTE is essential to enable SOL to properly increase its enforcement activities in line with increases in enforcement FTE of its client agencies. Experience has shown that caseloads and legal advice increase in proportion to increased enforcement FTE in SOL's client agencies. SOL has historically requested at least 1 FTE for every 10 FTE requested for enforcement within client DOL agencies.

For FY 2008, DOL is requesting funds to provide for 13 FTE to increase OLMS's efforts to ensure financial transparency and democracy in labor organizations. The 2 SOL FTE are necessary to adequately support this initiative because the increased OLMS regulatory and enforcement activities will generate both the need for legal advice regarding the interpretation of recently issued changes in OLMS regulations and additional changes that OLMS plans to

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undertake, as well as for attorneys to provide the litigation support necessary to seek remedies for additional violations that are uncovered.

Marginal Cost Impact:

Since there is no planned shift in resources, there will be no marginal cost impact

Offsets:

SOL cannot offset budget initiatives without further depleting its FTE. Because SOL's operating budget funds primarily salaries, benefits and support (space, WCF, etc.), absorption of the pay raises and rescissions over the last two fiscal years has had a significant impact on SOL's ability to keep pace with an increasingly demanding workload.

Base Level Funding (\$ in thousands):

Base:
Estimate: +\$88,198 FTE: 551

Program Performance at Request Level (\$ in thousands):

Program Changes:
Estimate: +\$225 FTE: 2

DOL is requesting 13 additional FTE for OLMS for enforcement and compliance assistance. Increased support is essential to enable SOL to properly align its efforts with those of its client agencies. Increases in client agency FTE also increase SOL's workload and impair SOL's ability to satisfy its responsibility to the Department. If SOL's client agencies receive additional FTE and/or funding without a corresponding increase in legal resources for SOL, the client agencies will not realize the full potential from their increased efforts. To the extent that client-agency-generated work increases without a corresponding increase in SOL FTE, legal staff will not be able to support work in those client areas.

Object Class (\$ in thousands):

Object Class		FY 2008 Request
11.1	Full Time Perm Appts	+\$184
12.1	Other Benefits	+\$41
	TOTAL	+\$225

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(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	72,516	72,516	72,516	0	14,097	-58,419
FTE	85	85	85	0	58	-27

Introduction

The Bureau of International Labor Affairs (ILAB) supports the President's international agenda on labor matters, monitors the government's labor-related international responsibilities for the Secretary of Labor, and provides oversight and coordination of the Department's international activities. ILAB's duties and operations derive from the President's agenda in conjunction with legal mandates from the Congress in three primary areas: 1) international trade and labor, including mandates related to free trade agreements; 2) international child labor, including reporting and program mandates; and 3) international organizations, including mandated representation before the International Labor Organization (ILO). In addition, the Trafficking Victims Protection Reauthorization Act of 2005 (TVPRA) placed new mandates on ILAB to monitor the use of forced labor and child labor in violation of international standards.

For trade and labor affairs, ILAB fulfills the following congressional and executive mandates:

- Advise and assist the United States Trade Representative (USTR) in the negotiation and administration of trade agreements and trade preference programs, particularly concerning labor rights practices.
- Consult with any country seeking a trade agreement with the United States concerning that country's labor laws and technical assistance needs on behalf of the Secretary.
- Prepare reports to the Congress for each trade agreement negotiated under Trade Promotion Authority (TPA) on labor rights and the laws governing exploitive child labor in the partner country or countries, and a U.S. employment impact review.
- Serve as contact point and administrator for labor issues in free trade agreements, including NAFTA with Mexico and Canada, and all agreements negotiated under TPA (currently seven countries, with five others awaiting implementation).
- Obligate congressionally-appropriated resources to improve labor law compliance in Central America and the Dominican Republic, including oversight of technical cooperation projects and contracts.
- In coordination with USTR, organize and administer the Labor Advisory Committee for Trade Negotiations and Trade Policy.

For international child labor issues, ILAB fulfills the following congressional and executive mandates:

- Annual report to Congress on GSP countries implementation of international commitments to eliminate the worst forms of child labor.
- Report to Congress on exploitive child labor in countries that are party to a free trade agreement with the United States.

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- Oversight of *Executive Order 13126* – reviewing submissions and publishing and maintaining a list of products made with forced or indentured child labor.
- *TVPRA Forced and Child Labor Monitoring and Reporting* (TVPRA 2005) – monitoring and combating forced labor and child labor carried out in foreign countries, publishing a list of goods from countries produced with forced labor or child labor, and creating a standard set of practices to reduce the likelihood of these illegal practices.
- Obligation of congressionally-appropriated resources for programs to combat exploitive child labor around the world, including oversight of approximately 130 ongoing technical cooperation projects and contracts in more than 70 countries around the world.

For international organizations, ILAB fulfills the following congressional and executive mandates:

- USG membership and participation in the International Labor Organization (ILO). On behalf of the Secretary, ILAB leads the U.S. delegation and coordinates USG participation at meetings of the ILO Governing Body and Annual Conference. ILAB is also responsible for coordinating substantive policy positions and technical issues, and administrative arrangements for all meetings.
- On behalf of the President, ILAB coordinates the preparation of reports that may be requested under the authority of the ILO constitution, such as regular law and practice reports on ratified conventions and occasional reports on unratified conventions, reports on implementation of the 1998 ILO Declaration on Fundamental Principles and Rights at Work, and USG responses to freedom of association complaints against the United States filed with the ILO.

In addition, ILAB carries out many ongoing activities to support the President's agenda on international labor issues, most notably, annual input into numerous worldwide USG reports, participation and coordination of interagency policy groups, and representation on several international bodies. These activities require significant expertise on labor matters unique to ILAB, and often support both Administration priorities and the fulfillment of Congressional mandates for other federal agencies.

ILAB currently oversees over 200 technical assistance projects totaling approximately \$360,000,000. Although certain technical assistance activities funded in previous years are coming to an end, ILAB is faced with significant new responsibilities related to free trade agreements and trafficking in persons. ILAB will continue to adjust staff assignments and organizational structures to phase out old programs and fulfill new mandates, while retaining a minimum level of personnel and resources to accomplish its mission. To meet some of its current mandates, ILAB requires \$14,097,000 in FY 2008 budget authority and 58 FTE.

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Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	110,293	106
2004	109,682	106
2005	93,248	95
2006	72,516	85
2007	72,516	85

FY 2008

In FY 2008, ILAB will return to its original mission of international research and analysis, as well as conduct activities related to the Trafficking in Victims Protection Act. ILAB will continue to advise and assist the United States Trade Representative in the negotiation and administration of trade agreements and trade preference programs, particularly concerning labor rights practices. ILAB will continue to provide labor research and reporting, labor policy development and implementation, participation in the interagency trade policy group, representing the USG before international organizations, and administration of the labor provisions of Free Trade Agreements (FTAs) negotiated under the Trade Act of 2002. ILAB will carry out the administrative requirements of the ratification and implementation of the labor provisions of free trade agreements with Chile, Singapore, Australia, Morocco, Bahrain, Oman, Peru, Columbia, South Korea, Panama, and Malaysia, as well as the administrative requirements with the countries of the Central American Free Trade Agreement (CAFTA). ILAB will conduct congressionally-mandated research and reporting on international child labor issues, including reports that are part of the Trade and Development Act of 2000 and the Trade Promotion authority Act of 2002. ILAB will oversee the implementation of Executive Order 13126 on the Procurement of Goods Made with Forced or Indentured Child Labor.

FY 2007

In FY 2007, ILAB continues to focus on the agency's core functions while actively forming partnerships with other agencies to support the President's international labor agenda. ILAB is mainly focusing on labor research and reporting, labor policy development and implementation, participation in the interagency trade policy group, representing the USG before international organizations, and administration of the labor provisions of FTAs negotiated under the Trade Act of 2002. ILAB is carrying out the administrative requirements of the labor provisions of free trade agreements with Chile, Singapore, Australia, Morocco, Bahrain, and the countries of the Central American Free Trade Agreement (CAFTA). ILAB is also conducting congressionally-mandated research and reporting on international child labor issues, including reports prepared as part of the Trade and Development Act of 2000 and the Trade Promotion Authority Act of 2002. ILAB continues to oversee the implementation of Executive Order 13126 on the Procurement of Goods Made with Forced or Indentured Child Labor.

ILAB also continues its active collaboration with the Department of State in the training, orientation, and placement of labor reporting officers and in suggesting their agendas, priorities, and activities once at post.

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During FY 2007, ILAB's portfolio of existing bilateral international technical assistance programs and the international child labor program is expected to remain at approximately \$360,000,000 (funded by previous years' appropriations), with the bilateral international technical assistance program being gradually phased out. ILAB will continue to manage and monitor its remaining international technical assistance projects, making sure the projects meet their stated objectives while ensuring long term sustainability of their efforts.

FY 2006

During FY 2006, ILAB continued to manage effectively its ongoing international child labor program as well as the remaining international cooperation projects that aimed to support the adherence to international labor standards and acceptable conditions of work. ILAB also carried out its policy work to participate in USG deliberations and negotiations of FTAs, with special emphasis on the labor provisions of the agreements. ILAB continued to meet the implementation requirements under the Chile, Australia, and Singapore FTAs and of the North American Agreement on Labor Cooperation, and helped develop implementation mechanisms for the negotiated agreements with Morocco, Bahrain, and the CAFTA countries.

ILAB continued to represent the United States before the ILO, and served as the lead agency on labor issues before the OECD, APEC, and OAS. ILAB participated in interagency decision-making on trade policy, fulfilled the labor research and reporting requirement of the Trade and Development Act of 2000 and Trade Act of 2002, and carried out its responsibilities under Executive Order 13126.

Throughout FY 2006, ILAB continued its efforts to phase out the international cooperation programs. No new projects were developed and efforts have been made in the area of monitoring on-going projects and closing others.

The Bureau participated in the negotiation of FTAs with Chile, Singapore, Australia, Morocco, and CAFTA countries. ILAB also represented the US government before the ILO, OECD, OAS, and APEC and in meetings with Ministers of Labor of the G-8 countries. ILAB fulfilled its duties under the North American Agreement on Labor Cooperation as well as its role of researching and reporting under the Trade and Development Act of 2000 and Trade Act of 2002.

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CHANGES IN FY 2008

(Dollars in Thousands)

Activity Changes

Built-in

To provide for:

Costs of pay adjustments	142
Personnel benefits	31
Two More Days of Pay	73
Federal Employees Compensation Act (FECA)	-23
Travel	3
GSA Space Rental	32
Communications, utilities & miscellaneous charges	1
Printing and reproduction	1
Other services	21
Working Capital Fund	235
Purchase of goods and services from other Government accounts	0
Supplies and materials	1

Total Built-in **517**

Net Program **-\$58,936**

Direct FTE **-27**

	Estimate	FTE
Base	\$73,033	85
Program Increase	\$1,500	0
Program Decrease	-\$60,436	-27

INTERNATIONAL LABOR AFFAIRS

**U.S. Department of Labor
ILAB
Performance Budget Issue Paper
Implementation of TVPRA**

Applicable Performance Goal:

DOL Strategic Goal 2 - A Competitive Workplace

Agency Strategic Goal - Reduce Exploitation of Child Labor, Protect the Basic Rights of Workers, and Strengthen Labor Markets

Agency Performance Goal - Promote internationally recognized workers rights and labor standards, including those related to the elimination of exploitive child labor, in the global community.

Requested Resources:

A total of +\$1,500,000 is requested, an increase of +\$1,500,000 from the FY 2007 C.R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

In 2005, the passage of the Trafficking Victims Protection Reauthorization Act of 2005 (TVPRA) placed a new mandate on ILAB to monitor the use of forced labor and child labor in violation of international standards. The TVPRA legislative mandates include: monitoring and combating forced labor and child labor carried out in foreign countries, publishing a list of goods from countries produced with forced labor or child labor, and creating a standard set of practices to reduce the likelihood of these illegal practices.

Marginal Cost Impact:

None.

Offsets:

None.

Base Level Funding (\$ in thousands):

Base:			
Estimate:	+\$0	FTE:	0

Program Performance at Request Level (\$ in thousands):

Program Changes:			
Estimate:	+\$1,500	FTE:	0

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This increase will ensure the proper and effective implementation of the TVPRA requirements, including the development and publishing of list of goods made with forced labor and child labor.

Object Class (\$ in thousands):

Object Class		FY 2008 Request
25.1	Advisory and Assistance Services	+\$1,500

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**U.S. Department of Labor
ILAB
Performance Budget Issue Paper
ILAB Program Decrease**

Applicable Performance Goal:

DOL Strategic Goal 2 - A Quality Workplace

Agency Strategic Goal - Promote internationally recognized workers rights and labor standards, including those related to the elimination of exploitive child labor, in the global community.

Agency Performance Goal - Contribute to the elimination of the worst forms of child labor internationally; improve living standards and condition of work internationally.

Requested Resources:

A total of +\$13,862,000 is requested, a decrease of -\$60,436,000 from the FY 2007 C.R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

As ILAB phases out its international cooperation program, other USG agencies such as State and USAID, are expected to expand their international cooperation efforts in the labor area. Given its level of expertise in the field of child labor, labor standards, social safety nets, and HIV/AIDS in the workplace issues, ILAB will continue to work cooperatively with State and USAID to ensure that the international efforts of the USG in the labor area are strategically sound and build on the excellent work of ILAB.

Furthermore, the Trade Acts of 2000 and 2002 and the Trafficking Victim Protection Reauthorization Act of 2005 placed additional responsibilities on ILAB in the area of research and reporting and administering the labor provisions of agreements negotiated under the Acts. Accordingly, staff resources will be reallocated from technical cooperation to these areas.

Marginal Cost Impact:

Offsets:

Base Level Funding (\$ in thousands):

Base:

Estimate:

FTE:

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Program Performance at Request Level (\$ in thousands):

Program Changes:

Estimate: -\$60,436 FTE: -27

Object Class (\$ in thousands):

Object Class		FY 2008 Request
11.1	Full Time Perm Appts	-\$2,785
11.5	Premium Pay/Overtime	-\$50
12.1	Federal Employees Retirement System (FERS)	-\$306
12.1	Other Benefits	-\$459
21.0	Travel/Transportation of Persons	-\$375
23.3	RENT, COMMUNICATIONS AND UTILITIES	-\$52
24.0	Printing and Reproduction	-\$22
25.1	Advisory and Assistance Services	-\$1,560
25.2	All Other Services	-\$1,988
25.3	OTHER SERVICES	-\$305
25.4	Operation and Maintenance of Facilities	-\$448
25.7	Operation and Maintenance of Equipment	-\$15
26.0	Supplies and material	-\$66
31.0	Equipment	-\$15
41.0	Grants Subsidies and Contributions	-\$51,990
	TOTAL	-\$60,436

ADMINISTRATION AND MANAGEMENT

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	32,865	32,865	32,865	0	33,362	497
FTE	125	111	111	-14	111	0

Introduction

The Office of the Assistant Secretary for Administration and Management (OASAM) provides the infrastructure and support that enables DOL to perform its mission which supports the four DOL strategic goals: A Prepared Workforce, A Competitive Workforce, Safe and Secure Workplaces, and Strengthened Economic Protections. OASAM provides leadership and support for Department business operations and procurement; budget and finance; information technology; human resources and civil rights; security and emergency management; and strategic planning – and is the hub for the President’s Management Agenda (PMA).

OASAM achieves its mission through service centers, which are functionally organized and include the Departmental Budget Center (DBC), the Center for Program Planning and Results (CPPR), the Human Resources Center (HRC), the Information Technology Center (ITC), the Civil Rights Center (CRC), the Office of Security and Emergency Management (OSEM), and the Business Operations Center (BOC), which includes procurement, competitive sourcing, safety and health, and administrative programs.

OASAM is responsible for implementing four of the five government-wide initiatives in the PMA: *Strategic Management of Human Capital*; *Competitive Sourcing*; *Expanded E-Government*; and *Budget and Performance Integration*. As of the June 30, 2005 Administration scorecard, the Department reached the top of all Cabinet Departments with five *Green* Status scores and five *Green* Progress scores on the government-wide initiatives. OASAM is also responsible for the agency-specific PMA Real Property initiative, which has a yellow status score with green in progress. DOL received the 2006 President’s Quality Award for *Expanded E-Government*. In 2005 DOL received the award in *Integrating Management Systems* — the first agency in federal government to achieve this award category, and in 2004, the Department received the President’s Quality Awards in *Human Capital* and *Budget and Performance Integration*.

In FY 2005, OASAM developed its first ever Strategic and Performance Plan: 2006 – 2010 which identifies outcome goals and measures, performance goals, means and strategies, and performance measures. The OASAM strategic goal to “effectively coordinate and implement DOL management priorities” is supported by three outcome goals: Effective Departmental Leadership, Customer Focused, and Effective Departmental Oversight. The plan contains annual and long-term measures for all seven OASAM Centers and measures for OASAM overall.

The OASAM Strategic and Performance Plan represents a months-long effort to more accurately capture and update the OASAM mission and vision. The Plan will allow OASAM to assess and

ADMINISTRATION AND MANAGEMENT

improve its own services and results as it continues to raise the bar for the Department in the areas of strategic planning, budget and performance integration, e-government, human capital planning, and property management. Over the next five years, OASAM will achieve this through a number of strategies such as improving budget and performance reporting guidance; increasing the efficiency and effectiveness of its services; reducing and resolving findings from oversight activities; integrating IT systems; automating data collection and customer services; and achieving high customer satisfaction ratings.

Real Property Asset Management

Pursuant to the guidance contained in Executive Order 13327, and the Real Property Asset Management program initiative of the PMA, OASAM is leading DOL in the Department's aggressive approach to the management of its real property. To carry out this charge, DOL is using the following performance measures developed by the Federal Real Property Council: (1) Mission Dependency, (2) Utilization, (3) Condition Index, and (4) Operating and Maintenance Costs. After determining that it had both an accurate and current asset inventory, DOL is using cost and condition information to make day-to-day decisions on condition improvement projects, energy improvement initiatives, and property disposals. The ongoing goal is to maintain a real property inventory at the right size, the right condition, and the right cost.

OASAM directly manages its Frances Perkins Building (FPB) headquarters under a delegation from GSA. The Department works closely with GSA to implement projects to maintain building condition and improve energy efficiency. Two such projects are the replacement of the FPB air conditioning chiller units with high-efficiency units and the addition of rooftop insulation concurrent with the replacement of the FPB roof.

OASAM also manages the rental of regional and field office space, arranging these leases through GSA. During the last four years, DOL has fully implemented a Department-wide IT-based space management tool to eliminate non-mission dependent GSA-leased space, increase utilization rates, and reduce the costs associated with these properties. As a consequence of this effort, the Department has achieved a 2% reduction in the number of DOL offices and a 4% reduction in the number of buildings DOL occupies; all with no negative impact on the DOL mission.

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	33,673	112
2004	33,153	126
2005	32,614	125
2006	32,865	125
2007	32,865	111

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FY 2008

For FY 2008, OASAM's budget request is \$33,362,000 and 111 FTE. OASAM will continue to use the framework of the PMA in order to provide the direction and support services necessary to meet the Department's management priorities.

OASAM plans to further performance-based management in DOL through enhancing the implementation of the Government Performance and Results Act (GPRA), meeting Budget and Performance Integration requirements under the PMA, formulating and executing budgets in accordance with OMB and Congressional direction for DOL programs, and continuing pursuit of a number of program evaluations throughout the Department. OASAM will also provide Departmental leadership and direction in planning and budgeting to improve the results and cost effectiveness of the Departmental programs. Through the deployment of the enterprise budgeting environment, which composes the fourth and final phase of the Departmental E-Budgeting System (DEBS), automation advancements in the budget formulation process will be expanded and refined. Performance improvements are expected to exceed double-digit gains based on information identified during a proof of concept project.

OASAM will ensure that its IT governance and support will allow on-going deployment of an efficient and effective technology infrastructure to its customers. In FY 2008, within the four components of the E-Government framework, OASAM will continue to plan, acquire and implement new information technology, business solutions, systems, services, and capabilities that support all IT functions. In addition, OASAM plans to further integrate and align with the federal-wide e-government efforts.

For FY 2008, the Department will continue to focus on meeting or exceeding its competitive sourcing goals in support of the PMA. DOL will continue to marshal the necessary resources for competitions, including requisite consultant support and training for DOL staff responsible for key aspects of the competitive process.

As the Department continues adapting to the digital era and transforms its business processes to take advantage of opportunities provided by technological advancements, the need for effective and efficient management of electronic information is becoming increasingly critical. DOL will also move forward to lay the groundwork for an electronic document and records management solution for DOL.

OASAM will continue to establish DOL as a model workplace by assuring that the right people are in the right place at the right time to carry out the mission of the Department and that the workforce is prepared, diverse, and competent. To accomplish this and other human resource goals, the Department will focus on the following:

- Monitoring agency restructuring efforts
- Pursuing process enhancements and technological innovations in areas such as recruitment and classification, employee self-service, strategic planning information linkages, and use of job competencies in order to provide better service to customers—specifically, by updating the DOL Online Opportunities Recruitment System (DOORS) linked directly to the OPM front-end portal

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- Utilizing workforce projection tools
- Continuing an aggressive outreach and recruitment effort to attract a highly skilled and diverse workforce, including persons with disabilities.

In support of the PMA Real Property Asset Management initiative, DOL will be implementing the Asset Management Plan through a rolling three-year timeline. Through planned milestones and performance targets, the timeline aims to achieve three primary goals for the Department's real property inventory: eliminating surplus assets, managing the cost of inventory, and improving the condition of critical assets. The Department's continued progress in space consolidation, disposition, and improving condition will be tracked through this timeline.

Finally, OASAM will take the required steps to ensure the physical safety of the Department's workforce and facilities is maintained and enhanced. While this activity is funded under the Working Capital Fund, OASAM is committed to providing the necessary tools by which the Secretary and the Department's executive leadership will manage and direct programs and resources in preparation for, in response to and the recovery from a full spectrum of natural or manmade security situations or emergencies. OASAM is also dedicated to providing guidance to the Department in order to protect the physical, informational, and personnel security requirements of the Department.

FY 2007

In FY 2007, OASAM will be focusing on achieving the commitments to the PMA.

In Budget and Performance Integration, OASAM continues to improve management review and program evaluations, conduct PART reviews for DOL programs, demonstrate improved program performance and efficiencies through continued high standards in performance reporting in the annual report, and continuing to expand DEBS.

In Competitive Sourcing, the Department will continue to focus on meeting or exceeding its competitive sourcing goals, in support of the PMA.

In Human Capital Planning DOL will continue to integrate human capital planning within the budget process, building on previously funded management crosscut projects such as the succession planning programs, competency model development, e-Recruit, and the skills inventory. The Department will also continue to integrate human capital planning with competitive sourcing decisions, conduct organizational assessments linked to competitive sourcing initiatives and implement programs to place affected employees. Succession planning activities will be tracked and measured to evaluate results for recruitment, placement, and retention in order to plan ongoing succession strategies. DOL will continue to measure the success of its diversity efforts and use hiring flexibilities to address issues like increasing diversity. DOL will continue to enhance DOORS that is fully integrated with USAJOBS. DOL continues to use competency models as the cornerstone for its transition to a competency based organization and is also using competency models as the foundation for recruitment. DOL continues to develop question-based crediting plans based on competency models using the e-Recruit system (DOORS).

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For FY 2007, OASAM's PMA IT initiatives include ensuring a secure environment by maintaining Authority to Operate for 100% of DOL's major information systems. In Capital Planning OASAM will continue using Earned Value Management and operational analysis to control cost and schedule overruns and performance shortfalls. This will be done by developing acceptable business cases for major IT systems. The Department will implement and support appropriate E-Government initiatives. OASAM will maintain an effective Enterprise Architecture (EA) to facilitate the management of change and foster the integration of systems with a transition strategy that ensures alignment with the Department's business and IT goals. OASAM will continue to integrate EA, Capital Planning and Investment Control, security, and system development processes to drive IT investment decision-making to increase agency performance and benefits to citizens.

DOL will continue to implement the Asset Management Plan through the three-year timeline. DOL will demonstrate progress in eliminating surplus assets, improving condition, and managing cost.

FY 2006

In FY 2006 several accomplishments were achieved in the budget and performance area. DOL published the FY 2006-2010 DOL Strategic Plan in accordance with the GPRA. Additionally, it expanded the automation of budget submissions, improved focus of program evaluations, expanded development of efficiency measures, and implemented PART and program evaluation recommendations. Lastly, OASAM improved the presentation of Departmental results in the Annual Performance and Accountability Report — which earned a number one rating by the Mercatus Center of George Mason University for the fourth straight year.

