

DEPARTMENTAL OFFICES
Salaries and Expenses

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	177,142	1,075
FY 2002 PROPOSED AUTHORIZED LEVEL	177,142	1,075
FY 2002 Comparability Adjustment for 2003 Legislative Proposal.....	6,738	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	183,880	1,075
CHANGES PROPOSED FOR FY 2003		
• Program Changes.....	5,893	---
• Adjustments for Mandatory Cost Increases.....	5,852	---
• Program Annualizations.....	3,000	8
• Transfer – Federal Employees’ Compensation Act Surcharge.....	27	---
• Legislative Proposal on Full Costing of Benefits (Increment).....	475	---
• Re-Application (-).....	-746	---
• Re-Application (+).....	746	3
TOTAL FY 2003 CHANGES	15,247	11
FY 2003 PRESIDENT’S BUDGET	199,127	1,086
• Less Legislative Proposal on Full Costing of Benefits (Total).....	-7,213	---
FY 2003 NET PROGRAM LEVEL	191,914	1,086

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Program Changes: Funds are requested for Treasury-wide Financial Statements Audit Program (\$5,893 and 0 FTE).	5,893	---
Adjustments for Mandatory Cost Increases: Funds are requested for: 1) FY 2003 cost of January 2002 pay increase (\$1,287 and 0 FTE); 2) the proposed January 2003 pay raise (\$2,102 and 0 FTE); 3) other labor related benefits (\$333 and 0 FTE); 4) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$1,383 and 0 FTE); and 5) overseas inflation costs for the Office of International Affairs (\$747 and 0 FTE).	5,852	---

DEPARTMENTAL OFFICES
Salaries and Expenses

	Amount (\$000s)	Direct FTE
Program Annualizations: Funds are requested for completing the full-year cost and FTE realization of positions from enacted FY 2002 initiatives in support of the Office of Foreign Assets Control (\$3,000 and 8 FTE).	3,000	8
Highlights of FY 2003 Budget Changes		
Transfer: The FY 2003 President's Budget includes language in the General Provisions of the Treasury-Postal Appropriations bill to permit the Department of Labor to add an administrative surcharge to the amount it charges each agency for its Federal Employees' Compensation Act (FECA) benefits. Previously this administrative cost has been borne by the Department of Labor. The responsibility, and corresponding budget authority, is proposed to be transferred to each client organization (\$27 and 0 FTE).	27	- - -
Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$475 increment and 0 FTE and \$7,213 total).	475	- - -
Re-Application: Funding reflects: 1) one-time savings from Congressional earmarks (-\$746 and 0 FTE); and 2) annualization of Office of Intelligence Support Homeland Security funding (\$746 and 3 FTE).	- - -	3

DEPARTMENTAL OFFICES
Treasury Building and Annex Repair and Restoration

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	28,932	10
FY 2002 PROPOSED AUTHORIZED LEVEL	28,932	10
FY 2002 Comparability Adjustment for 2003 Legislative Proposal.	77	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	29,009	10
CHANGES PROPOSED FOR FY 2003		
• Program Changes.	4,000	---
• Legislative Proposal on Full Costing of Benefits (Increment)	5	---
TOTAL FY 2003 CHANGES.	4,005	0
FY 2003 PRESIDENT'S BUDGET	33,014	10
• Less Legislative Proposal on Full Costing of Benefits (Total)	-82	---
FY 2003 NET PROGRAM LEVEL	32,932	10

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Program Changes: A program increase is requested due to hidden building conditions and security add-ons as a result of the terrorist attacks (\$4,000 and 0 FTE).	4,000	---

DEPARTMENTAL OFFICES
Treasury Building and Annex Repair and Restoration

	Amount (\$000s)	Direct FTE
<p>Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$5 increment and 0 FTE and \$82 total).</p>	5	- - -

DEPARTMENTAL OFFICES
Expanded Access to Financial Services

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107 - 67)	2,000	3
FY 2002 PROPOSED AUTHORIZED LEVEL	2,000	3
FY 2003 PRESIDENT'S BUDGET	2,000	3

**DEPARTMENT-WIDE SYSTEMS AND
CAPITAL INVESTMENTS PROGRAM (DSCIP)**

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107 - 67)	68,828	---
FY 2002 PROPOSED AUTHORIZED LEVEL	68,828	---
FY 2003 PRESIDENT'S BUDGET	68,828	---

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Re-Application: Funding reflects re-application of USCS Backup/ Disaster Recovery (-\$7,000) to Integrated Treasury Network (+\$6,000) and Critical Infrastructure Protection (\$1,000)	---	---

FY 2003 DSCIP Request by Project

	FY 2002	FY 2003
<i>HR Connect</i>	25,751	25,751
<i>Treasury Architecture</i>	200	200
<i>Integrated Treasury Network</i>	25,935	31,935
<i>Treasury-wide Critical Infrastructure</i>	7,993	8,993
<i>Treasury Back-up/Disaster Recovery</i>	8,746	1,746
<i>Treasury Assets Management Info. System</i>	<u>203</u>	<u>203</u>
Total	68,828	68,828

OFFICE OF THE INSPECTOR GENERAL

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	35,424	282
FY 2002 PROPOSED AUTHORIZED LEVEL	35,424	282
FY 2002 Comparability Adjustment for 2003 Legislative Proposal.	1,863	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	37,287	282
CHANGES PROPOSED FOR FY 2003		
• Adjustments for Mandatory Cost Increases.	1,390	---
• Transfer – Federal Employees’ Compensation Act Surcharge	4	---
• Legislative Proposal on Full Costing of Benefits (Increment)	84	---
• Reductions, Non-Recurring Costs, and Savings	-1,390	---
TOTAL FY 2003 CHANGES.	88	0
FY 2003 PRESIDENT’S BUDGET	37,375	282
• Legislative Proposals on Full Costing of Benefits (Total).	-1,947	---
FY 2003 NET PROGRAM LEVEL	35,428	282

