



Working Capital Fund Quarterly Execution Report

Fourth Quarter, Fiscal Year 2017

November 17, 2017

Fiscal Year 2017 Report to Congress



**Homeland
Security**

Office of the Chief Financial Officer

Message from the Deputy Chief Financial Officer

November 17, 2017

I am pleased to provide the following “Working Capital Fund Quarterly Execution Report” for the fourth quarter of Fiscal Year (FY) 2017.

This report is submitted pursuant to language in the FY 2017 Department of Homeland Security Appropriations Act (P.L. 115-31) and its accompanying joint explanatory statement.

Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

The Honorable John R. Carter
Chairman, House Appropriations Subcommittee on Homeland Security

The Honorable Lucille Roybal-Allard
Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable John Boozman
Chairman, Senate Appropriations Subcommittee on Homeland Security

The Honorable Jon Tester
Ranking Member, Senate Appropriations Subcommittee on Homeland Security

Inquiries relating to this report may be directed to me at (202) 447-5751.

Sincerely,



Stacy Marcott
Deputy Chief Financial Officer





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I. Legislative Language

This document has been prepared in response to the Fiscal Year 2017 Department of Homeland Security Appropriations Act (P.L. 115-31) and its accompanying joint explanatory statement.

P.L. 115-31 states:

Provided further, that the Chief Financial Officer of the Department of Homeland Security shall submit a quarterly execution report with activity level detail, not later than 30 days after the end of each quarter.

The Joint Explanatory Statement states:

In addition, the Department shall submit quarterly WCF execution reports to the Committees that include activity-level detail.

II. WCF Fourth Quarter Execution Report

FY 2017 WCF Service Portfolio	FY 2017 Annual Plan ¹	Actual Obligations ²	Actual Expenses ³	Total Obligated/ Expended	Delta	Explanations on Low Execution Rates
GSA RENT	150,601,295	1,910,425	148,490,768	150,401,193	200,102	Year-end execution rate is 100%.
Finance & Acctg Shared Services	25,513,054		25,513,054	25,513,054	-	Year-end execution rate is 100%.
Integrated Audit	14,185,090	9,800,792	3,740,669	13,541,461	643,629	Year-end execution rate is 96%.
Bankcard Program	49,367	1,074	45,046	46,120	3,247	Year-end execution rate is 93%.
TIER	1,096,413	293,477	672,552	966,029	130,384	Anticipated contracts were obligated for less than expected. <ul style="list-style-type: none"> O&M contract was reduced from \$80,770.60 to \$40,385.30 as the period of performance was reduced (reduction of \$40,385.30). O&M recompete planned to use the remaining balance of \$366,744.93 resulted in an award of \$276,746.03 (reduction of \$89,998.90).
NFC Payroll Services & Reporting	38,950,700	588,435	37,316,030	37,904,465	1,046,235	Year-end execution rate is 97%.
Human Capital Business Systems (HCBS)	9,123,701	2,972,080	4,405,822	7,377,902	1,745,799	Under-execution is due to 5 FTE vacancies and new contract activities that were not initiated.
Flexible Spending Plan	1,286,455	14,826	314,111	328,937	957,518	The under-execution is due to the contract being awarded to a new vendor in FY 2017. This caused billing delays and billing errors on behalf of the vendor. As a result, the Department wasn't billed for the full year as anticipated based on the estimate given at the BOY.
DHS EXEC. LEAD. (SES CDP)	1,794,569	649,300	1,004,112.52	1,653,413	141,156	Year-end execution rate is 92%.
HQ Leadership Development	196,841		165,784	165,784	31,057	Under-execution is in result of the final bill being 16% less than the estimate. This was due to a lower amount of participants for the year, which leaves a carryover balance of \$31,057.
National Defense University	841,902	20,590	788,595	809,185	32,717	Year-end execution rate is 96%.
Research Library & Information Services (RLIS)	9,644,502	3,094,327	5,451,720	8,546,047	1,098,455	RLIS has forward funded 1 st Quarter Subscription Requirements with prior year excess 4 th Quarter funds. As a result, there has been residual funding at the end of the FY. CIO is working to ensure that the subscription funding is being realigned to an annual basis. We are working with OFO to determine how to downward adjust the FY18 costs to the components moving forward and eliminate surplus funding at the end of the FY.
DHS One Net	72,427,060	46,702,582	24,824,960	71,527,542	899,518	Year-end execution rate is 99%.
NCR Infrastructure Operations	116,047,178	45,473,623	70,548,629	116,022,252	24,926	Year-end execution rate is 100%.
CLAN Operations	25,457,505	16,694,459	8,226,406	24,920,866	536,639	Year-end execution rate is 98%.
HSPD-12	23,004,433	15,601,019	7,254,157	22,855,175	149,258	Year-end execution rate is 99%.
e-Training	8,131,724	539,719	4,965,374	5,505,093	2,626,631	Under-execution is due to 2 FTE vacancies and most contract awards were lower than projected; for example ETMS/PALMS was projected at \$2.1M and actual costs were \$466K. The reduction in cost was a result of the removal of the Performance Management Module from PALMS and the reduction in cost for helpdesk support.