In Competitive Sourcing, OASAM DOL met its Competitive Sourcing goal for FY 2006 by completing streamlined or standard competitions according to its competition plan.

In FY 2006, OASAM's Human Resources Center led the effort to re-establish a common foundation for workforce planning in DOL. By integrating meaningful data on human capital into the Department's Annual Performance Plans and Budgets, OASAM created a basis for identifying future workforce needs, including the size of the workforce, its deployment across the organization, and the competencies needed to efficiently and effectively carry out the mission of the Department. DOL continued to provide succession planning programs to meet skill gaps identified in the workforce analysis. In support of the overall workforce planning effort, DOL also built upon its aggressive outreach and recruitment effort to attract a highly skilled and diverse workforce including persons with disabilities. To address the growing challenge of attracting and retaining employees, DOL pursued the use of various Departmental/OPM hiring authorities including the Career Intern Program which is designed to help agencies recruit and attract exceptional individuals into a variety of occupations for positions at grade levels GS-5, 7, and 9; lifelong learning opportunities; and workplace flexibilities. DOL also automated the recruitment process utilizing the Quickhire product now known as DOORS.

ADMINISTRATION AND MANAGEMENT

In FY 2006, OASAM improved its IT customer relationship by providing IT governance and oversight of the implementation of the Department's E-Government plans. DOL is the managing partner on GovBenefits, a partnership of Federal agencies with a shared vision to provide improved, personalized access to government assistance programs, and an active participant in 12 E-Government initiatives. In FY 2006, four agencies external to DOL signed memoranda of understanding to implement the Safety and Health Information Management System (SHIMS), an automated tracking system for on-the-job injuries and resolution of underlying conditions that resulted in injuries ([OASAM - SHIMS \(Safety and Health Information Management System\)](#)). In addition, the Department continued to mature its overall investment management process and updated its System Development Life Cycle Management manual to reflect today's existing requirements.

The Department's efforts in real property management have already yielded important benefits. DOL implemented the online Space Management System to monitor space utilization and identify targets for consolidation and co-location for all non-headquarters DOL space leased through GSA, nationwide. DOL carried out the demolition of more than 40 structures, determined to be non-mission dependent, at 20 Job Corps Centers and closed ten offices, releasing more than 10,000 square feet of non-mission dependent space leased through GSA.

ADMINISTRATION AND MANAGEMENT

CHANGES IN FY 2008
(Dollars in Thousands)

Activity Changes

Built-in	
To provide for:	
Costs of pay adjustments	-108
Personnel benefits	-44
Two More Days of Pay	67
Federal Employees Compensation Act (FECA)	20
Travel	62
Transportation of Things	5
GSA Space Rental	56
Communications, utilities & miscellaneous charges	19
Printing and reproduction	24
Advisory and assistance services	130
Other services	327
Working Capital Fund	266
Purchase of goods and services from other Government accounts	1
Operation and maintenance of equipment	-459
Supplies and materials	88
Equipment	39
	4
Total Built-in	497

	Estimate	FTE
Base	\$34,337	111
Program Decrease	-\$975	0

ADJUDICATION

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	43,659	44,363	44,363	704	45,419	1,056
FTE	309	296	296	-13	296	0

Introduction

The Adjudication activity includes funding of four consolidated units; (1) the Office of the Administrative Law Judges (OALJ); (2) the Administrative Appeals Board (ARB); (3) the Benefits Review Board (BRB); (4) and the Employees' Compensation Appeals Board (ECAB).

The Office of Administrative Law Judges (OALJ) presides over formal hearings, conducted under the Administrative Procedures Act (APA), to determine violations of the minimum wage requirements, overtime payments, and health and safety regulations set forth under various statutes within the Department's jurisdiction. In addition, APA hearings are conducted and decisions issued on claims filed under the Longshore and Harbor Workers' Compensation Act and under the Black Lung Benefits Act. Designated judges having the requisite qualifications also serve as members of the DOL Board of Contract Appeals and the Board of Alien Labor Certification Appeals. Additionally, hearings are conducted and decisions rendered under the Federal Mine Safety and Health Act of 1977 (MSHA) and under statutes regarding the certification of aliens in both agricultural and non-agricultural employment. The Office also has an active program of Alternative Dispute Resolution (ADR) through its settlement judge process. In addition, DOL judges preside at hearings involving allegations of discrimination arising under various environmental and safety whistleblower acts and under Executive Order 11246. Including those areas enumerated above, the OALJ has jurisdiction over more than 70 separate case areas.

The decisions issued by this agency affect workers and employers throughout the nation. Economic benefits are provided through adjudicating workers' compensation cases in the Black Lung and Longshore programs. Benefit payments under these two programs are paid by the employer directly or through an insurance carrier. Safe and fair workplace environments are provided by adjudicating cases in the traditional program areas such as Whistleblower Protection, Wage and Hour cases, and over 70 other types of cases involving employees and their employers.

The three adjudicatory Boards are charged with nationwide appellate jurisdiction under a variety of workers' compensation, workforce security, and employee protection laws. The Boards review and determine several thousand appeals each year. In so doing, the Boards make legal interpretations, establish legal precedents, and set standards within their jurisdictional areas for the entire nation. Board decisions have a collective impact of several billions of dollars on American workers and the American economy.

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The Administrative Review Board (ARB) reviews appeals and issues final determinations under more than 50 statutory and regulatory authorities. Most of the ARB's caseload arises from whistleblower complaints under environmental, nuclear and trucking statutes. The ARB also reviews challenges filed by employers, workers, unions and Federal contracting agencies under the Davis-Bacon Act (and related statutes) and the Service Contract Act, certain civil rights enforcement actions, the Workforce Investment Act, and worker protection statutes such as the Child Labor Act. The Secretary created the ARB in 1996 by consolidating three smaller appellate adjudicatory bodies. Cases decided by the ARB include appeals from recommended decisions issued by Administrative Law Judges, as well as final determinations issued by ESA's Wage and Hour Administrator. ARB decisions may be appealed to the federal courts.

The Benefits Review Board (BRB) is a statutorily created appellate body within DOL whose statutory responsibility is to review and decide appeals from decisions of Administrative Law Judges, and in some instances the District Directors, which raise questions of law or fact regarding claims for disability benefits by any party-in-interest (employee, survivor, employer, or employer's insurance carrier) under the Black Lung Benefits Act and the Longshore and Harbor Workers' Compensation Act and its extensions. Decisions of the Administrative Law Judges under these Acts are final unless timely appealed to the Benefits Review Board. The BRB was created by Congress in the early 1970's to provide a uniform standard of nationwide review for appeals of benefit claims under these Acts. The Board exercises the appellate review authority formerly exercised by the United States District Courts. BRB decisions may be appealed to the federal Circuit courts and to the United States Supreme Court. Historically, less than 15% of cases are appealed beyond BRB, and 85% of these are affirmed. The BRB's Black Lung program is funded by the Black Lung Trust Fund which provides approximately 75% of total BRB operating funds.

The Employees' Compensation Appeals Board (ECAB) was established in 1946 under a precursor of the Federal Employees' Compensation Act (FECA) to hear and decide appeals of federal employees who may become ill or injured as a result of their federal employment. Any federal employee who has sustained an injury at work and is adversely affected by a decision of the Labor Department's Office of Workers' Compensation Programs (OWCP) may request a review of that decision by ECAB either before or after receiving a full evidentiary hearing before OWCP's Branch of Hearings and Review. ECAB jurisdiction extends to deciding questions of fact, as well as law, and questions involving the exercise of discretion. Decisions are based on the case record upon which a decision was made. ECAB decisions are binding on OWCP. ECAB decisions are final and are not subject to judicial review.

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	41,329	327
2004	42,120	327
2005	42,095	313
2006	43,659	309
2007	44,363	296

ADJUDICATION

FY 2008

The common strategy among the Adjudicatory units has been aimed at increasing output, reducing the number of pending appeals, reducing the time that the average appellant must wait to receive a decision and providing efficient and effective services to the public and private communities. With the funding request of \$45,419,000 and 296 FTE, the Adjudicatory units will implement these common strategies, which will continue to be key initiatives in FY 2008. In addition, strategic focus will also be directed towards enhancing the quality of case law, ensuring greater consistency among appeal decisions, and continuing to raise general standards of performance.

OALJ's mission and strategic goals will not change in FY 2008; the challenges it faces will. Housed within the OALJ is the Board of Alien Labor Certification Appeals (BALCA), which hears appeals of denials of permanent alien labor certification by Employment and Training Administration (ETA) regional certifying officers. Several years ago large numbers of permanent labor certification applications were filed in order to take advantage of section 245i of the Immigration and Nationality Act which allowed aliens who were out of status, entered the U.S. without inspection, or violated the terms of their non-immigrant status, to file a petition for adjustment of status if they were beneficiaries of a labor certification application. These filings overwhelmed ETA and associated State Workforce Agencies, resulting in a current backlog of approximately 340,000 pending applications. Consequently, ETA established Backlog Processing Centers in Philadelphia and in Dallas in accordance with an interim final rule published in the Federal Register on July 21, 2004. The rule allowed ETA to consolidate state and Federal functions of the application review process into centralized locations. ETA estimates that it will take approximately 24-30 months to eliminate the permanent program's backlog of cases.

Historically, BALCA received appeals of approximately 1% of proceeded labor certifications. Because of the nature of section 245i cases -- which permits aliens to remain in status longer than they otherwise would and therefore provides a motive to applicants to string out the process as long as possible -- we anticipate that the percentage of appeals will dramatically increase. Thus, BALCA may be facing a very large increase in its caseload for several fiscal years -- possibly many thousands of appeals as compared to the more typical recent experience of 300 to 400 yearly appeals.

In December 2004, ETA published final regulations implementing Program Electronic Review Management (PERM), which is a streamlined labor certification processing procedure. These regulations apply to applications filed on or after March 28, 2005. It remains to be seen how PERM might impact BALCA appeals. It is possible that there will be fewer appeals of PERM applications than under the old regulations, but it is also possible that a new program will create new issues for appellate review.

After discussions with representatives of ETA, regardless of whether the PERM regulations change BALCA's long term case load, in the near term a bubble of heightened levels of BALCA appeals to OALJ may occur as the ETA Backlog Processing Centers work through the backlogged "pre-PERM" applications.

ADJUDICATION

In FY 2008, the Adjudicatory Boards will continue to maintain or increase the number of appeals closed, ensure the quality and consistency of decisions, and further improve the efficiency of their operations. The ARB expects to receive 155 new appeals and close approximately 160. The BRB expects to receive and close a total of approximately 1,020 cases; 720 for Black Lung and 300 for Longshore. The ECAB expects to both receive and close approximately 2,225 appeals. Potential BALCA workload increases will have no direct impact on the Adjudicatory Boards since the ARB has no review authority for this type of immigration labor certification. It is difficult to determine the possible impact on the BRB and ARB workloads if OALJ resources were to be redeployed to BALCA from other programs.

FY 2007

The strategy among the Adjudicatory units in FY 2007 is aimed at increasing output, reducing the number of pending appeals, reducing the time that the average appellant must wait to receive a decision and providing efficient and effective services to the public and private communities. In addition, strategic focus will also be directed towards enhancing the quality of case law, ensuring greater consistency among appeal decisions, and continuing to raise general standards of performance. The commitment to these strategies includes the assurance that each appeal will receive full, fair and timely consideration, that each appellant will be treated with fairness, consideration and respect, that decisions will be consistent with federal statutes and that decisions will enhance and clarify the body of law.

In FY 2007, OALJ will work toward achieving its performance targets. The OALJ Traditional cases, all cases which are not Black Lung, Longshore or Immigration, pending case workload must be managed in FY 2007 as it has increased based on an influx of cases for Defense Base Act (BDA), Employee Retirement Income Security Act (RIS), and the Sarbanes-Oxley Act of 2002 (SOX) program areas in FY 2005. The OALJ Black Lung caseload experienced a large influx of cases since FY 2003 with a drop-off in FY 2005 and FY 2006 which if it continues to remain at the 2006 intake level in 2007, will allow OALJ to continue reducing its backlogs. In 2001, DOL revised the regulations governing the Black Lung Program. If the Traditional case program area continues to show an increase in projected incoming cases at the rate of 29%, additional backlogs will grow from 11 months to 17 months.

In FY 2007, the Adjudicatory Boards will continue to maintain or increase the number of appeals closed, ensure the quality and consistency of decisions, and improve operating efficiency. The ARB expects to receive 155 new appeals and close approximately 160. The BRB expects to receive and close a total of approximately 1,020 cases; 720 for Black Lung and 300 for Longshore. The ECAB expects to receive and close approximately 2,225 cases.

FY 2006

OALJ achieved all performance target projections in FY 2006. OALJ maintained projected Black Lung case backlog targets at 18 months; reduced the projected Longshore case backlog targets from 10 months to 9 months; reduced the projected Immigration case backlog targets from 10 months to 7 months; and OALJ reduced the projected Traditional case backlog targets

ADJUDICATION

from 12 months to 11 months even though in FY 2006 Traditional cases received increased 29% over FY 2005 case intake levels.

During FY 2006, workload and production levels of the Adjudicatory Boards remained fairly steady while the Boards made substantial progress in their efforts to restructure and increase the efficiency of operations. New appeals increased slightly at ARB and ECAB while closed appeals declined marginally in all programs. The efficiency of staff resources improved measurably. The number of appeals closed for each staff, full time equivalent (FTE) position used and per staff attorney FTE used increased. In FY 2006 the Boards used 12.9% fewer FTE than in FY 2005 and 20.2% fewer FTE than in FY 2004.

The Boards completed a streamlined A-76 competition of their docket operations during FY 2006. The Boards won the competition and implemented a Most Effective Organization (MEO), replacing their three separate docket units with a single Consolidated Docket Organization and reducing the number of staff FTE required to perform day-to-day docketing and para-legal review functions by 50% (from 22 to 11).

With the cost savings resulting from staff reductions and a rigorous policy of leaving most vacant positions unfilled, the Boards were able to obligate substantial funds towards the costs of a space consolidation and co-location initiative scheduled for completion in late spring 2007. The Boards also initiated a computer upgrade program to increase IT capability and improve the Boards' Telework Readiness in the event of a Pandemic Flu outbreak.

At the end of the year, the Boards launched an Honors Law Clerk Program. Six promising recent law school graduates were hired on two-year term appointments to work with Board members and senior staff attorneys on the Boards' caseloads. This initiative is expected to hold down payroll costs while providing energetic and able new attorney talent to expeditiously move the Boards' caseloads.

ADJUDICATION

WORKLOAD SUMMARY			
	FY 2006	FY 2007	FY 2008
	Actuals	Estimate	Request
ARB			
New Appeals	160	155	155
Closed Appeals	133	160	160
Pending End of Year	208	203	198
Pending in Months EoY	18.8	15.2	14.9
BRB - BL			
New Appeals	695	720	720
Closed Appeals	706	720	720
Pending End of Year	512	512	512
Pending in Months EoY	8.7	8.5	8.5
BRB - LS			
New Appeals	248	300	300
Closed Appeals	288	300	300
Pending End of Year	182	182	182
Pending in Months EoY	7.6	7.3	7.3
ECAB			
New Appeals	2,184	2,225	2,225
Closed Appeals	2,131	2,225	2,225
Pending End of Year	1,158	1,158	1,118
Pending in Months EoY	6.5	6.2	6.2

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WORKLOAD SUMMARY			
	FY 2006 Actuals	FY 2007 Estimate	FY 2008 Request
Office of Administrative Law Judges			
<u>OALJ Carry-Over Levels:</u>			
Black Lung	2,542	2,333	2,323
Longshore	2,318	1,984	2,034
Immigration	294	137	297
Traditional	<u>542</u>	<u>530</u>	<u>630</u>
Totals	5,696	4,984	5,284
<u>OALJ New Cases:</u>			
Black Lung	1,359	1,350	1,350
Longshore	2,413	2,800	2,650
Immigration	90	300	300
Traditional	<u>560</u>	<u>400</u>	<u>550</u>
Totals	4,422	4,850	4,850
<u>OALJ Dispositions:</u>			
Black Lung	1,568	1,360	1,200
Longshore	2,747	2,600	2,340
Immigration	247	140	140
Traditional	<u>572</u>	<u>450</u>	<u>450</u>
Totals	5,134	4,550	4,130
<u>OALJ Pending Cases:</u>			
Black Lung	2,333	2,323	2,473
Longshore	1,984	2,034	2,344
Immigration	137	297	457
Traditional	<u>530</u>	<u>630</u>	<u>730</u>
Totals	4,984	5,284	6,004

ADJUDICATION

CHANGES IN FY 2008
(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Costs of pay adjustments		632
Personnel benefits		156
Two More Days of Pay		213
Federal Employees Compensation Act (FECA)		9
Travel		31
GSA Space Rental		126
Communications, utilities & miscellaneous charges		29
Printing and reproduction		1
Advisory and assistance services		36
Other services		244
Working Capital Fund		708
Other Government Accounts (DHS Charges)		7
Purchase of goods and services from other Government accounts		6
Operation and maintenance of equipment		32
Supplies and materials		37
Equipment		12
Total Built-in		2,279
Net Program		-\$1,223
	Estimate	FTE
Base	\$46,642	296
Program Decrease	-\$1,223	0

WOMEN'S BUREAU

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	9,666	9,666	9,666	0	9,832	166
FTE	60	60	60	0	60	0

Introduction

The Women’s Bureau continues its responsibility to carry out Public Law 66-259 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 Bureau is organizationally positioned within the Office of the Secretary. The director is appointed by the President and supported by a chief of staff, a special assistant, and staff in the national office and ten regional offices. The Women’s Bureau develops and implements projects addressing issues of importance to working women, provides information about women in the labor force to stakeholders and customers, and advises and assists in the development of DOL policies and programs, in keeping with the Secretary’s four strategic goals: (1) A Prepared Workforce, (2) A Competitive Workforce, (3) Safe and Secure Workplaces, and (4) Strengthened Economic Protections.

In FY 2008, the Bureau will continue focusing its efforts on its Strengthening the Family in the 21st Century initiatives, which include Better Jobs!, Better Earnings!, Better Living!, and Supporters. These initiatives aim to prepare women for tomorrow’s jobs and help ensure opportunities for American women to achieve their potential in the workplace. Better Jobs! aim is to increase women’s employment opportunities with focuses on increased earnings, finding jobs and helping women enter certification and degree programs. Better Earnings! seeks to increase women’s financial security through debt reduction and increased savings or investments. The purpose of Better Living! is to increase the number of employer flexible work policies or programs. Supporters, formerly known as Value-Added Partnerships, are organizations or individuals external to DOL who have been able to replicate a WB project. To replicate a project means that a client uses the WB's original framework, in whole or in part, to implement a similar project for its own constituents, while assuming all fiscal responsibility. The Bureau is able to assist clients to take ownership by providing valuable guidance on best practices for implementing the project and achieving results.

The Women’s Bureau will concentrate its efforts on projects designed to empower 21st Century working women to fully participate in advancing the place of women in the American economy. Demonstration projects and activities are designed to support the Secretary’s goals. The Bureau’s Women’s Leadership Forums provide improved communication and collaboration among businesses, workers and training providers to monitor and coordinate career advancement issues for women. Recommendations from these Forums provide important information that helps the Bureau to design quality, cutting edge initiatives.

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Additionally, the Women's Bureau will continue to adjust demonstration project outcome measures and its strategic and performance plan to align with recommendations made as a result of the PART process. New outcome measures have been designed and are being implemented for two major demonstration projects: Wi\$e Up, a WB demonstration project designed to increase women's financial security, especially for generation X women; and Working Women in Transition (WWIT), a demonstration project designed to assist women who are making a transition in their work lives. The Bureau has performance goals that address the need to increase women's employment opportunities; increase women's financial security; increase the number of employers developing flexible workplace programs and policies; and build Supporters to increase the number of women served by Bureau projects. Findings from extensive independent evaluations conducted in fiscal years 2006 and 2007 will also be used to improve the Bureau's innovative "high-tech – high-touch" approach to address the issues facing women in the 21st Century workforce. This approach utilizes a combination of information technology (high-tech) and interpersonal meetings (high-touch) to provide motivation and guidance enabling working women to move to the next stage of their work lives.

Additionally, the Bureau will continue to maintain its green status in the PMA areas of Budget and Performance Integration, Strategic Management of Human Capital, Expanded E-Government, Improved Financial Performance, and Competitive Sourcing.

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	9,608	64
2004	9,201	64
2005	9,478	60
2006	9,666	60
2007	9,666	60

FY 2008

The Women's Bureau has a history of helping women take advantage of opportunities that allow them to fully participate in America's labor force. The Bureau's FY 2008 budget request of \$9,832,000 and 60 FTE allows the Bureau to continue its support of the Secretary's strategic goals by building on the successes and lessons learned from demonstration projects. A demonstration project is a two to four year, multi-regional initiative to improve the status of working women with the goal that they are replicable. Given these successes, the Bureau will expand existing projects that continue to help women meet the needs of the 21st Century workplace.

The Bureau will place particular emphasis on programs in support of the goals *A Prepared Workforce*, *A Competitive Workforce*, and *Strengthened Economic Protections*. For example, the *A Prepared Workforce* goal will be supported by demonstration projects designed to increase women's employment. Projects such as WWIT, a "high-tech" and "high-touch" approach that provides resources to women reentering the workforce, will be fully implemented as a result of lessons learned by its performance, starting with a pilot in FY 2005. In FY 2008, the Bureau will continue to build on its 10 WWIT initiatives, including its 3 WWIT projects designed

WOMEN'S BUREAU

specifically to assist women impacted by Hurricanes Katrina and Rita. Based on lessons learned, the Bureau will explore new WWIT sites.

In support of the Secretary's goal of *Strengthened Economic Protections*, the Bureau will continue its popular Wi\$e Up project. Wi\$e Up is a cutting-edge, e-mentoring financial education demonstration project that helps young women improve their economic security by increasing their savings and/or reducing their debt. In FY 2008, a new online curriculum will be developed to incorporate additional information, and the Web site will be updated with new interactive tools and graphics as well as classroom materials. In addition to helping women gain the tools to increase savings and/or reduce debt, the Bureau will reach larger numbers of women through the replication of Wi\$e Up. Replication has allowed the Bureau to expand its successful model projects through collaborative efforts that leverage federal funds with in-kind support from the private sector, state and local governments, and faith-based and community organizations

Flex-Options for Women, a project which encourages employers to voluntarily develop or enhance flexible workplace policies and/or programs for their employees, supports the Secretary's *A Competitive Workforce* goal and is included in the Secretary's Annual Performance and Accountability Report in support of the Secretary's Performance Goal 2J—maximize regulatory flexibility and benefits and promote flexible workplace programs. Flex-Options for Women will continue to increase the number of employers who create or expand flexible workplace policies/programs, increase the number of new or expanded policies/programs, and expand the number of employees who have access to new flexible policies/programs.

FY 2007

In FY 2007, the Women's Bureau continues to concentrate its efforts on projects designed to empower 21st Century working women to fully participate in the American economy. The Bureau uses information gained through its leadership forums, corporate meetings, national summits, research, and demonstration projects to continue to increase opportunities for working women. The Women's Bureau is continuing to focus its efforts on its three major demonstration projects: WWIT, Wi\$e Up and Flex-Options for Women. The Bureau will implement key findings of an independent evaluation, conducted in FY 2006, which will strengthen the program and position it to quickly move to the next level. Additionally, in FY 2007 the Bureau will continue to use its already successful replications by private organizations, such as Alcatel, as a model in its efforts to continue expanding Wi\$e Up to new organizations.

FY 2007 is a pivotal year for the Flex-Options for Women project. Flex Options, in the third year of implementation, is at a critical point because the Bureau will determine the long-term strategy of this initiative through gathering data, talking with stakeholders, and reviewing the project design. The Bureau is continuing to provide business owners with strategies that will result in increased flexible workplace policies and programs. In addition, the Bureau is convening a half-day forum with experts from business, professional organizations, along with human resource practitioners, to develop long-range strategies to meet the workplace needs of today's workforce.

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FY 2006

In FY 2006, the Women's Bureau's programs supported the Secretary's strategic goals through its demonstration projects, WWIT; Group E-Mentoring in Nursing (GEM-Nursing), an e-mentoring project to encourage participants to pursue a career in the nursing profession; Wi\$e Up; and Flex-Options for Women. As a result of lessons learned from the Working Women in Transition pilot project in FY 2005, the Bureau expanded the WWIT project to six additional sites, including sites in the hurricanes Katrina and Rita disaster area. Although the GEM-Nursing project ended in FY 2006, a "How-to" manual was developed and is available to entities wishing to replicate this successful program.