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Adjustments for Mandatory Cost Increases: Funds are requested for: 1) FY 2003 cost of January 2002 pay increase (\$330 and 0 FTE); 2) the proposed January 2003 pay raise (\$931 and 0 FTE); and 3) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$129 and 0 FTE).	1,390	---
Transfer: The FY 2003 President’s Budget includes language in the General Provisions of the Treasury-Postal Appropriations bill to permit the Department of Labor to add an administrative surcharge to the amount it charges each agency for its Federal Employees' Compensation Act (FECA) benefits. Previously this administrative cost has been borne by the Department of Labor. The responsibility, and corresponding budget authority, is proposed to be transferred to each client organization (\$4 and 0 FTE).	4	---

OFFICE OF THE INSPECTOR GENERAL

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

<p>Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$84 increment and 0 FTE and \$1,947 total).</p>	84	- - -
<p>Reductions, Non-Recurring Costs and Savings: Business strategy adjustment to reduce or remove low value activities (\$-1,390 and 0 FTE).</p>	-1,390	- - -

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	123,746	995
FY 2002 DEFENSE APPROPRIATION (P.L. 107-117)	2,032	---
FY 2002 PROPOSED AUTHORIZED LEVEL	125,778	995
FY 2002 Comparability Adjustment for 2003 Legislative Proposal	7,326	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	133,104	995
CHANGES PROPOSED FOR FY 2003		
Adjustments for Mandatory Cost Increases	4,569	---
Legislative Proposal on Full Costing of Benefits (Increment)	349	---
Reductions, Non-Recurring Costs, and Savings	-6,385	-48
TOTAL FY 2003 CHANGES	-1,467	-48
FY 2003 PRESIDENT'S BUDGET	131,637	947
Less Legislative Proposal on Full Costing of Benefits (Total)	-7,675	---
FY 2003 NET PROGRAM LEVEL	123,962	947

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Adjustments for Mandatory Cost Increases: Funds are requested for: 1) FY 2003 cost of January 2002 pay increase (\$1,134 and 0 FTE); 2) the proposed January 2003 pay raise (\$2,506 and 0 FTE); 3) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$713 and 0 FTE); and 4) rent charges associated with Homeland Security (\$216 and 0 FTE).	4,569	---

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

<p>Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$349 increment and 0 FTE and \$7,675 total).</p>	349	- - -
<p>Reductions, Non-Recurring Costs and Savings: Non-recurring of one-time costs associated with the FY 2002 Emergency Supplemental of the Defense Appropriation Bill (\$-2,032 and 0 FTE); and 2) business strategy adjustment to reduce or remove low value activities; (\$-4,353 and 0 FTE).</p>	-6,385	-48

COUNTERTERRORISM CONTINGENCY FUND

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	40,000	---
FY 2002 PROPOSED AUTHORIZED LEVEL	40,000	---
FY 2003 PRESIDENT'S BUDGET	40,000	---

FINANCIAL CRIMES ENFORCEMENT NETWORK
Salaries and Expenses

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	45,837	229
FY 2002 DEFENSE APPROPRIATION (P.L. 107-117)	1,700	9
FY 2002 PROPOSED AUTHORIZED LEVEL	47,537	238
FY 2002 Comparability Adjustment for 2003 Legislative Proposal.	1,459	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	48,996	238
CHANGES PROPOSED FOR FY 2003		
• Program Changes	1,000	8
• Adjustments for Mandatory Cost Increases.	2,061	---
• Program Annualizations	400	8
• Legislative Proposal on Full Costing of Benefits (Increment).	313	---
• Reductions, Non-Recurring Costs, and Savings	-481	---
TOTAL FY 2003 CHANGES.	3,293	16
FY 2003 PRESIDENT'S BUDGET	52,289	254
• Less Legislative Proposal on Full Costing of Benefits (Total)	-1,772	---
FY 2003 NET PROGRAM LEVEL	50,517	254

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Program Changes: Funds are requested for addressing actions mandated by the USA Patriot Act of 2001 (\$1,000 and 8 FTE).	1,000	8
Adjustments for Mandatory Cost Increases: Funds are requested for: 1) FY 2003 cost of January 2002 pay increase (\$317 and 0 FTE); 2) the proposed January 2003 pay raise (\$531 and 0 FTE); 3) other labor-related benefits (\$103 and 0 FTE); and 4) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$1,110 and 0 FTE).	2,061	---
Program Annualizations: Funds are requested for completing the full-year cost and FTE realization of positions from prior year enacted FY 2002 Emergency Supplemental of the Defense Appropriation Bill (\$400 and 8 FTE).	400	8

FINANCIAL CRIMES ENFORCEMENT NETWORK
Salaries and Expenses

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

<p>Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$313 increment and 0 FTE and \$1,772 total).</p>	313	- - -
<p>Reductions, Non-Recurring Costs and Savings: Business strategy adjustment to reduce or remove low value activities (-\$481 and 0 FTE).</p>	-481	- - -

FEDERAL LAW ENFORCEMENT TRAINING CENTER
Salaries and Expenses

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	105,680	667
FY 2002 DEFENSE APPROPRIATION (P.L. 107-117)	23,000	81
FY 2002 PROPOSED AUTHORIZED LEVEL	128,680	748
FY 2002 Comparability Adjustment for 2003 Legislative Proposal	3,437	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	132,117	748
CHANGES PROPOSED FOR FY 2003		
• Adjustments for Mandatory Cost Increases	2,805	---
• Transfer – Federal Employee Compensation Act Surcharge	83	---
• Legislative Proposal on Full Costing of Benefits (Increment)	198	---
• Reductions, Non-Recurring Costs, and Savings	-9,175	---
TOTAL FY 2003 CHANGES	-6,089	0
FY 2003 PRESIDENT'S BUDGET		
• Legislative Proposal on Full Costing of Benefits (Total)	-3,635	---
FY 2003 NET PROGRAM LEVEL	122,393	748

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

Adjustments for Mandatory Cost Increases: Funds are requested for: 2,805 ---
 1) FY 2003 cost of January 2002 pay increase (\$678 and 0 FTE); 2) the proposed January 2003 pay raise (\$1,095 and 0 FTE); 3) other labor related benefits (\$176 and 0 FTE); and 4) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$856 and 0 FTE).

