



Established by Congress 1923

American Battle Monuments Commission

Fiscal Year 2013 Appropriation Request

Submitted to the
112th Congress of the United States, Second Session

Senate Committee on Appropriations
Subcommittee on Military Construction, Veterans Affairs, and Related Agencies
and
House Committee on Appropriations
Subcommittee on Military Construction, Veterans Affairs, and Related Agencies

February 13, 2012

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EXECUTIVE SUMMARY

Total Budget Authority Requested for Fiscal Year 2013

The American Battle Monuments Commission (ABMC) requests \$73,600,000 in total budget authority and a 400 Full-Time Equivalent (FTE) employment level for fiscal year (FY) 2013. This funding request represents a decrease of \$3,500,000 and 9 FTE from the authorized level for FY 2012.

The FTE reduction is in line with the actual personnel requirements in FY 2011, anticipated requirements for FY 2012, and reflects one of the results of the Secretary's 2009 reorganization plan to streamline the Commission.

The Commission's total budget request provides funding for salaries and expenses to perform its mission and funding to recapitalize its Foreign Currency Fluctuations Account. The details of this request, outlined below, have been developed in support of the Administration's challenge to improve operational efficiency, improve the rate of return to taxpayers, achieve deficit reduction, and reduce administrative costs.

This request will allow the Commission to continue its commemorative mission and to achieve the Administration's goal of improving efficiencies within agency operations. The Commission took the opportunity during the FY 2013 budget formulation process to realign resources, to take further advantage of the Commission's reorganization, and to identify the most cost effective practices with the organization. These efforts allowed the Commission to achieve budget authority reductions of: (1) \$2.7 million in the Salaries and Expenses account; and (2) \$0.8 million in the Foreign Currency Fluctuations account for a total reduction of \$3.5 million.

FY 2013 Funding Request Summary

	FY 2011	FY 2012	FY 2013	FY 2012 - FY 2013
(\$ in thousands)	Appropriation	Appropriation	Request	Change
Salaries & Expenses	\$64,072	\$61,100	\$58,400	(\$2,700)
Foreign Currency	\$16,000	\$16,000	\$15,200	(\$800)
Total	\$80,072	\$77,100	\$73,600	(\$3,500)
FTE Authorized	409	409	400	(9)
FTE Actual/Estimated	396	400	400	0

Salaries and Expenses Request

The Commission's FY 2013 budget request for salaries and expenses of \$58,400,000 fully supports the agency's mission requirements for compensation and benefits, rent, utilities, travel and transportation, printing and supplies, support contracts and service fees, equipment, and capital improvements to perform its mission. This request is \$2,700,000 below the funding provided by the *Consolidated Appropriations Act* (Public Law 112-74) for FY 2012. Adjustments to the Commission's budget request are shown below:

FY 2012 Appropriation			\$61,100,000
Adjustments:		<u>Notes</u>	
Rent and Utilities, net increase	1	\$87,000	
Travel		(\$504,000)	
Services, Cemetery Supplies, Equipment, net decrease	2	(\$237,000)	
Maintenance and Infrastructure Programs, net decrease	3	(\$2,046,000)	
Total Adjustments			<u>(\$2,700,000)</u>
FY 2013 Budget Request			\$58,400,000

Notes:

- 1 Increase per GSA office space rent estimate net of Utilities adjustments.
- 2 Net decrease in requirements for Services, Supplies and Equipment.
- 3 Decrease in Maintenance and Infrastructure Programs at ABMC cemeteries and monuments due to reduced number of projects in FY 2013.

Foreign Currency Fluctuations Account Request

The Commission's FY 2013 budget request to replenish its Foreign Currency Fluctuations Account under "such sums as may be necessary" language is estimated to be \$15,200,000, a reduction of \$800,000. This funding estimate is required to retain the Commission's buying power against currency losses, primarily against the European Euro.

PART 1: INTRODUCTION

Mission

The Commission's mission statement communicates its essence to stakeholders and the public. We believe it is a full and inspirational expression of our purpose.

The American Battle Monuments Commission – guardian of America's overseas commemorative cemeteries and memorials – honors the competence, courage and sacrifice of United States armed forces.

Vision

Our vision statement originates from the words of our first Chairman, General of the Armies John J. Pershing. These words connect the very beginning of the Commission to our vision of the future.

Fulfill the promise that "time will not dim the glory of their deeds."

Values

Our values represent the Commission's priorities, culture, and how our team members act within the organization.