Wi\$e Up, the financial education demonstration project, continued to be a success with over 1,000 online and classroom participants. As a result of the Bureau's PART process, the project was revised to capture more meaningful results. In addition, the Wi\$e Up partnered website was redesigned to be more user-friendly.

The Flex-Options project that incorporates face to face mentoring, group meetings, teleconference calls, and virtual discussion groups resulted in 197 employers creating or enhancing workplace flexibility projects. The Flex-Options project will be reviewed by an independent contractor in FY 2007.

Additionally in FY 2006, the Bureau hosted a day long event: "Working Women Building Better Jobs! Better Earnings! Better Living!" It featured four roundtables designed to provide an opportunity for regional and national leaders to come together to discuss issues facing women in the workforce. Roundtable Discussions were designed to bring stakeholders and participants together to discuss each of the Bureau's demonstration projects and explore ways to strengthen the project and/or replicate the project. Some topics discussed were the demand for workers in the health care industries, financial education for Generation X women, how employers can develop flexible workplace programs and policies and how distance learning and e-mentoring can help working women in transition. In addition, participants learned about Women's Bureau programs and opportunities to replicate them, and the discussions provided the Bureau with an opportunity to listen to participants' concerns related to working women now and in the future.

WOMEN'S BUREAU

CHANGES IN FY 2008

(Dollars in Thousands)

Activity Changes

Built-in

To provide for:

Costs of pay adjustments	153
Personnel benefits	47
Two More Days of Pay	46
Federal Employees Compensation Act (FECA)	1
Travel	4
GSA Space Rental	22
Communications, utilities & miscellaneous charges	3
Printing and reproduction	2
Other services	63
Working Capital Fund	144
Purchase of goods and services from other Government accounts	0
Supplies and materials	1
Total Built-in	486

Net Program **-\$320**

	Estimate	FTE
Base	\$10,152	60
Program Decrease	-\$320	0

CIVIL RIGHTS

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	6,386	6,386	6,386	0	6,763	377
FTE	46	40	40	-6	40	0

Introduction

Operating under authority delegated pursuant to Secretary’s Orders, the Civil Rights Center (CRC) is the single organizational unit within the Department of Labor (DOL) responsible for ensuring compliance with federal civil rights laws and their implementing regulations, which cover:

- DOL employees and applicants for employment;
- DOL conducted programs; and
- Programs and activities receiving or benefiting from DOL financial assistance.

The federal equal employment opportunity/equal opportunity and nondiscrimination laws that CRC enforces include:

- Title VI and VII of the Civil Rights Act of 1964, as amended;
- Sections 504 and 508(f) of the Rehabilitation Act of 1973, as amended;
- Age Discrimination Act (ADA) of 1975, as amended;
- Section 188 of the Workforce Investment Act;
- Age Discrimination in Employment Act, as amended;
- Title II of the Americans with Disabilities Act; and
- Title IX of the Education Amendments of 1972.

CRC is responsible for: (1) administering DOL’s equal employment opportunity (EEO) program and administering an effective discrimination complaint processing system for discrimination complaints filed by DOL employees and applicants for employment with DOL; (2) ensuring compliance with federal equal opportunity and nondiscrimination laws and regulations by recipients of financial assistance and DOL conducted programs through program monitoring and complaint processing; (3) processing work-related complaints under Title II of the ADA; (4) coordinating enforcement of DOL compliance with the Architectural Barriers Act of 1968, which requires that certain federally owned or leased buildings be in compliance with the General Services Administration’s accessibility standards; and (5) overseeing the implementation of DOL employee rights policies, e.g. harassing conduct policy.

Over the prior fiscal years the CRC has flattened the organizational structure, reduced the number of managers/supervisors to three, and increased the supervisory ratio to an average of 1:10. The CRC has maintained a core staff purposefully aligned to accomplish the organizational mission and support the strategic goals of the Secretary and the department’s Employment and Training Administration (ETA) and Office of Disability Employment Policy (ODEP). For example, ETA contributes to the Prepared Workforce outcome goal to increase

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opportunities for employment, retention and earnings for new and re-emerging entrants to the workforce by assisting workers gain the skills, accessing job opportunities, and finding productive careers. Entailed in this goal is the legal obligation to ensure that federal financial assistance is provided to new and re-emerging entrants to the workforce in a nondiscriminatory manner, which is the mission of CRC.

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	5,930	48
2004	6,114	48
2005	6,237	46
2006	6,386	46
2007	6,386	40

FY 2008

The CRC's philosophy is to organizationally operate in a seamless manner, deploying resources as needed to meet workload demand. Organizational performance is driven by the expanding use of performance measures (i.e., output, effectiveness, and efficiency). In order to have the capability to achieve optimal organizational performance, CRC is requesting \$6,763,000 and 40 FTE for FY 2008.

For all enforcement programs, CRC's strategy is to continue to integrate technology into its business practices and increase its use of private sector contractors for complaint investigations. The benefits of technology include expanding information and compliance assistance tools available on CRC's public website (<http://www.dol.gov/oasam/programs/crc/>), developing the capacity to provide training through video and web broadcast, and utilizing email groups to enhance communication. The strategy of taking advantage of technology will enable CRC to increase the penetration into its regulated community by reaching a greater number of recipients at the local level.

The CRC administers an EEO program that covers all DOL employees and applicants for employment with DOL under applicable federal civil rights laws, regulations, U.S. Equal Employment Opportunity Commission directives, and executive orders. The decision on whether or not a matter has merit for acceptance for investigation and the determination whether discrimination occurred is reserved for the CRC governmental officials to decide. However, private sector companies can do the work activity connecting these critical decision points without prejudice to the government's interest. In FY 2008, CRC plans to utilize private sector contractors to aid in the conduct of discrimination complaint investigations. Using private sector contractors to perform discrimination complaint investigations will allow productivity to be maintained, while not compromising efficiency levels.

Strategic goals established at the departmental and agency levels are the first drivers that determine the allocation of resources and the activities CRC will undertake. CRC will continue to operate under the long-term Departmental goals specified for FY 2007. The CRC's resources will be distributed to ensure timely handling of complaints of discrimination, ensuring a

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reasonable guarantee that DOL Workforce Investment Act State-level financial assistance recipients have EO policies and procedures in place and making DOL's EEO program a model.

Specific to the Department's internal EEO program, the CRC, as a compliance assistance strategy, will maintain priority focus on educating managers and supervisors on their obligations of ensuring an equal opportunity workplace that is free of discrimination.

In the external program which focuses on beneficiaries of DOL financial assistance, CRC will focus on processing complaints in accordance with regulations implementing Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act, the Age Discrimination Act, and Section 188 of the Workforce Investment Act.

The Workforce Investment Act (WIA) established the One-Stop service delivery system, by which key partners involved in providing workforce development assistance come together to plan and coordinate their services. For the external equal opportunity (EO) program, CRC's strategy is to focus on the Workforce Investment Act One-Stop Career systems of large population states that represent 20% of the nation's population. This strategy will enable CRC to impact a significant portion of the nation's civilian workforce. The area of concentration will be on ensuring that reasonable steps have been taken to establish equal opportunity policies, procedures, and systems that provide a reasonable guarantee of equality of opportunity and nondiscrimination in the One-Stop Career system in looking through the provision of services to persons with disabilities and customers who are not proficient in English. A second level of focus will be to confirm whether established policies and procedures actually guide the delivery of program activities and services.

FY 2007

The CRC will continue to improve organizational performance. Performance goals are driven by the activities within each program administered by CRC. Each performance goal is objective, quantifiable, and measurable; and is assigned a corresponding performance indicator or standard, which will provide a pattern of guidance in assessing the outputs of each activity.

CRC continues to be guided by performance goals established at the Departmental level. CRC's performance goals and corresponding performance measures are guided by a sense of organizational objectives and focus on outcomes that meaningfully reflect the organization's purpose and the strategic goals of the Department. Those performance goals are to 1) ensure equal opportunity within DOL financially assisted programs; and 2) ensure nondiscrimination within DOL. The following outcome measures are associated with these performance goals:

- 1) Ensure equal opportunity within DOL financially assisted programs
 - Number of Methods of Administration (MOAs) approved; percentage of MOAs approved
(An MOA includes policies, procedures, and systems that provide a reasonable guarantee of a state's compliance with federal nondiscrimination and equal opportunity laws within the One-Stop system established by the Workforce Investment Act.)

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- Percentage of complaints filed by program beneficiaries per 1,000 beneficiaries served where compliance assistance was provided
- 2) Ensure nondiscrimination within DOL
- Percentage of employee complaints filed per 1,000 DOL employees
 - Percentage of formal complaints investigated within regulatory timeframe
 - Percentage of Final Agency Decisions issued within regulatory timeframe

For the Department's internal EEO program, the CRC will maintain a priority focus on educating managers and supervisors on their obligations in ensuring an equal opportunity workplace that is free of discrimination.

For the external EO program, CRC's strategy is to focus on the WIA One-Stop Career system. The area of concentration will be on ensuring that reasonable steps have been taken to establish equal opportunity policies, procedures and systems that provide a reasonable guarantee of equality of opportunity and nondiscrimination in the One-Stop Career system through the approval of Methods of Administration.

Central to the operation of the CRC is the timely and unbiased processing of complaints. For the internal EEO program, CRC must process complaints filed by DOL employees and applicants for employment in a manner and within timeframes established by EEOC regulations at 29 CFR 1614. Failure to process complaints in accordance with EEOC regulations can result in an adverse inference and the imposition of sanctions on the agency by the EEOC. CRC's long-term performance outcome measure for FY 2007 through FY 2010 is to increase by 5% annually, the percentage of formal complaints investigated within the regulatory timeframe and the percentage of Final Agency Decisions issued within the regulatory timeframe. CRC will also strive to maintain the percentage of DOL employee complaints filed per 1,000 employees at less than one (1) percent, which CRC believes is indicative of a discrimination free workplace.

In the external program which focuses on beneficiaries of DOL financial assistance, CRC must process complaints in accordance with regulations implementing Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act, the Age Discrimination Act, and Section 188 of the Workforce Investment Act.

CRC's long-term performance outcome measure for FY 2007 through FY 2010 is to maintain the percentage of complaints filed by program beneficiaries per 1,000 beneficiaries served where compliance assistance was provided, at less than one (1) percent. One of CRC's intermediate performance measures, supporting this outcome measure, is to increase the percentage of Workforce Investment Act DOL financial assistance recipients provided compliance assistance. An additional intermediate performance measure is to demonstrate timeliness in acting on discrimination complaints filed by gauging the percentage of complaints filed where the disposition is achieved within 210 days of the date the complaint was filed. CRC will strive to increase by 5% annually, the percentage of complaints disposed within 210 days of the date the complaint was filed.

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FY 2006

For FY 2006 CRC established two performance goals that were reflected and tracked at the Departmental level:

1. Performance Goal 1 - Equal opportunity within DOL financially assisted programs;
2. Performance Goal 2 - Improving Customer Satisfaction

For Performance Goal 1, the One-Stop system required by the WIA brings all DOL financial assistance programs within a local labor market area under a single delivery system. The number of One-Stop systems vary from state to state, however the state is first responsible for establishing equal opportunity policies, procedures and systems, or Methods of Administration (MOA) that provide a reasonable guarantee of compliance with federal nondiscrimination and equal opportunity laws. Thus, for Performance Goal 1, it was the strategy of CRC to use the MOA recertification process as a means of measurement of equal opportunity with DOL financially assisted programs. In FY 2006, CRC approved 100% of the Methods of Administration required for submission, thus providing a reasonable assurance that the applicable states were in compliance with federal nondiscrimination and equal opportunity laws.

For Performance Goal 2, CRC continued its practice of annually having an independent customer survey completed. The American Customer Satisfaction Index (ASCI), the national indicator of customer evaluations of quality goods and services was used. The ACSI model provided not only a measure of customer satisfaction, but also gave predictions of the impact of CRC's work on customer satisfaction.

Setting internal goals and developing an annual work plan continued as a standard practice for CRC. CRC's annual workplan was devised in a manner that supported its performance goals, and the performance goals of the ETA, ODEP, and the overall mission of DOL.

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WORKLOAD SUMMARY			
	FY 2006	FY 2007	FY 2008
	Actual	Target	Request
Budget Activity:			
Internal EEO Program Complaints	124	124	124
External EO Program Complaints	702	702	702
Compliance Assistance Program (number of persons trained)	925	1018	1120
Budget Activity Total	1,751	1,844	1,946

**Internal EEO Program and External EO Program numbers based on estimated number of complaints.
Compliance Assistance Program number based on estimated number of persons trained.*

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CHANGES IN FY 2008
(Dollars in Thousands)

Activity Changes

Built-in	
To provide for:	
Costs of pay adjustments	141
Personnel benefits	29
Two More Days of Pay	15
Travel	3
GSA Space Rental	14
Communications, utilities & miscellaneous charges	1
Other services	78
Working Capital Fund	96
Purchase of goods and services from other Government accounts	0
Total Built-in	377

	Estimate	FTE
Base	\$6,763	40

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(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	5,287	5,287	5,287	0	5,578	291
FTE	38	28	28	-10	28	0

Introduction

The Office of the Chief Financial Officer (OCFO) has responsibility to oversee all financial management activities relating to the Department’s programs and operations. OCFO’s mission is to foster effective stewardship of public funds, safeguard fiscal integrity through effective internal controls, and provide timely, accurate, and useful financial information to decision makers. The Department of Labor (DOL) has achieved an unqualified audit opinion on its Annual Financial Statements for 10 consecutive years and has no material weaknesses outstanding. DOL has also received the Association of Government Accountants’ Certificate of Excellence and Accountability Reporting (CEAR) for the last six consecutive years, and is recognized as a leader among cabinet-level agencies in implementing the financial performance goals of the President’s Management Agenda (PMA).

The OCFO provides comprehensive direction to all DOL program agencies on financial matters arising from legislative and regulatory mandates. These include the Chief Financial Officers Act of 1991, the Government Management Reform Act (GMRA), the Federal Financial Management Improvement Act (FFMIA), the Federal Managers’ Financial Integrity Act (FMFIA), and the Information Technology Management Reform Act (Clinger-Cohen). To fulfill the duties and responsibilities established by these statutes, OCFO focuses on proactive assistance to the Department’s agencies to lessen the need for after the fact enforcement. Additionally, the OCFO emphasizes validation of corrective actions.

OCFO’s mission supports overall Departmental management and the PMA through effective stewardship of DOL’s financial resources. OCFO is requesting \$5,578,000 and 28 FTE in the Departmental Management, Salaries and Expenses appropriation to support its performance goal – to improve the accuracy, timeliness, and usefulness of financial information. Additional resources are included in the Working Capital Fund.

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	7,850	45
2004	5,123	38
2005	5,182	38
2006	5,287	38
2007	5,287	28

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FY 2008

Program activity planned for FY 2008 includes continued efforts under the Improper Payment Information Act (IPIA) to meet its improper payment reduction and recovery targets as well as the continued execution of corrective and preemptive action plans. Planned activity will ensure agency internal controls over financial reporting and systems are well documented, sufficiently tested, and properly assessed. More specifically, the agency will provide necessary resources for the in-depth testing and evaluation of internal controls, building upon the Department's internal control infrastructure. In turn, improved internal controls will guard against fraud, waste, and abuse to ensure agency resources are used to meet program objectives. The Department will implement enhancements to its managerial cost accounting system to provide better cost-based information to its managers. OCFO will also engage in training initiatives to enhance the ability of the Department's financial personnel to provide program support beyond traditional administrative roles.

FY 2007

Program activity executed in FY 2007 will include the continued identification and reduction of improper payments. OCFO will be working diligently in reducing improper payments that will assist in decreasing the government's budget deficit and ensure program funds do the work for which they were appropriated. The importance of reducing improper payments and the effective implementation of IPIA has been highlighted in recent GAO reports in relation to the PMA and is taken very seriously by the Department.

As a result of the Sarbanes-Oxley Act of 2002, OMB has revised the contents and included new requirements in the revised OMB Circular A-123, Management's Responsibility for Internal Control. The Department has not only adopted the specified requirements, OCFO plans to take a value added approach to documenting processes and methodology for applying standards when assessing internal controls. In addition, corrective action plans will be established to ensure prompt and proper resolution of identified material weaknesses.

FY 2006

For the 10th consecutive year, DOL received an unqualified opinion on its FY 2005 consolidated financial statements and exceeded goals for submission of quarterly and annual financial statements. The Secretary determined that the Department maintained compliance with the Federal Managers' Financial Integrity Act (FMFIA) and the Federal Financial Management Improvement Act (FFMIA).

FY 2006 successes include updating the Department's Cost Analysis Manager (CAM) models which supports decision-making by providing program managers with cost outputs and activities to better understand the cost of programs from an operational perspective. CAM information will continue to be used in support of Departmental initiatives related to Budget and Performance Integration (BPI) and PART efficiency measures.

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To enhance the accountability of DOL financial executives, OCFO has implemented a quarterly certification and review process that focuses on the effectiveness of internal financial management controls. In FY 2006, this process continued to involve work with DOL agencies to resolve internal control issues, address audit findings, and take actions to prevent problems from occurring. OCFO also provided a critical forum for the identification, discussion, and resolution of financial issues and concerns by chairing the DOL CFO Advisory Council (comprised of DOL financial managers), conducting formal quarterly financial review meetings with Departmental agency heads, and participating in bi-weekly meetings with Departmental administrative offices.

CHIEF FINANCIAL OFFICER

CHANGES IN FY 2008
(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Costs of pay adjustments		76
Personnel benefits		26
Two More Days of Pay		22
Federal Employees Compensation Act (FECA)		1
Travel		2
GSA Space Rental		9
Communications, utilities & miscellaneous charges		2
Advisory and assistance services		15
Other services		62
Working Capital Fund		67
Purchase of goods and services from other Government accounts		0
Operation and maintenance of equipment		7
Supplies and materials		2
Total Built-in		291
	Estimate	FTE
Base	\$5,578	28

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(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	29,462	29,462	29,462	0	31,405	1,943
FTE	0	0	0	0	0	0

Introduction

The Department of Labor (DOL) established an information technology (IT) budget line item (referred to as the IT Crosscut) in FY 2001 to fund enterprise-wide IT initiatives, i.e., those initiatives that cut across multiple agencies within the Department. DOL was the first federal department to establish a department-wide IT crosscut account, which has been recognized as a best practice. The Office of the Chief Information Officer (OCIO) manages the IT Crosscut account. The OCIO first identified four IT crosscutting portfolio areas: Enterprise Architecture, Common Office Automation, Common Management Systems, and Security & Privacy. The areas have been revised and now include: Enterprise-Wide Solutions, e-Government, and Infrastructure.

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2003	54,643	0
2004	48,219	0
2005	29,760	0
2006	29,462	0
2007	29,462	0

FY 2008

The FY 2008 IT Crosscut request is determined on a zero based budget process. Every year, new and ongoing enterprise-wide investments are evaluated for their viability as well as appropriateness for inclusion within the IT Crosscut portfolio and use of IT Crosscut funds. Each request is evaluated against established criteria to determine the appropriate use of scarce government resources to support investments, which will assist the Department in meeting its overall mission. The investments in the IT Crosscut are typically enterprise-wide efforts, which are progressing through the planning, development, and/or implementation phases. Once an IT Crosscut investment achieves steady state (i.e., Operations and Maintenance Stage), it is removed from the IT Crosscut and begins to receive funding from the investment users or beneficiaries of the IT investment. Thus, the FY 2008 request includes the following investments and amounts (\$ in 000s):

DOL Consolidated Enterprise Architecture Program Mgt	\$3,000
IT Project Mgt, Security & Enterprise Architecture Training	\$100
e-Laws	\$700

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Departmental E-Budgeting System (DEBS)	\$4,160
HR Line of Business (LoB) Investments	\$3,029
HSPD-12	\$1,956
Secretary's Information Management System	\$500
e-Judication	\$2,000
DOL Document Management/Records Management	\$2,324
Ensuring Security of DOL IT Assets (FISMA Audits)	\$700
eOIG	\$250
Business Gateway	\$435
Integrated Acquisition Environment	\$165
E-Authentication	\$65
Budget Formulation and Execution LoB	\$85
Geospatial LoB	\$15
IT Infrastructure Optimization Initiative LoB	\$20
Microsoft Enterprise-wide Licensing Agreement	\$5,500
Infrastructure Pool	\$500
DOL Infrastructure Optimization (formally UDTI)	\$5,900

Total: \$31,405

DOL Consolidated Enterprise Architecture Program Management: Provides the basis upon which sound business and IT decisions can be made by ensuring IT investments are aligned with DOL strategic objectives. Facilitates simplified and redesigned work processes that result in higher quality, more effective customer services, reduced operational complexity, and reallocation of budget resources to higher value applications.

IT Project Management, Security & Enterprise Architecture Training: Supports the DOL goal to address the management of human capital by assisting federal IT Project Managers, Enterprise Architects, and IT Security Officers with obtaining training and recognized certifications.

e-Laws: Web-based interactive applications that duplicate the interaction an employee or employer would have with a DOL employment law expert by generating customized, legally vetted, plain English answers to questions. A key component of the Secretary's Compliance Assistance Initiative ([OASP - ELAWS \(Employment Laws Assistance for Workers and Small Businesses\)](#)).

Departmental e-Budget System: Web-based, fully automated formulation, publication and reporting budget lifecycle management. This solution delivers a consistent budget to stakeholders to improve budget transparency while de-emphasizing the time required administering the budget's overall design. Additionally, DEBS allows budget analysts time to assess program performance against scarce government resources ([OASAM - Departmental E-Budgeting System \(DEBS\)](#)).

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HR LoB Investments: Collection of human resource (HR) investments including:

- eHRI, the Department's e-Human Resource Initiatives that includes DOL's on-line recruiting system (DOORS), USAJOBS search interface, e-Recruit, e-OPF, e-Clearance, e-Training and e-Reporting.
- Recruitment One-Stop, the Department's online tool to enhance the automation process for hiring and staffing (DOORS)
- e-Training, an initiative to expand access to training products and services Department-wide

This year will continue the collection of functional requirements and begin the transition phase to an overall HR shared service provider ([OASAM - HR Line of Business](#)).

HSPD-12: Finalizes the Department's phased implementation to address the Presidential Directive to have all DOL employees and contractors utilizing a single Personal Identification Verification (PIV) card equipped with the components as defined by the Directive's Phase II requirements by October 27, 2008 ([OASAM - HSPD-12](#)).

eJudication: Continues the development of a single Departmental web-based government to citizen portal integrating eFiling, an automated process of serving legal documents to parties in the case (eService), and research capabilities across the Adjudicatory and Review boards, as well as the Solicitor's Office ([DOL - e-Judication](#)).

DOL Document Management/Records Management: Continues the development of a Department-wide document management and records management solution that would comply with National Archives and Records Administration requirements and eventually link with their electronic solution ([OASAM - DOL-Document Management/Records Management \(DM/RM\)](#)).

Business Gateway: A federal-wide effort that should lead to potential savings through providing a single access point to government services and information to help the nation's businesses with their operations.

Grants.gov: A federal-wide effort, which provides a single point of entry for grants management across the Department, eliminating disparate systems.

eRulemaking: A federal-wide effort that provides an electronic means to collect public comments versus paper based comments on Agency proposed regulatory rule changes.

Integrated Acquisition Environment: A federal-wide effort to consolidate procurement expenditures, centralized contractor registration, and electronic subcontractor reporting.

E-Authentication: A federal-wide effort that will provide a secure, uniform process for establishing electronic signatures and eliminate the need for redundant solutions for the verification of an individual's identity.

GovBenefits.gov: A federal-wide effort that provides improved, personalized access to government assistance programs to assist citizens in determining eligibility for government benefit programs via the internet ([OASAM - GovBenefits](#)).

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USA Services: A federal-wide effort to provide citizens with a single point of reference for government, allowing them to receive accurate and consistent information. DOL's National Contact Center works with USA Services to redirect misdirected calls.

Budget Formulation and Execution Line of Business (LoB): A federal-wide effort to improve budget formulation and execution services through a broad-based, collaborative working group. The standards, policies and solutions offered by this LoB will ensure each agency can effectively contribute to the President's annual budget by automating the budget formulation and execution lifecycle.

Financial Management LoB: A federal-wide effort to consolidate financial management services through the use of shared service providers. The guidance provided by representatives from the Department's Office of the Chief Financial Officer (OCFO) has helped position the Department to transition from its existing main frame solution to a modern-day real time processing financial management system.

Geospatial LoB: A federal-wide effort that provides cross-agency coordination in efforts to create a central access point to maps and data that is geographic and spatial in nature. The LoB continues to identify, consolidate, and reduce or eliminate redundant geospatial investments.