Transfer: The FY 2003 President's Budget includes language in the 83 ---
 General Provisions of the Treasury-Postal Appropriations bill to permit the Department of Labor to add an administrative surcharge to the amount it charges each agency for its Federal Employees' Compensation Act (FECA) benefits. Previously this administrative cost has been borne by the Department of Labor. The responsibility, and corresponding budget authority, is proposed to be transferred to each client organization (\$83 and 0 FTE).

FEDERAL LAW ENFORCEMENT TRAINING CENTER
Salaries and Expenses

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

<p>Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$198 increment and 0 FTE and \$3,635 total).</p>	<p>198 - - -</p>
<p>Reductions, Non-Recurring Costs and Savings: Reflects one-time funding adjustments to the FY 2002 base for: 1) non-recurring costs associated with the FY 2002 Emergency Supplemental of the Defense Appropriation Bill (-\$8,580 and 0 FTE); 2) business strategy adjustment to reduce or remove low value activities (-\$595 and 0 FTE).</p>	<p>-9,175 - - -</p>

FEDERAL LAW ENFORCEMENT TRAINING CENTER
Acquisition, Construction, Improvement and Related Expenses

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	33,434	---
FY 2002 DEFENSE APPROPRIATION (P.L. 107-117)	8,500	---
FY 2002 PROPOSED AUTHORIZED LEVEL	41,934	---
CHANGES PROPOSED FOR FY 2003		
• Adjustments for Mandatory Cost Increases.	566	---
• Reductions, Non-Recurring Costs, and Savings	-19,171	---
TOTAL FY 2003 CHANGES.	-18,605	---
FY 2003 PRESIDENT'S BUDGET	23,329	---

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Adjustments for Mandatory Cost Increases: Funds are requested for: non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$566 and 0 FTE).	566	---
Reductions, Non-Recurring Costs and Savings: Reflects one-time funding adjustments to the FY 2002 base for: 1) Master Plan construction (-\$10,600 and 0 FTE); 2) the acquisition of architectural and engineering services for the construction of the Cheltenham, Maryland training facility (-\$8,500 and 0 FTE); and 3) business strategy adjustment to reduce or remove low value activities (-\$71 and 0 FTE).	-19,171	---

FINANCIAL MANAGEMENT SERVICE
Salaries and Expenses

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	212,850	1,818
FY 2002 Comparability Adjustment for 2003 Legislative Proposal.	10,471	---
FY 2002 PROPOSED AUTHORIZED LEVEL	223,321	1,818
CHANGES PROPOSED FOR FY 2003		
• Adjustments for Mandatory Cost Increases.	10,222	---
• Transfer- Federal Employees' Compensation Act Surcharge	48	---
• Legislative Proposal on Full Costing of Benefits (Increment)	720	---
• Reapplication (-)	-320	---
• Reapplication (+)	320	---
• Reductions, Non-Recurring Costs and Savings	-2,408	---
TOTAL FY 2003 CHANGES	8,582	
FY 2003 PRESIDENT'S BUDGET	231,903	1,818
• Legislative Proposal on Full Costing of Benefits (Total).	-11,191	---
FY 2003 NET PROGRAM LEVEL	220,712	1,818

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Adjustments for Mandatory Cost Increases: Funds are requested for: 1) FY 2003 cost of January 2002 pay increase (\$1,556 and 0 FTE); 2) the proposed January 2003 pay raise (\$2,453 and 0 FTE); 3) other labor related benefits (\$1,119 and 0 FTE); and 4) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$5,094 and 0 FTE).	10,222	---
Transfer: The FY 2003 President's Budget includes language in the General Provisions of the Treasury-Postal Appropriations bill to permit the Department of Labor to add an administrative surcharge to the amount it charges each agency for its Federal Employees' Compensation Act (FECA) benefits. Previously this administrative cost has been borne by the Department of Labor. The responsibility, and corresponding budget authority, is proposed to be transferred to each client organization (\$48 and 0 FTE).	48	---

FINANCIAL MANAGEMENT SERVICE
Salaries and Expenses

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

<p>Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$720 increment and 0 FTE and \$11,191 total).</p>	720	- - -
<p>Reapplication: Funds reflect a redirection from the Treasury Check Information System (\$-320 and 0 FTE) to fund a portion of the annual audit of FMS' Treasury Managed Accounts, Electronic Data Processing systems, and Government-wide cash accounts (\$320 and 0 FTE).</p>	--	- - -
<p>Reductions, Non-Recurring Costs and Savings: Reflects one-time funding adjustments to the FY 2002 base for non-recurring costs associated with a business strategy adjustment to reduce or remove low value activities (-\$2,408 and 0 FTE).</p>	-2,408	- - -