- Excellence – We strive for excellence in everything we do
- Integrity – We do what is right: legally, morally, and ethically
- Stewardship – We are careful and responsible guardians of the sacred mission entrusted to our care
- Commitment – We are dedicated to our mission, each other, and the public we serve
- Respect – We treat others with high regard and one another as valued members of our team

Who We Serve

Since ABMC was founded in 1923, the success of our mission has depended on the engagement of our stakeholders. Over time, our approach to accomplishing our mission has evolved to meet the changing needs of these various individuals. This section outlines the major groups that we have traditionally served and the types of activities we have provided.

- Veterans, Family, and Friends Honored for Their Service or Their Loss – We honor the veterans, family members, and friends of United States military who have served our country or endured the loss of a loved one who served. This group has the closest ties to our sites, and we strive to provide them with the

most positive experience possible. For immediate family members who want to visit a family member's site, we provide letters authorizing fee-free passports for traveling overseas to visit the memorial site. We also provide color lithographs and headstone photographs to relatives of those interred or memorialized in our cemeteries and monuments. In addition, we offer a variety of other services, including placement of floral decorations on a grave or marker, information on an individual buried or honored, and escort services for relatives to grave and memorial sites within the cemetery.

- Military and Public Officials – We host a variety of special events and commemorations throughout the year, including Memorial Day and Veterans Day holidays, to honor the freedom preserved and restored and the lives lost. Host country and United States government officials, diplomats, and military attend these events with the public. In addition, military units hold ceremonies to their fallen comrades, and foreign host organizations pay tribute to those who died while liberating their regions.
- Guests and Visitors – We receive millions of American and foreign visitors of all generations at ABMC cemeteries and memorials, where they can learn and be inspired by the meticulous stewardship of the memorials and careful interpretation of the stories of our armed forces. We provide a variety of services to these visitors, including direction, advice on modes of transportation, and information on local accommodations.
- ABMC Partners – We support and provide information to our partners that help us further our mission, including other government agencies, historians and educators, the travel and tourism industry, and the media. Through these partnerships, we promote our mission, encourage visits to our commemorative sites, and help educate and inspire the public.

History and Background

Recognizing the need for a federal agency to be responsible for honoring the fallen members of American armed forces where they had served abroad and for controlling the construction of military monuments and markers on foreign soil, the Congress enacted legislation in 1923 creating the American Battle Monuments Commission.

The American Battle Monuments Commission is an independent agency of the Executive Branch of the United States (U.S.) federal government. It is responsible for commemorating the service, achievements, and sacrifice of American armed forces in the U.S. and where they have served overseas since April 6, 1917 (the date of U.S. entry into World War I), through the erection of suitable memorial shrines; for designing, constructing, operating, and maintaining permanent American military burial grounds in foreign countries; for controlling the design and construction of U.S. military monuments and markers in foreign countries by other U.S. citizens and organizations, both public and private; and for encouraging the maintenance of such monuments and markers by their sponsors. In performing these functions, the Commission administers, operates and maintains twenty-four permanent American

military burial grounds and twenty-two separate memorials, monuments and markers on foreign soil, and three memorials in the U.S.

Cemeteries

Aisne-Marne, France	Manila, the Philippines
Ardennes, Belgium	Meuse-Argonne, France
Brittany, France	Mexico City, Mexico
Brookwood, England	Netherlands, the Netherlands
Cambridge, England	Normandy, France
Corozal, Panama	North Africa, Tunisia
Epinal, France	Oise-Aisne, France
Flanders Field, Belgium	Rhone, France
Florence, Italy	Sicily-Rome, Italy
Henri-Chapelle, Belgium	Somme, France
Lorraine, France	St. Mihiel, France
Luxembourg, Luxembourg	Suresnes, France

Memorials, Monuments and Markers

Audenarde Monument, Belgium	Montsec Monument, France
Belleau Wood Marine Monument, France	Pointe du Hoc Ranger Monument, France
Bellicourt Monument, France	Papua Marker, New Guinea
Brest Naval Monument, France	Saipan Monument, Northern Mariana Islands
Cabanatuan Memorial, the Philippines	Santiago Surrender Tree, Cuba
Cantigny Monument, France	Sommepy Monument, France
Chateau-Thierry Monument, France	Souilly Marker, France
Chaumont Marker, France	Tours Monument, France
East Coast Memorial, New York City	West Coast Memorial, San Francisco
Guadalcanal Memorial, Solomon Islands	Western Naval Task Force Marker, Morocco
Honolulu Memorial, Honolulu	World War I Naval Monument, Gibraltar
Kemmel Monument, Belgium	Utah Beach Monument, France
Montfaucon Monument, France	

As of the end of FY 2011, 124,906 U.S. war dead are interred in these 24 cemeteries: 30,921 of World War I; 93,235 of World War II; and 750 of the Mexican War. Additionally, 6,220 American veterans and others are interred in the Mexico City National Cemetery and Corozal American Cemetery in Panama. Commemorated individually by name on tablets at the World War I and World War II cemeteries and three memorials on U.S. soil are 94,135 U.S. servicemen and

women who are missing in action or were lost or buried at sea in their general regions during the world wars and the Korean and Vietnam Wars.