Grants Management LoB: A federal-wide effort that provides management and oversight associated with the Department's transition to a grants management solution provider to other agencies.

Human Resources Management LoB: A federal-wide effort to consolidate human resource management services through the use of shared service providers. The guidance and direction provided by this team continues to assist the Department with its transition to a modern-day real time processing human resource management solution.

IT Infrastructure Optimization Initiative LoB: A federal-wide effort to further refine the opportunities for IT infrastructure consolidation and optimization, and develop government-wide common solutions among data centers; desktop services to include the coordinated effort to establish a unified approach to the installation of hardware and software and providing maintenance for the enterprise, and networks for both voice and data.

Infrastructure Pool: Provides planning funds to address Department-wide IT infrastructure enhancements/opportunities such as data encryption, two-factor authentication, mobile workforce, and transition planning to accommodate Internet Protocol version 6 requirements.

DOL Infrastructure Optimization: In FY 2004, the Department began a multiyear phased approach for identifying, planning, and implementing IT infrastructure optimization opportunities. This is a Department-wide effort with participation from all agencies, which has resulted in a unified approach to optimizing infrastructure consolidation opportunities for the

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purposes of providing business benefits to DOL while meeting individual agency needs ([OASAM - DOL Infrastructure Optimization \(formerly known as Unified DOL Technology Infrastructure \(UDTI\)\)](#)).

FY 2007

The IT Crosscut will continue to assist the Department with meeting its established performance goals. Over the past few years, this funding source has had an impact specifically on improving organizational performance and communication through effective information management and deployment of IT resources.

Agency Project Managers will continue to develop and submit required investment related documents to the Office of the Chief Information Officer (OCIO), as part of the Department's Investment Management process. The following investments and amounts have been preliminarily approved for FY 2007 funding (\$ in 000s):

OCIO Program Activities (i.e., CPIC, SDLCM, EVM)	\$2,070
DOL Consolidated Enterprise Architecture Program Mgt	\$3,000
IT Project Mgt, Security & Enterprise Architecture Training	\$150
e-Laws	\$700
Departmental E-Budgeting System (DEBS)	\$3,800
HR LoB Investments	\$3,000
HSPD-12	\$2,500
e-Judication	\$1,500
DOL Document Management/Records Management	\$481
Ensuring Security of DOL IT Assets (FISMA Audits)	\$700
eOIG	\$400
Business Gateway	\$721
Integrated Acquisition Environment	\$177
Budget Formulation and Execution LoB	\$75
Geospatial LoB	\$15
IT Infrastructure Optimization Initiative LoB	\$20
Microsoft Enterprise-wide Licensing Agreement	\$5,500
Infrastructure Pool (PII Encryption & Two Factor Authentication)	\$1,553
DOL Infrastructure Optimization (formally UDTI)	\$3,100
Total:	\$29,462

FY 2006

A few highlights and accomplishments through the use of IT Crosscut funds in FY 2006 include:

- The OCIO completed an update to the Department's manual that defines the process for which system development must follow, revamped the IT investment quarterly Control Review process, strengthened the IT Governance structure, conducted introductory and executive training in project management, Enterprise Architecture (EA), and IT security

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related activities, completed the selection, acquisition, and began the implementation of an electronic EA database and modeling tool, created a cost model tool to aid in the development of a cost benefit analysis, among other things.

- Completed the implementation and moved into the steady state phase with the following investments: Department-wide eGrants management tool, SHIMS, and GovBenefits.
- Through the Unified DOL Infrastructure Consolidation (UDTI), DOL began a managed service implementation of DOLNet (Wide-Area Network) in four agencies, introduced the Enterprise Services Office to provide oversight, management, and standard processes for optimization implementation, and began efforts to implement the IT Infrastructure Library (ITIL) framework for IT service management and service delivery processes.
- Successfully piloted the DEBS for use in the formulation of the Department's overall budget lifecycle to include the internal, OMB, and Congressional budget submissions.

The following projects received funding in FY 2006 through the IT Crosscuts (\$ in 000s):

OCIO Program Activities (i.e., CPIC, SDLCM, EVM)	\$1,835
DOL Consolidated Enterprise Architecture Program Mgt	\$2,495
IT Project Mgt, Security & Enterprise Architecture Training	\$172
e-Laws	\$750
eGrants	\$665
Departmental E-Budgeting System (DEBS)	\$800
Enterprise Human Resources Integration (EHRI)	\$810
eProcurement	\$1,956
Secretary's Information Management System	\$250
Safety & Health Information Management System (SHIMS)	\$380
e-Judication	\$1,350
Ensuring Security of DOL IT Assets (FISMA Audits)	\$500
eOIG	\$500
GovBenefits	\$2,000
Business Gateway	\$825
Grants.gov	\$754
eRulemaking	\$825
Integrated Acquisition Environment	\$166
E-Authentication	\$450
Financial Management LoB	\$83
Geospatial LoB	\$100
Grants Management LoB	\$58
Human Resources Management LoB	\$45
Microsoft Enterprise-wide Licensing Agreement	\$5,078
Infrastructure Pool	\$4,334
Unified DOL Technology Infrastructure Consolidation (UDTI)	\$3,735
Total:	\$29,462

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CHANGES IN FY 2008
(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Total Built-in		0
Net Program		\$1,943
	Estimate	FTE
Base	\$29,462	0
Program Increase	\$31,405	
Program Decrease	-\$29,462	

MANAGEMENT CROSSCUT

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	1,683	1,683	1,683	0	750	-933
FTE	0	0	0	0	0	0

Introduction

Similar to the Department’s successful Information Technology Crosscut, the Management Crosscut focuses on initiatives which serve the needs of all or a number of Departmental agencies in an integrated fashion and significantly improve the overall management capability of the Department. One major goal is to streamline organizational performance to complement the PMA initiatives which are already well underway in the Department. Like the Information Technology Crosscut the annual request is based on a zero based budget process where each project must justify the full amount of support to be provided from this budget activity for the fiscal year.

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2004	4,965	0
2005	4,960	0
2006	1,683	0
2007	1,683	0

FY 2008

In FY 2008, the Department will continue to work to achieve its goal of improving and streamlining organizational performance to complement the PMA. With the Department’s ever increasing responsibilities and the limited resources available, it is essential that effective management initiatives be implemented. Within the \$750,000 requested for FY 2008, the following cross-DOL initiatives will be supported:

- \$250,000 for Competitive Sourcing
- \$500,000 for MBA Fellows Program

DOL has implemented a number of Department-wide management initiatives that have significantly improved the overall management capability of the Department. In the HR area, DOL has implemented successful programs such as the SES Candidate Development Program, Management Development Program, Mentoring Program and MBA Fellows Program. The FY 2008 Management Crosscut request continues the Department’s commitment to Strategic Management of Human Capital through continued support to its successful MBA Fellows Program. This program is responsible for bringing talented workers to the workforce and providing training and knowledge to these recruits to succeed in the federal work environment.

MANAGEMENT CROSSCUT

FY 2007

The Management Crosscut request in FY 2007 is \$1,108,000. Current plans include continued funding of the MBA Fellows Program to recruit and develop quality individuals and assist with DOL succession management issues, and continued funding for competitive sourcing efforts.

FY 2006

The FY 2006 Management Crosscut budget of \$1,683,000 was distributed among its component projects as follows:

- \$495,000 for DOL Online Opportunities Recruitment System (DOORS) Enhancements
- \$198,000 for MBA Fellows Program
- \$990,000 for Competitive Sourcing

In FY 2006, DOL conducted Competitive Sourcing preplanning activities and launched a major enterprise-wide competition in the Other Non-Manufacturing Operations functional area. The Administrative Services Support function covered 11 Agencies (328 FTE). Additionally, DOL obtained contractor assistance necessary to upgrade DOL's FAIR Act Inventory training materials and conducted FAIR Act training for all DOL Agency coordinators. DOL also conducted Post Competition Accountability Reviews.

MANAGEMENT CROSSCUT

CHANGES IN FY 2008
(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Total Built-in		0
Net Program		-\$933
	Estimate	FTE
Base	\$1,683	0
Program Increase	\$750	
Program Decrease	-\$1,683	0

FPB SECURITY UPDATES

(Dollars in Thousands)						
	FY 2006 Enacted	FY 2007 C. R.	FY 2007 Estimate	Diff. FY06 Enact. FY07 C. R.	FY 2008 Request	Diff. FY 07 C. R. / FY 08 Request
Activity Appropriation	6,875	6,964	6,964	89	0	-6,964
FTE	0	0	0	0	0	0

Introduction

In 2002, a classified government contractor conducted a Terrorist Bomb Vulnerability Assessment of the Frances Perkins Building (FPB) at the request of DOL, and a Window Blast Hazard Mitigation Study at the request of GSA. These studies identified areas of vulnerability that should be addressed to improve the security of the FPB.

Funding received in prior fiscal years has been used to address the issues identified in the study and has resulted in the upgrade of the security of the FPB.

No funding is requested for the FPB security upgrades in FY 2008.

Five-Year Budget Activity History

Fiscal Year	Funding	FTE
2005	6,944	0
2006	6,875	0
2007	6,964	0

FY 2008

No funding is requested for the FPB security upgrades in FY 2008.

FY 2007

The 2002 report on Terrorist Bomb Vulnerability Assessment of the FPB and the Window Blast Hazard Mitigation Study identified three primary areas of vulnerability that should be reinforced to increase the structural integrity of the FPB. Renovations of 3rd Street lobby consoles, installation of street guard booths of 2nd and D Street and other security enhancement projects are currently planned.

FY 2006

In FY 2006, a total of \$6,875,000 was available for two-years to fund security enhancements. Combined with two-year funding appropriated in FY 2005, these funds were sufficient to bring two of the three original projects identified in the 2002 Hazard Mitigation Study to 90% completion plus allow the Department to complete several smaller structural enhancement projects for the FPB. In addition, the Department continued two security projects: turnstiles for

FPB SECURITY UPDATES

visitor entrances to the FPB and a plinth wall on the Constitution Avenue side of the FPB to prevent vehicles from obtaining unauthorized access to sensitive sections of the FPB.

FPB SECURITY UPDATES

CHANGES IN FY 2008
(Dollars in Thousands)

Activity Changes		
Built-in		
To provide for:		
Total Built-in		0
Net Program		-\$6,964
	Estimate	FTE
Base	\$6,964	0

FPB SECURITY UPDATES

U.S. Department of Labor
FPB Security Upgrades
Performance Budget Issue Paper
Frances Perkins Building Structural Security Enhancements

Applicable Performance Goal:

OASAM Performance Goal 5: preparing for and responding to a full spectrum of security emergencies.

Requested Resources:

A total of +\$0 is requested, a decrease of -\$6,964,000 from the FY 2007 C. R.

Rationale/Strategy and Performance Impact Related to Resource Increase:

Funding received in prior fiscal years has been used to address the issues identified in the Hazard Mitigation Study and has resulted in the upgrade of the physical security of the Frances Perkins Building. No further funding for FPB security upgrades is requested in FY 2008.

Marginal Cost Impact:

None.

Offsets:

Base Level Funding (\$ in thousands):

Base:
Estimate: +\$6,964 FTE: 0

Program Performance at Request Level (\$ in thousands):

Program Changes:
Estimate: -\$6,964 FTE: 0

Object Class (\$ in thousands):

Object Class		FY 2008 Request
25.2	All Other Services	-\$6,964

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PERFORMANCE SUMMARY

The following discussion provides detailed performance information on those agencies within DM that conduct program activities: Office of the Assistant Secretary for Policy, Office of the Solicitor, Bureau for International Labor Affairs, Administrative Review Board, Benefits Review Board, Employees' Compensation Board, Office of Administrative Law Judges, Women's Bureau, and the Office of the Chief Financial Officer.

OFFICE OF THE ASSISTANT SECRETARY FOR POLICY

Introduction

The Office of the Assistant Secretary for Policy (OASP) provides support, analysis, and advice to the Secretary and Deputy Secretary in a number of areas, including centralized policy coordination and development, rulemaking, program implementation, compliance assistance strategies, program evaluations, research, budget and performance analysis, and legislation. OASP advises the Secretary and Deputy Secretary and supervises the preparation of studies, analyses, public statements and other policy statements with respect to the Secretary's duties in the areas of policy and economic formulation, including the impact of the Departmental policies and programs on general administration and economic policy. To coordinate and provide leadership on the Department's policy initiatives, OASP provides analytical support to the Secretary, Deputy Secretary, and the Department's Policy Planning Board, providing advice and analysis on major policy issues and trends that require economic analyses or other expertise, including peer review. The majority of OASP's resources are devoted to providing skilled analysis on policy matters to assist the Department in preparing the workforce to meet the challenges of global competition. OASP also provides recommendations and analysis of issues concerning long and short-term economic trends and in macroeconomic and microeconomic policy areas.

OASP coordinates and tracks the Department's achievement of Outcome Goal 2J, *Maximize Regulatory Flexibility and Benefits and Promote Flexible Workplace Programs*. OASP also has the lead in assuring the Department's full, effective, and resourceful implementation of compliance assistance initiatives. OASP advises, coordinates, and evaluates compliance assistance policies, initiatives and programs, including cross-cutting initiatives such as *elaws*. OASP includes the Offices of Regulatory and Programmatic Policy, Compliance Assistance Policy and Economic Policy and Analysis.

Issues and Outcomes

Funding OASP at the FY 2008 Agency Request level will continue to ensure effective support of the Secretary, Deputy Secretary and OSEC leadership on key Administration and DOL initiatives; centralized timely and effective policy review; and enhancement of the DOL's Office of Compliance Assistance Policy initiatives. OASP will also direct available funding, as appropriate, to support the Department's Outcome Goal 2J. Any other available funding will be

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used on research that is closely aligned with the Secretary's policy agenda with flexibility to change as her policy agenda adapts to new issues and trends.

LEGAL SERVICES

Introduction

DOL has recently adopted a new Strategic Plan for FY 2006-2011. The DOL Strategic Plan has four Departmental Strategic Goals:

Goal 1: A Prepared Workforce: Develop a prepared workforce by providing effective training and support services to new and incumbent workers and supplying high quality information on the economy and labor market.

Goal 2: A Competitive Workforce: Meet the competitive labor demands of the worldwide economy by enhancing the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of global competition.

Goal 3: Safe and Secure Workplaces: Promote workplaces that are safe, healthful and fair; guarantee workers receive the wages due them; foster equal opportunity in employment; and protect veterans' employment and reemployment rights.

Goal 4: Strengthened Economic Protections: Protect and strengthen worker economic security through effective and efficient provision of unemployment insurance and workers' compensation; ensuring union transparency; and securing pension and health benefits.

SOL provides major added value to the Department's efforts to meet all of these Goals. SOL's own Strategic Plan for FY 2006-2011 is based upon the premise that "SOL's Strategic Goals relate to legal services necessary to support all of the Secretary's strategic goals. Depending upon the program area for which the services are provided, meeting SOL's goals is a contributing factor in permitting DOL agencies to meet the goals . . ." of the Department.

The line-of-sight between SOL's Strategic Goals and the DOL Strategic Goals is self-evident. SOL's Goals are:

Goal 1: Maintain an Effective Litigation Strategy that Advances Departmental Goals.

Goal 2: DOL Regulations Achieve Agency Policy Objectives and Comply with All Legal Requirements.

Goal 3: DOL Actions Are Based on Sound Legal Advice.

SOL legal services add value to the efforts of every DOL agency. Several specific examples of SOL's direct support of DOL Goals include the following:

DEPARTMENTAL MANAGEMENT

DOL Performance Goal 1B: Improve educational achievement of Job Corps students, and increase participation of Job Corps graduates in employment and education.

SOL Contribution: SOL's Division of Employment and Training Legal Services provides comprehensive legal services to Job Corps management and program staff. SOL's Management and Administrative Legal Services Division provides procurement and other administrative legal services to the Job Corps program as well.

DOL Performance Goal 2K: Promote internationally recognized workers rights and labor standards, including those relating to the elimination of exploitive child labor, in the global community.

SOL contribution: SOL's Division of Employment and Training Legal Services provides comprehensive legal services to the Department's International Labor Affairs Bureau, which is principally responsible for the meeting of Performance Goal 2K.

DOL Performance Goal 3A: Improve workplace safety and health through compliance assistance and enforcement of occupational safety and health regulations and standards.

SOL Contribution: SOL's Division of Occupational Safety and Health and dedicated attorneys throughout SOL's regional offices provide comprehensive legal services and enforcement litigation support to the Occupational Safety and Health Administration, which is principally responsible to achieve Performance Goal 3A.

DOL Performance Goal 3B: Reduce work-related fatalities, injuries, and illnesses in mines.

SOL Contribution: SOL's Division of Mine Safety and Health and dedicated attorneys throughout SOL's regional offices provide comprehensive legal services and enforcement litigation support to the Mine Safety and Health Administration, including full-time on-site legal assistance at each site of recent mine disasters, and immediate legal support for MSHA decisions regarding the methodology for conducting each investigation.

DOL Performance Goal 4D: Enhance pension and health benefit security.

SOL Contribution: SOL's Plan Benefits Security Division and dedicated attorneys from throughout SOL's regional offices provide comprehensive legal service support to the Department's Employee Benefits Security Administration, which is principally responsible for the attainment of Performance Goal 4D.

These are just a few examples of the comprehensive legal service support which SOL provides to every program and agency in DOL. Similar SOL contributions can be delineated for almost every other DOL Performance Goal.

The sheer breadth and variation in SOL's wide ranging legal services to all DOL agencies makes tracking of the application of particular resources to specific DOL Strategic Goals or agency

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Outcome Goals extremely difficult. Therefore, SOL tracks its application of resources to each of SOL's own Strategic Goals by way of performance output changes. SOL's FY 2008 budget request will provide \$95,212,000 for SOL resources applied toward the achievement of its three strategic goals, another \$4,398,000 to pay for the 30 FTE currently detailed to provide non-legal services at the request of the Department, \$2,700,000 (17 FTE) devoted specifically to enhanced MSHA mine safety enforcement, \$600,000 (4 FTE) for Wage Hour enforcement, and another \$225,000 (2 FTE) for the office of Labor Management Administration enforcement actions.

Based on management surveys of the pattern of use of attorney and support staff FTEs among the three categories of core legal services, SOL has calculated the percentage of its funding for legal services that is dedicated to each core function (which includes some dedicated reimbursable funds in the amount of approximately \$3.5M in FY 2006). These resources are expended to support each of its three strategic goals as follows: 79% for litigation, both before courts and before administrative tribunals; 15% for legal advice and opinions, and 6% for regulatory review. These figures are based on case handling patterns as monitored by supervisors and managers across the agency in prior years. The performance results of the FY 2008 request level and the other two budget projections, in estimated dollars applied to each SOL goal and resulting matters that SOL will be able to complete, are as follows:

SOL Strategic Goal 1: Maintain an Effective Litigation Strategy that Advances Department Goals.

FY 2006 Enacted		2008 Request	
\$ in Millions	Matter Concluded	\$ in Millions	Matter Concluded
69.4	16,132	78.9	15,885

SOL Strategic Goal 2: DOL Regulations Achieve Agency Policy Objectives and Comply with All Legal Requirements.

FY 2006 Enacted		2008 Request	
\$ in Millions	Matter Concluded	\$ in Millions	Matter Concluded
5.3	132	6.0	129

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SOL Strategic Goal 3: DOL Actions Are Based Upon Sound Legal Advice.

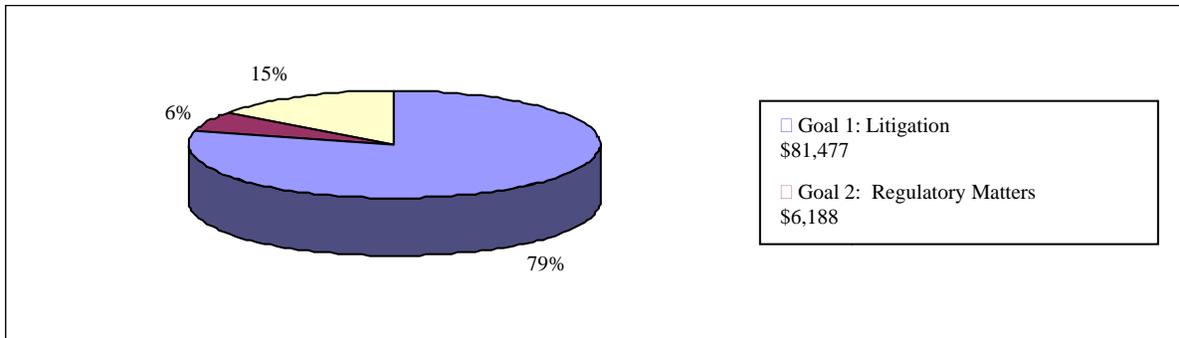
FY 2006 Enacted		2008 Request	
\$ in Millions	Matter Concluded	\$ in Millions	Matter Concluded
13.2	6,308	15.0	6,212

These figures reflect the direct relationship between the level of funds available for SOL to apply to meeting each of its three goals, and the performance results measured by the number of cases or matters that can be completed within a year.

Cost Model

Performance Goal Cost Allocation

(\$ in thousands)



Performance Challenges

SOL’s mission is to continue to provide high quality legal services to SOL’s customers (the President, the Secretary of Labor, and client agencies) in the areas of litigation, regulations and standards, and opinions and advice. SOL’s primary challenge is to continue to support client agencies’ initiatives with ever-decreasing resources. SOL seeks to work with its clients to find creative ways to meet their performance goals and, by extension, the performance goals of DOL. In litigation, SOL’s primary challenge is to handle increasingly complex, resource-intensive cases against adversaries who are represented by lawyers from the country’s top law firms. In the regulatory arena, the challenge is to develop rules that can withstand broad-based legal challenges and to successfully defend such rules against challenges when they are filed. In the compliance assistance area, the challenge is to help the regulated community understand and comply with new regulatory responsibilities.

The following challenges will confront SOL in FY 2008.

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External Challenges: Private sector legal support technological developments continue to require that SOL seek to explore, test, and procure new technology and to train personnel to use it effectively, so that SOL attorneys are not at a significant disadvantage when enforcing agency statutes and defending agency action.

Internal Challenges: SOL internal challenges in FY 2008 will be to meet the growing demands placed on its shrinking workforce and diminishing program support funds by larger, more complex legal issues. Because SOL's budget primarily funds FTE salaries, benefits and support (space, WCF, etc.), absorption of the pay raises and rescissions over the last two fiscal years has compromised SOL's ability to keep pace with an increasing demand for legal services. As is discussed elsewhere in this budget request, SOL cannot continue to provide related non-legal services to client agencies at its existing appropriation level. In addition, the ever-increasing costs of legal research tools and other types of technology needed for litigation support has left insufficient funds for SOL to fully staff at a level necessary to provide high quality legal services. Even at relatively "high end" funding levels for FY 2008, SOL would still be down at least 38 FTE from its FY 2004 FTE complement.

SOL is rapidly falling behind in its ability to provide SOL attorneys with the new technology they need to compete in the courtroom. Many courts now require electronic filings, a trend that will accelerate in the near future. SOL's past use of funds needed to maintain technology to pay for FTE cannot continue in the future because the practice of law is dependent upon technology. Accordingly, SOL's ability to fund FTE will be even further reduced next year because technology spending needs will be even more critical.

In FY 2007, SOL anticipates substantial additional challenges associated with the costs of the office moves of three regional offices – San Francisco, Los Angeles, and Kansas City. These are mandatory relocations necessitated by lease expirations and the Department's policy to locate SOL regions together with the regional offices of DOL client agencies wherever possible. Although SOL has already determined that new office furniture and equipment will not be purchased for these moves, there will be unavoidable costs for new telephones, network wiring and equipment, and general moving expenses. These costs are not included in SOL's budget request for FY 2007 and, therefore, must be absorbed by SOL. The inflation factor used is not sufficient for offsetting these expenditures along with potential mandatory cuts and increases which will also be absorbed.

Assessment of Progress

SOL has not been included yet in the DOL Performance Accountability Report. However, SOL has been operating under performance measures for several years. Those performance measures are directly related to the three SOL Strategic Goals. The results for these Performance Goals from FY 2002 until FY 2006 are as follows:

This data establishes that SOL has been developing and progressively defining its performance goals to bring them into a better line-of-sight with SOL's three Strategic Goals, and better measure the outcomes of SOL's efforts. Of the eight performance indicators, six have either been achieved or substantially achieved.