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
Salaries and Expenses

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	823,316	4,992
FY 2002 DEFENSE APPROPRIATION (P.L. 107-117)	31,431	37
FY 2002 PROPOSED AUTHORIZED LEVEL	854,747	5,029
FY 2002 Comparability Adjustment for 2003 Legislative Proposal	27,531	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	882,278	5,029
CHANGES PROPOSED FOR FY 2003		
• Program Changes	21,700	41
• Adjustments for Mandatory Cost Increases	32,983	---
• Program Annualizations	1,797	36
• Transfer – Federal Employees’ Compensation Act Surcharge	345	---
• Legislative Proposal on Full Costing of Benefits (Increment)	1,808	---
• Reductions, Non-Recurring Costs, and Savings	-27,797	---
TOTAL FY 2003 CHANGES	30,836	77
FY 2003 PRESIDENT’S BUDGET	913,114	5,106
• Less Legislative Proposal on Full Costing of Benefits (Total)	-29,339	---
FY 2003 NET PROGRAM LEVEL	883,775	5,106

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

Program Changes: Funds are requested for: 1) ATF Headquarters (\$10,700 and 0 FTE); 2) YCGII initiative (11,000 and 41 FTE). 21,700 41

Adjustments for Mandatory Cost Increases: Funds are requested for: 1) FY 2003 cost of January 2002 pay increase (\$5,712 and 0 FTE); 2) the proposed January 2003 pay raise (\$9,225 and 0 FTE); 3) other labor related benefits (\$4,813 and 0 FTE); 4) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$13,185 and 0 FTE); and 5) rent charges associated with Homeland Security (\$48 and 0 FTE). 32,983 ---

Program Annualizations: Funds are requested for completing the full-year cost and FTE realization of initiatives from the FY 2002 Emergency Supplemental (\$1,797 and 36 FTE). 1,797 36

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
Salaries and Expenses

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

<p>Transfer: The FY 2003 President's Budget includes language in the General Provisions of the Treasury-Postal Appropriations bill to permit the Department of Labor to add an administrative surcharge to the amount it charges each agency for its Federal Employees' Compensation Act (FECA) benefits. Previously this administrative cost has been borne by the Department of Labor. The responsibility, and corresponding budget authority, is proposed to be transferred to each client organization (\$345 and 0 FTE).</p>	345	- - -
<p>Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$1,808 increment and 0 FTE and \$29,339 total).</p>	1,808	- - -
<p>Reductions, Non-Recurring Costs and Savings: Reflects one-time funding adjustments to the FY 2002 base for: 1) non-recurring costs associated with the FY 2002 Emergency Supplemental of the Defense Appropriation Bill (-\$20,193 and 0 FTE); and 2) business strategy adjustment to reduce or remove low value activities (-7,604 and 0 FTE).</p>	-27,797	- - -

UNITED STATES CUSTOMS SERVICE
Salaries and Expenses

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	2,079,357	18,029
FY 2002 DEFENSE APPROPRIATION (P.L. 107-117)	392,603	566
FY 2002 Distribution of FY 2001 Recovery/Response (P.L. 107-38) ..	29,337	---
FY 2002 PROPOSED AUTHORIZED LEVEL	2,501,297	18,595
FY 2002 Comparability Adjustment for 2003 Legislative Proposal	92,499	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	2,593,796	18,595
CHANGES PROPOSED FOR FY 2003		
• Program Changes	158,239	314
• Adjustments for Mandatory Cost Increases.....	76,059	---
• Program Annualizations.....	84,214	719
• Transfer – Federal Employees’ Compensation Act Surcharge	1,914	---
• Legislative Proposal on Full Costing of Benefits (increment).....	5,525	---
• Reductions, Non-Recurring Costs, and Savings	-347,021	---
TOTAL FY 2003 CHANGES	-21,070	1,024
FY 2003 GROSS PROGRAM LEVEL	2,572,726	19,628
• Legislative Proposal – COBRA Fee Increase as Appropriation Offset	-249,750	---
FY 2003 PRESIDENT’S BUDGET	2,322,976	19,628
• Less Legislative Proposal on Full Costing of Benefits	-98,024	---
FY 2003 NET PROGRAM LEVEL	2,224,952	19,628

UNITED STATES CUSTOMS SERVICE
Salaries and Expenses

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

<p>Program Changes: Subject to Congressional review of a deployment plan for FY 2002 resources provided by the Emergency Supplemental of the Defense Appropriation Bill, additional funds are requested for a second phase of Homeland Security positions and equipment, estimated to consist of: 1) northern border: a) inspectors (\$16,801 and 202 positions / 101 FTE), b) special agents (\$4,832 and 25 positions / 13 FTE), c) border hardening (\$35,554 and 0 FTE), d) NEXUS passenger facilitation (\$5,600 and 0 FTE), e) non-intrusive inspection (NII) technology (\$15,010 and 0 FTE); 2) maritime port security: a) inspectors (\$22,459 and 270 positions / 135 FTE), b) special agents (\$4,832 and 25 positions / 13 FTE), c) NII technology (\$30,700 and 0 FTE); 3) Southwest border inspectors (\$8,651 and 104 positions / 52 FTE); 4) Customs Secure Data Network (\$5,000 and 0 FTE); and 5) Northern Border Tactical Communications System (\$8,800 and 0 FTE).</p>	158,239	314
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Highlights of FY 2003 Budget Changes

<p>Adjustments for Mandatory Cost Increases: Funds are requested for: 1) FY 2003 cost of January 2002 pay increase (\$16,901 and 0 FTE); 2) the proposed January 2003 pay raise (\$26,199 and 0 FTE); 3) other labor related benefits (\$14,701 and 0 FTE); and 4) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$18,258 and 0 FTE).</p>	76,059	- - -
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UNITED STATES CUSTOMS SERVICE
Salaries and Expenses