Each grave site in the permanent American World War I and World War II cemeteries on foreign soil is marked by a headstone of pristine white marble. Headstones of those of the Jewish faith are tapered shafts surmounted by a Star of David. Stylized Latin crosses mark all others. Annotated on the headstones of the World War I war dead who could not be identified is the phrase, "HERE RESTS IN HONORED GLORY AN AMERICAN SOLDIER KNOWN BUT TO GOD." In the World War II cemeteries, the words "AMERICAN SOLDIER" were replaced with the words "COMRADE IN ARMS".

The Commission's World War I, World War II, and Mexico City cemeteries are closed to future burials except for the remains of U.S. war dead found from time to time in the World War I and World War II battle areas. The Corozal American Cemetery outside Panama City, Panama, is the only active cemetery the Commission maintains.

Organization

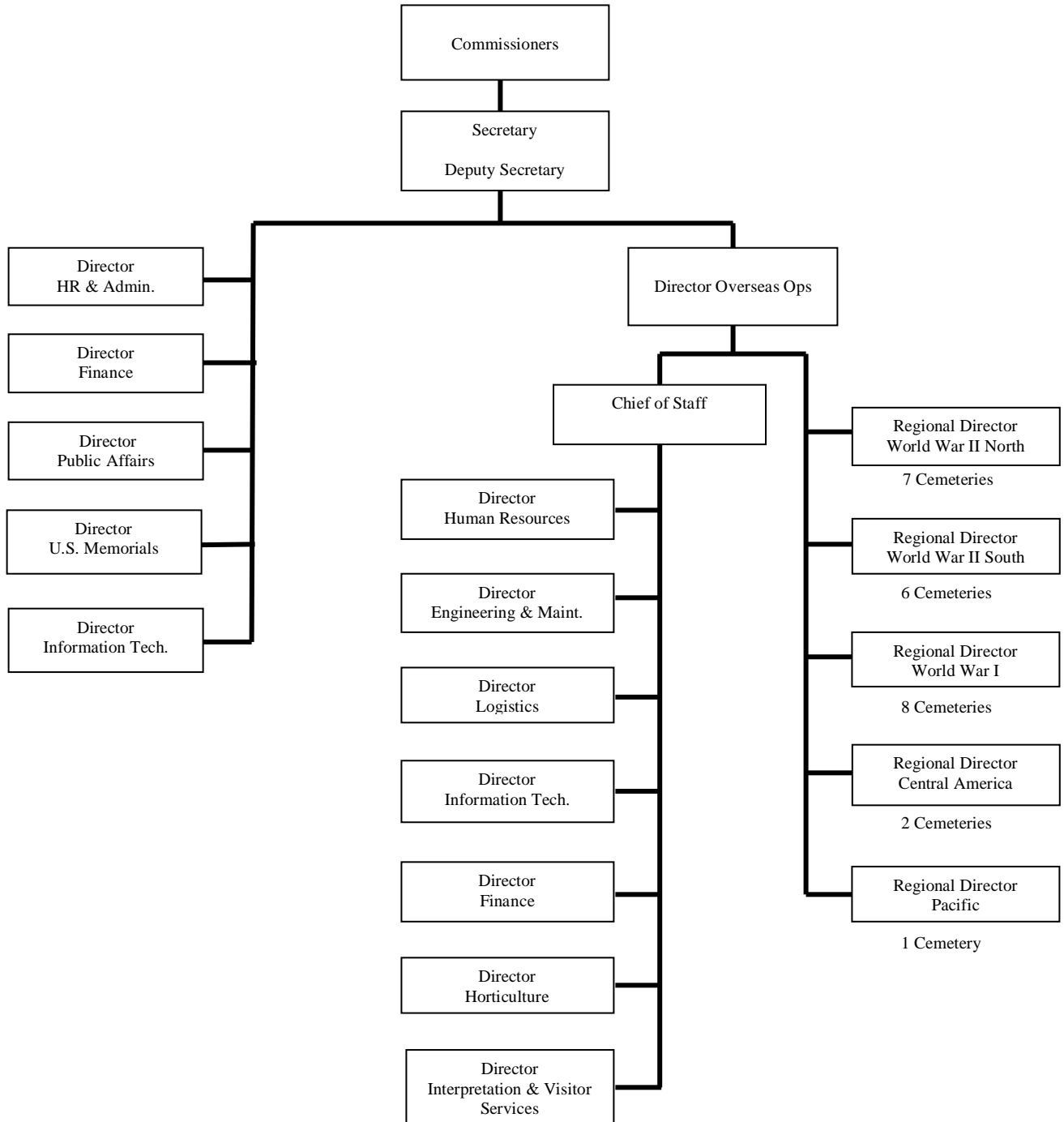
The authorizing legislation for the American Battle Monuments Commission (36 U.S.C., Chapter 21) specifies that the President will appoint not more than 11 members to the commission and an officer of the regular Army to serve as the Secretary. The Board of Commissioners constitutes the policy-making body of the Commission and consists of up to eleven members, who are appointed by the President of the United States for an indefinite term and serve without pay.