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As one dimension of SOL's PART review, which took place over the past several months, SOL has made several further changes in its performance and efficiency measures. These amended measures further refine the focus of SOL on outcomes, and will serve to further concentrate SOL's FTE resources on increasing the value that SOL adds to the program goals of DOL and all of SOL client agencies. Therefore, going forward, SOL is operating under the following Performance Measures:

A. Obtain a favorable outcome in 95-98% of cases submitted for litigation. (Outcome/long term.)

FY	2005	2006	2007	2008	2009	2010
Target	95-98%	95-98%	95-98%	95-98%	95-98%	95-98%
Actual	97%	96.6				

B. Close an increasing percentage of all pending cases annually. (Outcome and efficiency/long term.)

FY	2005	2006	2007	2008	2009	2010
Target	50%	50.5%	51%	51.50%	52%	52.50%
Actual	50%	40.9%				

C. Ratio of total resources expended for litigation to program recoveries demonstrates that the cost of litigation is a decreasing percentage of the total amount of restitution, recoveries, and penalties awarded. (Efficiency/long term.)

FY	2005	2006	2007	2008	2009	2010
Target	50%	50%	49%	48%	47%	46%
Actual	28.80%	29.7%				

D. Obtain a favorable outcome in 98% of appellate matters. (Outcome/long term.)

FY	2005	2006	2007	2008	2009	2010
Target	98%	98%	98%	98%	98%	98%
Actual	99%	99%				

E. The major provisions of final DOL rules/regulations are not successfully challenged an increasing percentage of the time. (Outcome/long term.)

FY	2005	2006	2007	2008	2009	2010
Target	95%	92.5%	93%	93.5%	94%	94.5%
Actual	92%	100%				

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F. Increase the rate of completion of major tasks regarding legal review/drafting by the SOL divisions of rules or regulations within the deadlines established in advance with the responsible DOL agency. (Outcome and Efficiency/long term.)

FY	2005	2006	2007	2008	2009	2010
Target	80.0%	79.0%	80%	81%	82%	83%
Actual	78.5%	78.5%				

G. Issue an increasing average of legal opinions/advice per FTE devoted to that function. (Outcome and efficiency/long term.)

FY	2005	2006	2007	2008	2009	2010
Target	165	104.0	105	106	107	108
Actual	103	108.7				

These Performance Measures are guiding SOL resource allocation into the future.

SOL continues to face the challenge of supporting client agency efforts to meet the Department’s four Strategic Goals and agencies’ own Performance Goals with substantially diminished resources. Strategic Goal 1: In litigation, the primary challenge is to handle increasingly complex, resource intensive cases against adversaries who are represented by lawyers from the country’s top law firms. Strategic Goal 2: In the regulatory arena, the challenge is to develop rules that can withstand broad-based legal challenges and then to continue to successfully defend against challenges when they are filed. Strategic Goal 3: In the compliance assistance area, the challenge is to help the regulated community understand and comply with new regulatory responsibilities. In each of these areas, the demand for SOL services continues to inexorably increase.

Marginal Costs and Efficiency Measures

SOL submits no marginal cost analysis because resources have not been identified which can be redistributed across activities or object classes.

SOL operates under several efficiency measures:

B. Close an increasing percentage of all pending cases annually. (Outcome and efficiency/long term.)

FY	2005	2006	2007	2008	2009	2010
Target	50%	50.50%	51%	51.50%	52%	52.50%
Actual	50%	40.9%				

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This measure commits SOL to increase the number of outcomes in its litigation activity in support of SOL's Strategic Goal 1: Maintain an Effective Litigation Strategy that Advances Department Goals.

C. Ratio of total resources expended for litigation to program recoveries demonstrates that the cost of litigation is a decreasing percentage of the total amount of restitution, recoveries, and penalties awarded. (Efficiency/long term.)

FY	2005	2006	2007	2008	2009	2010
Target	50%	50%	49%	48%	47%	46%
Actual	28.8%	29.7%				

This efficiency measure commits SOL to improving its performance under SOL Strategic Goal 1 by increasing the dollar value of the successful outcomes in SOL litigation at a rate which is greater than the cost of that litigation.

F. Increase the rate of completion of major tasks regarding legal review/drafting by the SOL divisions of rules or regulations within the deadlines established in advance with the responsible DOL agency. (Outcome and Efficiency/long term.)

FY	2005	2006	2007	2008	2009	2010
Target	80%	79%	80%	81%	82%	83%
Actual	78.5%	See Below				

This efficiency measure commits SOL to improve its performance under SOL Strategic Goal 2: DOL Regulations Achieve Agency Policy Objectives and Comply with All Legal Requirements, by increasing the on time delivery of regulations, so that DOL regulatory processes obtain final outcomes more quickly. The information for this measure is currently being collected.

G. Issue an increasing average of legal opinions/advice per FTE devoted to that function. (Outcome and efficiency/long term.)

FY	2005	2006	2007	2008	2009	2010
Target	165	104	105	106	107	108
Actual	103	108.7				

This efficiency measure requires SOL continuously to improve its performance under SOL Strategic Goal 3: DOL Actions Are Based on Sound Legal Advice, by increasing the number of completed opinions and advice per FTE.

In sum, SOL has established efficiency measures that have been refined during the PART process which guide its improvements in each of its Strategic Goals.

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PART Issues

SOL recently received a final score of 71.35 from OMB as the result of SOL's initial PART review. Therefore, OMB has rated SOL's single program as "Moderately Effective," which is defined in PART as follows:

In general, a program rated Moderately Effective has set ambitious goals and is well-managed: Moderately Effective programs likely need to improve their efficiency or address other problems in the programs' design or management in order to achieve better results.

The two principal areas in which SOL needs improvement are independent program reviews and implementation of a budget solution for the non-legal services that the agency currently provides to client agencies at the request of the Department. As for the lack of independent program reviews, SOL has begun to address that issue through the implementation of a major program review in cooperation with DOL's Center for Program Planning and Results. The purpose of that evaluation by an independent consulting firm (ERG) is to assess the extent to which SOL legal advice to DOL client agencies has been timely and accessible, and has provided the DOL agencies with information that has enabled those agencies to better advance DOL's goals. Therefore, the program evaluation is directly keyed to SOL's Strategic Goal 3: DOL Actions Are Based on Sound Legal Advice.

The second major area of concern expressed by OMB's examiners is the current (FY 2006) Economy Act reimbursement process for funding non-legal services provided to client agencies by SOL. SOL has agreed that the current method for funding these non-appropriated functions is inadequate. A position paper addresses this issue in this budget submission.

Therefore, SOL is decisively addressing the two areas that we understand to be of principal concern to OMB as the result of the PART review.

Conclusion

SOL has been focusing intensely on improving the alignment of its scarce resources with its own Strategic Goals, DOL's Goals and client agency performance goals. SOL's recent PART score validates SOL's substantial progress toward optimum efficiency in bringing all available resources directly to bear on client agencies' rapidly varying legal service needs. SOL's available FTE are severely stressed by the constant increase in the volume and complexity of the demand for legal services from its client DOL agencies.

The appropriation for 30 FTE currently funded by details to other DOL agencies and the funding of an additional 17 FTE to provide legal support for increased enforcement activities in MSHA will enable SOL to avoid the administrative burden imposed by the MOU and billing process, and increase its capacity to respond to the major increase in demand for legal services from two of SOL's client agencies.

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Other funds included in this request will enable SOL to begin to effectively respond to internal and external challenges resulting from a serious lack of IT and electronic legal support technology.

SOL respectfully requests that this budget request be fully funded at the optimal level.

BUREAU OF INTERNATIONAL LABOR AFFAIRS

Introduction

The work conducted by the Bureau of International Labor Affairs (ILAB) contributes to the Department's goal of **Competitive Workplace** (Strategic Goal 2), in its efforts to *promote internationally-recognized workers rights and labor standards, including those that relate to the elimination of exploitive child labor, in the global community*. In FY 2007, ILAB performance goals and indicators were adjusted to reflect bureau-wide realignment that will enable ILAB to focus on its mandated functions and Administration priorities.

As ILAB goes through the transition to new performance goals, new performance indicators have been developed. The program efficiency measures for FY2006 focused on the efficiency of the technical assistance programs. ILAB will be developing efficiency measures that are more aligned to Departmental Strategy and goals, and with the new ILAB realignment.

ILAB supports the President's international agenda on labor matters, carries out international responsibilities for the Secretary of Labor, and provides oversight and coordination of the Department's international activities. ILAB's duties and operations derive from the President's agenda in coordination with legal mandates from the Congress in three primary areas: 1) international trade and labor, including mandates related to a growing list of trade agreements; 2) international child labor, including reporting and program mandates; and 3) international organizations, including mandated representation before the International Labor Organization (ILO). In addition, the Trafficking Victims Protection Reauthorization Act of 2005 (TVPRA), placed new mandates on ILAB to monitor the use of forced labor and child labor in violation of international standards.

For trade and labor affairs, ILAB fulfills the following Congressional and Executive mandates:

- Advise and assist the United States Trade Representative (USTR) in the negotiation and administration of trade agreements and trade preference programs, particularly concerning labor rights practices.
- On behalf of the Secretary, consult with any country seeking a trade agreement with the United States concerning that country's labor laws and technical assistance needs.
- Prepare reports to Congress for each trade agreement negotiated under Trade Promotion Authority (TPA) on labor rights and the laws governing exploitative child labor in the partner country or countries, and a U.S. employment impact review.
- Serve as contact point and administrator for labor issues in free trade agreements, including NAFTA with Mexico and Canada, and all agreements negotiated under TPA (currently seven countries, with five others awaiting implementation).

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- Obligate Congressionally-appropriated resources to improve labor law compliance in Central America and the Dominican Republic, including oversight of technical cooperation projects and contracts.
- In conjunction with USTR, organize and administer the Labor Advisory Committee for Trade Negotiations and Trade Policy.

For international child labor issues, ILAB fulfills the following Congressional and Executive mandates:

- Annual report to Congress on GSP countries implementation of international commitments to eliminate the worst forms of child labor.
- Report to Congress on exploitative child labor in countries that are party to a free trade agreement with the United States.
- Oversight of *Executive Order 13126* – reviewing submissions and publishing and maintaining a list of products made with forced or indentured child labor.
- *TVPRA Forced and Child Labor Monitoring and Reporting* (TVPRA 2005) – monitoring and combating forced labor and child labor carried out in foreign countries, publishing a list of goods from countries produced with forced labor or child labor, and creating a standard set of practices to reduce the likelihood of these illegal practices.
- Obligation of Congressionally-appropriated resources for programs to combat exploitative child labor around the world, including oversight of 132 ongoing technical cooperation projects and contracts in more than 70 countries around the world.

For international organizations, ILAB fulfills the following Congressional and Executive mandates:

- USG membership participation in the ILO. On behalf of the Secretary, ILAB leads the U.S. Delegation and coordinates USG participation at meetings of the ILO Governing Body and Annual Conference. Coordinating substantive policy positions (technical and political), and administrative arrangements and for all meetings.
- On behalf of the President, ILAB coordinates the preparation of reports that may be requested under the authority of the ILO Constitution, such as law and practice reports on conventions not ratified, reports on the implementation of the 1998 ILO Declaration on Fundamental Principles and Rights at Work, and USG responses to freedom of association complaints against the United States filed with the ILO.

In addition, ILAB carries out many ongoing activities to support the President's agenda on international labor issues, most notably, annual input into numerous worldwide USG reports, participation and coordination of interagency policy groups, and representation on several international bodies. These activities require significant expertise on labor matters unique to ILAB, and often support both Administration priorities and the fulfillment of Congressional mandates for other USG agencies.

ILAB currently oversees over 200 technical assistance projects totaling approximately \$360,000,000. Although certain technical assistance activities funded in previous years are coming to an end, ILAB is faced with significant new responsibilities related to free trade agreements and trafficking in persons. ILAB will continue to adjust staff assignments and organizational structures to phase out old programs and fulfill new mandates, while retaining a

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minimum level of personnel and resources to accomplish its mission. To meet its current mandates, ILAB requires \$14,097,000 in FY 2008 budget authority and 58 FTE.

Issues, Outcomes and Strategies

Issues

- *Policy Development Relating to Trade and Labor* - ILAB is responsible for assuring that full consideration is given to the impact of trade and investment policies on U.S. workers. ILAB participates in the interagency development and implementation of U.S. policy related to multilateral and bilateral trade and investment issues and is also active in the development, negotiation, and implementation of international commodity agreements and proposed import relief and safeguard actions.
- *Implementation and Administration of Trade Agreements* - As required by the Trade Act of 2002, ILAB's programs have increasingly focused on strengthening the capacity of U.S. trading partners to protect the fundamental rights of workers and contribute to the effective adherence of national labor laws.
- *Representing USG on Labor Issues before International Organizations* - ILAB is responsible for supporting the President's agenda on international labor matters and representing the Secretary of Labor before the ILO, the Organization for Economic Cooperation and Development, the Organization of American States, and Asian Pacific Economic Cooperation, and in meetings of the Ministers of Labor of the G-8 countries as well as other international bodies.
- *Managing Newly Mandated Activities under the TVPRA* - In 2005, the passage of the TVPRA placed a new mandate on ILAB to monitor the use of forced labor and child labor in violation of international standards. The TVPRA legislative mandates include monitoring and combating forced labor and child labor carried out in foreign countries, publishing a list of goods from countries produced with forced labor or child labor, and creating a standard set of practices to reduce the likelihood of these illegal practices.
- *Managing the Phasing-Out of Existing Technical Cooperation Projects* - Ensuring the appropriate close-out of international technical assistance programs, grants, and contracts is an important responsibility of ILAB. Likewise, it is ILAB's responsibility to ensure that technical assistance initiatives that do not receive funding are properly terminated in a manner that assures the greatest outcome and results.

Outcomes

- *Policy Development Relating to Trade and Labor* - ILAB participated in the negotiation of free trade agreements with Chile, Singapore, Australia, Morocco, Central America and the Dominican Republic, Bahrain, the Andean Countries, Panama, Thailand, the countries of the Southern Africa Customs Union (SACU), Oman, Korea and Malaysia. ILAB also participated in the Doha Round of Multilateral Trade Negotiations under the auspices of the World Trade Organization (WTO), and the administration of U.S. trade preference programs as well as the development, negotiation, and implementation of international commodity agreements, particularly in the area of textiles and apparel.

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- *Implementation and Administration of Trade Agreements* - ILAB continues to manage technical assistance projects in over 70 developing countries throughout the world. These projects have proven to be beneficial when the United States negotiates free trade agreements with countries that have inadequate labor standards or lax enforcement of labor laws. Some specific examples of project activities include providing educational and training opportunities for children engaged in exploitive child labor, improving labor law compliance by training labor inspectors and labor court judges, and raising public awareness of international core labor standards. In addition, under the requirements of the Trade Act of 2002, ILAB researches and reports on labor rights issues, including labor law compliance, exploitive child labor, and working conditions in trading partner countries. ILAB completed labor rights and child labor reports for all countries in which free trade agreement negotiations have been concluded, including: Bahrain, Chile, Singapore, Australia, Morocco, the Dominican Republic and Central America.
- *Representing USG on Labor Issues before International Organizations* - ILAB continues to support the President's agenda on international labor matters and represents the Secretary of Labor before the ILO, the Organization for Economic Cooperation and Development, the Organization of American States, and Asian Pacific Economic Cooperation, and in meetings of the Ministers of Labor of the G-8 countries as well as other international bodies. ILAB has led efforts to enhance fiscal responsibility, transparency and good governance in the ILO and to uphold the ILO's focus on democracy and the application of core labor standards around the world. ILAB also uses participation in the ILO and other international organizations to highlight the U.S. approach to employment and labor policies, programs and techniques.
- *Managing Newly Mandated Activities under the TVPRA* - In order to comply with requirements under the TVPRA, ILAB requires additional budget resources and FTE for FY 2008.
- *Managing the Phasing-Out of Existing Technical Cooperation Projects* - In FY 2006, ILAB worked with OASAM to start the process of closing out more than 100 grants and contracts for which activities had ended. Similarly, ILAB has established procedures to oversee the effective phase-out and termination of technical assistance activities for which ILAB has no funding. However, ILAB still oversees over 200 technical assistance projects totaling approximately \$360,000,000.

Strategies

- *Trade and Labor Issues* - As a member of the interagency Trade Policy Review Group (TPRG) and the Trade Policy Staff Committee (TPSC), which are administered and chaired by the USTR, ILAB will formulate, develop, and coordinate positions on international trade, investment, and labor policy issues in support of the President's international economic agenda. ILAB will work closely with USTR and foreign governments on trade and labor matters; provide analysis and advice on the U.S. employment impact of proposed and ongoing trade agreements; conduct consultations with foreign governments that have or seek to have trade agreements with the United States and the application and enforcement of their labor laws; and receive advice and information on proposed trade agreements and the operation of agreements already

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entered into from the Labor Advisory Committee for Trade Negotiations and Trade Policy (LAC), which is jointly administered by DOL and USTR.

- *International Organizations Representation* - As a member of the ILO Governing Body, ILAB will continue to work with representatives from other free-market economies to ensure that the ILO makes the best use of its resources by focusing on the ILO's core strategic goals and maximizing the resources expended in helping developing countries to develop their labor systems. ILAB will coordinate the Secretary's participation in the ILO Annual Conference, as well as other international meetings, as a means of highlighting American initiatives and best practices in the labor and employment field.
- *Technical Assistance and TVPRA* - ILAB currently oversees over 200 technical assistance projects totaling approximately \$360,000,000. At the requested level of funding, the Bureau will continue to provide oversight of these projects by conducting audits and evaluations of projects, reviewing technical and financial reports, reviewing goals and objectives to ensure impact, project site visits, and ensuring budget performance integration and compliance with federal regulations as funding allows. In order to meet the requirements of the TVPRA, ILAB intends to develop and publish procedural guidelines for implementation of the Act, conduct research on forced labor and trafficking, coordinate with interested U.S. government agencies, and publish a list of goods made with forced labor and child labor as required by the Act.

Assessment of Progress

In FY 2006, ILAB has accomplished the following:

- 236,787 children prevented or withdrawn from exploitive child labor were provided education, and/or training opportunities as a result of DOL-funded child labor elimination projects
- 53 countries increased their capacity to address child labor as a result of DOL-funded child elimination projects
- 1.48 million workers benefited from improved labor inspections
- 459 workplaces adopted policies and procedures to reduce the level of employment-related discrimination against persons living with HIV/AIDS

FY 2006 Performance Results:

Reduce Child Labor in Developing Countries Performance Goal 05-3.3A (ILAB)

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Contribute to the elimination of the worst forms of child labor internationally

Indicators, Targets and Results	FY 2005	FY	FY	Target Reached*
	Result	2006	2006	
Number of children prevented or withdrawn from child labor and provided education or training opportunities as a result of DOL-funded projects	150,708 ¹	178,000	236,787	Y
Number of countries with increased capacities to address child labor as a result of DOL-funded projects	39	39	53	Y
FY 2006 Costs			\$61 Million	
*Indicator target reached (Y), substantially reached (S) or not reached (N)			Goal Achieved	

**Improve Life for Workers Around the Globe
Performance Goal 05-3.3B (ILAB)**

Improve living standards and conditions of work internationally.

Indicators, Targets and Results	FY 2005 Result	FY 2006 Target	2006 Result	Target Reached*
Percent of beneficiaries who consider a USDOL-funded project to have improved their conditions of work.	83%	84%	80%	N
Number of workers benefiting from improved labor inspections.	3.78 million	3.80 million	1.48 million	N
Number of workplaces adopting policies and procedures to reduce the level of employment related discrimination against persons living with HIV/AIDS.	270	300	459	Y
* Indicator target reached (Y), substantially reached (S) or not reached (N)				

¹ In FY 2005 the indicator only reflected children withdrawn or prevented from the worst forms of child labor for USDOL-funded ILO-IPEC programs only. USDOL-funded Child Labor Education Initiative projects removed or prevented an additional 98,394 children.

² Based on final year estimates.

³ Ibid.

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ILAB continues to work with DOL's Cost Analysis Management Program (CAM) coordinated by the Office of the Chief Financial Officer, to produce an updated cost model, reflecting the changes made in the new performance framework.

Performance Challenges

As the requirement under the Trade Act 2002 continues, ILAB is well-placed in terms of expertise to support the President's foreign policy agenda, particularly focusing on labor rights. ILAB's contribution to policy development and programs relating to international labor activities will continue, but declining and uncertain resources present a challenge to strategic planning and targeted results. However, ILAB is addressing these issues through reassignment of staff and reprioritizing work responsibilities.

Marginal Cost and Efficiency Measures

ILAB developed a logic model for the two technical assistance programs and uses the model for the child labor program to discuss hypothetical marginal cost increases in funding and their impact on programming. In FY 2007, ILAB will generate a bureau-wide model that will enable managers to begin calculating marginal cost increases and decreases by office and by performance indicator.

PART issues

During the FY 2006 PART cycle, ILAB's technical assistance programs were assessed and the overall program was rated as "adequate." The principal finding of the PART was the need for more data in order to assess the impact of ILAB's programs. In response, ILAB submitted a proposal and received funding from the Department for a program-wide evaluation of the overall impact, effectiveness, and sustainability of ILAB's technical cooperation programs. The study has been completed, and ILAB is currently reviewing the report to identify potential areas of improvement. Pending availability of funds, a second phase of the study will compare ILAB's programs with those of other government agencies.

Program efficiency measures

The program efficiency measures for FY 2006 focus on the efficiency of the technical assistance programs. ILAB is currently developing program efficiency measures for FY 2007 that will be part of the new strategic framework.

Performance Goal 2: Cost per child removed/prevented from exploitive child labor. ILAB is working to lower its cost per child by lowering projects' administrative overhead and working with grantees to maximize the number of children served by their programs.

Performance Goal 2:

- Cost per worker placed in employment through project assisted intervention.
- Cost per worker benefiting from improved labor inspections.

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Conclusion

Despite challenges brought about by declining resources and uncertainty in appropriated funds, ILAB met many of its FY 2006 performance indicators. For the FY 2008 request of \$13,929,000, ILAB will meet its some of its mandated functions, continue to address challenges, and manage for results. ILAB will likely be able to successfully meet the FY 2008 performance goals.

ADJUDICATORY BOARDS

Introduction

The Department of Labor's Adjudicatory Boards were created to review and decide appeals under a variety of workers' compensation, workforce security, and employee protection laws. The Boards are charged with nationwide jurisdiction for the statutes for which they have appellate responsibility.

The DOL Adjudicatory Boards constitute three quasi-judicial boards, the Administrative Review Board (ARB), the Benefits Review Board (BRB), and the Employees' Compensation Appeals Board (ECAB). The Boards review and determine several thousand appeals each year. In so doing, the Boards make legal interpretations, establish legal precedents, and set standards within their jurisdictional areas for the entire nation. Board decisions have a collective impact of several billions of dollars on American workers and the American economy. The work of the three Adjudicatory Boards contributes to the economic security and preparedness of the American workforce and the safety and security of American work places and is part of the Department's efforts to 1) mitigate the financial burden placed on covered workers, their dependents or survivors, by work related injury, disease or death; 2) ensure fair treatment of workers and employers; 3) ensure that the billions of dollars of wages for federal service and construction projects are properly set; 4) develop and clarify federal worker protection law; and 5) ensure the fairness and consistency of the standards with which these laws are applied.

The Administrative Review Board (ARB) reviews appeals and issues final determinations under more than 50 statutory and regulatory authorities. Most of the ARB's caseload arises from whistleblower complaints under environmental, nuclear and trucking statutes. The ARB also reviews challenges filed by employers, workers, unions and federal contracting agencies under the Davis-Bacon Act (and related statutes) and the Service Contract Act, certain civil rights enforcement actions, the Workforce Investment Act, and worker protection statutes such as the Child Labor Act. The Secretary created the ARB in 1996 by consolidating three smaller appellate adjudicatory bodies. Cases decided by the ARB include appeals from recommended decisions issued by Administrative Law Judges, as well as final determinations issued by ESA's Wage and Hour Administrator. ARB decisions may be appealed to the federal courts.

The Benefits Review Board (BRB) was created by Congress in the early 1970's to provide a uniform standard of nationwide review for appeals of benefit claims under the Black Lung Benefits Act and the Longshore and Harbor Workers' Compensation Act and its extensions. The BRB reviews and decides appeals from decisions of Administrative Law Judges, which raise questions of law or fact regarding claims for disability benefits by any party-in-interest

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(employee, survivor, employer, or employer's insurance carrier) pursuant to these Acts. The Board exercises the appellate review authority formerly exercised by the United States District Courts. BRB decisions may be appealed to the federal courts. The BRB's Black Lung program is funded by the Black Lung Trust Fund which provides about 75% of total BRB operating funds. The BRB's Longshore program is funded from the Salaries and Expenses account.