	Amount (\$000s)	Direct FTE
Program Annualizations: Funds are requested for completing the full-year cost and FTE realization of positions from prior initiatives: 1) FY 2002 Treasury Appropriation Bill, including: a) northern border staffing annualization (\$581 and 142 FTE), b) tobacco smuggling task forces (-\$63 and 4 FTE), c) African Growth and Opportunity Act (\$93 and 4 FTE), d) Intellectual Property Rights Coordination Center (-\$351 and 13 FTE), e) Forced Child Labor monitoring (-\$351 and 19 FTE), f) non-intrusive inspection system operation and maintenance (\$4,973 and 0 FTE), and g) irradiated scrap metal detection pilot operation and maintenance (\$68 and 0 FTE); and 2) FY 2002 Emergency Supplemental of the Defense Appropriation Bill, based on a plan subject to Congressional review, with estimated full year costs consisting of: a) northern border: inspectors (\$6,576 and 151 FTE), canine enforcement officers (\$135 and 10 FTE), special agents (-\$975 and 76 FTE), technical and support personnel (\$1,083 and 22 FTE), border hardening (\$847 and 0 FTE), NII technology (\$5,649 and 0 FTE); b) maritime port security: inspectors (\$4,763 and 110 FTE), special agents (-\$874 and 67 FTE), technical and support personnel (\$788 and 16 FTE), investigation costs (\$3,100 and 0 FTE), Canadian seaport inspections (\$1,116 and 0 FTE), NII technology (\$4,320 and 0 FTE); c) Southwest border: inspectors (\$1,429 and 33 FTE), special agents (-\$141 and 11 FTE), support costs (\$49 and 0 FTE); d) new agent and inspector training (\$3,136 and -9 FTE); e) NYC office costs for special agent in charge (\$1,100 and 0 FTE); f) Advance Passenger Information System (APIS), Phases I and II (\$13,600 and 0 FTE); g) Office of Border Security (\$1,645 and 15 FTE); h) currency and monetary instrument reporting (\$500 and 0 FTE); I) Customs Trade Partnership against Terrorism (CTPAT) (\$1,900 and 10 FTE); j) overseas money laundering (\$12,318 and 25 FTE); and k) Commercial Backup Facility (\$17,200 and 0 FTE).	84,214	719

UNITED STATES CUSTOMS SERVICE
Salaries and Expenses

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
<p>Transfer: The FY 2003 President's Budget includes language in the General Provisions of the Treasury-Postal Appropriations bill to permit the Department of Labor to add an administrative surcharge to the amount it charges each agency for its Federal Employees' Compensation Act (FECA) benefits. Previously this administrative cost has been borne by the Department of Labor. The responsibility, and corresponding budget authority, is proposed to be transferred to each client organization (\$1,914 and 0 FTE).</p>	1,914	- - -
<p>Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$5,525 increment and 0 FTE, and \$98,024 total).</p>	5,525	- - -

UNITED STATES CUSTOMS SERVICE
Salaries and Expenses

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
<p>Reductions, Non-Recurring Costs and Savings: Reflects one-time funding adjustments to the FY 2002 base for: 1) FY 2002 Treasury Appropriation Bill, including: a) non-intrusive inspection equipment (-\$33,151 and 0 FTE), b) agricultural trade research (-\$750 and 0 FTE), c) Vermont Trade Center (-\$250 and 0 FTE), d) irradiated scrap metal detection pilot (-\$450 and 0 FTE); 2) FY 2002 Emergency Supplemental of the Defense Appropriation Bill, based on a plan subject to Congressional review and estimated to consist of: a) northern border: port hardening (-\$5,646 and 0 FTE), NII technology (-\$37,660 and 0 FTE); b) maritime port security: investigation costs (-\$6,300 and 0 FTE), Canadian seaport inspections (-\$1,700 and 0 FTE), NII technology (-\$28,800 and 0 FTE); c) Southwest border support costs (-\$329 and 0 FTE); d) chemical-biological detection pilot (-\$2,000 and 0 FTE); e) new agent and inspector training (-\$4,653 and 0 FTE); f) NYC office costs for special agent in charge (-\$2,000 and 0 FTE); g) APIS phases I and II (-\$36,000 and 0 FTE); h) APIS document readers (-\$2,500 and 0 FTE); i) Office of Border Security (-\$3,300 and 0 FTE); j) currency and monetary instrument reporting (-\$3,400); k) CTPAT (-\$7,000 and 0 FTE); l) commercial backup facility (-\$18,300 and 0 FTE); m) overseas money laundering (-\$15,618 and 0 FTE); n) temporary World Trade Center (WTC) replacement space operations (-\$10,500 and 0 FTE); o) WTC equipment replacement (-\$27,000 and 0 FTE); p) temporary inspector relocation and overtime to high risk ports (-\$26,000 and 0 FTE); q) temporary agent and inspector relocation and overtime at northern border ports (-\$26,000 and 0 FTE); 3) FY 2002 distribution of FY 2001 Presidential discretionary Homeland Security funding for National Guard support (-\$29,337 and 0 FTE); 4) business strategy adjustment to reduce or remove low value activities (-\$18,377 and 0 FTE).</p>	-347,021	- - -
<p>Legislative Proposal – COBRA Fee Increase as Appropriation Offset: The President's Budget includes a proposal for an adjustment in COBRA passenger fees, with the added receipts to be used for offsetting budget authority that would otherwise have to be appropriated under the discretionary spending caps (-\$249,750 and 0 FTE).</p>	-249,750	- - -

UNITED STATES CUSTOMS SERVICE
Operations and Maintenance, Air and Marine Interdiction Programs

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	177,860	---
FY 2002 DEFENSE APPROPRIATION (P.L. 107-117)	6,700	---
FY 2002 PROPOSED AUTHORIZED LEVEL	184,560	---
CHANGES PROPOSED FOR FY 2003		
• Adjustments for Mandatory Cost Increases.....	3,201	---
• Program Annualizations	2,706	---
• Reductions, Non-Recurring Costs, and Savings	-19,638	---
TOTAL FY 2003 CHANGES	-13,731	---
FY 2003 PRESIDENT'S BUDGET	170,829	---