<p style="text-align: center;"><u>Commission</u></p> <p style="text-align: center;">The Honorable Merrill McPeak – Chairman The Honorable Cindy Campbell The Honorable Barbaralee Diamonstein-Spielvogel The Honorable Darrell Dorgan The Honorable John L. Estrada The Honorable Pat Foote The Honorable Rolland Kidder The Honorable Richard L. Klass The Honorable Constance Morella The Honorable Isaac "Ike" Skelton The Honorable Maura C. Sullivan</p> <p style="text-align: center;">The Honorable Max Cleland – Secretary</p>

The Commissioners meet with the Secretary and professional staff of the Commission twice annually. They establish policy and ensure proper staff functioning for the Commission to carry out its mission. During inspections, they observe, inquire, comment upon, and make recommendations on any and all aspects of the

Commission's operations. The Commission's daily operations are directed by the Secretary, an Executive Level appointment.

The Commission is staffed by U.S. General Schedule and Foreign Service National civilian employees. In October 2009, the Secretary approved a plan to streamline the organization of the Commission to a Washington-based policy and support office and a Paris-based field operations center responsible for all overseas cemeteries and memorials. The current organization plan is reflected below.



Operations

The Commission's FY 2013 funding request focuses on providing the appropriate amount of funding for personnel costs, service fees, scheduled maintenance and repairs, supplies, materials, spare parts, replacement of uneconomically repairable equipment, and capital improvements enabling the Commission to perform its mission.

Most of the Commission's cemeteries range in age from 52 to 98 years old, with the Mexico City National Cemetery being nearly 161 years old. The permanent structures, grounds and plantings make the Commission's facilities among the most beautiful memorials in the world, yet their age requires a formidable annual program of maintenance and repair of facilities, equipment, and grounds.

Accordingly, the Commission prioritizes the use of its maintenance and engineering funds carefully to ensure the most effective and efficient utilization of its available resources. This care includes upkeep of more than 131,000 graves and headstones and 73 memorial structures (within and external to the cemeteries) on approximately 1,650 acres of land. Additionally, the Commission maintains 65 visitor facilities and quarters for assigned personnel; 67 miles of roads and paths; 911 acres of flowering plants, fine lawns, and meadows; 3 million square feet of shrubs and hedges; and 11,000 ornamental trees. All of the plantings, including the lawns and to some extent the meadows, must be cut and shaped, fertilized, and treated with insecticides and fungicides at regular intervals during the growing season. The plantings also must be replaced when their useful lives are exhausted or they receive major storm damage.

Care and maintenance of these resources requires exceptionally intensive labor at the Commission's cemeteries and memorials. Compensation and benefits consume approximately 49 percent of the Commission's FY 2013 request while the remaining 51 percent supports engineering, maintenance, logistics, services, supplies and other administrative costs critical to its operations.

The Commission also administers trust funds to (1) build memorials authorized by Congress, but financed primarily from private contributions, commemorative coin proceeds, or investment earnings; (2) decorate grave sites with flowers from private contributions; and (3) maintain and repair nonfederal war memorials with private contributions.

Strategic Plan

The Commission's strategic plan complies with the provisions of the Commission's enabling legislation (36 U.S.C. Chapter 21) and the *Government Performance Results Act*. The plan ensures that the Commission's commemorative cemeteries and memorials continue to be shrines to this great nation's core values and history of serving as a beacon for liberty and freedom throughout the world. The Commission's FY 2010 - 2015 Strategic Plan was issued on December 22, 2009.

Strategic Goals

The Commission developed the following goals to help ensure that our commemorative cemeteries and memorials remain fitting shrines to those who have served our nation in uniform since America's entry into World War I:

- Provide an inspirational and educational visitor experience through effective outreach and interpretive programs.
- Develop, operate, maintain, and improve ABMC facilities as the world's best commemorative sites.
- Attract and retain quality employees through personal and professional investment and development.
- Continually improve business and resource management practices.

Together, our mission, vision, values and strategic goals serve as our guide for telling the story of those we honor, maintaining the facilities we administer, managing our workforce, and providing stewardship of our resources.

