SMALL AGENCY REVIEW

SESSION 6

March 6 1995

Room 248

Small Agency Review
Index

March 6, 1995

Clinton Presidential Records
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Divider Title: **A**

US COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

DESCRIPTION: The Commission (CPAHA) was established by statute in 1985 (Sec.1303 Title XIII, PL-99-83) and consists of 21 members appointed by the President, all volunteers serving without compensation. The Commission is mandated to (1) identify and publish a list of those monuments, historic buildings and cemeteries located abroad which are associated with the foreign heritage of US citizens from Eastern and Central Europe; (2) encourage their preservation and protection by obtaining, in cooperation with the Department of State, assurances from foreign governments; and prepare and disseminate reports on their condition and progress toward their preservation.

FY 1996 BUDGET PROPOSAL: The Commission's budget authority for program and financing is $206,000 for FY 1995 and $212,000 for FY 1996. No FTE are funded with appropriations.

AGENCY PROPOSAL: The Commission states that it is representative of a public-private initiative. Public funds provide for carrying out its mandates, while private sector funding supports restoration and preservation projects and related programs and activities. The Commission recommends this cooperative venture continue because: (1) its activities are international and therefore not appropriate for devolution to State and local levels; (2) other federal organizations could not perform its responsibilities as effectively or efficiently; (3) termination of the Commission would send a disquieting signal to signatory countries and all groups of Americans interested in preserving and restoring monuments, buildings and cemeteries in countries of their cultural origin.

DECISION OPTIONS:

A. Cease funding immediately and eliminate the CPAHA as a Federal agency.
B. Privatize the CPAHA over time, eliminating its appropriation over a two year period, reducing it to $106,000 in FY 1996, with no funding for FY 1997 and beyond.
C. No change. Continue CPAHA funding at FY 1996 levels.

ADVISORY GROUP RECOMMENDATION:

A. Cease funding immediately and eliminate the CPAHA as a Federal agency.

RATIONALE: The arguments provided by the CPAHA are not persuasive. It can continue its mission through the solicitation of private donations from interested groups and organizations without having to rely on any federal funding. As a private entity, it can utilize the services of the State Department in gaining access to authorities and interested parties in foreign countries, though this need must certainly be diminished as the result of its ten years of government supported activities.

STEERING COMMITTEE RECOMMENDATION:

U.S. COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

NATIONAL PERFORMANCE REVIEW, PHASE II

AGENCY PRESENTATIONS

AGENCY OPTION PAPER

BACKGROUND

The U.S. Commission for the Preservation of America's Heritage Abroad was established by legislation in 1985 (Sec. 1303 Title XIII, PL-99-83).

The Commission consists of 21 members appointed by the President, one of whom is designated Chairman. All serve without compensation. The majority of the work of the Commission is done by these private citizen Commissioners, and several unpaid volunteers. The Commission has no appropriated funds for federal employees.

The Commission's purpose notes: Because the fabric of a society is strengthened by visible reminders of the historical roots of the society, it is in the national interest of the United States to encourage the preservation and protection of monuments, historic buildings and cemeteries associated with the foreign heritage of United States citizens.

The Commission is mandated to: (1) identify and publish a list of those monuments, historic buildings and cemeteries located abroad which are associated with the foreign heritage of United States citizens from Eastern and Central Europe, particularly those monuments, historic buildings and cemeteries which are in danger of deterioration or destruction;

(2) encourage the preservation and protection of such monuments, historic buildings and cemeteries by obtaining, in cooperation with the Department of State, assurances from foreign governments that these monuments, historic buildings and cemeteries will be preserved and protected; and (3) prepare and disseminate reports on the condition of and the progress toward preserving and protecting such monuments, historic buildings and cemeteries.

In carrying out these responsibilities, the Commission is frequently called upon by US citizens for aid in obtaining access to visit these cultural sites, and for technical assistance in undertaking preservation activities with their personal resources. The Commission also engages foreign governments in securing protection of the sites from vandalism when US citizens are distressed to find these conditions when visiting or conducting pilgrimages to these places.

The Department of State has granted authority to the U.S. Commission to negotiate the proposed Agreement with some 23 countries in Eastern and Central Europe.

Agreements have been concluded and signed with three countries to date: the former Czech and Slovak Federal Republic; Romania; and Ukraine. Active negotiations are underway with a number of other countries. Activities continue with the signatory countries to implement the provisions of the Agreements subject to the availability of funds.

PUBLIC-PRIVATE INITIATIVE

The U.S. Commission is perhaps unique in this regard as it embodies the concept of a public-private initiative. Public funds provide for carrying out the Commission's mandates listed above; while private sector funding supports restoration and preservation projects and related programs and activities.

In order to ensure and facilitate the "private sector" dimension, the Associates of the U.S. Commission for the Preservation of America's Heritage Abroad - a not-for profit organization - has been established. The "Associates" raise funds for the exclusive use of the U.S. Commission in carrying out its programs and activities. In addition, the U.S. Commission is authorized to receive gifts and donations directly from private organizations and citizens. At the present time, some nineteen distinguished Americans serve as Directors of the Associates.

OPTIONS

0 The U.S. Commission's responsibilities and functions are both national and international in scope and nature. Consequently, it would not be practicable for any of the U.S. Commission's responsibilities and functions to be devolved to State and local levels.

0 At the same time, it is believed unlikely that any of the U.S. Commission's responsibilities and functions could be transferred to other federal organizations or entities in the reasonable expectation that they would be conducted as effectively and as efficiently as they are at present.

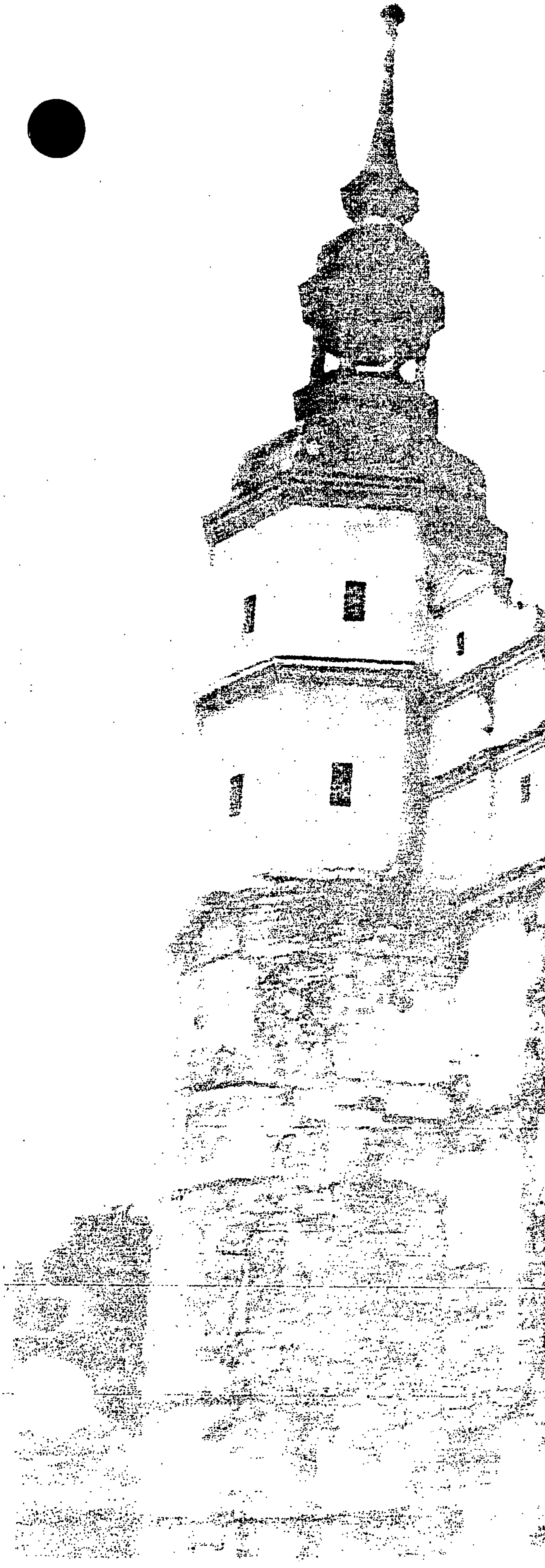
0 Termination of the U.S. Commission would send a disquieting signal not only to the signatory countries and current negotiating partners but to all groups of Americans who are or may be interested in working to restore and preserve monuments, historic buildings and cemeteries in countries of their cultural origin.

ANNUAL REPORT
1994

THE UNITED STATES COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

Preserving monuments, historic buildings, and cemeteries associated with the foreign heritage of American citizens, honors the past, imparts meaning to the present and advances mutual cooperation and friendship between countries.

1101 Fifteenth Street NW, Washington, DC 20005 (202) 254-3824



A MESSAGE FROM THE CHAIRMAN

Rabbi Arthur Schneier
Chairman

In 1990 Congress provided the initial appropriation to support the work of the U.S. Commission for the Preservation of America's Heritage Abroad in response to growing concerns about the deterioration and destruction of cultural sites in Eastern and Central Europe of significance to United States citizens.

Since 1990, the region has experienced dramatic changes in both the political and social climates. A rising tide of nationalism has led to the establishment of new republics and a willingness to work together in areas of common interest. Never before have opportunities been greater to contribute to the protection and preservation of our heritage abroad.