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Adjustments for Mandatory Cost Increases: Funds are requested for non-labor related items such as contracts, supplies, equipment (\$3,201 and 0 FTE).	3,201	---
Program Annualizations: Funds are requested for maintaining new (not replacement) equipment provided in response to: 1) the Western Hemisphere Drug Elimination Act (\$764 and 0 FTE); 2) the Customs National Aviation Center (CNAC) Training Standardization Branch (\$1,050 and 0 FTE); 3) electro-optical and infrared imaging systems (\$450 and 0 FTE); and 4) the Air and Marine Modernization Plan: interceptor marine vessels (\$316 and 0 FTE) and marine safety equipment (\$126 and 0 FTE).	2,706	---
Reductions, Non-Recurring Costs and Savings: Reflects one-time funding adjustments to the FY 2002 base for: 1) FY 2002 Emergency Supplemental of the Defense Appropriation Bill (-\$6,700 and 0 FTE); 2) the CNAC Training Standardization Branch (-\$7,000 and 0 FTE); 3) electro-optical and infrared imaging systems (-\$3,000 and 0 FTE); and 4) the Air and Marine Modernization Plan: interceptor marine vessels (-\$2,100 and 0 FTE) and marine safety equipment (-\$838 and 0 FTE).	-19,638	---

UNITED STATES CUSTOMS SERVICE
Harbor Maintenance Fee Collection

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67).....	3,000	---
FY 2003 PRESIDENT'S BUDGET	3,000	---

UNITED STATES CUSTOMS SERVICE
Automation Modernization

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	427,832	---
CHANGES PROPOSED FOR FY 2003		
• Program Changes	7,500	---
FY 2003 PRESIDENT'S BUDGET	435,332	---

Highlights of FY 2003 Budget Changes

Program Changes: A funding increase is requested for the Automated Commercial Environment (ACE) (\$7,500 and 0 FTE).	7,500	---
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Bureau of the Public Debt
Administering the Public Debt

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	191,353	1,518
FY 2002 Offsetting user fees	-4,400	---
FY 2002 Comparability Adjustment for 2003 Legislative Proposal	8,415	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	195,368	1,518
CHANGES PROPOSED FOR FY 2003		
• Adjustments for Mandatory Cost Increases.	5,221	---
• Transfer- Federal Employees' Compensation Act Surcharge	46	---
• Legislative Proposal on Full Costing of Benefits (Increment)	253	---
• Reapplication (-)	-2,231	-40
• Reapplication (+)	2,231	---
• Reductions, Non-Recurring Costs, and Savings	-1,101	---
TOTAL FY 2003 CHANGES	4,419	-40
FY 2003 PRESIDENT'S BUDGET	199,787	1,478
• Less Legislative Proposal on Full Costing of Benefits (Total)	-8,668	---
FY 2003 NET PROGRAM LEVEL	191,119	1,478

Highlights of FY 2003 Budget Changes

Adjustments for Mandatory Cost Increases: Funds are requested for: 5,221 ---
 1) FY 2003 cost of January 2002 pay increase (\$1,129 and 0 FTE); 2) the proposed January 2003 pay raise (\$1,728 and 0 FTE); 3) other labor related benefits (\$622 and 0 FTE); and 4) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$1,742 and 0 FTE).

Transfer: The FY 2003 President's Budget includes language in the 46 ---
 General Provisions of the Treasury-Postal Appropriations bill to permit the Department of Labor to add an administrative surcharge to the amount it charges each agency for its Federal Employees' Compensation Act (FECA) benefits. Previously this administrative cost has been borne by the Department of Labor. The responsibility, and corresponding budget authority, is proposed to be transferred to each client organization (\$46 and 0 FTE).

Bureau of the Public Debt
Administering the Public Debt

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

<p>Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$253 increment and 0 FTE and \$8,668 total).</p>	253	---
<p>Reapplications: Funds reflect: 1) Saving Bond Marketing Office Reorganization (\$-2,231 and -40 FTE) and 2) Paid Advertising Initiative (\$2,231 and 0 FTE).</p>	---	-40
<p>Reductions, Non-Recurring Costs and Savings: Reflects one-time funding adjustments to the FY 2002 base for a business strategy adjustment to reduce or remove low value activities (-\$1,101 and 0 FTE).</p>	-1,101	---

INTERNAL REVENUE SERVICE

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	9,437,079	99,887
FY 2002 DEFENSE APPROPRIATION (P.L. 107-117)	33,525	14
FY 2002 PROPOSED AUTHORIZED LEVEL	9,470,604	99,901
FY 2002 Comparability Adjustment for 2003 Legislative Proposal.	465,606	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	9,936,210	99,901
CHANGES PROPOSED FOR FY 2003		
• Program Changes	169,963	1,165
• Adjustments for Mandatory Cost Increases.	332,216	---
• Program Annualizations	10,425	14
• Transfer – Federal Employees’ Compensation Act Surcharge	2,560	---
• Legislative Proposal on Full Costing of Benefits (Increment).	36,929	---
• Reductions, Non-Recurring Costs, and Savings	- 69,915	0
TOTAL FY 2003 CHANGES.	479,618	1,179
FY 2003 PRESIDENT’S BUDGET		
• Less Legislative Proposal on Full Costing of Benefits (Total).	-502,535	---
FY 2003 NET PROGRAM LEVEL	9,915,853	101,080