FY 2017 WCF Service Portfolio	FY 2017 Annual Plan ¹	Actual Obligations ²	Actual Expenses ³	Total Obligated/ Expended	Delta	Explanations on Low Execution Rates
Mail Services	12,214,882	2,171,583	9,848,208	12,019,791	195,091	Year-end execution rate is 98%.
Parking Services	816,710	562,237	185,680	747,917	68,793	Year-end execution rate is 92%.
Sedan Services	1,810,447	724,421	743,946	1,468,367	342,080	The invoice burn rate was lower than expected due to a vacancy that was not able to be filled; the contract didn't need the anticipated amount expected for the option 1 contract requirement.
Shuttle Services	959,592	483,067	278,241	761,308	198,284	The contract was awarded at a lower amount than what was projected.
Transit Subsidy	5,648,502	2,679,264	1,765,854	4,445,118	1,203,384	Participants used less transit subsidy than requested. The WMATA contract was funded lower than the original requirement.
Regulatory Services	271,020	210,423	60,596	271,019	1	Year-end execution rate is 100%.
Fee-For-Service Total	520,072,942	151,187,724	356,610,315	507,798,038	12,274,904	
Interagency Council Funding	833,830	-	833,830	833,830	-	Year-end execution rate is 100%.
USA Jobs	1,210,854	270	1,210,584	1,210,854	-	Year-end execution rate is 100%.
Enterprise HR Integration (EHRI)	3,885,668	-	3,885,668	3,885,668	1	Year-end execution rate is 100%.
e-Rulemaking	725,536.00	328,459	-	328,459	397,077	The FY 2017 was an overstated assessment amount - actual invoice received was less than expected.
Human Resources Line of Business	260,870	-	260,870	260,870	-	Year-end execution rate is 100%.
e-gov Benefits	226,451	0	166,775	166,775	59,676	The FY 2017 was an overstated assessment amount - actual invoice received was less than expected.
Financial Management LOB	187,342	187,342	-	187,342	-	Year-end execution rate is 100%.
Geospatial LOB	225,000	225,000	-	225,000	-	Year-end execution rate is 100%.
Budget Formulation & Execution LOB	105,000	105,000	-	105,000	-	Year-end execution rate is 100%.
e-gov Integrated Awards Environment	857,210	-	857,210	857,210	-	Year-end execution rate is 100%.
e-Integrated Financial Assistance Environment	472,471	213,357.00	-	213,357	259,114	The calculation from Grants.gov was expected to increase for FY 2017, as it did, but the bill decreased due to our agency changing from a large agency to a medium agency.
Performance Management LOB	79,800	-	79,800	79,800	-	Year-end execution rate is 100%.
Governmentwide PPA Total	9,070,032	1,059,428	7,294,736	8,354,165	715,868	
Capital Planning and Investment Control (CPIC)	6,946,416	4,643,713	2,252,645	6,896,358	50,058	Year-end execution rate is 93%.
Strategic Sourcing	1,934,751	476,980	1,344,619	1,821,599	113,152	Year-end execution rate is 94%.
CPO Shared Reporting	4,966,443	4,553,943	400,788	4,954,730	11,713	Year-end execution rate is 100%.
DHS Crosscutting PPA Total	13,847,610	9,674,636	3,998,051	13,672,687	174,923	
Total	542,990,584	161,921,788	367,903,102	529,824,890	13,165,694	

Legend:

¹ Cumulative planned obligations and/or expenditures through of the end of the fiscal year.
² Total cumulative FY 2017 funds obligated in the financial system through the end of the fourth quarter.
³ Total cumulative FY 2017 actual expenditures through the end of the fourth quarter.