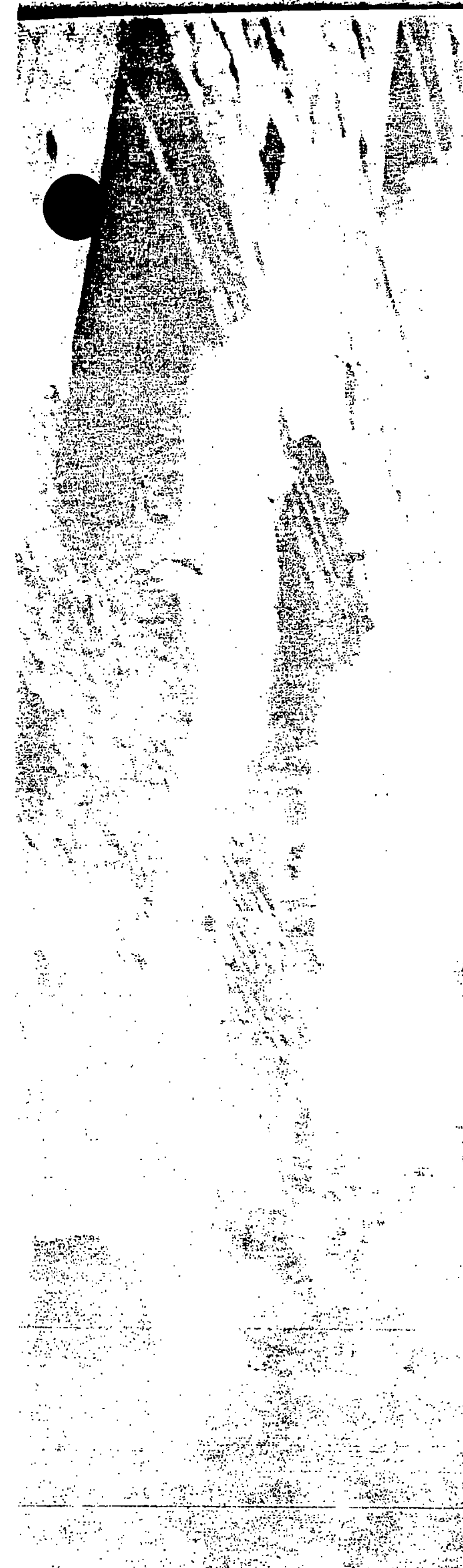
The Commission, in collaboration with the Department of State, has concluded and signed Agreements for the Protection and Preservation of Cultural Properties with three Eastern and Central European countries and is actively negotiating with a number of other countries. The Commission has moved rapidly to establish relationships with 22 countries, the first steps in the sometimes long and delicate negotiation process.

The most recent Agreement negotiated by the Commission was signed by Secretary of State Warren Christopher and Ukrainian Foreign Minister Anatoli Zlenko, at the White House on March 4. It affirmed both countries' dedication to preserving shared cultural heritage. The Ukraine Agreement covers the full spectrum of historic sites and is of interest to Americans of all faiths who hail from Ukraine.

Public support, however, is essential to transform growing opportunities into realities. The annual Congressional appropriation covers only part of the modest costs of negotiating the Agreements with foreign governments. All costs for projects concerning the protection and preservation of cultural sites must come from private citizens and organizations.

Already, hundreds of such sites are threatened by deterioration and destruction. But, with the support of organizations and individuals throughout the United States, much of the destruction can be stopped.

The Commissioners wish to note, with gratitude, the cooperation and support they have received from the White House, the United States Congress, and the U.S. Department of State.



INTRODUCTION

"Because the fabric of a society is strengthened by visible reminders of the historical roots of the society, it is in the national interest of the United States to encourage the preservation and protection of the cemeteries, monuments and historical buildings associated with the foreign heritage of American citizens."

These are the opening words in the legislation establishing the United States Commission for the Preservation of America's Heritage Abroad.

The legislation mandates the Commission to:

(1) "identify and publish a list of those cemeteries, monuments, historic buildings located abroad which are in danger of deterioration or destruction;

(2) encourage the preservation and protection of such sites by obtaining, in cooperation with the Department of State, assurances from foreign governments that the cemeteries, monuments, buildings will be preserved and protected; and

(3) prepare and disseminate reports on the condition of and the progress toward preserving and protecting such cemeteries, monuments, historic buildings."

STRUCTURE OF THE COMMISSION

The Commission is made up of 21 members, appointed by the President of the United States. The President designates the Chairman of the Commission from among its members. In addition, the Commission has established the Associates of the United States Commission for the Preservation of America's Heritage Abroad to raise funds from the private sector to support Commission projects to protect and preserve monuments, historic buildings and cemeteries.

NEGOTIATIONS & AGREEMENTS

The Commission's operations, have been marked by numerous significant events and achievements.

During the first two years, the Commission was authorized to negotiate Agreements with six countries: Poland, Hungary, the Czech and Slovak Federal Republic, the Federal Republic of Germany, the German Democratic Republic, and Yugoslavia.

Rapid emergence of independent Republics, free to pursue their own cultural identities and interests has led to increased expressions of interest in the Commission's programs and activities.

As a result, the Commission working with the Department of State, has requested and been authorized to negotiate the proposed Agreement with sixteen additional countries, bringing the full number to twenty-two.

The U.S. Commission is now authorized to make agreements with 22 countries in Central and Eastern Europe for the preservation of historic sites.

Armenia
Austria
Azerbaijan
Belarus
Bosnia
Bulgaria
Croatia
Czech Republic
Estonia
Georgia
Germany
Hungary
Latvia
Lithuania
Macedonia
Moldova
Poland
Romania
Russian Federation
Slovak Republic
Slovenia
Ukraine

CZECH AND SLOVAK FEDERAL REPUBLIC

The First Agreement

The first Agreement negotiated by the Commission was concluded with the Czech and Slovak Federal Republic and signed on March 27, 1992. The signing ceremony conducted at the Department of State, was highlighted by the participation of Deputy Secretary of State, Mr. Lawrence Eagleburger, who signed the Agreement on behalf of the United States, and the late Ambassador Rita Klimova who signed for the Czech and Slovak Federal Republic.

Prior to the dissolution of the Czech and Slovak Republic, in January 1993, often referred to as the velvet divorce, representatives of the two new Republics notified the Commission of their respective decisions to comply with the provisions of the Agreement.

UKRAINE

The White House event

At a White House ceremony Presidents Bill Clinton and Leonid Kravchuk concluded a State visit on March 4, 1994 with the signing of several important Agreements at a White House ceremony. One of these Agreements, signed by U.S. Secretary of State Warren Christopher and Ukraine's foreign Minister Anatoli Zlenko, was for the *Protection and Preservation of Cultural Heritage.*

President Clinton, Ukraine President Kravchuk, and Assistant Legal Adviser for Treaty Affairs, Robert E. Dalton witness Secretary of State Warren Christopher and Ukraine Foreign Minister Zlenko sign the *Agreement on the Protection and Preservation of Cultural Heritage*, Washington, D.C. March 4, 1994. Photo courtesy, AP/World Wide

Rabbi Arthur Schneier, Chairman of the Commission, led the nearly two-year negotiation of the Agreement with President Kravchuk and Foreign Minister Zlenko.

The White House press release noted, "the Agreement with Ukraine is particularly significant since it is the first with a nation formerly a part of the Soviet Union." As with all such Agreements, it will be administered on behalf of the United States by the United States Commission for the Preservation of America's Heritage Abroad.

Above: Chairman Arthur Schneier (left), Ukranian Foreign Minister Guennadi I. Oudovenko (seated left), and Ukranian President Leonid Danylovich Kuchma (standing front, right) meet to discuss the newly-signed agreement.

Left: A pathway under construction in Babi - Yar, Ukraine to memorialize victims of World War II. Photo by Eva Seligman-Kennard

ROMANIA

After the revolution, provisional agreement initiated

The second Agreement was concluded with the Government of Romania. Chairman Arthur Schneier initiated a dialogue with key Romanian officials in Washington and New York. These efforts continued during his July 1992 meetings with high-level Romanian officials in Bucharest and culminated in the conclusion of a provisional Agreement which was signed by Adrian Nastase, the Romanian Foreign Minister and Chairman Schneier. Following an exchange of diplomatic notes, the agreement entered into force on July 29, 1993.

THE BALTIC STATES
Negotiations initiated

ESTONIA
Anticipated Agreement

Commissioner Lavine visited Tallinn. Riga and Vilnius in July 1993 where he had fruitful meetings with key officials in the respective Ministries of Foreign Affairs. He met with community leaders to explain the work of the Commission and the provisions of the proposed Agreement. He also met with officials at the American Embassies, including Ambassador Frasure in Tallinn and Ambassador Silins in Riga.

Useful and beneficial meetings and discussions have continued with officials of the Estonian Embassy and several proposed texts have been exchanged for examination and comment. It is anticipated that an Agreement will be concluded in the near future.

Wojciech Henrykowski, local volunteer, at left and the town architect of Wyszkow, Poland, survey a farm where hundreds of gravestones were unearthed.

LITHUANIA
Involving U.S. Citizens

Recent discussions with Dr. Alfonsas Eidintas, Lithuanian Ambassador, were useful in exchanging views and information concerning the proposed Agreement. The Ambassador asked the Commission's assistance in identifying appropriate leaders from the American-Lithuanian community to participate in a meeting at the Embassy in the near future.

LATVIA
Further discussions, clarifications

The Commission has provided clarification on several points of concern to the Latvian authorities in anticipation of active discussions in the coming year.

Cemetery ruins in Ukrainian farmland. Photo by Abe Mendel

AUSTRIA
A working understanding

An Austrian-American Contact Group has been established to discuss matters of mutual interest concerning the preservation of the respective cultures in the United States and Austria.

Commissioner Dov Zakheim and Minister Dr. Rainer serve as Joint-Chairmen of the Group, which held its most recent meeting in Vienna in January, 1994.

The Austrian government will prepare written reports in response to a list of sites needing preservation, a request for maintenance of the former concentration camp Mathausen, as well as future measures for preservation.

The Commission's responsibilities, mandated by legislation, are to protect and preserve foreign cultural sites in Eastern and Central Europe of importance to U.S. citizens. Each Agreement establishes responsibilities and provides a mechanism for cooperation between the signatories.

The Commission responds to expressions of interest and concern from U.S. citizens about requirements for protection and preservation throughout Eastern and Central Europe and elsewhere, as warranted.

Actions by the Commission fall into two broad categories: responding to emergencies and assisting U.S. Citizens and organizations.

RESPONDING TO EMERGENCIES

The Commission reacts to emergencies reported either directly to the Commission by U.S. citizens or referred by members of Congress on behalf of their constituents. Emergencies are defined as sudden threats to the integrity of the sites such as actions taken by local governments or individuals to limit access, damage caused by inappropriate development projects, dumping of refuse, or failure to protect sites from vandalism.

Emergencies are typically addressed by the Commission, in concert with the Department of State, through an investigation and, where appropriate, by petition for relief from the appropriate governmental authorities. This procedure is particularly effective in those countries with which the Commission has entered into the formal agreements.

The Commission's Subcommittee on Cemetery Preservation, co-chaired by Commissioners Julius [illegible]an, Chaskel Besser and Zvi Kestenbaum, specifically handles preservation efforts of cemeteries, often targets of abuse and neglect.

Case Studies...

NOVA MESTA, SLOVAK REPUBLIC
Destruction halted

The Commission received reports that the local government authorities of Nova Mesta in the Slovak Republic were destroying a cemetery of importance to U.S citizens who trace their cultural heritage to that area. The matter was brought to the attention of Michal Kovac, President of the Slovak Republic. Representatives of his office and the U.S. Embassy went to Nova Mesta and met with local officials. As a result the destructive activities were halted and dialogue was revived between the factions aimed at reaching an equitable resolution of the situation.