The Employees' Compensation Appeals Board (ECAB) was established in 1946 under a precursor of the Federal Employees' Compensation Act (FECA) to hear and decide appeals of federal employees who may become ill or be injured as a result of their federal employment. Any federal employee who has sustained an injury at work and is adversely affected by a decision of DOL's Office of Workers' Compensation Programs (OWCP) may request a review of that decision by ECAB either before or after receiving a full evidentiary hearing before OWCP's Branch of Hearings and Review. ECAB jurisdiction extends to deciding questions of fact, as well as law, and questions involving the exercise of discretion. Decisions are based on the case record upon which a decision was made. ECAB decisions are binding on OWCP. The Board may affirm a decision of the OWCP, or reverse and remand it in whole or in part, and instruct OWCP of actions to be taken. ECAB decisions are final and are not subject to judicial review.

Issues, Outcomes and Strategies

Issues

Board workloads are variable and subject to swings over which the Boards can exercise no control. The numbers of new appeals cannot be exactly predicted based on patterns from prior years. The number of Longshore cases appealed to BRB was down in 2006 in the aftermath of Hurricane Katrina, but the number of appeals to ECAB increased sharply between April and August. It is essential that the Boards retain sufficient quantity and flexibility of resources to permit rapid, effective response to sudden changes in case numbers.

Board case law is subject to change based on regulatory revisions and new interpretations from the Courts. The U.S. Supreme Court decision in June 2006 in *Burlington Northern Railway Co. v. White* will impact ARB's consideration of retaliation claims in EEO and Whistleblower cases. BRB and OALJ are both still dealing with the impact of Black Lung regulatory changes made in 2001. ECAB expects some increase in the number of appeals as a result of the federalization of airport security workers.

Technology capability is increasingly critical to successfully carrying out the Boards' missions. Development of the e-Judication Project continued in 2006 and phased implementation is scheduled to begin in FY 2007 and continue through 2011. E-Judication involves re-engineering and modernizing adjudicatory functions and business practices. It will provide a customer-centric platform for litigants before the Boards, allowing real-time access and electronic filing, and provide a state-of-the-art case tracking, management and production information system used in common by the three Boards, OALJ and SOL. As the Boards become more dependent on technological tools, it is critical that these capabilities, systems, hardware and software be kept up-to-date. Regular, cyclical replacement of computer equipment and systems is essential

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to maintain service and operating capability and to preclude failures. E-Judication is entering the most costly phase of its development and implementation and adequate funding is critical.

Outcomes

The Boards provide statutorily mandated services with outputs that can be measured in terms of quantity, quality, timeliness, and cost effectiveness. The identification of measurable outcomes for such service-oriented activities, however, is more problematic. While the outcomes resulting from the work of the Boards are important to the fabric of American democracy and to a society governed by the rule of law, these outcomes are elusive and intangible. While they can be articulated, they can not be quantified. Among these outcomes are:

- Provision of a fair, knowledgeable, and unbiased forum for resolution of disputes consistent with statutory mandate;
- Enhancement of the economic security of the entire federal civilian workforce and portions of the general U.S. workforce;
- Expert and expeditious adjudication of cases that would otherwise overload and overtax the federal court system;
- Establishment of nationwide legal precedents and standards within specific jurisdictional areas, and enhancement and clarification of worker protection and workers' compensation laws that serve as models for similar laws throughout the states and in other countries.

The traditional measures of Board performance have primarily been numeric, chiefly the number of appeals closed in context with the number of new appeals received and the number still pending. A strong driver of Board performance, however, is concern for quality. This includes the Boards' commitment, as well as public expectations, that each appeal will receive full, fair and timely consideration, that each appellant will be treated with fairness, consideration and respect, that decisions will be consistent with Federal statutes and regulations, and that decisions will enhance and clarify the body of law.

Key accomplishments at all three Boards in recent years have been increased numbers of appeals closed per FTE and per attorney FTE, and reduced average costs per closed appeal. BRB and ECAB have eliminated backlogs and reduced average appeal processing time to under a year. The ARB has closed out a substantial legacy of older pending appeals.

Strategies

The performance strategy common to all three Boards in recent years has been to strengthen staff performance, increase the number of appeals closed per total FTE and per attorney FTE, reduce costs, enhance the quality of case law, ensure greater consistency among decisions, and reduce the time that the average appellant must wait to receive a decision. These strategies will continue to guide Board operations in FY 2007 and FY 2008.

Over the past three years the Boards have made extraordinary efforts to improve staff performance and streamline support operations. As a result, staff numbers have shrunk and total FTE used has declined 22%. Since FY 2004, 17 staff attorneys have retired, resigned or been

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terminated. Of these, some 60% departed in the face of pressure to improve performance. Also since FY 2004, clerical and support employment has declined by 21 positions. In 2005 the Boards dissolved the Office of Adjudicatory Services and eliminated seven positions. During FY 2006 the Boards implemented the findings of an A-76 study and replaced their three separate docket units with a single Consolidated Docket Organization. As a result, the number of staff FTE required to perform day-to-day docketing and paralegal review functions was reduced by 50% (from 22 to 11). With the savings in funds and FTE from these efforts, the Boards were able to fund a space consolidation co-location initiative and upgrade computer capability.

At the end of FY 2006 the Boards launched an Honors Law Clerk Program. Six promising recent law school graduates were hired on two-year term appointments to work with Board Members and senior staff attorneys on the Boards' caseloads. This initiative was designed to hold down payroll costs while providing energetic and able new attorney talent to expeditiously move the Boards' caseloads.

The Boards are expanding and enhancing their utilization of electronic information technology and knowledge management tools. Phased implementation of the e-Judication Project with a state-of-the-art case tracking, management and production information system used in common by the three Boards, OALJ and SOL will begin in FY 2007 and continue through FY 2011.

As a result of these initiatives, the Boards expect production targets will be maintained or exceeded in FY 2008, and essential legal research on new and emerging issues faced by the Boards will be well performed.

Cost Model

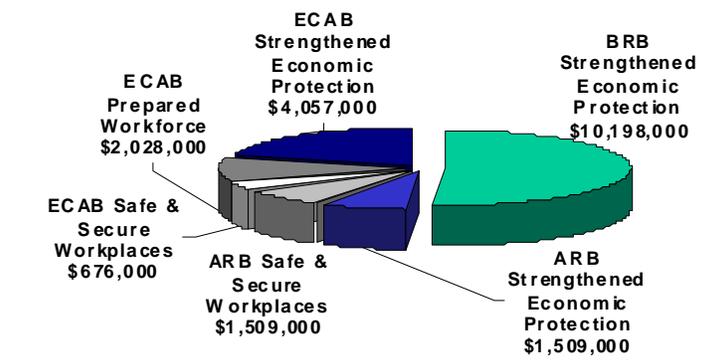
The appellate work performed by the Adjudicatory Boards is labor intensive and requires a highly trained and experienced staff. Nearly 75% of the Boards' current on-board workforce is composed of attorneys at GS-13 or higher. More than 98% of the Boards' budget allocation funds essential operating expenses: personnel compensation and benefits, space rental, Working Capital Fund charges and other assessments. Less than two percent remains available for spending to pay for legal publications, on-line legal research capabilities, mission-critical travel, supplies and equipment, plus other expenses or assessments.

The DOL Adjudicatory Boards request a total of \$19,997,000 for operations in FY 2008. Funding at this level will enable the DOL Adjudicatory Boards to maintain or slightly increase case production levels, ensure the quality and consistency of Board decisions, and strengthen their implementation of management initiatives begun in prior years.

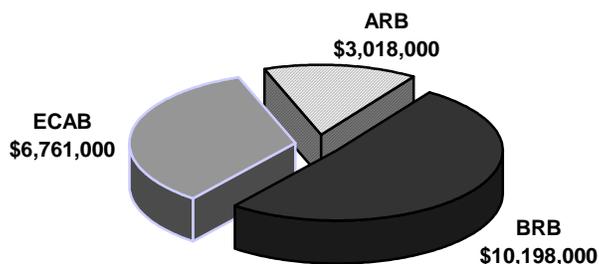
The allocation of costs among strategic and performance goals and the allocation of funds among the Boards are shown in the following charts. Seventy-nine percent of Board resources support the goal of a Strengthened Economic Protections. The remaining 21% is fairly evenly divided between the strategic goals of a Prepared Workforce and Safe and Secure Workplaces.

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FY 2008 Adjudicatory Boards Performance Goal Cost Allocation



FY 2008 Adjudicatory Boards Budget Request by Board



OFFICE OF ADMINISTRATIVE LAW JUDGES

Introduction

The Office of Administrative Law Judges (OALJ) presides over formal hearings, conducted under the Administrative Procedures Act (APA), to determine violations of the minimum wage requirements, overtime payments, and health and safety regulations set forth under various statutes within the Department's jurisdiction. In addition, APA hearings are conducted and decisions issued on claims filed under the Longshore and Harbor Workers' Compensation Act and under the Black Lung Benefits Act. Designated judges having the requisite qualifications also serve as members of the DOL Board of Contract Appeals and the Board of Alien Labor Certification Appeals. Additionally, hearings are conducted and decisions rendered under the Federal Mine Safety and Health Act of 1977 (MSHA) and under statutes regarding the certification of aliens in both agricultural and non-agricultural employment. OALJ also has an active program of Alternative Dispute Resolution (ADR) through its settlement judge process. In addition, DOL judges preside at hearings involving allegations of discrimination arising under various environmental and safety whistleblower acts and under Executive Order 11246. Including those areas enumerated above, the OALJ has jurisdiction over more than 70 separate case areas.

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The decisions issued by this agency affect workers and employers throughout the nation. Economic benefits are provided through adjudicating workers' compensation cases in the Black Lung and Longshore programs. Benefit payments under these two programs are paid by the employer directly or through an insurance carrier. Safe and fair workplace environments are provided by adjudicating cases in the Traditional program area such as Whistleblower Protection, Wage and Hour cases, and over 70 other types of cases involving employees and their employers.

The FY 2008 OALJ budget directly supports three (3) of the DOL's strategic goals: a *Prepared Workforce* to enhance opportunities for American's workforce, a *Competitive Workforce* to promote economic security for workers and families, and *Safe and Secure Workplaces* that foster quality workplaces that are safe, healthy, and fair. OALJ has established performance goals for each of its programs to support these Departmental strategic goals.

Issues, Outcomes and Strategies

Although OALJ's mission and strategic goals will not change in FY 2008, the challenges it faces will. Housed within the OALJ is the Board of Alien Labor Certification Appeals (BALCA), which hears appeals of denials of permanent alien labor certification by ETA regional certifying officers. Several years ago large numbers of permanent labor certification applications were filed in order to take advantage of section 245i of the Immigration and Nationality Act. These filings overwhelmed ETA and associated State Workforce Agencies, resulting in a current backlog of approximately 340,000 pending applications. Consequently, ETA established Backlog Processing Centers in Philadelphia and in Dallas in accordance with an interim final rule published in the Federal Register on July 21, 2004. The rule allowed ETA to consolidate state and federal functions of the application review process into centralized locations. ETA estimates that it will take approximately 24-30 months to eliminate the permanent program's backlog of cases. OALJ's understanding is that as of June of 2005, the Backlog Processing Centers are in the initial stages of processing cases.

Historically, BALCA received appeals of approximately 1% of proceeded labor certifications. Because of the nature of section 245i cases -- which permits aliens to remain in status longer than they otherwise would and therefore provides a motive to applicants to string out the process as long as possible -- we anticipate that the percentage of appeals will dramatically increase. Thus, BALCA may be facing a very large increase in its caseload for several fiscal years -- possibly many thousands of appeals as compared to the more typical recent experience of 300 to 400 yearly appeals.

In December 2004, ETA published final regulations implementing "PERM," which is a streamlined labor certification processing procedure. These regulations apply to applications filed on or after March 28, 2005. It remains to be seen how PERM might impact on BALCA appeals. It is possible that there will be fewer appeals of PERM applications than under the old regulations, but it is also possible that a new program will create new issues for appellate review.

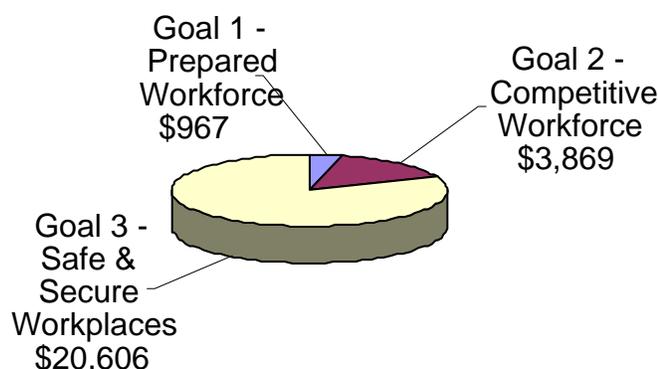
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Regardless of whether the PERM regulations change BALCA's long term case load, in the near term a bubble of drastically heightened levels of BALCA appeals to OALJ will likely occur as the ETA Backlog Processing Centers work through the backlogged "pre-PERM" applications.

With respect to the Black Lung caseload, OALJ has experienced a large influx of cases since FY 2003. In 2001, DOL revised the regulations governing the Black Lung Program. After all court appeals were exhausted, the effect of this change was to cause a substantial increase in case filings before the OALJ. In FY 2002 1,067 cases were docketed, in FY 2003 2,118 cases were docketed, and in FY 2004 2,158 cases were docketed.

As a result of this large influx of cases, there has been a significant increase in the pending Black Lung caseload. It is anticipated that the increased pending caseload is a temporary situation that should ease within the next several years. It has had the effect, however, of increasing delays in the processing of Black Lung cases. The time from case intake and case disposition has increased during the past three years from 12 to 22 months.

Cost Model



OALJ requests a total of \$25,442,000 with a split between General Funds at \$15,985,000 and Black Lung Funds at \$9,457,000 to fund 183 FTE.

Performance Challenges

Internal Challenges

The OALJ's highest priority and internal challenge is in maintaining its skilled workforce. The agency must continue to train its staff as it acquires and implements new technologies to enhance the access to information within the agency. The challenge is improving the skills of its workforce as it ages. The permanent support staff has an extremely low attrition rate which helps with the retention of acquired skills; however, over the next five years, approximately 35% of the workforce is eligible to retire.

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External Challenges

The OALJ must be able to communicate with parties appearing before the agency in the new world of Internet access to information. Court Systems across government such as the D.C. Circuit Court of Appeals, and the adjudicatory branches of the Federal Energy Regulatory Commission, and Department of Transportation, are paving the way in e-Government by accepting electronic submissions as filings. As an adjudication agency within DOL, OALJ receives a voluminous amount of paper by parties appearing in cases before this agency. Paper communication must give way to electronic communication and ease of access to information for this agency to continue to be successful in issuing timely decisions to provide an efficient and less costly process for claimants and employers. This agency is working with four other agencies within the Department to address these challenges in a group effort to utilize one solution.

WOMEN'S BUREAU

Introduction

In FY 2008, the Women's Bureau's performance will continue to support its strategic goals, "Better Jobs! Better Earnings! Better Living!" and Value-Added Partnerships. The Bureau's projects are designed to achieve the agency's performance goals: (1) increase women's employment opportunities; (2) increase women's financial security; and (3) increase the number of employers who create and/or expand flexible programs and policies. To ensure that results are achieved, as outlined in the strategic and performance plan, demonstration projects are subject to scheduled monitoring and evaluation. Lessons learned are identified, reviewed, and implemented as needed in the Bureau's efforts to refine and strengthen the development and application of its demonstration projects.

Whether through demonstration projects or other Bureau-supported technical assistance, women throughout the country and U.S. Territories will participate in these projects as beneficiaries, mentors, or contractors. Several projects, such as Wi\$e Up and Flex-Options for Women, make extensive use of interactive websites to facilitate project activities. Working Women in Transition (WWIT) utilizes online and/or classroom training and other interactive resources, as well as face-to-face meetings.

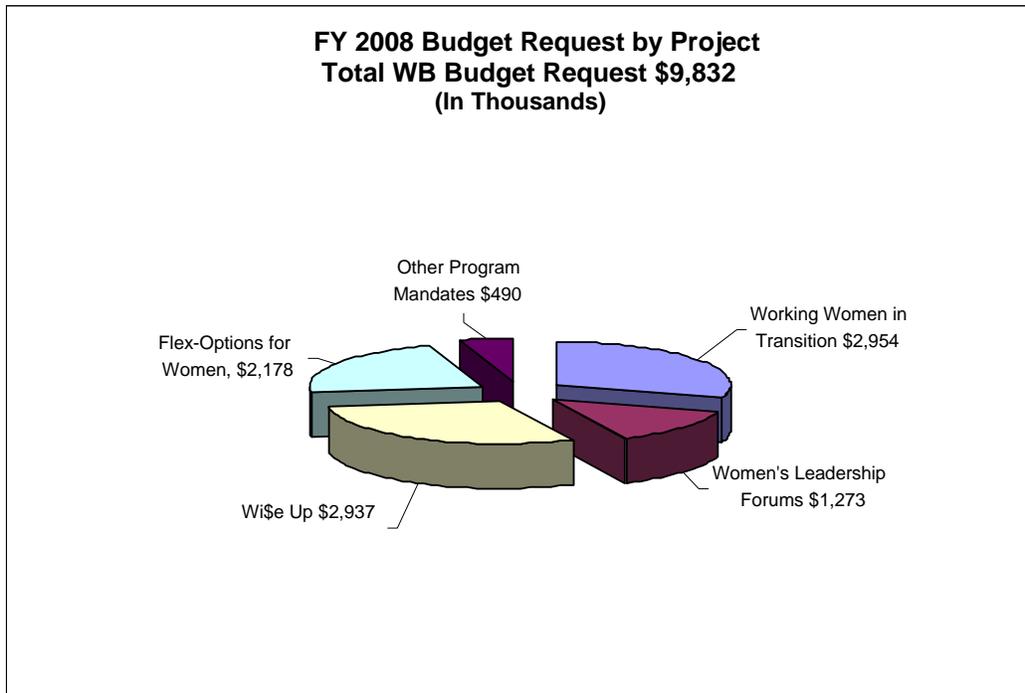
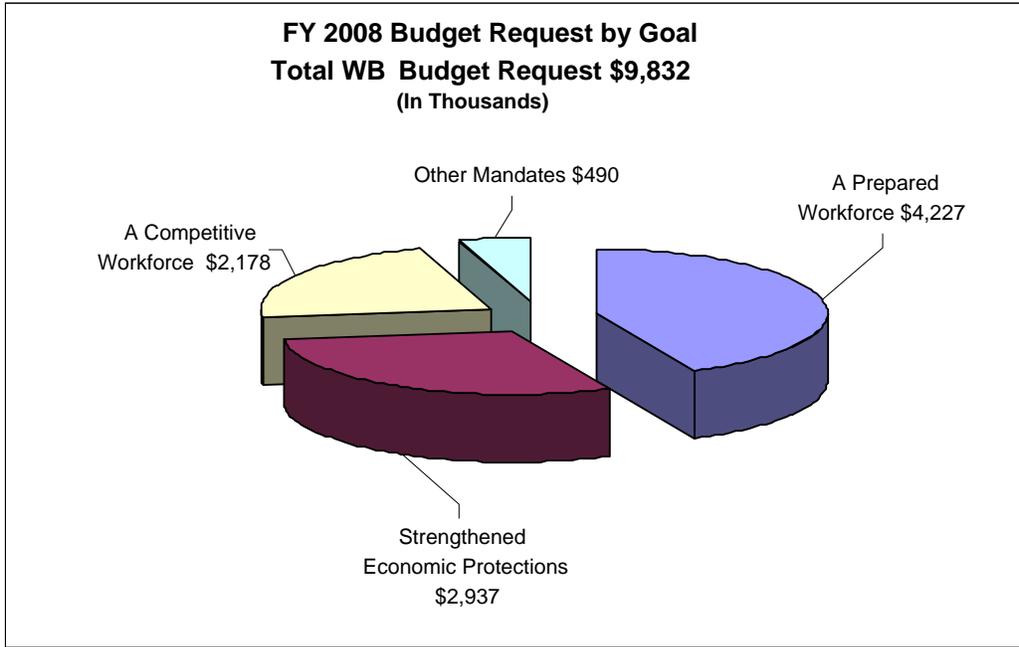
Additionally, in FY 2008, projects such as GEM-SET and GEM-Nursing will be in the replication phase wherein value-added partners will replicate successful models to impact large numbers of working women and their families.

Cost Model

The FY 2008 Agency request level is \$9,832,000 and 60 FTE and allows the Women's Bureau to build on its success as a catalyst for change. This level of funding will allow the Bureau to continue selected electronic and group mentoring demonstration projects; work with partners, including faith-based and community organizations; strengthen the WWIT project; and continue to build partnerships with corporations, business owners, and other federal, state, local, and

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international agencies. The Women’s Bureau will use these partnerships to find ways to replicate the demonstration projects without federal funding.



Assessment of Progress

The Women's Bureau's Flex-Options for Women demonstration project is designed to partner with employers, including corporate executives and business owners, to mentor other employers in the development of flexible workplace practices. This project supports the Secretary's Strategic Goal 2 - *A Competitive Workforce*. At the conclusion of FY 2005, this project had met 100 percent of its intermediate and outcome measures and is on target to meet its FY 2006 measures.

In addition to the Flex-Options for Women project, the Bureau's Wi\$e Up financial security project, which supports the Secretary's Goal 4 – Strengthened Economic Protections, exceeded its output and intermediate measures in FY 2005. Sixty-seven percent of project participants completed a module of the curriculum and submitted an action plan for achieving their financial goals. The Bureau is collecting data to assess the long-term outcomes of the project. In FY 2006, the Bureau revised Wi\$e Up's intermediate and outcome measures and is making steady progress towards establishing baselines and achieving its goals.

Performance Challenges

Strategic Goal 1: “Better Jobs!”

Performance Goal 1: Increase Women's Employment Opportunities

Projects:

- 1) **Working Women in Transition (WWIT)**
- 2) **Women's Leadership Forums**

The Women's Bureau's Strategic Goal 1, “Better Jobs!” and its Performance Goal 1, “Increase Women's Employment Opportunities,” support the Secretary's goal of A Prepared Workforce. The Women's Bureau will address projected workplace gaps, including the demand for new, replacement, and skilled workers, by providing online learning opportunities for women in transition and by conducting informational seminars. This Secretary's goal is supported by two ongoing initiatives: WWIT and Women's Leadership Forums. These initiatives, which are collaborative efforts with private sector employers, faith-based and community organizations, and state and local governments, will increase women's employment opportunities.

In 2005, almost 60% of women age 16 and older were labor force participants – either working or looking for work. Women comprised 46% of the total U.S. labor force and are projected to account for 51% of the increase in total labor force growth between 2004 and 2014.

During the course of their careers, women often experience work-related transitions, such as stepping out of the workforce to raise families, reducing their work hours to accommodate child care or elder care responsibilities, reentering the workforce full- or part-time, and/or looking for better paying jobs or training and educational opportunities. Women workers also face transitions as a result of natural disasters, the loss of a spouse, retirement, and outsourcing.

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In FY 2008, the Women's Bureau will continue to address the employment demands of the economy by focusing on women making a significant work-life transition through its WWIT project. WWIT is a demonstration project targeting women at a crossroads in their working lives. The project links women with resources and learning opportunities available through local partners, such as faith-based and community organizations, and through the world wide web, via the www.workingwomenintransition.org website. WWIT provides virtual and face-to-face mentoring, guidance, and support to help women progress in their work lives. The project's objective is to assist women, regardless of their status or level of need, to achieve an increase in wages, to find employment or start a business, or to enter a degree program or post-secondary education certification program.

During its pilot year in FY 2005, WWIT targeted the following populations of women in four Women's Bureau regions (III, IV, V, and VI): spouses of military reservists in West Virginia; Temporary Assistance for Needy Families (TANF) recipients in Arkansas; women recovering from substance abuse in Kentucky; and baby boomers changing careers in Ohio. Using lessons learned in these four pilot projects, in FY 2006, the Bureau discontinued the project in West Virginia and added seven new WITT projects in six regions (I, III, IV, V, VI and VIII). The new sites include Native American and rural women in South Dakota; incarcerated women in Vermont; single mothers in Pennsylvania; Asian American women business owners in Illinois; and women impacted by Hurricanes Katrina and Rita in Louisiana, Texas, and Georgia. The Bureau continues to assess the impact of each project and drop or add projects depending on the outcome of each assessment.

Women's Leadership Forums were established to create a global understanding of the Bureau's programs by conducting small informational sessions with new value-added partners resulting in replication of projects serving working women and their families.

In FY 2008, the Bureau will host three interactive leadership forums based on "Better Jobs! Better Earnings! Better Living!" projects. Stakeholders and value-added partners will plan collaborative projects in their communities.