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Program Changes: Funds are requested for: 1) Customer Service, Compliance & Workload (\$101,556 and 1,165 FTE); 2) BSM Investments (\$58,407 and 0 FTE); and 3) IS Tier B Investments (\$10,000 and 0 FTE.)	169,963	1,165
Adjustments for Mandatory Cost Increases: Funds are requested for: 1) FY 2003 cost of January 2002 pay increase (\$75,903 and 0 FTE); 2) the proposed January 2003 pay raise (\$168,555 and 0 FTE); 3) other labor related benefits (\$37,314 and 0 FTE); 4) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$49,984 and 0 FTE); and 5) rent charges associated with Homeland Security (\$1,460 and 0 FTE).	332,216	---
Program Annualizations: Funds are requested for completing the full-year cost and FTE realization of positions from prior year enacted initiatives (\$10,425 and 14 FTE)	10,425	14

INTERNAL REVENUE SERVICE

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

Transfer: The FY 2003 President's Budget includes language in the General Provisions of the Treasury-Postal Appropriations bill to permit the Department of Labor to add an administrative surcharge to the amount it charges each agency for its Federal Employees' Compensation Act (FECA) benefits. Previously this administrative cost has been borne by the Department of Labor. The responsibility, and corresponding budget authority, is proposed to be transferred to each client organization (\$2,560 and 0 FTE).	2,560	---
Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$36,929 increment and 0 FTE and \$502,535 total).	36,929	---
Reapplication: The budget includes efficiency and workload savings (-\$157,559 and -2,287 FTE).	-157,559	-2,287
Reapplication: The savings are reapplied to cover additional customer service and compliance in order to meet increased workload (\$157,559 and 2,287 FTE).	157,559	2,287

INTERNAL REVENUE SERVICE

Amount (\$000s)	Direct FTE
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Reductions, Non-Recurring Costs and Savings: Reflects one-time funding adjustments to the FY 2002 base for: 1) non-recurring costs associated with the FY 2002 Emergency Supplemental of the Defense Appropriation Bill (-\$31,397 and 0 FTE); and 2) business strategy adjustment to reduce or remove low value activities (-\$38,518 and 0 FTE).

- 69,915 - - -

	<u>PAM</u>	<u>TLE</u>	<u>IS</u>	<u>BSM</u>	<u>EITC</u>	<u>Total</u>
FY 2002 Enacted.....	\$3,982,971	\$3,786,801	\$1,620,905	\$391,593	\$153,940	9,936,210
<u>'03 Changes</u>						
Program Changes.....	73,502	28,054	10,000	58,407	0	169,963
Other Changes.....	144,862	175,919	60,943	0	406	382,130
Non-Recurs.....	-51,508	-2,416	-15,991	0	0	-69,915
FY 2003 Pres. Bdgt...	4,149,827	3,988,358	1,675,857	450,000	154,346	10,418,388
Less Leg. Proposal.....	-191,490	-259,286	-43,413	0	-8,346	-502,535
Net, 2003.....	3,958,337	3,729,072	1,632,444	450,000	146,000	9,915,853

UNITED STATES SECRET SERVICE
Salaries and Expenses

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	920,615	5,870
FY 2002 DEFENSE APPROPRIATION (P.L. 107-117)	104,769	121
FY 2002 Distribution from P.L. 107-38.	36,714	---
FY 2002 PROPOSED AUTHORIZED LEVEL	1,062,098	5,991
FY 2002 Comparability Adjustment for 2003 Legislative Proposal.	30,108	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	1,092,206	5,991
CHANGES PROPOSED FOR FY 2003		
• Workload Adjustment	8,090	---
• Adjustments for Mandatory Cost Increases.	30,206	---
• Program Annualizations	19,180	120
• Transfer – Federal Employees’ Compensation Act Surcharge	358	---
• Legislative Proposal on Full Costing of Benefits (Increment).	3,527	---
• Reductions, Non-Recurring Costs, and Savings	-109,497	---
TOTAL FY 2003 CHANGES.	-48,136	120
FY 2003 PRESIDENT’S BUDGET		
• Legislative Proposal on Full Costing of Benefits (Total).	-33,635	---
FY 2003 NET PROGRAM LEVEL		
	1,010,435	6,111

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Workload Adjustments: Funds are requested for start-up costs related to the Candidate/Nominee Protection - 2004 Presidential Election (\$8,090 and 0 FTE).	8,090	---
Adjustments for Mandatory Cost Increases: Funds are requested for: 1) FY 2003 cost of January 2002 pay increase (\$6,957 and 0 FTE); 2) the proposed January 2003 pay raise (\$17,372 and 0 FTE); 3) other labor related benefits (\$0 and 0 FTE); and 4) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$5,877 and 0 FTE).	30,206	---

UNITED STATES SECRET SERVICE
Salaries and Expenses

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Program Annualizations: Funds are requested for: 1) completing the full-year cost and FTE realization of positions from prior year enacted Emergency Supplemental of the Defense Appropriation Bill (\$19,180 and 120 FTE).	19,180	120
Transfer: The FY 2003 President's Budget includes language in the General Provisions of the Treasury-Postal Appropriations bill to permit the Department of Labor to add an administrative surcharge to the amount it charges each agency for its Federal Employees' Compensation Act (FECA) benefits. Previously this administrative cost has been borne by the Department of Labor. The responsibility, and corresponding budget authority, is proposed to be transferred to each client organization (\$358 and 0 FTE).	358	- - -
Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$3,527 increment and 0 FTE and \$33,635 total).	3,527	- - -