UMAN, UKRAINE
Graves preserved

Local authorities in Uman, Ukraine were reported to be digging a trench for a public works project through the Jewish cemetery. This site is considered "most holy" by many thousands of Americans who annually visit the grave of a renowned religious leader.

Chairman Schneier contacted the foreign minister of Ukraine to appeal for a cessation of further work on this project until a mutually satisfactory resolution could be found. Work was subsequently rerouted to avoid further damage to the graves.

ASSISTING U.S. CITIZENS AND ORGANIZATIONS

The Commission also assists U.S. citizens and organizations, cooperating with foreign governments and organizations in initiating projects to restore and preserve cultural sites.

The number of threatened sites far exceeds the financial resources available in these countries and the Commission receives no appropriated funds for directly undertaking needed restoration and preservation. Therefore, the development of partnerships with American ethnic groups with strong ties to Eastern and Central Europe are vital for the advancement of preservation and restoration projects.

First, surveys of cultural sites and dissemination of information on preservation needs act as a catalyst for private action. Many U.S. citizens and organizations have undertaken individual restoration projects.

Second, the Commission provides technical assistance to individuals and organizations and assists them in raising funds from the private sector. The Commission, when necessary, will assist individuals or organizations to obtain the necessary permits and access from the local governments which exercise responsibility for such sites.

Case Studies . . .

POLNA, CZECH REPUBLIC
Battling Ethnic Prejudice

Listed in the Annex to the Agreement with the Czech Republic, is the remains of a 17th century synagogue in the small town of Polna. The synagogue is a historical, cultural and political priority of the Czech government, as it served as a stimulus for religious and philosophical battles throughout the 20th century.

In March 1899, a young Jewish cobbler, Leopold Hilsner, was falsely accused of "the Jewish ritual" murder of a young woman. He was subsequently tried and convicted. Tomas Masaryk, then a Professor at Prague University, after reviewing the accusations and the trial proceedings, concluded that the charges were the result of an old racial superstition. He wrote a series of articles exposing the political misuse of anti-semitism in this case which were published throughout the world.

Masaryk and his American wife soon became the object of insults and hatred. But he persevered, and eventually his efforts led to a change of attitude toward the Jews among the majority of the Czech population. Later, as President of Czechoslovakia, he was able to cite this painful incident as his greatest moral victory.

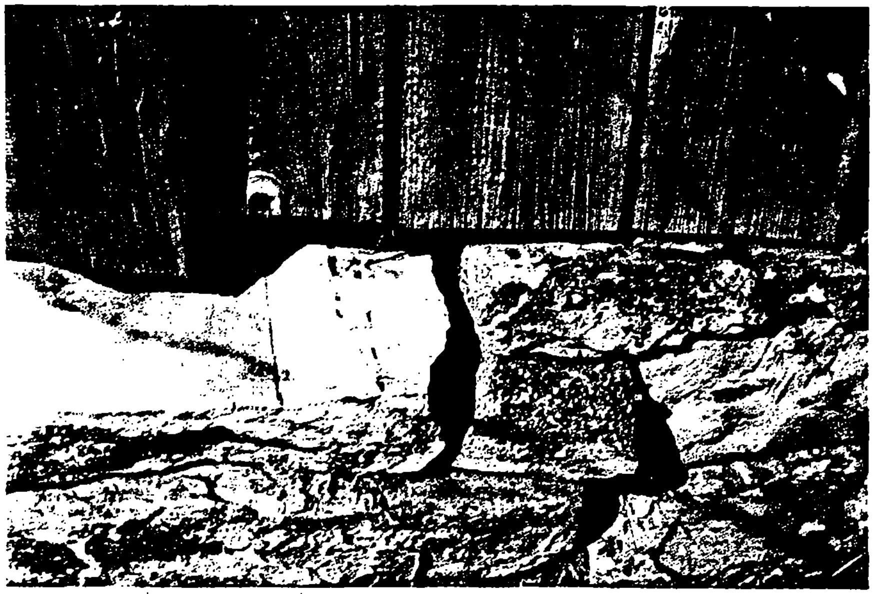
Today there are no Jews in Polna and the synagogue, out of use for many decades and neglected during the Communist era, stands a shell. The local authorities and the Jewish community have initiated a five-year project to rebuild the Synagogue and the Rabbi's house as a museum of Jewish history in Polna, and to honor Masaryk's role in fighting ethnic bigotry.

The Commission is working as a co-sponsor of this restoration project and is urgently and actively seeking support for this worthy project from the private sector.

SZKOW, POLAND
Rediscovering heroes

In the course of the 1990 survey of the cultural sites of Poland, the Commission learned of the devastated cemetery in the town of Wyszkow, 57 kilometers from Warsaw.

Wyszkow was also the home of 5,000 Holocaust victims, including Mordecai Anielewicz, leader of the Warsaw ghetto uprising. As such, it is of particular significance as a memorial site to the Holocaust in Poland.


Gravestones make up the foundation of a Polish farmhouse. Photo by Wojciech Henrykowski

The restoration appeared especially daunting as the Nazis had removed all tombstones and any visible signs that once this area had a cemetery. For example, several hundred tombstones had been used to build sidewalks and used in other construction. The local government, which now exercises responsibility for the property, indicated its willingness to work with the Commission to erect a fence and restore a portion of the cemetery, and to maintain the grounds once the project was completed.

The Commission was determined to take the lead in this project and to raise funds from private donors to cover the costs. With the Jewish Historical Institute in Warsaw providing oversight, the tombstones were recovered, architectural plans were approved by the Commission and the Jewish Community of Warsaw and the local government authorities issued the necessary permits.

A group of American citizens, headed by Commissioner Israel Rubin, helped fund this Commission project. The work is expected to be completed by the spring of 1995.

The Commission, local government and organizations, and private sector donors, successfully cooperated toward a common goal.

BABI-YAR, UKRAINE
Unearthing a city's past

On the outskirts of Kiev, Ukraine lie the fields of Babi-Yar, the infamous site of the massacre of 200,000 Jews, Ukrainians and others during the Holocaust. After the fall of communism, a Jewish memorial was built on the site

In August 1991 the newly independent Ukraine, as a gesture of reconciliation and to promote a revival of Jewish religious and cultural life, sponsored a 50th Anniversary Memorial Service for those who died at Babi-Yar. The Commission sponsored a commemoration in New York of the 50th anniversary of the Babi-Yar massacre. Following this event, Chairman Schneier served as a member of the U.S. Delegation to the memorial service in Kiev.

In 1992, Albert Barr of San Rafael, California, was strolling through the woods adjacent to the Memorial at Babi-Yar, when he came upon the remnants of an old Jewish cemetery which had long since disappeared beneath a thick cover of vegetation and been forgotten by time. No records existed marking the cemetery which was located just 50 yards away from the Memorial.

Ghostly cemeteries are often the greatest sources of history and heritage

Members of the Kiev community sought and received permission from the city authorities to clear the site and build a fence and walkway linking the cemetery and the memorial. Local citizens are volunteering their services to the restoration process.

The Commission is officially co-sponsoring the project with the Bay Area Council for Jewish Rescue and Renewal, a private not-for-profit organization. Funds were raised from private sector donors and the project was completed in the Fall of 1994.

A worker unearthes lost gravestones in the fields of Wyszkow.

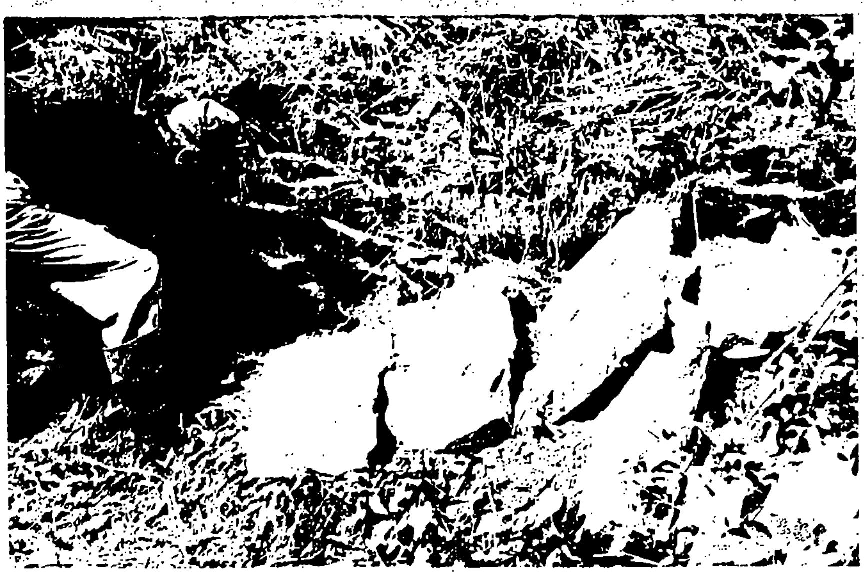


Photo by Wojciech Henrykowski

CULTURAL HERITAGE SURVEYS

Dr. Eleanora Bergman, co-director of the survey in Poland, examing a restoration site.

A cornerstone of the Commission's work is the compilation and maintenance of a clearinghouse of information on cultural sites in Eastern and Central Europe that are associated with the cultural heritage of United States citizens. The surveys are gned to provide for the collection and organization of related on the location of these sites, their current condition and ownership, and other significant indicators.

While appropriated funds are authorized for the purpose of conducting these surveys, the Commission augments these funds with private donations.

Survey work is carried out in five phases:

- Organization and planning, including meetings with government officials and members of the affected ethnic and religious communities; refinement of the survey instrument; design of the computer program; contracting for work with local individuals and organizations best equipped to undertake the collection of information;

- Adaption and translation of existing and survey material to project specifications; pilot testing and extensive site visits;

- Preparation and in-putting of collected data in the computer data base;

  lysis of the information; and

- Dissemination to the public.

POLAND, HUNGARY, UKRAINE, CZECH AND SLOVAK REPUBLIC

Between 1990 and 1994 four countries were surveyed—Poland, Hungary, The Czech Republic and The Slovak Republic. In every case the governments of these countries provided available information and endorsement of the work. In the spring of 1994, the Commission began the survey of Ukraine in cooperation with Ukrainian organizations and interested government agencies.

As they have been identified, sites of special significance have been designated for discussions with each of these countries. Reports prepared on the condition of and the progress toward preservation and protection will also provide a basis for informing potential private sector donors of the need for financial support.