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Indicators, Targets and Results	FY 2005	FY 2006		FY 2007	Target
	Result	Target	Estimate	Target	Reached*
Working Women in Transition -new 2005 project					
Number of women in training	240	650	642	690	S
Percent of participants that increase earnings		TBD	39%	2% over FY 2006 baseline	
Percent of participants that find employment		TBD	44%	2% over FY 2006 baseline	
Percent of participants that enter a degree program or post-secondary ed. certification program		TBD	18%	2% over FY 2006 baseline	
GEM-Nursing					
Number of Mentors	131	131	130	Replication	Y
Number of Mentees	406	420	534	Replication	Y
* Indicator target reached (Y), substantially reached (S) or not reached (N) ** Estimated using preliminary results through the second quarter					Goal Achieved, Substantially Achieved, or Not Achieved

Strategic Goal 2: “Better Earnings!”

Performance Goal 2: Increase Women’s Financial Security.

Project:

Wi\$e Up

The Women’s Bureau’s Strategic Goal 2, “Better Earnings!,” and its Performance Goal 2, “Increase Women’s Financial Security,” support the Secretary’s *Strengthened Economic Protections* goal. The Women’s Bureau promotes economic security by providing personal financial education and resources to women through its Wi\$e Up demonstration project. The Wi\$e Up project targets women in their twenties and thirties, but it may be adapted for other populations.

Women face many challenges to attaining financial security. Compared to men, women typically earn less money, have different employment patterns – often spending time out of the workforce caring for family members or relatives, invest more conservatively, and live longer. Wi\$e Up addresses these challenges by delivering a curriculum covering basic financial topics, including saving, investing, budgeting, insurance, credit, debt, and retirement planning. The curriculum is taught in classrooms and is available online. The Wi\$e Up project also connects women with financial expertise via electronic mentoring and monthly teleconference calls. A variety of faith-based and community organizations, government agencies, educational institutions, and businesses collaborate with the Bureau to implement Wi\$e Up. The Women’s Bureau assists organizations in replicating the Wi\$e Up project to serve their specific audiences.

The project’s new outcome measures are the percent of participants who reduce their debt and/or the percent of participants who increase their savings/investments. In FY 2008, the project will

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continue to utilize public/private partnerships and technology to serve additional women in seven Women’s Bureau regions (I, II, IV, VI, VII, VIII, and X). Using lessons learned during a comprehensive project evaluation, the project website and materials will be enhanced.

Indicators, Targets and Results	FY 2005	FY 2006		FY 2007	Target Reached*
	Result	Target	Estimate	Target	
Wi\$e Up					
Number of participants	722	588	1,037	1,209	Y
Percent of participants completing at least one module	67	outcome measures have changed			
Number of mentors	102	outcome measures have changed			
Number of Value Added Partners contributing to WB goals	55	outcome measures have changed			
*Percent of participants who reduce their debt (new goal for 2006)		TBD	39%	2% over FY 2006 baseline	
*Percent of participants who increase their savings/investments (new goal for 2006)		TBD	38%	2% over FY 2006 baseline	
* Indicator target reached (Y), substantially reached (S) or not reached (N) ** Estimated using preliminary results through the second quarter					Goal Achieved, Substantially Achieved, or Not Achieved

Strategic Goal 3: “Better Living!”

Performance Goal 3: Increase the number of employer’s flexible programs and policies

Project:

Flex-Options for Women Demonstration Project

The Women’s Bureau Strategic Goal 3, “Better Living!” seeks to enhance businesses through demonstration projects that encourage the implementation of flexible workplace practices. This initiative, Flex-Options for Women, supports the Secretary’s Strategic Goal 2- *A Competitive Workforce* (Performance Goal 2J -- Maximize regulatory flexibility and benefits and promote flexible workplace programs). Flex-Options for Women brings together corporate executives, human resource professionals, and entrepreneurs who volunteer to mentor business owners interested in developing flexible workplace policies and programs.

Today, there is a need for workers to have greater workplace flexibility. According to the most recent data from the Bureau of Labor Statistics in 2004, 57% of married-couple families had an employed husband and wife (dual earners), and in nearly half (46%) of families maintained by women, the female householder was the only earner. Both employers and workers, especially women workers, are seeking ways to create more flexibility in the workplace and to gain greater control over their lives.

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The National Women’s Business Council reported in 2004 that 1 in 18 women in the U.S. was a business owner. Women business owners are an engine of growth in today’s economy and are likely to hire more women. As more women become business owners, the Bureau will use this growth to help expand the participant base in the Flex-Options for Women project. The project seeks to provide business owners with strategies that will result in increased flexible workplace programs and policies.

Indicators, Targets and Results	FY 2005	FY 2006		FY 2007	Target
	Result	Target	Estimate	Target	Reached*
Flex-Options for Women					
Number of employers who express an interest in expanding or developing a workplace policy or program	90	140	197	204	Y
Number of employees who have access to new flexible policies/program	1,460	1,710	1,725	1,916	Y
Number of employers who create or expanded at least one flexible policy or program	41	84	116	137	Y
* Indicator target reached (Y), substantially reached (S) or not reached (N) ** Estimated using preliminary results through the second quarter					Goal Achieved, Substantially Achieved, or Not Achieved

Other Program Mandates

The Women’s Bureau’s budget focuses primarily on the initiatives outlined in this document. These initiatives support the Secretary’s strategic goals of *A Prepared Workforce, A Competitive Workforce and Strengthened Economic Protections*. Consistent with the PMA, the Women’s Bureau’s Strategic and Performance Plan includes activities that align its internal business processes to achieve results in these areas. The Bureau routinely assesses staff skills, provides training, and recruits and hires employees to fill vacancies in order to enhance its ability to carry out the Women’s Bureau’s mission.

Performance Challenges

It has been documented that efforts to educate, partner with, and support working women result in enhanced productivity and positively affect the bottom line for employers, yet such endeavors offer many challenges, the greatest of which is capturing outcomes. The Women’s Bureau’s projects and activities have outcomes that occur several years in the future. Although the Bureau has worked with OASAM’s Center for Program Planning and Results (CPPR) to develop and conduct comprehensive, independent evaluation surveys to measure program results/outcomes, given the funding level of the Bureau, the challenge remains to fund ongoing comprehensive, independent evaluations.

External Challenges

A major development in today's workforce has been the increased labor force participation of women. From 1999 to 2005, the women's labor force participation rate was nearly 60 percent. Making the Bureau's goal to raise awareness in the public and private sectors of the need to collaborate on cutting-edge projects that support working women is as important as ever in our history. While the interests of working women have remained a core focus of the Bureau, its projects have evolved to address the emerging needs of both working women and employers in a competitive 21st century economy. The Bureau fulfills its leadership role in this dynamic environment through careful management of demonstration projects and the replication of these projects. Although the challenge remains to find partners willing and able to replicate its projects, the Bureau is beginning to see results in this area due in large measure to its Women's Leadership Forums.

Internal Challenges

The Women's Bureau continues to work on maintaining and improving its status on the President's Management Agenda. The Bureau is rated as "Green" for both "Progress" and "Current DOL Status" for all five Department-wide goals. For the first time, in FY 2006 the Bureau received a rating of "Green" for "Current DOL Status" and "Green" for "Progress" in Competitive Sourcing. These "Green" scores are due largely to the Bureau's inclusion in two enterprise-wide competitions involving nearly 47% of the positions in the national office. The Bureau continues to build upon these successes through the collaborative efforts of its various PMA teams.

PART Issues

The Bureau completed the PART in FY 2005 and received a rating of "Results Not Demonstrated." The Women's Bureau met with OMB and submitted the Bureau's plan to revise its outcome measures for Wi\$e Up and Working Women in Transition. Listed below are the PART findings and the Bureau's corrective action plan, which is on the OMB website *Expectmore.gov*.

- **The Bureau cannot demonstrate that its programs have a significant effect on women's employment goals.** For example, the program's current performance measures do not clearly establish how participation in a demonstration project increases women's earnings or helps them find better employment opportunities.
- **Previous program evaluations were not comprehensive, and did not clearly demonstrate program effectiveness.** For example, three of the four evaluations covered administrative functions and the fourth could not demonstrate what impact the evaluated project had on participants.
- **The Bureau's six long-term performance measures do not assess the impact each demonstration project has on improving women's opportunities in the workforce.** For example, one of the program's current measures focuses on women's financial

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security but does not clearly tie participation in the program to increased financial knowledge or well-being.

The Bureau is taking the following actions to improve the performance of the program:

- Establishing new outcome measures that more clearly demonstrate the results of the program's demonstration projects and link directly to the program's mission.
- Setting aggressive long-term targets for improving working conditions for women.
- Conducting ongoing, independent evaluations of the program's demonstration projects in order to establish program effectiveness and inform improvement efforts.

Program Efficiency Measures

The Women's Bureau continues to demonstrate marked progress in the area of budget and performance integration and has applied such methodologies in the development of the FY 2008 budget.

The Bureau initially developed three efficiency measures representing two significant projects, Flex-Options for Women and Wi\$e Up, that support two of the Secretary's goals, *A Competitive Workforce* and *Strengthened Economic Protections*. The Flex-Options for Women project has two efficiency measures. The first efficiency measure is the cost per business owner who develops a flexible workplace policy or program. The second measure focuses on employees rather than the participating employers in the program. This efficiency measure, the cost per number of employees in participating companies with flexible programs and policies, will allow the Bureau to attach cost to the ultimate beneficiaries of the project, the employees.

The third efficiency measure, for the Wi\$e Up project, originally was the cost per participant who takes an action step towards securing their financial future. As a result of OMB's PART assessment of the Women's Bureau, OMB recommended that the Bureau revise its outcome measures for this project, and now Wi\$e Up has two new outcome measures: the percent of participants who reduced their debt and the percent of participants who increased their savings/investments. The Bureau is currently in the process of developing baselines for the new efficiency measures to better reflect the project's new outcome measures.

Conclusion

In FY 2008, the Bureau will continue to be a leader in supporting the Secretary's agenda. It will build on the successes of its outcome-oriented demonstration projects with measurable results. Key to these demonstration projects is that other entities will replicate and adapt them for the constituents they serve. In this way, the Bureau will continue to maximize its limited funds by showcasing and ensuring the replication of model projects that support its goal of improving the status of working women. More than ever, it will be vital for the Bureau's programs to ensure opportunities for American women to achieve their potential in the 21st century workplace.

OFFICE OF THE CHIEF FINANCIAL OFFICER

Introduction

The Office of the Chief Financial Officer (OCFO) has responsibility to oversee all financial management activities relating to the Department's programs and operations. OCFO's mission is to foster effective stewardship of public funds, safeguard fiscal integrity through effective internal controls, and provide timely, accurate, and useful financial information to decision makers. DOL has achieved an unqualified audit opinion on its Annual Financial Statements for 10 consecutive years and has no material weaknesses outstanding. DOL has also received the Association of Government Accountants' Certificate of Excellence and Accountability Reporting (CEAR) for the last six consecutive years, and is recognized as a leader among cabinet-level agencies in implementing the financial performance goals of the PMA.

The OCFO provides comprehensive direction to all DOL program agencies on financial matters arising from legislative and regulatory mandates. These include the Chief Financial Officers Act of 1991, the Government Management Reform Act (GMRA), the Federal Financial Management Improvement Act (FFMIA), the Federal Managers' Financial Integrity Act (FMFIA), and the Information Technology Management Reform Act (Clinger-Cohen). To fulfill the duties and responsibilities established by these statutes, OCFO focuses on proactive assistance to the Department's agencies to lessen the need for after the fact enforcement. Additionally, the OCFO emphasizes validation of corrective actions.

OCFO's mission supports overall Departmental management and the PMA through effective stewardship of DOL's financial resources.

Issues, Outcomes and Strategies

OCFO's contribution to *improving the accuracy, timeliness, and usefulness of financial information* is evident in its continued efforts to raise the bar in providing sound and efficient financial management resources to Departmental agencies. To meet the challenges facing the 21st century workforce, OCFO recognizes that it must continue efforts toward a more proactive, analytically-driven approach that leverages technology to enhance the financial information the Department's leaders need to make knowledgeable decisions that will improve the performance of their programs.

The Improper Payments Information Act (IPIA) of 2002 and the OMB Guidance on Implementing the IPIA establish the framework for addressing improper payments. This framework includes:

1. An annual review of all programs and activities;
2. Identifying all program and activities that are susceptible to significant improper payments; and
3. Identifying the cause of improper payments, plans to reduce them, and setting targets.

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Over the past several years, identifying and reducing improper payments has been a major financial management focus of the federal government. OCFO is the Erroneous Payment Reduction Coordinator for the Department's IPIA efforts, and has worked with program offices to develop a coordinated strategy to perform annual reviews for all programs and activities susceptible to improper payments. This cooperative effort included developing actions to reduce improper payments, identifying and conducting ongoing monitoring techniques, and establishing appropriate corrective action initiatives. OCFO will continue to spearhead efforts to ensure compliance of the guidelines provided and will continue to apply best practices to the financial management of the Department as it improves the efficiency and effectiveness of its programs.

Like many other federal agencies, the Department faces challenges in meeting its improper payment reduction and recovery targets, particularly with programs that are sensitive to U.S. economy fluctuations, such as the Unemployment Insurance (UI) program. Furthermore, meeting improper payment reduction and recovery targets of programs, such as UI and Workforce Investment Act (WIA), are contingent upon the cooperation and support of state agencies and other outside stakeholders who are intricately involved in the day-to-day management of these program activities.

The Department is committed to implementing the requirements outlined in the revised OMB Circular A-123 (Management's Responsibility for Internal Control over Financial Reporting) and ensuring strong internal controls exist. OCFO's quarterly Financial Management Certification program requires managers at all levels to attest to the adequacy of program controls. The implementation of an Internal Control Board chaired by the Deputy Secretary with agency head participation is a reflection of the Department's commitment at the highest levels in ensuring effective management controls over program resources, financial systems, and reporting.

OCFO will build upon existing processes to meet the requirements of A-123. The results of these efforts will support the Secretary's annual FMFIA certification in the Performance and Accountability Report. Internal controls improve transparency to the public and help ensure efficient and effective control of funds to bring results that support the Department's strategic goals – *A Prepared Workforce, A Secure Workforce, Quality Workplaces, and A Competitive Workforce*.

Cost Model

OCFO is requesting a total of \$5,578,000 in FY 2008. This level of funding will enable OCFO to continue IPIA efforts in meeting improper payment reduction and recovery targets, continued execution of corrective and preemptive action plans, and ensure agency internal controls over financial reporting and systems are well documented, sufficiently tested, and properly assessed. More specifically, the agency will provide necessary resources for the in-depth testing and evaluation of internal controls, building upon the Department's internal control infrastructure. Funding will provide resources to continue core financial management and auditing operations, and document, test, and implement corrective actions with respect to internal controls.

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BUDGET AUTHORITY by STRATEGIC GOAL						
(Dollars in Thousands)						
Performance Goal	DOL Strategic Goal 1: A Prepared Workforce	DOL Strategic Goal 2: A Competitive Workforce	DOL Strategic Goal 3: Safe and Secure Workplaces	DOL Strategic Goal 4: Strengthened Economic Protections	Total Budget Authority	
Other Program Mandates - WB	0	0	0	490	490	
Womens Bureau	0	0	0	490	490	
Performance Goal 1 - Boards	0	0	0	15,750	15,750	
Adjudication	0	0	0	15,750	15,750	
Performance Goal 1 - CRC	0	0	6,763	0	6,763	
Civil Rights	0	0	6,763	0	6,763	
Performance Goal 1 - ILAB	0	14,097	0	0	14,097	
International Labor Services	0	14,097	0	0	14,097	
Performance Goal 1 - MGMT Crosscut	750	0	0	0	750	
Management Crosscut Activities	750	0	0	0	750	
Performance Goal 1 - OALJ	967	3,866	20,589	0	25,422	
Adjudication	967	3,866	20,589	0	25,422	
Performance Goal 1 - OASAM	1,961	1,961	1,961	1,961	7,844	
Administration and Management	1,961	1,961	1,961	1,961	7,844	
Performance Goal 1 - OCFO	0	0	5,578	0	5,578	
Chief Financial Officer	0	0	5,578	0	5,578	
Performance Goal 1 - PDS	7,170	7,170	7,170	7,170	28,680	
Program Direction and Support	7,170	7,170	7,170	7,170	28,680	
Performance Goal 1 - SOL	20,369	20,369	20,369	20,369	81,477	
Legal Services	20,369	20,369	20,369	20,369	81,477	
Performance Goal 1 - WB	4,226	0	0	0	4,226	
Womens Bureau	4,226	0	0	0	4,226	
Performance Goal 2 - Boards	0	0	2,202	0	2,202	
Adjudication	0	0	2,202	0	2,202	
Performance Goal 2 - OASAM	1,166	1,166	1,166	1,166	4,663	
Administration and Management	1,166	1,166	1,166	1,166	4,663	

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Performance Goal 2 - SOL	1,547	1,547	1,547	1,547	6,188
Legal Services	1,547	1,547	1,547	1,547	6,188
Performance Goal 2 - WB	0	2,937	0	0	2,937
Womens Bureau	0	2,937	0	0	2,937
Performance Goal 3 - Boards	2,043	0	0	0	2,043
Adjudication	2,043	0	0	0	2,043
Performance Goal 3 - OASAM	1,854	1,854	1,854	1,854	7,417
Administration and Management	1,854	1,854	1,854	1,854	7,417
Performance Goal 3 - SOL	3,868	3,868	3,868	3,868	15,470
Legal Services	3,868	3,868	3,868	3,868	15,470
Performance Goal 3 - WB	0	0	0	2,178	2,178
Womens Bureau	0	0	0	2,178	2,178
Performance Goal 4 - OASAM	3,359	3,359	3,359	3,359	13,437
Administration and Management	3,359	3,359	3,359	3,359	13,437
Agency Total	49,280	62,194	76,426	59,712	247,612

As an administrative activity, funding for these resources has been allocated to the agencies' performance goals within the agency program activity

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TOTAL BUDGETARY RESOURCES by ACTIVITY
FY 2006 – 2008
(Dollars in Thousands)

	FY 2006 Enacted				FY 2007 C. R.				FY 2008 Request			
	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total	Activity Approp.	Other Approp. ^{1/}	Other Resrcs. ^{2/}	Total
Program Direction and Support	25,534	800	10,555	36,889	25,534	700	2,755	28,989	28,680	700	2,755	32,135
Legal Services	87,886	0	7,891	95,777	88,198	0	3,500	91,698	103,135	0	3,500	106,635
International Labor Services Administration and Management	72,516	0	1,000	73,516	72,516	0	1,000	73,516	14,097	0	1,000	15,097
Adjudication	32,865	27,062	0	59,927	32,865	27,662	0	60,527	33,362	29,755	0	63,117
Womens Bureau	43,659	0	0	43,659	44,363	0	0	44,363	45,419	0	0	45,419
Civil Rights	9,666	0	0	9,666	9,666	0	0	9,666	9,832	0	0	9,832
Chief Financial Officer	6,386	0	0	6,386	6,386	0	0	6,386	6,763	0	0	6,763
Information Technology Systems	5,287	0	0	5,287	5,287	0	0	5,287	5,578	0	0	5,578
Management Crosscut Activities	29,462	-29,462	0	0	29,462	-29,462	0	0	31,405	-31,405	0	0
Frances Perkins Building (FPB)	1,683	0	0	1,683	1,683	0	0	1,683	750	0	0	750
Total	6,875	0	0	6,875	6,964	0	0	6,964	0	0	0	0
	321,819	-1,600	19,446	339,665	322,924	-1,100	7,255	329,079	279,021	-950	7,255	285,326

^{1/} "Other Appropriation" is comprised of resources appropriated elsewhere, but for which the benefits accrue toward the operation of the budget activities. (Mgmt Crosscut, Executive Direction, and IT Crosscut)

^{2/} "Other Resources" include funds that are available for a budget activity, but not appropriated such as, reimbursements and fees

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DISTRIBUTION of OTHER APPROPRIATED RESOURCES			
(Dollars in Thousands)			
	FY 2006	FY 2007	FY 2008
	Enacted	C. R.	Request
Total Agency	-1,600	-1,100	-950
IT Crosscut	-1,600	-1,100	-950
Program Direction and Support	800	700	700
IT Crosscut	800	700	700
Administration and Management	27,062	27,662	29,755
IT Crosscut	27,062	27,662	29,755
Information Technology Systems	-29,462	-29,462	-31,405
IT Crosscut	-29,462	-29,462	-31,405

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SUMMARY OF PERFORMANCE AND RESOURCE LEVELS
Office of the Solicitor

Budget Activities, Performance Goals and Indicators	2003		2004		2005		2006		2007	FY 2008
	Target	Result	Target	Result	Target	Result	Target	Result	Target	Target
Budget Activity 1	--	--	--	--	--	--				
Performance Goal 1										
Maintain an effective litigation strategy that advances departmental goals.	--	--	--	--	--	--				
Indicator #1.1										
Successfully defend/prosecute 75% of actions	75%	95%	75%	96%	75%	97%				
2005 Revision: Favorable outcome 95-98% of cases submitted for litigation.					95-98%	97%	95-98%	97%	95-98%	95-98%
	Goal Achieved		Goal Achieved		Goal Achieved		Goal Substantially Achieved			
Indicator #1.2										
Close 13,700 Cases	15,292	15,652	14,329	14,905						
2005 Revision: Close at least 50% of all pending cases.					50%	51%				
2006 Revision: Close an increasing percentage of all pending cases annually							50.5%	50.5%	51%	51.5%
	Goal Achieved		Goal Achieved		Goal Achieved		Goal Achieved			
Indicator #1.3										
Incur expenses, including those reimbursed from other funds, not in excess of XX% of the total amount of restitution, recoveries, penalties awarded, and monetary claims defeated	55%	73.8%								
Revisions: Target adjusted in 2004 and 2005			65%	38.9%	50%	28.8%				
2006 Revision: Ratio of total resources expended for litigation to program recoveries demonstrates that the cost of litigation is a decreasing percentage of the total amount of restitution, recoveries, and penalties awarded							50%	29.7%	49%	48%
	Goal Not Achieved		Goal Achieved		Goal Achieved		Goal Achieved			

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SUMMARY OF PERFORMANCE AND RESOURCE LEVELS
Office of the Solicitor, continued

Indicator #1.4 Obtain a favorable outcome, in whole or in part, in 75% of appellate matters.	75%	98%	75%	98%	75%	98%				
2005 Revision: Target changed to 98%.							98%	99%	98%	98%
	Goal Achieved		Goal Achieved		Goal Achieved		Goal Achieved			
Indicator #1.5 New indicator added in 2005: Successfully establish/defend an important legal principle in 75% of cases submitted for litigation and in 75% of appellate matters...					75%	70%				
2006 Revision: The major provisions of final DOL rules/regulations are not successfully challenged in an increasing percentage of the cases.							92.5%	100%	93%	93.5%
					Goal Not Achieved		Goal Achieved			
Performance Goal 2 DOL regulations achieve agency policy objectives and comply with all legal requirements.										
Indicator #2.1 Review or participate in XX regulatory matters.	72	161	150	79						
2005 Revision: The major provisions of final DOL rules are not successfully challenged 95% of the time.					95%	92%				
2006 Revision: The major provisions of final rules/regulations are not successfully challenged in an increasing percentage of the time.							92.5%	100%	94%	94.5%
	Goal Achieved		Goal Not Achieved		Goal Substantially Achieved		Goal Achieved			

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SUMMARY OF PERFORMANCE AND RESOURCE LEVELS
Office of the Solicitor, continued

Indicator #2.2 New indicator added in 2005. Complete legal review of 80% of proposed rules within the deadlines established in advance with the responsible DOL agency...					80%	78.5%				
2006 Revision: Increase the rate of completion of major tasks regarding legal review/drafting by the SOL divisions of rules or regulations within the deadlines established in advance with responsible SOL agency...							79%	See Note below	80%	81%
				Goal Substantially Achieved		See Note Below				
Performance Goal 3 DOL actions are based on sound legal advice.										
Indicator #3.1 Issue XXXX opinions/advice...	4,331	8,579	7,833	6,374						
2005 Revision: Issue an average of 165 legal opinions/advice per FTE devoted to that function.					165	103				
2006 Revision: Increase an average of legal opinions/advice per FTE devoted to that function.							104	108.7	105	106
	Goal Achieved		Goal Not Achieved		Goal Not Achieved		Goal Achieved			
Agency Total	--	--	--	--	--	--				
Baseline(s): SOL is in the process of refining its data collection processes and reassessing its performance measures. In 2005, SOL changed a number of its performance indicators and targets in order to provide more meaningful statements of productivity, efficiency, effectiveness, and timelines. New baselines were established beginning in 2005 and then again in 2006. This process of refining the identification and collection of performance measures will continue.										
Data Source(s): SOL uses its SOLAR case tracking and time distribution systems to provide data for performance measurements. Cost Analysis Manager (CAM) will be used in the future to improve data analysis capabilities.										