UNITED STATES SECRET SERVICE
Salaries and Expenses

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

<p>Reductions, Non-Recurring Costs and Savings: Reflects one-time funding adjustments to the FY 2002 base for: 1) non-recurring costs associated with the FY 2002 distribution of FY 2001 Presidential Discretionary Homeland Security Funding (-\$8,714 and 0 FTE); 2) FY 2002 Emergency Supplemental of the Defense Appropriation Bill (-\$93,959 and 0 FTE); 3) business strategy adjustment to reduce or remove low value activities (-\$6,824 and 0 FTE);</p>	-109,497	- - -
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UNITED STATES SECRET SERVICE
Acquisition, Construction, Improvements, and Related Expenses

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	3,457	---
FY 2002 PROPOSED AUTHORIZED LEVEL	3,457	---
CHANGES PROPOSED FOR FY 2003		
• Adjustments for Mandatory Cost Increases.	62	---
TOTAL FY 2003 CHANGES.	62	---
FY 2003 PRESIDENT'S BUDGET	3,519	---

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Adjustments for Mandatory Cost Increases: Funds are requested for non-labor related items such as contracts, supplies, and equipment (\$62 and 0 FTE).	62	---

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-67)	107,576	---
FY 2002 Comparability Adjustment for 2003 Legislative Proposal . .	5,096	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	112,672	---
CHANGES PROPOSED FOR FY 2003		
• Adjustments for Mandatory Cost Increases.	3,018	---
• Legislative Proposal on Full Costing of Benefits (Increment)	91	---
• Reductions, Non-Recurring Costs, and Savings	-3,018	---
TOTAL FY 2003 CHANGES	91	---
FY 2003 PRESIDENT'S BUDGET		
	112,763	---
• Less Legislative Proposal on Full Costing of Benefits (Total).	-5,187	---
FY 2003 NET PROGRAM LEVEL		
	107,576	---

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Adjustments for Mandatory Cost Increases: Funds are requested for: 1) FY 2003 cost of January 2002 pay increase (\$936 and 0 FTE); 2) the proposed January 2003 pay raise (\$1,660 and 0 FTE); and 3) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$422 and 0 FTE).	3,018	---

Highlights of FY 2003 Budget Changes

Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$91 increment and 0 FTE and \$5,187 total).

Amount (\$000s)	Direct FTE
91	---

Reductions, Non-Recurring Costs and Savings: Reflects one-time funding adjustments to the FY 2002 base for business strategy adjustment to reduce or remove low value activities (-\$3,018 and 0 FTE).

-3,018	---
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	<u>FY 2002</u>	<u>FY 2003</u>
Internal Revenue Service	69,084	69,123
Bureau of Alcohol, Tobacco and Firearms	11,128	11,128
U.S. Customs Service	31,788	31,840
Departmental Offices	672	672
Total, President's Budget	112,672	112,763
Less Legislative Proposal on Full Costing of Benefits	-5,096	-5,187
Net Program Level.....	107,576	107,576

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

	Amount (\$000s)	Direct FTE
FY 2002 APPROPRIATION (P.L. 107-73)	80,000	64
FY 2002 PROPOSED AUTHORIZED LEVEL	80,000	64
FY 2002 Comparability Adjustment for 2003 Legislative Proposal.	223	---
FY 2002 PROPOSED AUTHORIZED LEVEL (Comparable)	80,223	64
CHANGES PROPOSED FOR FY 2003		
• Adjustments for Mandatory Cost Increases.	288	---
• Legislative Proposal on Full Costing of Benefits (increment).	32	---
• Reapplication (-)	-324	---
• Reapplication (+)	324	4
• Reductions, Non-Recurring Costs, and Savings	-12,288	---
TOTAL FY 2003 CHANGES	-11,968	4
FY 2003 PRESIDENT'S BUDGET		
• Legislative Proposal on Full Costing of Benefits (Total).	-255	---
FY 2003 NET PROGRAM LEVEL		
	68,000	68

Highlights of FY 2003 Budget Changes

	Amount (\$000s)	Direct FTE
Adjustments for Mandatory Cost Increases: Funds are requested for: 1) FY 2003 cost of January 2002 pay increase (\$65 and 0 FTE); 2) the proposed January 2003 pay raise (\$104 and 0 FTE); 3) other labor related benefits (\$19 and 0 FTE); and 4) non-labor related items such as contracts, travel, supplies, equipment, and GSA rent adjustments (\$100 and 0 FTE).	288	---

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

Amount (\$000s)	Direct FTE
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Highlights of FY 2003 Budget Changes

<p>Legislative Proposal on Full Costing of Benefits: The FY 2003 President's Budget proposes legislation to require agencies, beginning in FY 2003, to pay the full Government share of the accruing cost of retirement for current CSRS, CIA and Foreign Service employees, and the Coast Guard, Public Health Service and NOAA Commissioned Corps. The legislation will also require agencies to pay the accruing cost of post-retirement health benefits for current civilian employees and the post-retirement health costs of all retirees (and their dependents/survivors) of the Uniformed Services (DoD, Coast Guard, Public Health Service, and NOAA Commissioned Corps). Previously, these actuarial liabilities have been borne by a permanent, indefinite appropriation overseen by the Office of Personnel Management. The full responsibility for these costs is proposed to be assigned to each employing organization in an amount projected to satisfy these actuarial liabilities. This change, shown here as the increment over a comparable FY 2002 base, will more accurately capture the true full cost of programs within this appropriation (\$32 increment and 0 FTE and \$255 total).</p>	<p>32</p>	<p>---</p>
<p>Reapplication: Funding reflects shift of resources from other services (-\$324 and 0 FTE) to personnel (\$324 and 4 FTE).</p>	<p>---</p>	<p>4</p>
<p>Reductions, Non-Recurring Costs and Savings: Reflects one-time funding adjustments to the FY 2002 base for: 1) program reduction (-\$12,000 and 0 FTE); and 2) business strategy adjustment to reduce or remove low value activities (-\$288 and 0 FTE).</p>	<p>-12,288</p>	<p>---</p>