In 1994 the Commission released the first of a series of reports, Survey Of Historic Jewish Monuments In Poland. This report met with unprecedented demand from the public, and is now in its second printing.

The Commission will issue additional reports for the Surveys of the Czech Republic and the Slovak Republic and Ukraine in 1995.

These surveys will be expanded to other countries of Eastern and Central Europe as resources become available.

U.S. Holocaust Memorial Warsaw Institute

Also in 1994, the Commission reached an agreement with the United States Holocaust Memorial Museum in Washington, DC to install an archive of cultural sites for the use of Holocaust survivors and the general public seeking information about the condition of their family cemeteries, religious buildings and monuments. Similar archives have been established at the Commission Offices and at the Jewish Historical Institute, Warsaw.

PUBLIC AWARENESS & PARTICIPATION

Press releases on the survey of cultural sites inform hundreds of people and organizations interested in information related to their cultural heritage abroad. As the Commission continues to obtain and compile records, it will be equipped to respond more fully and accurately to requests for such information.

COMMUNITY OUTREACH

Cleveland, Ohio Ukrainian Ethnic Community

The Commission also is embarking on an outreach program in order to establish linkages to the many associations representing American ethnic groups with strong ties to Eastern and Central Europe.

For example, following the announcement of the signing of the Agreement on the *Protection and Preservation of Cultural Heritage* with the Government of Ukraine, the Commission was contacted by representatives of the Ukrainian ethnic community in the Cleveland area. As a result, Commission staff met with a group of community representatives which included: George Bilokonsky, who represents the Ukranian-American Joint Venture *Eric Raiduha, Inc.* and the *Raiduha Business Bulletin*; Walter Bubna, who represents the Ukrainian Museum-Archives of Cleveland; and Ihor Koval, who represents business interests of newly arrived immigrants from Ukraine. The purpose of the meeting was to discuss the work of the Commission and to identify areas of mutual interest.

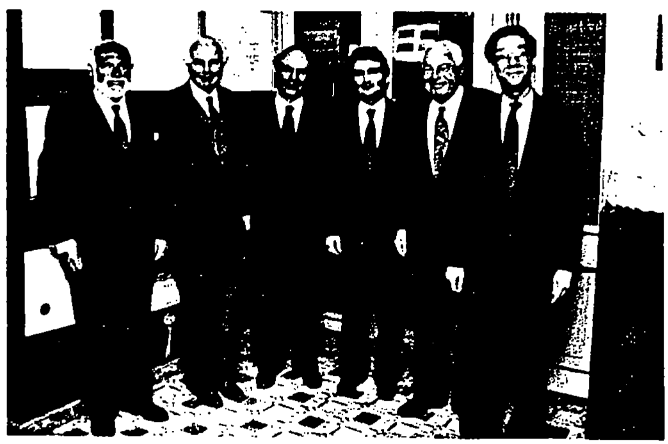
George Bilokonsky, Walter Bubna and Andrew Fedynsky, director of the Ukrainian Museum-Archives in Cleveland, Ohio.

This group views the Commission as an ideal mechanism to assist in identifying and supporting projects to preserve cultural sites, such as churches and Christian cemeteries in Ukraine. Meeting participants are continuing to discuss ways in which common interests and needs can be addressed, including raising funds within the community.

New York Commemoration 50th Anniversary of Hungarian Holocaust

On March 20, 1994 the Commission sponsored in New York a Commemoration marking the 50th anniversary of the ten month Hungarian Holocaust which took the lives of 600,000 Jews. The Commemoration was attended by over 400 U.S. citizens of Hungarian descent, many of them Holocaust survivors or their children. The event was led by the Chairman of the Commission and Spiritual Leader of the World Federation of Hungarian Jews, Rabbi Arthur Schneier.

Many leaders of the Hungarian and Jewish communities participated in this solemn occasion, including His Excellency Andre Erdos, Permanent Representative of Hungary to the United Nations and the Honorable Tom Lantos, Congressman from California and the only Holocaust survivor in the U.S. Congress.



Left to right: Mr. Norman Gati, President of World Federation of Hungarian Jews; Congressman Tom Lantos; Chairman Arthur Schneier; Ambassador Andre Erdos of Hungary; Mr. Gaby Newmark, Chairman of the Board, World Federation of Hungarian Jews; Mr. Tsuriel Raphael, Deputy Consul General of Israel in New York.

As a result of this event, the Commission received inquiries for information on several hundred cultural sites in Hungary and donations for survey work.

FUNDRAISING

Since funds appropriated by Congress support only limited survey work and administrative costs of the Commission, resources for the preservation and restoration work of the Commission must be raised from the private sector.

To facilitate this, the Associates of the U.S. Commission for the Preservation of America's Heritage Abroad, a not-for-profit organization, was established and organized in early 1992. Distinguished Americans have agreed to serve on the Board of Directors led by Mr. William McSweeny, who serves as President. Most of the funds for the model restoration projects described in this report were raised by the Associates.

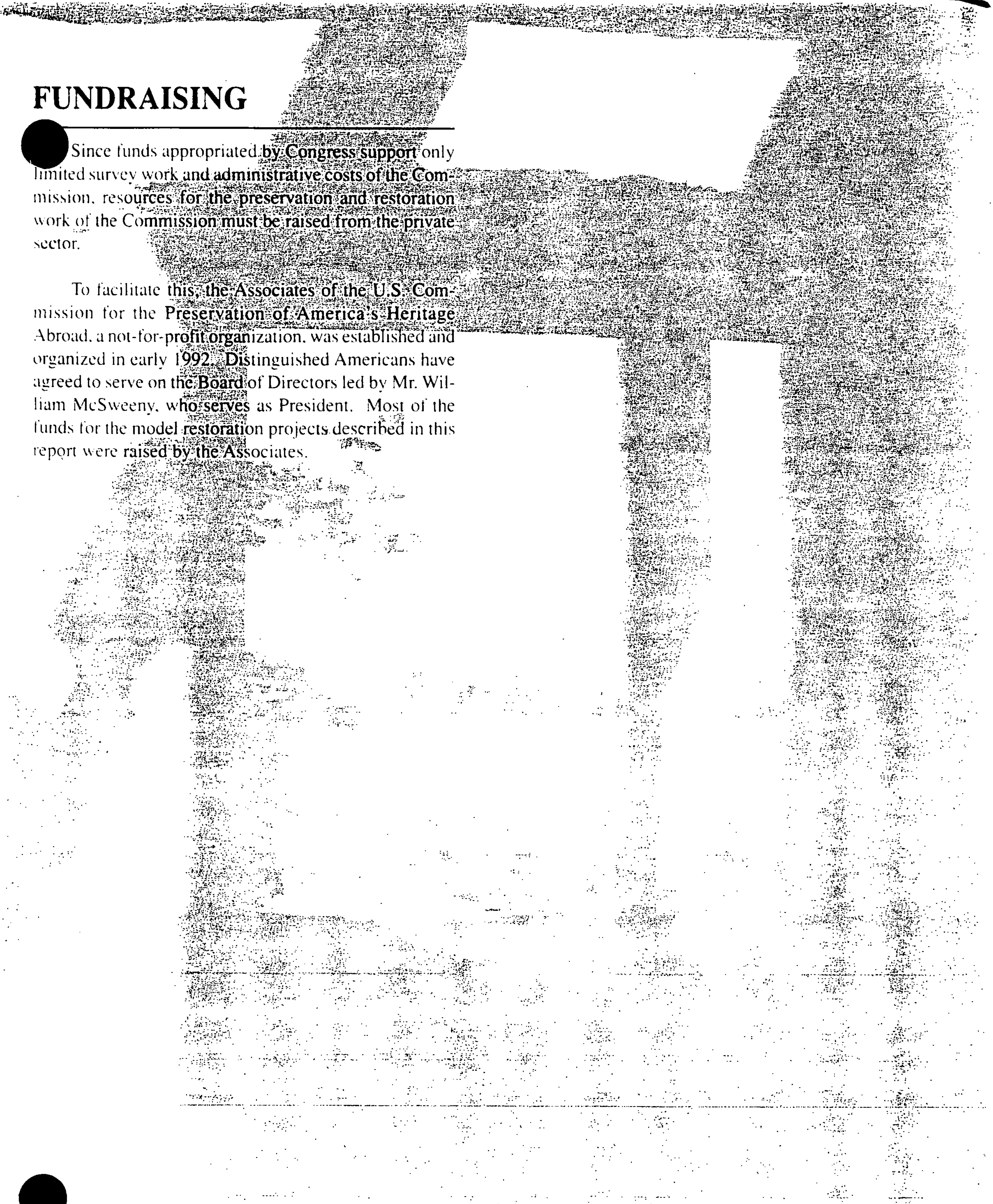


Photo underlays by Ruth Ellen Gruber

United States Commission for the Preservation of America's Heritage Abroad

Membership

Honorable Arthur Schneier
Chairman
New York, NY

Honorable Julius Berman
Forest Hills, NY

Honorable Chaskel Besser
New York, NY

Honorable Hertz Frankel
Brooklyn, NY

Honorable Edgar Gluck
Brooklyn, NY

Honorable Levi Goldberger
Brooklyn, NY

Honorable Joseph Halfon
Spring Valley, NY

Honorable Eugene Huppin
Spokane, WA

Honorable Ron C. Kaufman
Springfield, VA

Honorable Leslie Keller
Forest Hills, NY

Honorable Zvi Kestenbaum
Brooklyn, NY

Honorable Warren Miller
Washington, DC

Honorable Stan Rose
Overland Park, KS

Honorable Abraham Friedlander
Brooklyn, NY

Honorable Gary J. Lavine
Fayetteville, NY

Honorable Israel Rubin
Potomac, MD

Honorable Asher J. Scharf
Brooklyn, NY

Honorable Morris Shmidman
Kew Gardens, NY

Honorable Edward Howell Sims
Sarasota, FL

Honorable Sigmund Strochlitz
New London, CT

Honorable Dov S. Zakheim
Silver Spring, MD

Associates

Honorable William F. McSweeny
President
Associates of the United States Commission for the Preservation of America's Heritage Abroad

Staff

Joel Barries
Executive Director

Donald E. De Haven
Deputy Executive Director

Elizabeth Feuer
Administrative Assistant

General and special funds—Continued

SALARIES AND EXPENSES—Continued

ent at 4-year intervals the appropriate pay levels for senior level positions in the executive, legislative, and judicial branches of the Federal Government. By statute, the Commission is next scheduled to convene in 1997.