PART 2: FY 2013 BUDGET REQUEST

Overview of FY 2013 Request

The Commission requests \$73,600,000 in total budget authority and a 400 FTE employment level for fiscal year (FY) 2013. This funding request represents a decrease of \$3,500,000 and 9 FTE from the authorized level for FY 2012. The FTE reduction is in line with the actual personnel requirements in FY 2011, anticipated requirements for FY 2012, and reflects one of the results of the Secretary's 2009 reorganization plan to streamline the Commission.

(\$ in thousands)	FY 2011 Appropriation	FY 2012 Appropriation	FY 2013 Request	FY 2012 - FY 2013 Change
Salaries & Expenses	\$64,072	\$61,100	\$58,400	(\$2,700)
Foreign Currency	\$16,000	\$16,000	\$15,200	(\$800)
Total	\$80,072	\$77,100	\$73,600	(\$3,500)
FTE Authorized	409	409	400	(9)
FTE Actual/Estimated	396	400	400	0

Salaries and Expenses

The Commission's FY 2013 budget request for salaries and expenses of \$58,400,000 fully supports the agency's mission requirements for compensation and benefits, rent, utilities, travel and transportation, printing and supplies, support contracts and service fees, equipment, and capital improvements to perform its mission. This request is \$2,700,000 below the funding provided by the *Consolidated Appropriations Act* (Public Law 112-74) for FY 2012.

This request will allow the Commission to continue its commemorative mission and to achieve the Administration's goal of improving efficiencies within agency operations. The Commission took the opportunity during the FY 2013 budget formulation process to realign resources, to take further advantage of the Commission's reorganization, and to identify the most cost effective practices with the organization. These efforts allowed the Commission to achieve a reduction of \$2.7 million in budget authority for the Salaries and Expenses account.

Adjustments to the Commission's budget request are shown below:

FY 2012 Appropriation	\$61,100,000
Adjustments:	
Rent and Utilities, net increase	\$87,000
Travel	(\$504,000)
Services, Cemetery Supplies, Equipment, net decrease	(\$237,000)
Maintenance and Infrastructure Programs, net decrease	(\$2,046,000)
Total Adjustments	<u>(\$2,700,000)</u>
FY 2013 Budget Request	\$58,400,000

Adjustments from the FY 2012 Funding Level

Travel (- \$504,000)

The Commission is requesting a \$504,000 decrease in travel. This decrease will enable ABMC to offset increases in other areas such as payments to the State Department's Capital Security Cost Sharing Program and International Cooperative Administrative Support Services program, the Department of the Interior's National Business Center, logistics contracts, and horticulture supplies. The travel will be decreased through increased use of video teleconferencing, use of low cost airlines for travel within Europe, and integrated travel planning across the Commission.

This decrease also implements the Office of Management and Budget (OMB) Director's September 12, 2011 guidance regarding "Eliminating Excess Conference Spending and Promoting Efficiency in Government."

Rent and Utilities (+ \$87,000)

A net increase of \$87,000 is requested to maintain current levels for rent and utilities. This net increase will fund payments to the General Services Administration for office rent offset by small decreases in utilities and other rental expenses.

Services, Cemetery Supplies, Equipment (- \$237,000)

A net decrease of \$237,000 is requested to fund service contracts, cemetery supplies and equipment. Decreases are budgeted for cemetery supplies, annual maintenance and repair contracts, office supplies and fuel, information technology services and supplies, and equipment and spare parts purchases. Such decreases will be achieved through a realignment of resources in operations and reductions in administrative expenses.

These decreases will be offset by increases for non-discretionary payments to other government agencies such the Department of State, the Department of the Interior, and the Department of Agriculture. Payments to the Department of State are increased by \$200,000 in order to fund a new Maintenance Cost-Sharing Program in

FY 2013. An additional increase will fund mission-critical horticulture supplies in order to maintain ABMC cemetery standards.

Maintenance and Infrastructure Programs (- \$2,046,000)

The Commission is requesting a decrease in funding for Maintenance and Infrastructure Programs of \$2,046,000. This funding level will reduce the Interpretation program to \$4,000,000, reduce the Engineering program by nearly \$2,000,000, and increase the Horticulture program by \$757,000 with a small increase in the Logistics program. The FY 2013 request will allow the Commission to fund:

- initiatives to address serious encroachment issues at the Manila Cemetery;
- infrastructure upgrades at the West Coast Memorial in San Francisco;
- irrigation system replacement at the Meuse-Argonne Cemetery;
- storm drainage and road repairs at the Netherlands Cemetery;
- annual headstone replacement efforts throughout ABMC; and
- an interpretation program initiative at the Meuse-Argonne Cemetery.

