

March 30, 2001

MEMORANDUM TO: Richard R. Rough, Director
Division of Planning, Budget, and Analysis
Office of the Chief Financial Officer

FROM: J. E. Dyer, Regional Administrator */RA/*

SUBJECT: FY 2003 BUDGET SUBMITTAL

Attached are our resource estimates and supporting justification materials for the FY 2003 Planning, Budgeting, and Performance Management (PBPM) process. Budget exhibits and associated documents are provided in the attachments in accordance with the February 2, 2000, memorandum. Electronic copies, including the Controller Resource Database, have been provided to your staff.

The thresholds established in both FY02 and FY03 are of concern to us. Additional overhead FTE reductions will reduce the efficiency and effectiveness of both the remaining overhead personnel, as well as the direct staff. Dollar reductions will have a similar effect on our operations. In addition, we would like to highlight the following specific issues:

Travel

Our FY03 travel request has been adjusted in anticipation of per diem, mileage and common carrier increases. As we indicated in our FY01 mid-year review, the recent increase in mileage allowances is of concern. Our FY02 travel request provided for no increase, which may cause us to revisit this if necessary during the FY02 midyear resource review.

Work-at-Home

Planning Assumption 62 recognizes the potential for increased employee participation in telecommuting programs. We have not factored this into our budget request as we have not assessed the resource impact of this initiative. We agree that the greatest impact may be in the Information Technology (IT) area.

Space Planning

As you know, we are in the midst of working with the General Services Administration (GSA) in anticipation of our lease expiration. GSA has given us a rough estimation of \$500K for non-IT move-related costs. We expect the bulk of these costs will need to be budgeted for in FY03. Our FY03 request allows for \$405K, which includes a contingency of \$55K in the IT program (i.e., cabling, above-standard HVAC service for centralized network equipment rooms, etc.). Our FY04 request reflects GSA's current rent estimate, which is lower than that contained in Planning Assumption 57.

CONTACT: Marty Kerlin
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If there are any questions concerning this material, please feel free to contact us.

- Attachments:
1. Budget Request by Program (5A)
 2. Activities Above Threshold (5B)
 3. IT Resources (10)
 4. External Training (11A)

- cc w/atts:
- W. Kane, OEDO
 - C. Schum, OEDO
 - V. Wilson, ADM
 - K. Raglin, OHR
 - D. Johnson, OCIO
 - D. Drucker, OCFO
 - H. Miller, RI
 - L. Reyes, RII
 - E. Merschoff, RIV
 - C. Pederson, RIII
 - J. Grobe, RIII
 - G. Grant, RIII

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