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses for the Commission for the Preservation of America's Heritage Abroad, [$206,000] *$212,000*, as authorized by Public Law 99–83, section 1303. *(Department of State and Related Agencies Appropriations Act, 1995.)*

Program and Financing (in thousands of dollars)

Identification code 95–3700–0–1–153	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations	200	206	212
Financing:			
40.00 Budget authority (appropriation)	200	206	212
Relation of obligations to outlays:			
71.00 Total obligations	200	206	212
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	24	9	21
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	–9	–21	–21
90.00 Outlays	215	194	212

The purpose of the Commission is to encourage the preservation of cemeteries, monuments, and historic buildings associated with the foreign heritage of the United States.

Object Classification (in thousands of dollars)

Identification code 95–3700–0–1–153	1994 actual	1995 est.	1996 est.
21.0 Travel and transportation of persons	12	26	25
23.1 Rental payments to GSA	39	38	36
23.3 Communications, utilities, and miscellaneous charges	12	12	14
24.0 Printing and reproduction	5	12	12
25.1 Advisory and assistance services	2		
25.2 Other services	111	94	97
25.3 Purchases of goods and services from Government accounts	10	15	17
26.0 Supplies and materials	4	4	5
31.0 Equipment	5	5	6
99.9 Total obligations	200	206	212

Trust Funds

GIFTS AND DONATIONS

Program and Financing (in thousands of dollars)

Identification code 95–8268–0–7–153	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations (object class 25.2)	19	11	17
Financing:			
21.40 Unobligated balance available, start of year: Treasury balance	–15	–1	–2
24.40 Unobligated balance available, end of year: Treasury balance	1	2	
60.27 Budget authority (appropriation) (trust fund, indefinite)	5	12	15
Relation of obligations to outlays:			
71.00 Total obligations	19	11	17
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance			–3
90.00 Outlays	19	10	14

The Commission is authorized to fund its activities through gifts and contributions raised by its members.

COMMISSION OF FINE ARTS

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), [$834,000] *$879,000*. *(Department of the Interior and Related Agencies Appropriations Act, 1995.)*

Program and Financing (in thousands of dollars)

Identification code 95–2600–0–1–451	1994 actual	1995 est.	1996 est.
Program by activities:			
10.00 Total obligations	798	834	879
Financing:			
25.00 Unobligated balance expiring	7		
40.00 Budget authority (appropriation)	805	834	879
Relation of obligations to outlays:			
71.00 Total obligations	798	834	879
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	73	128	83
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	–128	–83	–88
77.00 Adjustments in expired accounts	38		
90.00 Outlays	781	879	874

The Commission advises the President, Congress, and Department heads on matters of architecture, sculpture, painting, and other fine arts. The primary function is to preserve and enhance the appearance of the National Capital.

Object Classification (in thousands of dollars)

Identification code 95–2600–0–1–451	1994 actual	1995 est.	1996 est.
Personnel compensation			
11.1 Full-time permanent	436	468	509
11.3 Other than full-time permanent	8	12	12
11.9 Total personnel compensation	444	480	521
12.1 Civilian personnel benefits	77	75	79
21.0 Travel and transportation of persons	18	19	17
23.1 Rental payments to GSA	145	136	139
23.3 Communications, utilities, and miscellaneous charges	10	8	8
24.0 Printing and reproduction	2	14	12
25.1 Advisory and assistance services	2		
25.2 Other services	87	42	43
25.3 Purchases of goods and services from Government accounts		45	45
26.0 Supplies and materials	6	7	7
31.0 Equipment	7	8	8
99.9 Total obligations	798	834	879

Personnel Summary

Identification code 95–2600–0–1–451	1994 actual	1995 est.	1996 est.
1001 Total compensable workyears: Full-time equivalent employment	7	7	7

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

Divider Title: **B**

JAPAN - U.S. FRIENDSHIP COMMISSION

DESCRIPTION: The Japan - U.S. Friendship Commission makes grants from the Japan - United States Trust Fund for the promotion of scholarly, cultural, and artistic activities between Japan and the United States. The Commission is authorized to make expenditures from the appropriated income of the fund and, in an amount not to exceed 5% annually of the principal, to pay the expenses of the Commission and to make grants primarily in the U.S.

FY 1996 BUDGET PROPOSAL: The budget authority for FY 1996 is $1.25 million, a reduction of $3,000 from the FY 1995 budget. The projected FTE level for FY 1996 is 6, no change from FY 1995. The Commission receives no direct appropriations. Its operating budget comes from interest earned from the Japan-United States Friendship Commission Trust Fund. The Trust Fund has a total approximate value of $50 million; $15 million in U.S. funds and $35 million in a yen fund maintained offshore.

AGENCY PROPOSAL: The Commission would like to be privatized and given its entire Trust Fund to manage with a mandate to carry on its current programs. The Commission argues that the current budget and operational arrangement hinders its efficiency and effectiveness. Specifically, the current arrangement precludes it from earning a greater return on Trust Fund investments.

DECISION OPTIONS:

A. No change; continue Commission with its current funding, structure, and operational procedures.

B. Eliminate governmental role and convert the Commission into a private, not-for-profit organization. Return all Trust Fund monies ($50 million) to the general treasury.

C. Eliminate governmental role and convert the Commission into a private, not-for-profit organization. Appropriate all of the Trust Fund monies ($50 million) directly to the Commission as an endowment.

D. Eliminate governmental role and convert the Commission into a private, not-for-profit organization. From the existing Trust Fund, appropriate "seed" monies to endow the Commission during the transition from government to private entity. After appropriating the "seed" money, return residual Trust Fund monies to the general treasury.

ADVISORY GROUP RECOMMENDATION:

D.

RATIONALE: The Commission can carry out its function better as a private organization. Because of higher rates of return through increased investment options, the Commission probably does not need the entire Trust Fund ($50 million) as seed money for an endowment. A lesser amount, perhaps $25 million, would probably be an adequate endowment.

Because of PAYGO rules for the 150 (National Security and International Affairs) budget, any appropriation for an endowment would have to be offset by savings somewhere else in the 150 FY 1996 budget. Legislation will be required to privatize the Commission.

STEERING COMMITTEE RECOMMENDATION:

A PROPOSAL FOR THE PRIVATIZATION OF THE JAPAN-UNITED STATES FRIENDSHIP COMMISSION

The Japan-US Friendship Commission is an independent federal agency that serves to promote the US national interest by preparing Americans to deal effectively with the US-Japan relationship, which many consider to be the most important bilateral relationship for US interests in the post-Cold War era. It carries out this purpose through a program of grants in support of research and training primarily at American universities and research institutes and of educational exchanges between the two countries. The Commission works exclusively with private-sector institutions in support of their programs; it does not make grants directly to individuals for scholarships, fellowships, or individual research projects or travel. Grant decisions are made by a board of eighteen commissioners -- nine citizens from the private sector, and nine government officials from the legislative and executive branches.

The Commission is the main source of funds for efforts to develop American expertise in dealing with Japan, including, and perhaps most importantly, preparation to compete directly with Japanese challenges in economic and technological affairs, to negotiate with Japanese officials to open the Japanese market to American products, and to engage Japanese counterparts effectively to solve critical security and global development problems. To carry out these purposes, the Commission focuses its grant-making efforts on three priorities: development of Japan tracks in American graduate schools of engineering, business, law, journalism and other professions; policy-oriented research on the contemporary Japanese political economy and security issues; and development of education programs on Japan for Members of Congress and their staff. The Commission is also the main source of funding for training a new generation of American experts in advanced Japanese language.

The Commission's federal support consists entirely of interest income it earns from its endowment, created by Congress for the Commission in 1975. The legislation establishing the Japan-US Friendship Trust Fund requires the Commission to seek appropriation of that interest by Congress for its use. As with any other federal agency, the Commission begins its annual budget process by submitting a request to the OMB -- in this case, for the amount of interest it will earn in the next fiscal year. OMB's action on this request is transmitted to the Congress as part of the President's budget. The Commission receives no funds from general revenues; nonetheless, because it is part of the appropriations process, both OMB and Congress treat its appropriation as part of general revenue and score its amount against general expenditures.

The Trust Fund has two parts. The first consists of dollars paid more than two decades ago by the Government of Japan for facilities received in Okinawa at the time of the reversion of Okinawa to Japanese sovereignty in 1972. The second part is an account of Japanese yen provided in 1962 by the Government of Japan to the US government in partial repayment for economic assistance provided by the latter for postwar development of the Japanese economy. The property of the US government, these funds are nevertheless held in Japan as Japanese yen, under an understanding, formalized in memoranda exchanged between the two governments, that these funds would be used for educational programs to underwrite the bilateral security treaty and the growth of economic interdependence that have been and continue to be a cornerstone of the structure of United States foreign policy.

As a small foreign affairs agency, the Commission has operated under constraints and procedures that have hindered its efficiency and effectiveness. The requirement that its income from the interest of its Trust Fund be subject to annual appropriation by Congress distracts the attention of its staff of four from pursuit of the Commission's mission, namely, the development of research and training programs on Japan. It has also precluded active pursuit by staff and commissioners alike of fund-raising in the private sector. Owing to inflation and the decline in interest rates, the purchasing power of the interest income from the Trust Fund has been reduced to approximately one-quarter of what it was twenty years ago when Congress established it. Moreover, the Commission has had unrealistic investment constraints imposed upon it that prevent it from achieving a reasonable return from the Trust Fund. A more realistic investment authority, still maintaining prudent and secure investments, could substantially increase the return available to the Commission. An additional constraint upon the effectiveness of the Commission is the procedure by which appointments to the Commission are made, which is subject to the vagaries of the political process. The Commission's membership has not necessarily received the attention it requires to carry out its mission as a small foreign affairs agency, and as a result, individuals appointed to the Commission have many times in the past lacked a clear understanding of the American national interest as it applies to Japan and Asia.

Circumstances now make it propitious to pursue a different and highly desirable arrangement of the Commission to carry out its mandate. Recent attention to streamlining government, achieving greater efficiency, and introducing procedures from the private sector provides the Commission with this unique opportunity. Rather than continuing under the constraints of the existing arrangements and procedures, our preferred option is privatization.

Privatization would be achieved through the granting of a congressional charter, following, for example, the model of the National Academy of Sciences. The Commission would be given its Trust Fund to manage with a mandate to carry on its programs of research and training and to advise the federal government on American national interest in its relations with Japan. Such action would serve several useful purposes. First, it would reduce budget expenditure under Item 150 of approximately $2,670,000 annually. Secondly, it would reduce the federal workforce by four permanent employees, several part time employees, and nine special government employees. Both aspects, while small in material impact, would have large symbolic meaning.