The reduction in the Interpretation program from \$5,000,000 to \$4,000,000 restores the program to its original funding level and reflects the fact that the Commission's FY 2013 Interpretation Program objectives may be met by renovating existing visitor buildings rather than constructing new facilities. This reduction is in keeping with the President's challenge to improve efficiencies within agency operations.

Maintenance and Infrastructure Program Funding				
(\$ in thousands)				
	FY 2011	FY 2012	FY 2013	
	<u>Appropriation</u>	<u>Appropriation</u>	<u>Request</u>	<u>Change</u>
Engineering & Maintenance	10,412	9,722	7,821	(1,901)
Horticulture	1,500	1,048	1,805	757
Logistics	1,146	722	820	98
Interpretation	5,000	5,000	4,000	(1,000)
TOTAL Program Funding	18,058	16,492	14,446	(2,046)

Salaries & Benefits (\$0)

FTE (-9)

For FY 2013, the Commission is requesting no increase for Salaries & Benefits. As part of ABMC's budget review process, the Commission reviewed annual recurring spending and has made reductions in many areas including staffing levels. This reduction in FTE will be achieved as part of the Administration's challenge to address operational efficiencies and administrative expenses. Additionally, the FTE reduction is in line with the actual personnel requirements in FY 2011, anticipated

requirements for FY 2012, and reflects one of the results of the Secretary's 2009 reorganization plan to streamline the Commission.

The Commission operates in an overseas environment where personnel compensation expenses increase annually regardless of Federal pay guidance, due to personnel benefits for employees worldwide, including health insurance, social security, and other allowances authorized for the Commission's U.S. employees and Foreign National workforce. A reduction in FTE will permit the Commission to fully fund such annual increases plus an estimated 0.5 percent pay increase under the Administration's FY 2013 pay assumptions.

Foreign Currency Fluctuations Account

The Commission's FY 2013 Budget Request to replenish its Foreign Currency Fluctuations Account (FCFA) under "such sums as may be necessary" language is estimated to be \$15,200,000. This request reflects the current estimate needed to retain the Commission's buying power, primarily against the European Euro.

With nearly 60 percent of the Salaries and Expenses funding affected by foreign currency fluctuation, any significant drop in the value of the U.S. Dollar places the agency's mission at risk. The \$15,200,000 estimate is based on an exchange rate whereby \$1.40 U.S. Dollar equals €1.00 European Euro. The approach used by the Commission for estimating the amount required to replenish the Commission's FCFA has been endorsed by OMB and the Government Accountability Office (Report Number GAO-06-50R, dated October 20, 2005).

Foreign Currency Exchange Rate Trend



Proposed Appropriations Language

General and Special Funds:

**Salaries and Expenses
Treasury Account ID: 74-0100-0**

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one-for-one replacement basis only) and hire of passenger motor vehicles; not to exceed \$7,500 for official reception and representation expenses; and insurance of official motor vehicles in foreign countries, when required by law of such countries, ~~[\$61,100,000]~~\$58,400,000, to remain available until expended. (Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.)

**Foreign Currency Fluctuations Account
Treasury Account ID: 74-0101-0**

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, such sums as may be necessary, to remain available until expended, for purposes authorized by section 2109 of title 36, United States Code. (Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.)

Statement of Personnel

The table below presents a profile of ABMC's personnel requirements:

	2011	2012	2013
	<u>Actual</u>	<u>Estimate</u>	<u>Request</u>
Total Compensable Work Years (FTE) Authorized	409	409	400
Total Compensable Work Years (FTE) Actual/Estimated	396	400	400
Average GS Grade/Step (including Locality Pay)	12/4	12/5	12/5
Average Salary of GS Positions	\$82,885	\$83,458	\$83,458
Average Salary of FSN Positions	\$35,247	\$35,510	\$35,510

Statement of Increases And Decreases By Activity

(\$ in thousands)

	Headquarters Administration and U.S. <u>Memorials</u>	Overseas Cemeteries and <u>Memorials</u>	<u>Totals</u>
FY 2011 Obligations (Actual)			
Salaries and Expenses	11,135	44,503	55,638
FCFA	0	9,747	9,747
FY 2011 Total	11,135	54,250	65,385
FY 2012 Obligations (Est.)			
Salaries and Expenses	17,100	44,000	61,100
FCFA	0	16,000	16,000
FY 2012 Total	17,100	60,000	77,100
S&E Changes from FY 2010	5,965	(503)	5,462
FCFA Changes from FY 2010	0	6,253	6,253
Total Change from FY 2010	5,965	5,750	11,715
FY 2013 Obligations (Request)			
Salaries and Expenses	15,494	42,906	58,400
FCFA	0	15,200	15,200
FY 2013 Total	15,494	58,106	73,600
S&E Changes from FY 2011	(1,606)	(1,094)	(2,700)
FCFA Changes from FY 2011	0	(800)	(800)
Total Change from FY 2011	(1,606)	(1,894)	(3,500)

Changes by Activity

The FY 2013 appropriation request of \$58,400,000 supports the Commission's requirements for salaries and expenses for administration, operation, maintenance, and supervision for 24 memorial cemeteries, 25 separate Federal monuments, memorials, markers and offices around the world. This represents a decrease of \$2,700,000 from FY 2012. It will allow the Commission to continue its commemorative mission and to achieve the President's goals of reducing waste and improving efficiencies within agency operations.