SUMMARY OF PERFORMANCE AND RESOURCE LEVELS
Office of the Solicitor, continued

- **Comments:**
- Indicator 1.1 was revised in 2005 to state favorable outcomes in a percentage range between 95% and 98% and to reflect actual results from FY 2002 forward. The top of the range is 98% because, if SOL reaches 100%, then it is not taking reasonable risks to advance programmatic goals or to establish new or important legal principles.
- Indicator 1.2 was changed in 2005 to better define SOL efficiency by reporting the percentage of pending cases that are closed rather than a less meaningful total number of closed cases. The new target of 50% was an actual average of the percentage of cases closed over the past three years. The working in 2006 was changed to broaden the goal
- Indicator 1.3 was adjusted to “not greater than 50%” based on the average ratio actually experienced over the past 5 years. Several factors affect the results of this measure: (1) a significant number of cases have no money at stake, but SOL has to defend them in order to establish or defend a core legal principle; (2) penalty amounts were often set by law some time ago so that the money recovered in penalties may be much lower than expenses; (3) the costs of litigation, including the cost of new technology, are increasing every year; and (4) an important case may incur litigation expenses over several years whereas the final decision and any money received as a result will show up only in the final year. In 2006, the wording was again changed to better describe the actual nature of efficiency.
- Indicator 1.5 was established as a new measure of effectiveness. It determines how successful SOL has been in establishing or defining important legal principles in cases submitted for litigation and in appellate matters
- Indicator 2.1 was revised in 2005 to measure the effectiveness of SOL’s review and participation in rulemaking by noting the percentage of final rules that either are not challenged or are not challenged successfully. If there is not challenge to the rule or if a rule is successfully defended by SOL, the SOL’s legal advice and assistance has been effective. The previous measures of the number of matters which SOL reviewed or participated in did not address effectiveness. The new indicator target is based on actual FY 2005 data. .
- Indicator 2.2 was new in 2005 and was developed to measure timeliness by determining the percentage of the proposed rules reviewed within established deadlines. It should be noted that because a number of DOL agencies or offices review the rules in addition to SOL, SOL may complete its review in a timely manner, but the entire review process may not be completed within Regulatory Agenda deadlines. A survey has been started to gather the information necessary on completion of the tasks regarding legal review/drafting by SOL divisions of rules or regulations within the deadlines established in advance with the responsible DOL agency.
- Indicator 3.1 was revised in 2005 to more accurately measure efficiency by comparing the number of legal opinions and advice issued with the number of FTE devoted to that function. This is a more meaningful measure of performance than the total number of legal opinions/advice issued by SOL as was reported previously. The new indicator target of 165 is an average of the number of legal opinions and advice issued per FTE used to provide such advice per year over the past five years.

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SUMMARY OF PERFORMANCE AND RESOURCE LEVELS											
Adjudicatory Agencies											
Budget Activities, Performance Goals and Indicators	2003		2004		2005		2006		2007	FY 2008	
	Target	Result	Target	Result	Target	Result	Target	Result	Target	Target	
Office of Administrative Law Judges	Goal Substantially Achieved		Goal Achieved		Goal Achieved		Goal Achieved		--	--	
<u>Performance Goal 1</u> - Provide economic benefits to employers, workers and their families by adjudicating workers' compensation cases in the Black Lung and Longshore programs.											
Black Lung (Dispositions)	1,980	1,268	1,870	1,624	1,280	1,689	1,360	1,568	1,360	1,200	
Case Intake	1,600	2,154	1,600	2,159	1,350	1,551	1,350	1,359	1,350	1,350	
Pending Cases EOFY	879	2,145	1,875	2,680	2,750	2,542	2,532	2,333	2,323	2,473	
Backlogs (Months)	5	20	12	20	26	18	22	18	20	25	
FTE	68	68	68	68	68	68	68	65	65	59	
Longshore (Dispositions)	3,500	3,499	3,500	3,088	2,860	2,800	2,990	2,747	2,600	2,340	
Case Intake	3,600	3,036	3,600	2,517	3,300	2,763	3,000	2,413	2,650	2,650	
Pending Cases EOFY	3,080	2,517	2,617	2,355	2,795	2,318	2,328	1,984	2,034	2,344	
Backlogs (Months)	11	9	9	9	12	10	11	9	9	12	
FTE	84	81	81	81	81	81	81	76	72	65	
Office of Administrative Law Judges											
<u>Performance Goal 2</u> - Promote 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.	Goal Achieved		Goal Substantially Achieved		Goal Achieved		Goal Achieved				
Traditional (Dispositions)											
Case Intake	400	418	400	492	400	532	400	572	450	450	
Pending Cases EOFY	406	414	414	393	393	542	542	530	630	730	
Backlogs (Months)	14	12	12	10	12	12	16	11	17	19	
FTE	24	27	27	27	27	27	27	27	25	25	

DEPARTMENTAL MANAGEMENT

SUMMARY OF PERFORMANCE AND RESOURCE LEVELS										
Adjudicatory Agencies, continued										
Budget Activities, Performance Goals and Indicators	2003		2004		2005		2006		2007	FY 2008
	Target	Result	Target	Result	Target	Result	Target	Result	Target	Target
Office of Administrative Law Judges										
<u>Performance Goal 3</u> - Provide workers from other countries immigrating into the US an equitable opportunity to join the American workforce by adjudicating Immigration cases.	Goal Substantially Achieved		Goal Achieved		Goal Achieved		Goal Achieved			
Immigration (Dispositions)	280	265	280	281	280	355	280	247	140	140
Case Intake	200	312	200	368	300	225	300	90	300	300
Pending Cases EOFY	210	337	257	424	444	424	314	137	297	457
Backlogs (Months)	9	15	11	18	19	10	13	7	25	39
FTE	7	7	7	7	7	7	7	7	5	4
Budget Activity 2										
Performance Goal 1										
Other Program Mandates										
Agency Total	--	--	--	--	--	--		\$	\$	\$

DEPARTMENTAL MANAGEMENT

SUMMARY OF PERFORMANCE AND RESOURCE LEVELS										
Adjudicatory Agencies, continued										
Budget Activities, Performance Goals and Indicators	2003		2004		2005		2006		2007	FY 2008
	Target	Result	Target	Result	Target	Result	Target	Result	Target	Target
Administrative Review Board										
Performance Goal – Support strengthened economic protections and safe and secure work places through providing full and fair review of all appeals and issuing timely decisions	Goal Achieved		Goal Achieved		Goal Substantially Achieved		Goal Not Achieved		--	--
ARB: New Appeals	120	157	150	183	160	159	160	160	155	155
Closed Appeals	120	150	175	168	160	157	168	133	160	160
Pending Appeals EOFY	160	166	141	181	181	183	175	208	188	183
Pending Appeals in Months	12.8	13.3	9.7	12.9	13.6	14.0	12.5	18.8	14.1	13.7
Average Case Turnaround in Months	15.8	16.7	13.0	14.3	12.0	11.5	12.0	14.6	13.5	12.5
FTE	16	18.5	16	18.6	18	14.9	18	13.5	18	18
Budget Activities, Performance Goals and Indicators										
Budget Activities, Performance Goals and Indicators	2003		2004		2005		2006		2007	FY 2008
	Target	Result	Target	Result	Target	Result	Target	Result	Target	Target
Employees' Compensation Appeals Board										
Performance Goal –Support strengthened economic protections, a prepared workforce, and safe and secure work places through providing full and fair review of all appeals and issuing timely decisions	Goal Substantially Achieved		--	--						
ECAB: New Appeals	2,600	2,305	2,250	2,305	2,250	2,000	2,300	2,184	2,225	2,225
Closed Appeals	3,050	3,005	2,250	2,212	2,250	2,202	2,300	2,131	2,225	2,225
Pending Appeals EOFY	1,179	1,140	1,140	1,271	1,271	1,080	1,080	1,158	1,158	1,158
Pending Appeals in Months	4.6	4.6	6.1	6.9	6.8	5.9	5.6	6.5	6.2	6.2
Average Case Turnaround in Months	7.5	7.3	7.5	6.8	7.5	7.1	7.0	6.5	6.5	6.5
FTE	48	48.2	48	44.9	45	42.3	45	34.0	45	45

DEPARTMENTAL MANAGEMENT

SUMMARY OF PERFORMANCE AND RESOURCE LEVELS										
Adjudicatory Agencies, continued										
Budget Activities, Performance Goals and Indicators	2003		2004		2005		2006		2007	FY 2008
	Target	Result	Target	Result	Target	Result	Target	Result	Target	Target
	Benefits Review Board – Black Lung	Goal Not Achieved		Goal Substantially Achieved		Goal Substantially Achieved		Goal Substantially Achieved		--
Performance Goal 1 – Support strengthened economic protections through providing full and fair review of all appeals and issuing timely decisions	Goal Not Achieved		Goal Substantially Achieved		Goal Substantially Achieved		Goal Substantially Achieved		--	--
BRB- Black Lung: New Appeals	600	503	720	655	800	731	720	695	720	720
Closed Appeals	700	535	720	564	800	715	720	706	720	720
Pending Appeals EOFY	315	391	391	496	496	515	515	512	512	512
Pending Appeals in Months	5.4	8.8	6.5	10.6	7.4	8.6	8.6	8.7	8.6	8.6
Average Case Turnaround in Months	7.5	9.4	9.4	9.4	10.5	9.7	10.3	9.2	10.3	10.3
FTE	52	50.5	52	48.6	53	50.0	54	47.4	54	54
Budget Activities, Performance Goals and Indicators	2003		2004		2005		2006		2007	FY 2008
	Target	Result	Target	Result	Target	Result	Target	Result	Target	Target
	Benefits Review Board - Longshore	Goal Not Achieved		Goal Substantially Achieved		Goal Substantially Achieved		Goal Substantially Achieved		--
Performance Goal 1 – Support strengthened economic protections through providing full and fair review of all appeals and issuing timely decisions	Goal Not Achieved		Goal Substantially Achieved		Goal Substantially Achieved		Goal Substantially Achieved		--	--
BRB - Longshore: New Appeals	400	332	350	297	350	288	300	248	300	300
Closed Appeals	400	282	350	355	350	304	300	288	300	300
Pending Appeals EOFY	208	267	267	222	222	211	211	182	156	156
Pending Appeals in Months	6.2	11.4	9.2	7.5	7.6	8.3	8.4	7.6	6.2	6.2
Average Case Turnaround in Months	7.5	9.5	9.5	9.0	9.0	8.8	9.0	9.0	9.0	9.0
FTE	18	13.2	18	12.7	14	13.1	13	12.4	13	13

DEPARTMENTAL MANAGEMENT

SUMMARY OF PERFORMANCE AND RESOURCE LEVELS

Women's Bureau

Budget Activities, Performance Goals and Indicators	2003		2004		2005		2006		2007	FY 2008
	Target	Result	Target	Result	Target	Result	Target	Result	Target	Target
	Performance Goal 1									
Increase Women's Employment Opportunities	--	--	--	--	--	--				
Working Women in Transition	--	--	--	--	--	--				
Number of women entering training					200	230	650	642	690	730
Percent of participants that increase earnings (new measure in 2006)							TBD	39%	2% over 2006 baseline	2% over 2007
Percent of participants that find employment (new measure in 2006)							TBD	44%	2% over 2006 baseline	2% over 2007
Percent of participants that enter a degree program or post-secondary ed. certification program (new measure in 2006)							TBD	18%	2% over 2006 baseline	2% over 2007
GEM-Nursing										
Number of Mentors	35	37	120	202	90	131	131	Achieved	Replication	Replication
Number of Mentees	50	52	360	582	360	406	420	Achieved	Replication	Replication
Performance Goal 2										
Increase Women's Financial Security	--	--	--	--	--	--				
Wi\$e Up										
Number of participants			360	547	360	722	588	1,037	1,209	1,245
Percent of participants completing at least one module			51	59	65	671	N/A - new measure developed in 2006 based on PART			
Percent of participants who reduce their debt (new measure in 2006)							TBD	39%	3% over 2006 baseline	3% over 2007
Percent of participants who increase their savings/investments (new measure in 2006)							TBD	38%	3% over 2006 baseline	3% over 2007

DEPARTMENTAL MANAGEMENT

SUMMARY OF PERFORMANCE AND RESOURCE LEVELS
Women's Bureau, continued

Performance Goal 3 Increase the number of Employer Flexible Programs and Policies	--	--	--	--	--	--				
Flex-Options for Women										
Number of employers who express an interest in expanding or developing a flexible workplace policy or program			84	87	120	90	140	199	204	211
Number employers who create or expand at least one flexible policy/program			80	61	60	41	84	116	137	142
Number of employees who have access to new flexible policies/programs (new measure in 2006)					720	1460	1,710	Achieved	1,916	1,992
Other Program Mandates										
Agency Total	--	--	--	--	--	--				
Data Source(s): Women's Bureau customer surveys and event feedback data collection, website activity reports, and formulative evaluations.										
Comments: Measures for Wi\$e up are being changed for FY 2007 based on PART recommendations. Baselines will be established for the WWIT program, FY 2007 represents its first full year of performance.										

DEPARTMENTAL MANAGEMENT

PART RECOMMENDATIONS AND STATUS

INTERNATIONAL LABOR AFFAIRS

Agency/Program:				
PART Recommendation	Milestone(s)	Target (FY/Q)	Completion (FY/Q)	Comments on Status; Reference/Documentation
Implement cost efficiency measures to demonstrate cost efficiencies per child removed or prevented from exploitive child labor and cost per worker placed in employment through project-assisted intervention.	ILAB implemented cost efficiency measures in FY 2005 and has set targets for FY 2006 and FY 2007	FY 2005	FY 2005	
Conduct a comprehensive evaluation of ILAB's technical assistance programs to assess the programs' overall impact and effectiveness, including program sustainability	In FY 2005, OASAM awarded a contract for a program-wide evaluation of ILAB's technical assistance programs	FY 2005	FY 2007	The contractor is analyzing data and writing the report. Results of the study are expected on or before October 31, 2006.
Evaluate the agency's grantmaking functions to determine if ILAB's activities complement or compare favorably to other government funded international assistance programs.	The study on ILAB programs' impact, effectiveness, and sustainability will set the groundwork for additional research. ILAB plans to seek further funding for a second phase of the evaluation that would include a comparison of ILAB's labor-related technical assistance activities with those of other government-funded international assistance programs.	FY2005	TBD	Pending availability of funds, a second phase of the study will compare ILAB's programs with those of other government agencies.

DEPARTMENTAL MANAGEMENT

PART RECOMMENDATIONS AND STATUS

LEGAL SERVICES

Agency/Program:				
PART Recommendation	Milestone(s)	Target (FY/Q)	Completion (FY/Q)	Comments on Status; Reference/Documentation
Conducting an independent program evaluation of sufficient scope and quality to assess the quality and timeliness of the legal advice it provides to the Department of Labor	Completed survey design and interviews commenced			SOL is in the process of undertaking a program evaluation of the quality of the SOL's legal advice.
Improving the management of the Solicitor's administrative budget and displaying budget requests in a more transparent manner.	Draft budget justification submitted to OMB with full explanation of services and functions for which funds requested			SOL's most recent budget submission includes a clear explanation of the Agency's performance of non-legal services and requests appropriated funding for those services.

DEPARTMENTAL MANAGEMENT

PART RECOMMENDATIONS AND STATUS

WOMEN'S BUREAU

PART RECOMMENDATIONS AND STATUS				
Agency/Program:				
PART Recommendation	Milestone(s)	Target (FY/Q)	Completion (FY/Q)	Comments on Status; Reference/Documentation
Establish new outcome measures that more clearly demonstrate the results of the program's demonstration projects and link directly to the program's mission.	Develop new outcome measures	FY 2006/Q3&4		Submitted to OMB newly develop measures that clearly demonstrate results and link to the Bureau's mission.
Set aggressive long-term targets for improving working conditions for women.		FY 2006/Q4		See above
Conduct ongoing independent evaluations of the program's demonstration projects in order to establish effectiveness and inform improvement efforts.	1. Complete independent evaluation of Wi\$e UP and GEM-Nursing 2. Incorporate changes recommended as a result of the evaluations	1. FY2007/Q1 2. FY 2007/Q2 & Q3		In FY 2006 Eastern Research Group (ERG) started the evaluations of Wi\$e Up and Gem-Nursing and will complete them in FY 2007. Flex-Options for Women and GEM-SET will be evaluated by ERG in 2007.

DEPARTMENTAL MANAGEMENT

EFFICIENCY MEASURES

Program/Budget Activity	International Child Labor Program			
FY Program PARTed	2005			
Status of Approval	Approved			
Efficiency Measure	Cost per child prevented/removed from exploitive child labor.			
Numerator Description	Total project obligation including administrative overhead			
Denominator Description	Number of children prevented/removed from exploitive child labor as a result of USDOL-funded project interventions.			
Baseline Data	FY 2004	Numerator: \$77,617,573		Ratio: \$595.04
		Denominator: 130,441		
FY/PY	2005	2006	2007	
Target Ratios	\$589	\$585	\$577	
Result Ratios	\$352.71	Not yet available		
Comment/Data Source	<p>This measure captures the cost efficiency of ILAB's child labor programs in preventing/removing children from exploitive child labor.</p> <p>The numerator for this efficiency measure represents the total amount of dollars obligated for each project plus the cost of ILAB overhead for administrating the programs. USDOL administrative cost data is derived from the USDOL Cost Analysis Manager (CAM), a reporting tool used by the Office of the Chief Financial Officer.</p> <p>The denominator for each efficiency measure represents the total number of children to be prevented/removed for each project funded during the applicable fiscal year.</p> <p>The development of the cost efficiency measures enables ICLP to compare project cost efficiencies and analyze the factors that may explain cost variations. This process will help identify which direct action strategies are more cost efficient and reach the maximum number of beneficiaries.</p>			

DEPARTMENTAL MANAGEMENT

Strategy(s) to Achieve Efficiency

ICLP projects will achieve great cost efficiency as overhead costs are reduced, local project staff replace international experts, and host countries are encouraged to increase their contributions, cash and in-kind, to the projects.

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Program/Budget Activity	Office of Foreign Relations			
FY Program PARTed	2005			
Status of Approval	<i>Approved</i>			
Efficiency Measure	Cost per worker benefiting from improved labor inspections			
Numerator Description	Total project expenditures, including administrative overhead \$			
Denominator Description	Number of workers benefiting from improved labor inspections			
Baseline Data	FY/PY FY 2005	Numerator: Final Financial data available in October 2006 from OCFO		Ratio: Financial data not available
		Denominator: 1.48 million (Q2m FY 2006)		
FY/PY	2005	2006	2007	
Target Ratios	Baseline Year	\$0.35	\$0.32	
Result Ratios	\$0.37	Not Yet Available		
Comment/Data Source	<p>This efficiency measure captures the cost efficiency of ILAB-funded projects supporting the US trade agenda.</p> <p>The numerator for each efficiency measure represents the total amount of dollars expended (not obligated) for each project. All project expenditure data are derived from the implementers' financial status reports and USDOL administrative cost data from the USDOL Cost Analysis Manager (CAM), a reporting tool used by the Office of the Chief Financial Officer.</p> <p>The denominator for each efficiency measure represents the total number of workers placed in employment, benefiting from improved labor inspections or benefiting from HIV/AIDS education activities in the workplace. Performance data are provided by ILAB's project implementers.</p> <p>The development of the cost efficiency measures enables the office to compare project cost efficiencies and analyze the factors that may explain variations in efficiencies.</p>			

DEPARTMENTAL MANAGEMENT

Strategy(s) to Achieve Efficiency

Labor law compliance projects will achieve greater cost efficiency as they begin additional project activities and as the administrative expenses and DOL personnel costs continue to decline.

DEPARTMENTAL MANAGEMENT

Program/Budget Activity	Office of Foreign Relations		
FY Program PARTed	2005		
Status of Approval	Proposed in response to PART		
Efficiency Measure	Cost per worker benefiting from workplaces with improved HIV/AIDS policies and programs as a result of USDOL-funded project interventions.		
Numerator Description	Total project expenditures, including administrative overhead \$		
Denominator Description	Number of targeted workers and workplaces with improved HIV/AIDS policies and programs as a result of USDOL-funded project interventions.		
Baseline Data	FY 2004	Numerator: Final Financial data available in October 2006 from OCFO	Ratio: Financial data not available
		Denominator: 286 (Q2, FY 2006)	
FY/PY	2005	2006	2007
Target Ratios	Baseline Year	\$3.50	\$3.25
Result Ratios	\$3.65	Not Yet Available	

DEPARTMENTAL MANAGEMENT

<p>Comment/Data Source</p>	<p>This efficiency measure captures the cost efficiency of ILAB’s program to improve living standards and conditions of work internationally through providing HIV/AIDS education in the workplace.</p> <p>The numerator for each efficiency measure represents the total amount of dollars expended (not obligated) for each project. All project expenditure data are derived from the implementers’ financial status reports and USDOL administrative cost data from the USDOL Cost Analysis Manager (CAM), a reporting tool used by the Office of the Chief Financial Officer.</p> <p>The denominator for each efficiency measure represents the total number of workers placed in employment, benefiting from improved labor inspections or benefiting from HIV/AIDS education activities in the workplace. Performance data are provided by ILAB’s project implementers.</p> <p>The development of the cost efficiency measures enables the office to compare project cost efficiencies and analyze the factors that may explain variations in efficiencies</p>
<p>Strategy(s) to Achieve Efficiency</p>	<p>HIV/AIDS Workplace Education projects will achieve greater cost efficiency as they begin additional project activities and as the administrative expenses and DOL personnel costs continue to decline.</p>

DEPARTMENTAL MANAGEMENT

WOMEN'S BUREAU

EFFICIENCY MEASURES					
Program/Budget Activity	Women's Bureau - Flex-Options for Women				
FY Program PARTed	FY 2005				
Status of Approval	OMB Approved				
Efficiency Measure	<i>Cost per business owner who develops a flexible workplace or</i>				
Numerator Description	Full cost estimate of project generated by WB Cost Analysis Manager model				
Denominator Description	<i>Actual number of business owners registered in the Flex-Options project who create or expand a flexible workplace policy or program.</i>				
Baseline Data	FY 2004	Numerator: 900,000			18,000:1
		Denominator: 50			
FY/PY	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Target Ratios	16,200:1	15,300:1	14,700:1	14,100:1	13,550:1
Result Ratios	25,554:1				
Comment/Data Source	Data sources for cost will be CAM, the denominator will be from our strategic plan and/or regional reports.				
Strategy(s) to Achieve Efficiency	FY 2005 results were impacted by staffing emergencies in the regional offices. These issues have been resolved and FY 2006 results should show marked improvement.				

EFFICIENCY MEASURES					
Program/Budget Activity	Women's Bureau - Flex-Options for Women				
FY Program PARTed	FY 2005				
Status of Approval	OMB Approved				
Efficiency Measure	<i>Cost per number of employees in participating companies with flexible programs and policies</i>				
Numerator Description	Total funds, including personnel costs allocated to the Flex-Options project in the FY 2005 budget				
Denominator Description	<i>Number of employees in participating companies with flexible programs and policies</i>				
Baseline Data	2005	Numerator: 1,205,000			825:1
		Denominator: 1,460			
FY/PY	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Target Ratios	825:1	750:1	730:1	700:1	670:1
Result Ratios	770:1				
Comment/Data Source	Data sources for cost will be CAM, the denominator will be from our strategic plan and/or regional reports.				
Strategy(s) to Achieve Efficiency					

DEPARTMENTAL MANAGEMENT

EFFICIENCY MEASURES					
Program/Budget Activity	Women's Bureau - Wi\$e Up				
FY Program PARTed	FY 2005				
Status of Approval	OMB Approved				
Efficiency Measure	<i>Cost per participant who takes an action step toward securing their financial future</i>				
Numerator Description	Full cost estimate of project generated by WB Cost Analysis Manger model				
Denominator Description	<i>Number of employees in participating companies with flexible</i>				
Baseline Data	2004	Numerator: 1,100,000			3,700:1
		Denominator: 300			
FY/PY	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Target Ratios	3,300:1				
Result Ratios	1,948:1				
Comment/Data Source	This measure is in the process of being revised based on the PART and on-going discussions with OMB.				
Strategy(s) to Achieve Efficiency					