Most importantly, privatization of the Commission would strengthen the current congressional interest in eliminating from federal operations those functions that could be performed in the private sector more efficiently. In its operations, the Commission would benefit from full access to the market economy for its functional needs -- quarters, supplies, services, etc. With its small size (a permanent staff of four), the economies of scale provided by GSA for such needs prove unwieldy. Moreover, it would allow the Commission a broader investment authority and thus provide the Commission the ability to gain, under clearly delineated and prudent investment guidelines, substantially increased earnings from the Trust Fund. In a more important sense, separation from its governmental origins would strengthen the Commission's reputation for grant-making and selection on a basis of the merits of each proposal, independent of the policy imperatives generated among those agencies of the executive branch responsible for setting policy on Japan. Already reputed for its nonpartisan, non-ideological approach to support of projects and activities, this prime aspect of the Commission's identity, reputation and functioning would be strengthened.

Privatizing the Commission would require several practical steps, foremost of which would be congressional action to carry it out. Such an act would have important consequences, primary among which would be redesigning the governance of the Commission, which currently reports both to the President and to Congress annually. Its members are variously appointed by Congress, serve ex officio from several executive branch agencies, or are appointed (indirectly) from the private sector by the Director of the US Information Agency. Responsibility for the Trust Fund's maintenance rests ultimately with the Secretary of the Treasury. These aspects of the Commission's governance would most likely need to be changed. Moreover, provisions would need to be made for the Commission's personnel during such a transition. The commissioners believe, however, that none of these are insurmountable obstacles.

Among our commissioners (see attached list) are four Members of Congress. These members have circulated the idea of privatizing the Commission among a number of members of the leadership in Congress for their reactions. Generally, the concept has met with positive response from, among others, Senator Thomas, Chair, East Asia and Pacific Subcommittee, Senate Foreign Relations Committee, Mr. Mike Ennis, Chief of Staff, East Asia and Pacific Subcommittee, House International Relations Committee, Senator Gramm, Chair, Subcommittee on Commerce, Justice, State and the Judiciary, Senate Appropriations Committee, Mr. Keith Kennedy, Chief of Staff, Senate Appropriations Committee, Congressmen Kolbe and Taylor on the Subcommittee on Commerce, Justice, State, the Judiciary and Related Agencies of the House Appropriations Committee, Congressman Sensenbrenner in the House (who gave it particularly strong endorsement), and the four Members of Congress themselves who serve on the Commission -- Senators Murkowski and Rockefeller, and Congressmen Petri and Wise.

JAMES MADISON MEMORIAL FELLOWSHIP TRUST FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 95–8282–0–7–502	1994 actual	1995 est.	1996 est.
74.40 Obligated balance, end of year: Unpaid obligations. Treasury balance	–213	....	....
90.00 Outlays	1,464	2,207	2,533

Public Laws 99–500, 101–208, and 102–221 established the James Madison Memorial Fellowship Foundation to operate a fellowship program to encourage graduate study of the framing, principles, and history of the American Constitution. Appropriations of $10 million in 1988 and $10 million in 1989 established the foundation's trust fund. The funds have been invested by the Secretary of the Treasury in U.S. Treasury securities, and the interest earned on these funds is available for carrying out the activities of the foundation. Funds raised from private sources and the surcharges from commemorative coin sales are also placed in the trust fund.

The foundation is authorized to award graduate fellowships of up to $24,000 to high school teachers of American history, American government, and social studies and to college seniors and recent college graduates who want to become secondary school teachers of these subjects.

Fellowship awards.—This activity is comprised of fellowship awards to cover educational expenses. It also supports the foundation's annual Summer Institute on the U.S. Constitution, which all current fellows are required to attend. The Institute is an intensive educational experience that will ensure that all fellows know the history of the framing, ratification, and implementation of the U.S. Constitution and the Bill of Rights. The foundation awarded 48 fellowships in its inaugural competition in 1992, 59 in 1993, 61 in 1994 and plans to award 60 fellowships in FYs 1995 and 1996.

Program administration.—This activity covers the costs of planning, fund-raising, and the operation of the fellowship program.

Object Classification (in thousands of dollars)

Identification code 95–8282–0–7–502	1994 actual	1995 est.	1996 est.
Personnel compensation:			
11.1 Full-time permanent	436	464	488
11.3 Other than full-time permanent	19	21	22
11.9 Total personnel compensation	455	485	510
12.1 Civilian personnel benefits	102	108	114
21.0 Travel and transportation of persons	15	45	45
22.0 Transportation of things	1	1	1
23.2 Rental payments to others	83	88	93
23.3 Communications, utilities, and miscellaneous charges	16	24	25
24.0 Printing and reproduction	37	28	28
25.1 Advisory and assistance services	105	113	120
25.2 Other services	35	39	37
25.3 Purchases of goods and services from Government accounts	27	26	28
26.0 Supplies and materials	14	17	20
31.0 Equipment	7	12	12
41.0 Grants, subsidies, and contributions	672	1,008	1,500
99.9 Total obligations	1,569	1,994	2,533

Personnel Summary

Identification code 95–8282–0–7–502	1994 actual	1995 est.	1996 est.
1001 Total compensable workyears: Full-time equivalent employment	7	7	7

JAPAN-UNITED STATES FRIENDSHIP COMMISSION

Trust Funds

JAPAN-UNITED STATES FRIENDSHIP TRUST FUND

For expenses of the Japan-United States Friendship Commission, as authorized by Public Law 94–118, as amended, from the interest earned on the Japan-United States Friendship Trust Fund [$1,247,000] ***$1,250,000***; and an amount of Japanese currency not to exceed the equivalent of $1,420,000 based on exchange rates at the time of payment of such amounts as authorized by Public Law 94–118. *(Department of State and Related Agencies Appropriations Act, 1995.)*

Unavailable Collections (in thousands of dollars)

Identification code 95–8025–0–7–154	1994 actual	1995 est.	1996 est.
Balance, start of year:			
01.99 Balance, start of year	14,966	14,966	14,96[illegible]
Receipts:			
02.01 Interest on investment in public debt securities	1,250	1,247	1,25[illegible]
02.02 Other	136	120	[illegible]
02.99 Total receipts	1,386	1,367	1,33[illegible]
04.00 Total: Balances and collections	16,352	16,333	16,2[illegible]
Appropriation:			
05.01 Japan-United States friendship trust fund	–1,386	–1,367	–1,33[illegible]
05.99 Subtotal appropriation	–1,386	–1,367	–1,33[illegible]
07.99 Total balance, end of year	14,966	14,966	14,96[illegible]

Program and Financing (in thousands of dollars)

Identification code 95–8025–0–7–154	1994 actual	1995 est.	1996 est.
Program by activities:			
00.01 Administration	393	417	42[illegible]
00.02 Grants	1,345	1,444	1,44[illegible]
00.91 Subtotal, direct program	1,738	1,861	1,86[illegible]
01.01 Reimbursable program	453	261	26[illegible]
10.00 Total obligations	2,191	2,122	2,12[illegible]
Financing:			
17.00 Recovery of prior year obligations	–26	....	....
Unobligated balance available, start of year:			
21.40 Treasury balance	136	178	....
21.41 U.S. Securities: Par value	–1,900	–1,616	–94[illegible]
Unobligated balance available, end of year:			
24.40 Treasury balance	–178	....	....
24.41 U.S. Securities: Par value	1,616	944	41[illegible]
39.00 Budget authority (gross)	1,839	1,628	1,594
Budget authority:			
Current:			
40.26 Appropriation (trust fund, definite)	1,250	1,247	1,250
Permanent:			
60.27 Appropriation (trust fund, indefinite)	136	120	83
68.00 Spending authority from offsetting collections	453	261	261
Relation of obligations to outlays:			
71.00 Total obligations	2,191	2,122	2,124
72.40 Obligated balance, start of year: Unpaid obligations: Treasury balance	119	246	....
74.40 Obligated balance, end of year: Unpaid obligations: Treasury balance	–246	....	....
78.00 Adjustments in unexpired accounts	–26	....	....
87.00 Outlays (gross)	2,038	2,368	2,124
Adjustments to gross budget authority and outlays:			
88.00 Offsetting collections from: Federal sources	–453	–261	–261
89.00 Budget authority (net)	1,386	1,367	1,333
90.00 Outlays (net)	1,585	2,107	1,863

The Japan-United States Friendship Act of 1975 established the Japan-United States Friendship Trust Fund and created the Japan-United States Friendship Commission to make [illegible] from the Fund for the promotion of scholarly, cultural, [illegible] artistic activities between Japan and the United States. [illegible] Commission is authorized to make expenditures from [illegible] appropriated income of the fund and, in an amount not [illegible] exceed 5 percent annually of the principal of the fund, [illegible] pay the expenses of the Commission and to make grants [illegible] support of Japanese studies in American universities, pol[illegible] oriented research, faculty and other professional exchange [illegible] grams, public affairs programs, and other cultural and [illegible] cational activities, primarily in the United States.

Object Classification (in thousands of dollars)

[illegible] code 95–8025–0–7–154		1994 actual	1995 est.	1996 est.
	Personnel compensation:			
11.1	Full-time permanent	196	206	213
11.3	Other than full-time permanent	10	12	14
11.5	Other personnel compensation	10	2	2
11.9	Total personnel compensation	216	220	229
12.1	Civilian personnel benefits	49	55	57
21.0	Travel and transportation of persons	28	21	22
23.1	Rental payments to GSA	29	33	34
23.3	Communications, utilities, and miscellaneous charges	9	8	9
24.0	Printing and reproduction	2	7	2
25.2	Other services	23	15	16
25.3	Purchases of goods and services from Government accounts	33	49	49
26.0	Supplies and materials	4	4	4
31.0	Equipment		5	
41.0	Grants, subsidies, and contributions	1,345	1,444	1,441
99.0	Subtotal, direct obligations	1,738	1,861	1,863
99.9	Total obligations	2,191	2,122	2,124

Personnel Summary

[illegible] code 95–8025–0–7–154		1994 actual	1995 est.	1996 est.
	Total compensable workyears: Full-time equivalent employment	5	6	6

JOHN F. KENNEDY ASSASSINATION RECORDS REVIEW BOARD

Federal Funds

General and special funds:

John F. Kennedy Assassination Records Review Board

For necessary expenses to carry out the John F. Kennedy Assassination Records Collection Act of 1992, [$2,150,000] *$2,418,000*, to remain available until expended, *as authorized by P.L. 102–526.* *(Independent Agencies Appropriations Act, 1995.)*

Program and Financing (in thousands of dollars)

Identification code 48–1001–0–1–808		1994 actual	1995 est.	1996 est.
	Program by activities:			
10.00	Total obligations		2,150	2,418
	Financing:			
40.00	Budget authority (appropriation)		2,150	2,418
	Relation of obligations to outlays:			
71.00	Total obligations		2,150	2,418
90.00	Outlays		2,150	2,418

The John F. Kennedy Assassination Records Review Board was established to oversee an effort of enormous scope within a three year period. The Board is charged with locating and [illegible]uring all records which relate to the assassination of Presi[illegible]t Kennedy. These records include those of at least fifteen [illegible]deral agencies, previous official investigations, the Presidential libraries, and many smaller governmental and private repositories throughout the country.