The Commission's FY 2013 request to replenish its Foreign Currency Fluctuations Account under "such sums as may be necessary" language is estimated to be

\$15,200,000. This request reflects the current estimate and represents the amount of additional funds needed to retain the Commission's buying power primarily against the European Euro.

Headquarters Administration and U.S. Memorials

The Commission requests \$15,494,000 to support operations of the Commission's Washington Office (located in Arlington, Virginia) - a decrease of \$1,606,000 from FY 2012. This decrease reflects, compared to FY 2012, restoring the Interpretation program to its original funding level, in addition to reduced annual recurring expenses such as travel, printing, equipment, and supplies. This request enables the Washington Office to administer the agency, to provide policy and support to overseas operations, and to fund infrastructure upgrades at the West Coast Memorial. Funding is also included - \$7,500 (not to exceed) - for official reception and representation expenses.

Overseas Cemeteries and Memorials

The Commission requests \$42,906,000 for overseas cemeteries and memorials – a decrease of \$1,094,000 from FY 2012. The decrease represents the funding required to maintain the cemeteries and memorials, including reduced level of prioritized engineering projects and annual recurring expenses such as travel, printing and supplies. This request enables the Commission's Paris Office (located outside Paris in Garches, France) to administer, supervise, operate, and maintain 24 cemeteries and 22 memorials at dispersed locations around the world.

Statement of Increases and Decreases By Object Classification

(\$ in thousands)

Object Classes:	<u>11</u>	<u>12</u>	<u>13</u>	<u>21</u>	<u>22</u>	<u>23</u>	<u>24</u>	<u>25</u>	<u>26</u>	<u>31</u>	<u>32</u>	<u>42</u>	<u>Total</u>
FY 2011 Obligations (Actual)													
Salaries and Expenses	18,055	8,532	757	1,522	287	1,986	73	13,378	2,437	1,678	6,933	0	55,638
FCFA	3,518	1,755	176	200	103	745	28	2,013	369	204	636	0	9,747
FY 2011 Total	21,573	10,287	933	1,722	390	2,731	101	15,391	2,806	1,882	7,569	0	65,385
FY 2012 Obligations (Est.)													
Salaries and Expenses	18,836	9,412	238	1,486	163	1,841	261	20,992	2,364	1,235	4,272	0	61,100
FCFA	3,641	1,819	45	300	25	220	40	6,200	800	400	2,510	0	16,000
FY 2012 Total	22,477	11,231	283	1,786	188	2,061	301	27,192	3,164	1,635	6,782	0	77,100
S&E Change from 2011	781	880	(519)	(36)	(124)	(145)	188	7,614	(73)	(443)	(2,661)	0	5,462
FCFA Change from 2011	123	64	(131)	100	(78)	(525)	12	4,187	431	196	1,874	0	15,200
Total Change from 2011	904	944	(650)	64	(202)	(670)	200	11,801	358	(247)	(787)	0	20,662
FY 2013 Obligations (Request)													
Salaries and Expenses	18,836	9,412	238	982	163	1,928	231	18,045	2,335	1,235	4,995	0	58,400
FCFA	3,641	1,819	45	300	25	220	40	5,400	800	400	2,510	0	15,200
FY 2013 Total	22,477	11,231	283	1,282	188	2,148	271	23,445	3,135	1,635	7,505	0	73,600
S&E Change from 2012	0	0	0	(504)	0	87	(30)	(2,947)	(29)	0	723	0	(2,700)
FCFA Change from 2012	0	0	0	0	0	0	0	(800)	0	0	0	0	(800)
Total Change from 2012	0	0	0	(504)	0	87	(30)	(3,747)	(29)	0	723	0	(3,500)

Changes by Object Classification

The FY 2013 appropriation request of \$58,400,000 supports the Commission's requirements for salaries and expenses for administration, operation, maintenance, and supervision for 24 burial grounds and 25 separate federal monuments, memorials, markers and offices around the world. This represents a decrease of \$2,700,000 from the FY 2012 appropriation. The details of this request, outlined below, have been developed in support of the President's challenge to improve operational efficiency, improve the rate of return to taxpayers, achieve deficit reduction, and reduce administrative costs.

The FY 2013 request to replenish its Foreign Currency Fluctuations Account is estimated to be \$15,200,000. The request represents the amount of additional funds needed to retain the Commission's buying power primarily against the European Euro.

The amount listed under each object class reflects the Commission's funding requirements before making adjustments for foreign currency fluctuations.

Object Class 11 – Personnel Compensation

The Commission requests \$18,836,000. This funding level will support a 400 FTE employment level – a reduction of 9 FTEs from the authorized level for FY 2012. This estimate reflects the FTE reduction and the funding required for salaries, including allowances authorized for the Commission's U.S. employees and Foreign National workforce. Also included is an estimated 0.5 percent pay increase under the President's FY 2013 pay assumptions. No increase is requested.

Object Class 12 – Personnel Benefits

The Commission requests \$9,412,000 for Personnel Benefits which includes benefits for employees worldwide such as health insurance, social security, and other allowances authorized for the Commission's U.S. employees and Foreign National workforce. No increase is requested.

Object Class 13 – Benefits for Former Personnel

No increase in funding is requested for unemployment compensation and severance pay for the U.S. and Foreign National workforce.

Object Class 21 – Travel and Transportation of Persons

The Commission requests a \$504,000 decrease for Travel and Transportation requirements for U.S. and Foreign National workers. This funding level supports U.S. employees and dependents traveling on permanent change of station, U.S. student dependents traveling to or from school, staff travel, and travel by the Commissioners appointed by the President who are charged with oversight of Commission operations. This decrease also reflects the OMB Director's September 12, 2011 guidance regarding "Eliminating Excess Conference Spending and Promoting Efficiency in Government".

Object Class 22 – Transportation of Things

The Transportation of Things budget request is \$163,000 for the transportation of supplies, materials, spare parts, vehicles and equipment used in the operation, maintenance, and repair of ABMC facilities and for the transportation of household goods in connection with permanent change of station. No increase is requested.

Object Class 23 – Rent, Communications, and Utilities

The Commission requests \$1,928,000 for rent; water, gas and electricity; and postal, telephone, and internet services. This estimate is a net increase of \$87,000 to fund payments to the General Services Administration for office rent offset by small decreases in utilities and other rental expenses.

Object Class 24 – Printing and Reproduction

The Printing and Reproduction budget request is \$231,000 for the printing of cemetery booklets, visitor brochures, photographs, general information pamphlets, and reports. A decrease of \$30,000 for FY 2013 is requested.

Object Class 25 – Other Services

The Commission requests \$18,045,000 for contractual services which consist of engineering and technical services; Interpretation program requirements; professional support services; horticulture contracts; operation, maintenance, and repair of equipment; information technology services; interagency service agreements (such as payments to the Department of State for International Cooperative Administrative Support Service and Capital Security Cost Share Program fees); maintenance and repairs of vehicles; employee training. These funds also support the Commission's Maintenance and Infrastructure Program requirements. Finally, this request includes \$7,500 (not to exceed) for official reception and representation expenses.

This request, a decrease of \$2,947,000, consists of increases that will fund security requirements; licensing expenses; and service fees for non-discretionary payments to other government agencies such the Department of State, the Department of the Interior, and the Department of Agriculture. Payments to the Department of State's Capital Security Cost Share Program are increased by \$200,000 in order to fund a new Maintenance Cost-Sharing Program in FY 2013. These increases are offset by decreases in ABMC's Interpretation program, Engineering & Maintenance program, and in the areas of maintenance and repair, temporary employees, employee training, and information technology services.

Object Class 26 – Supplies and Materials

The Commission requests a decrease of \$29,000 in Supplies and Materials. These funds are used to replace headstones; replenish plantings, soil, and seeds; repair, utility, and custodial supplies; petroleum, oils and lubricants; information technology supplies; and spare replacement parts for vehicles and equipment.

Object Class 31 – Equipment

The Commission requests \$1,235,000 to replace worn-out and uneconomically repairable vehicles, maintenance equipment, tools, and information technology equipment and software. No increase is requested.

Object Class 32 – Land and Structures

The Commission requests \$4,995,000, a decrease of \$723,000, for construction, improvement, and landscaping projects in support of the Commission's Maintenance and Infrastructure Programs. This request will fund infrastructure projects such as infrastructure upgrades at the West Coast Memorial in San Francisco; serious encroachment issues at the Manila Cemetery; irrigation system replacement at the Meuse-Argonne Cemetery; storm drainage and road repairs at the Netherlands Cemetery; and a variety of cemetery and memorial improvements.

Object Class 42 – Claims and Reserves

No funding is requested for Claims and Reserves.