The purpose of the Board is to ensure the efficient, timely and full disclosure of these records to the American public. This effort is seen as perhaps the last opportunity to clear up the many lingering doubts and questions surrounding the assassination of President Kennedy.

Object Classification (in thousands of dollars)

Identification code 48–1001–0–1–808		1994 actual	1995 est.	1996 est.
	Personnel compensation:			
11.1	Full-time permanent		988	1,349
11.3	Other than full-time permanent		100	104
11.5	Other personnel compensation		20	20
11.9	Total personnel compensation		1,108	1,473
12.1	Civilian personnel benefits		205	278
21.0	Travel and transportation of persons		105	105
23.1	Rental payments to GSA		238	285
23.3	Communications, utilities, and miscellaneous charges		60	60
24.0	Printing and reproduction		65	50
25.2	Other services		25	25
25.3	Purchases of goods and services from Government accounts		136	40
26.0	Supplies and materials		42	45
31.0	Equipment		166	57
99.9	Total obligations		2,150	2,418

Personnel Summary

Identification code 48–1001–0–1–808		1994 actual	1995 est.	1996 est.
1001	Total compensable workyears: Full-time equivalent employment		24	31

JOINT FEDERAL-STATE COMMISSION ON POLICIES AND PROGRAMS AFFECTING ALASKA NATIVES

Federal Funds

General and special funds:

Salaries and Expenses

Program and Financing (in thousands of dollars)

Identification code 48–1950–0–1–452		1994 actual	1995 est.	1996 est.
	Program by activities:			
10.00	Total obligations	119		
	Financing:			
17.00	Recovery of prior year obligations		11	
21.40	Unobligated balance available, start of year: Treasury balance	–19	–11	
24.40	Unobligated balance available, end of year: Treasury balance	11		
68.00	Budget authority (gross): Spending authority from offsetting collections	111		
	Relation of obligations to outlays:			
71.00	Total obligations	119		
	Obligated balance, start of year:			
72.10	Receivables from other government accounts		–11	
72.40	Unpaid obligations: Treasury balance	19		
	Obligated balance, end of year:			
74.10	Receivables from other government accounts	11		
74.40	Unpaid obligations: Treasury balance			
78.00	Adjustments in unexpired accounts		11	
87.00	Outlays (gross)	149		
	Adjustments to gross budget authority and outlays:			
88.00	Offsetting collections from: Federal sources	–111		
89.00	Budget authority (net)			
90.00	Outlays (net)	38		

The Joint Federal-State Commission on Policies and Programs Affecting Alaska Natives was established by Public

Divider Title: C

UNITED STATES INSTITUTE OF PEACE

DESCRIPTION: Established in 1984, the USIP supports research, policy making and scholarship in the field of international peace and conflict resolution. It facilitates informal but unofficial dialogues between parties to international conflict, trains foreign affairs professionals from the U.S. and abroad, trains teachers in international dispute resolution, dispenses grants and fellowships, publishes research and educational materials, conducts workshops, and sponsors a national peace essay contest.

FY 1996 BUDGET PROPOSAL: Proposed FY96 gross budget authority is $11.5 million, no change from FY95. Estimated FY96 FTE is 53, no change from FY95.

AGENCY PROPOSAL: Continue to fund USIP. The agency claims that it provides the U.S. official international policy making community with invaluable support that could not be provided by any other type of organization, including states and local governments. USIP maintains that the agency's Federal nonpartisan status ensures that it is independent of "privately or foreign directed and funded agendas." USIP also claims that merging it with a line agency of the U.S. government would burden it with operational responsibilities and specific policy agendas that would undermine its effectiveness.

USIP suggests specific ideas for restructuring its programs in the event its funding is reduced.

DECISION OPTIONS:

A. Eliminate all Federal funding for the USIP.
B. No change; maintain funding and operations as indicated in the proposed FY96 budget.
C. Reduce USIP's funding substantially and implement USIP's own restructuring ideas.
D. Eliminate all funding for USIP and provide a *substantially* reduced amount of funding to the Foreign Service Institute (FSI) to establish a program in international conflict management and resolution .

ADVISORY GROUP RECOMMENDATION: A and D.

RATIONALE: As an organization that relies almost entirely on the U.S. government for funding, USIP's claim that it is truly independent of U.S. interests and influence is not credible. The activities of a truly *independent* organization devoted to the peaceful resolution of international conflict is more appropriately funded by the private, not-for-profit sector. Affiliation of USIP with a well-respected university, for instance, would likely result in the institute's having a reputation for being truly objective and independent. As a matter of course, research and training in peaceful conflict resolution should be integrated into the Federal government's line diplomatic corps and international affairs establishment. If, for example, FSI is doing little training in conflict management and resolution, as USIP claims, then the FSI curriculum needs prompt attention.

STEERING COMMITTEE DECISION:

UNITED STATES INSTITUTE OF PEACE

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March 1, 1995

Mr. Daniel Neal
National Performance Review
750 Seventeenth Street, N.W., Suite 200
Washington, DC 20006

Dear Mr. Neal:

We have carefully reviewed the memorandum from the Vice President regarding the second phase of the National Performance Review. The Institute of Peace understands the need for a fundamental rethinking of the role of federal organizations and is committed to the application of prudent management principles to all aspects of its operations.

As an independent federal establishment outside the Executive Branch, the Institute is pleased to cooperate with the Vice President and the National Performance Review by submitting the attached Options Paper concerning the work of the Institute.

Please let me know if you have any further questions or whether there are other ways we can help you in your review. We thank you for your careful shepherding of us through this process.

Sincerely,

Harriet Hentges

Harriet Hentges
Executive Vice President

Enclosure: Options Paper

HH:kjd

March 1, 1995

UNITED STATES INSTITUTE OF PEACE
National Performance Review Options Paper

Overview: What is the U.S. Institute of Peace?

• An independent, nonpartisan federal institution created in 1984 and annually funded by Congress. Its mandate is **to strengthen the nation's capabilities to promote the peaceful resolution of international conflicts** in fulfillment of the federal government's constitutional responsibility for managing international relations.

• The **only** national, federal institution dedicated **solely** to research, policy development, public education, and professional training in international conflict resolution, peacemaking, and facilitating the resolution of conflicts.

• Governed by a bipartisan Board of Directors nominated by the President and confirmed by the Senate. (Eleven private sector Board members; four federal agency members representing the secretaries of State and Defense, the Arms Control and Disarmament Agency, and the National Defense University.)

• Appropriations: FY 1995—$11.5 million; FY 1996—President's Budget Request: $11.5 million; Institute's Budget Request: $11.5 million.

• Approximately 55 full-time staff; office in Washington, D.C.

Mission and Goals:

• Mobilizing top national and international talent from research organizations, academia, and government to **support policymakers in the Administration and Congress** by providing independent and non-partisan assessments of how to deal with international conflict by means other than military intervention.

• **Facilitating resolution of international disputes** by organizing "track two" (informed but unofficial) dialogues among proximate parties to international conflicts to lay the groundwork for official ("track one") negotiations between principal parties to the conflict.

• **Training foreign affairs professionals** from the United States and abroad in conflict management and resolution techniques, mediating and negotiating skills.

• **Teacher-training** to strengthen curricula and instruction, from high school through graduate education, about the changing character of international conflict and non-violent approaches to managing international disputes.

• **Student enrichment and public information about international conflicts and peacemaking efforts** through research grants, scholarships, publications, electronic outreach, and conferences.

The Institute's five integrated programs—grant-making, fellowships, policy research and study activities, education and training programs, and library and public information activities—**mutually reinforce a comprehensive competence in the focused area of international conflict resolution.** These are directed at the Institute's primary customers, its end users: 1) U.S. policymakers; 2) foreign policy practitioners; 3) educators and students; and 4) U.S. citizens.

Assessment of Key Functions:

•Supporting policymakers in the Administration and Congress:

—Congressional funding establishes the Institute's independence from privately or foreign directed and funded agendas, enabling the Institute to maintain a credibility and authority on issues that non-governmental "think tanks" and advocacy organizations do not always have.

—Because of its federal status, the Institute attracts and mobilizes top academic and "think tank" talent in support of government policymakers. Its convening power "bridges the gap" between government and the private sector, resulting in comprehensive policy assessments. Requests from the Administration, such as from the NSC for off-site discussions about "political Islam" and the State Department for collaboration on issues of "preventive diplomacy" and "self-determination," demonstrate the Institute's critical value to operational federal agencies.

—The Institute's principal customer in this regard is the U.S. policy-making community, whose structured responsibilities for foreign policy implementation leave little time to look beyond today's crises to address tomorrow's trouble spots before the need for crisis action or military intervention. Institute work on the Middle East peace process, Korea, Sudan, and Somalia demonstrates its ability to contribute to preventive diplomacy and early warning on pre-crisis foreign policy challenges.

—Merging the Institute with a line agency of the U.S. government would undermine the Institute's effectiveness. Because the Institute is not charged with day-to-day operational responsibilities or with specific policy agendas, it maintains the flexibility to consider a wide range of policy instruments and programs and to innovate new ones with a minimum of bureaucracy.

•Facilitating resolution of international disputes through "track two" dialogues among parties to conflicts:

—The character of the international system is changing. Semi-official or unofficial individuals and groups are playing more active roles in preparing the ground for official negotiating efforts (e.g., the Carter Center). Although the State Department is responsible for official negotiations, parties to conflicts may resist exploratory talks under its formal auspices. In some cases, non-governmental organizations can better perform the role of facilitator (e.g., the Norwegian Academy of Social Sciences in the case of the Israeli-Palestinian talks).

—"Track two" facilitation needs to be nonpartisan and independent. It is in the interest of the U.S. government to have at its disposal a disciplined facilitator of conflict-resolution talks for disputes that affect U.S. national interests. In close consultation with the State Department—often with its direct encouragement—the Institute has facilitated "track two" conflict-resolution dialogues in such cases as Kashmir and Sudan.

- **Training international affairs professionals** in conflict management and resolution techniques and mediating and negotiating skills:

—The need for non-military approaches to conflict management and resolution is growing as international conflicts proliferate in the post-Cold War world. There is an increasing national and international demand for conflict resolution skills training for foreign affairs professionals. The Foreign Service Institute does little of such training; nor can FSI train foreign nationals. In addition, FSI does not have the network and access to the academic community to design and deliver analytical seminars focused on complex problem-solving and conflict resolution techniques, which is the Institute's core capability.

The Institute is taking a leading role in defining and advancing the field of conflict resolution skills training. Recent training programs have included government personnel from State, AID, USIA, the military, and international personnel from the UN, OAS, OAU, Thailand and Cambodia.

—An important component of the Institute's International Conflict Resolution Skills Training Program (ICREST) is a project on comparative cross-cultural negotiating behavior. The project will (a) create descriptive models of cross-cultural negotiating practice; (b) build a comparative database of national negotiating behaviors; and (c) develop a computer-based program for negotiation training and other purposes. The database will be accessible for use by diplomats and other government officials, NGOs, members of the business community, and scholars.

The Institute has awarded more than 43 grants to individuals and organizations involved in conflict resolution training work to develop programs and new techniques. Their results, in turn, contribute to the Institute's training programs for foreign affairs professionals.

—Private sector for-profit training programs exist, but they often lack the independence and ability to incorporate the policy component required by foreign policy practitioners, as well as the federal status to marshal effective training teams.

- **Teacher Enrichment Programs:**

—High school and college instructors need curriculum assistance in teaching about the post-Cold War era. Institute programs help educators convey understanding of the complex causes of international conflict and the variety of means available to prevent or resolve them.

—The Institute is responding to a growing demand for educational services. In three years, 90 high school social studies teachers from over 40 states participated in Institute training seminars, meaning that **approximately 36,000 students** have benefited from the Institute's program. We expect to reach over 200,000 students in the next five years. The undergraduate faculty seminar included 25 faculty from 15 states, benefiting 2500 undergraduate students. Over the next five years, participants in Institute college-level training programs will teach more than **50,000 college students.**

—Few alternatives exist to augment the teaching of international conflict resolution and management, and no group can bring the richness of experts, policymakers, and knowledge that the Institute provides. Evaluations reflect high impact on the quality of and satisfaction in teaching. State or local programs are not likely to promote teacher training on a subject so clearly national and international in scope.

• **Student Enrichment and Public Information:**

—Each year the National Peace Essay Contest engages as many as 10,000 students from over 500 high schools nationwide in serious reflection on a current international problem. Each state winner comes to Washington for a week of further enrichment.

—The Institute's Internet "gopher" expedites and extends dissemination of Institute publications and public notice of Institute activities.

In conclusion, it should be stressed that the Institute's effectiveness in fulfilling its mission is a combination of its federal, nonpartisan status and the mutually reinforcing effects of these five program areas.

Termination or Restructuring of Major Programs:

For reasons outlined above, the Institute plays a unique role in U.S. foreign policy and international security at a time of major change in international affairs. This role cannot be matched by any other type of organization within or outside of the federal government. To terminate the Institute or a major part of its programs would deprive our nation of a singular instrument that is helping it to address and resolve the continuing dilemmas of conflict management in the post-Cold War world and to meet the needs of its governmental and public "customers."

In terms of the National Performance Review Decision Tree, the Institute's functions cannot be done as well or better at the state or local level or by introducing more competition. Quality control over institute programs is ensured by Board and management oversight, the use of peer review panels in assessing grant and fellowship applications and the periodic use of external assessments of management procedures and programs.

The Institute's fiscal year 1996 budget request stated that it could effectively and prudently use an appropriation larger than the $11.5 million it submitted to Congress and the President. In consideration of the federal budget deficit, it limited its FY96 budget request. Reducing the Institute's modest budget below the $11.5 million level would require elimination or curtailment of important Institute programming.

If significant adjustments in its budget were required, we would recommend to the Institute's Board of Directors consideration of the following:

• Reduction in the grant program, especially the funding of unsolicited grants, and a reduction in the number of resident fellows. The reduction in grants would be accompanied by a proposal to change the Institute's legislation to remove the current statutory requirement that at least 25 percent of its appropriation be used for grants and contracts with nonprofit and official public institutions. The reductions in the number of fellows would be at least proportionate to the amount of the budget reduction. Such reductions would impair the Institute's ability to maintain and develop its network of experts and practitioners in the academic and policy worlds. This network is essential to the Institute's ability to mobilize the contributions of private sector analysts and practitioners in support of the policy-making community.

• Modification of the education and training program to reduce the number of activities aimed at student enrichment (as distinguished from teacher enrichment) and to generally reduce the level of activity at the high school level in favor of undergraduate and postgraduate levels. The Institute's current work with high school students through its National Peace Essay Contest and undergraduate and graduate students, if sustained at current levels, will pay off as these students become part of the informed electorate.

ATTACHMENTS:
Budget Request Fiscal Year 1996
1992-1994 Biannual Report: *Building Peace: The First Decade and Beyond*

Object Classification (in thousands of dollars)

Identification code 67-9971-0-7-154		1994 actual	1995 est.	1996 est.
[illegible]	Travel and transportation of persons	93	75	78
[illegible]	Transportation of things	35	28	29
[illegible]	Communications, utilities, and miscellaneous charges	7	6	6
24.0	Printing and reproduction	3	2	2
25.2	Other services	501	408	420
26.0	Supplies and materials	80	64	66
31.0	Equipment	1	1	1
41.0	Grants, subsidies, and contributions	1,209	985	1,014
99.9	Total obligations	1,929	1,569	1,616

UNITED STATES INSTITUTE OF PEACE

Federal Funds

General and special funds:

OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, $11,500,000. *(Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1995.)*

Program and Financing (in thousands of dollars)

Identification code 95-1300-0-1-153		1994 actual	1995 est.	1996 est.
	Program by activities:			
10.00	Total obligations	11,065	11,604	11,500
	Financing:			
17.00	Recovery of prior year obligations	-78		
21.40	Unobligated balance available, start of year: Treasury balance	-179	-104	
24.40	Unobligated balance available, end of year: Treasury balance	104		
	Budget authority (appropriation)	10,912	11,500	11,500
	Relation of obligations to outlays:			
71.00	Total obligations	11,065	11,604	11,500
72.40	Obligated balance, start of year: Unpaid obligations: Treasury balance	458	651	
74.40	Obligated balance, end of year: Unpaid obligations: Treasury balance	-651		
78.00	Adjustments in unexpired accounts	-78		
90.00	Outlays	10,794	12,255	11,500

The United States Institute of Peace (USIP) was established by Congress to conduct and support research and scholarship in the fields of international peace and conflict resolution. Program activity includes grants and fellowships, publishing research and educational materials, preparing educational video materials, presenting public workshops, developing a research library network, and sponsoring a national student essay contest.

Object Classification (in thousands of dollars)

Identification code 95-1300-0-1-153		1994 actual	1995 est.	1996 est.
	Personnel compensation:			
11.1	Full-time permanent	2,622	3,257	3,252
11.3	Other than full-time permanent	327	251	224
11.9	Total personnel compensation	2,949	3,508	3,476
12.1	Civilian personnel benefits	669	827	827
21.0	Travel and transportation of persons	654	781	781
22.0	Transportation of things	43	49	49
23.2	Rental payments to others	15	8	8
23.3	Communications, utilities, and miscellaneous charges	149	133	133
24.0	Printing and reproduction	311	455	405
	Advisory and assistance services	125	25	25
	Other services	759	942	934
	Supplies and materials	211	178	164
	Equipment	370	98	98
41.0	Grants, subsidies, and contributions	4,810	4,600	4,600
99.9	Total obligations	11,065	11,604	11,500

Personnel Summary

Identification code 95-1300-0-1-153		1994 actual	1995 est.	1996 est.
1001	Total compensable workyears: Full-time equivalent employment	46	53	53

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Federal Funds

General and special funds:

INTEREST PAYMENTS AND REPAYMENTS OF PRINCIPAL

[For payment of obligations incurred pursuant to Public Law 96-184 and the Initial Bond Repayment Participation Agreement, $664,666,667, to remain available until expended, which shall be used only to repay principal to the Federal Financing Bank for the Washington Metrorail construction loan; and in addition, such amounts as are necessary for payment to the Federal Financing Bank, of accrued interest and premium, if any, for such loan.] *(Department of Transportation and Related Agencies Appropriations Act, 1995.)*

Program and Financing (in thousands of dollars)

Identification code 46-0300-0-1-401		1994 actual	1995 est.	1996 est.
	Program by activities:			
10.00	Total obligations (object class 41.0)	45,465	12,651	
	Financing:			
21.40	Unobligated balance available, start of year: Treasury balance		-6,199	
24.40	Unobligated balance available, end of year: Treasury balance	6,199		
39.00	Budget authority (gross)	51,664	6,452	
	Budget authority:			
	Current:			
40.00	Appropriation	51,664	664,667	
40.05	Appropriation (indefinite)		6,452	
40.47	Portion applied to debt reduction		-664,667	
43.00	Appropriation (total)	51,664	6,452	
	Permanent:			
68.00	Spending authority from offsetting collections	59,000		
68.47	Portion applied to debt reduction	-59,000		
68.90	Spending authority from offsetting collections (total)			
	Relation of obligations to outlays:			
71.00	Total obligations	45,465	12,651	
72.40	Obligated balance, start of year: Unpaid obligations: Treasury balance	25,130	25,246	25,246
74.40	Obligated balance, end of year: Unpaid obligations: Treasury balance	-25,246	-25,246	-25,246
87.00	Outlays (gross)	45,349	12,651	
	Adjustments to gross budget authority and outlays:			
88.40	Offsetting collections from: Non-Federal sources	-59,000		
89.00	Budget authority (net)	-7,336	6,452	
90.00	Outlays (net)	-13,651	12,651	

Status of Direct Loans (in thousands of dollars)

Identification code 46-0300-0-1-401		1994 actual	1995 est.	1996 est.
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	177,000		
1251	Repayments: Repayments and prepayments	-177,000		
1290	Outstanding, end of year			