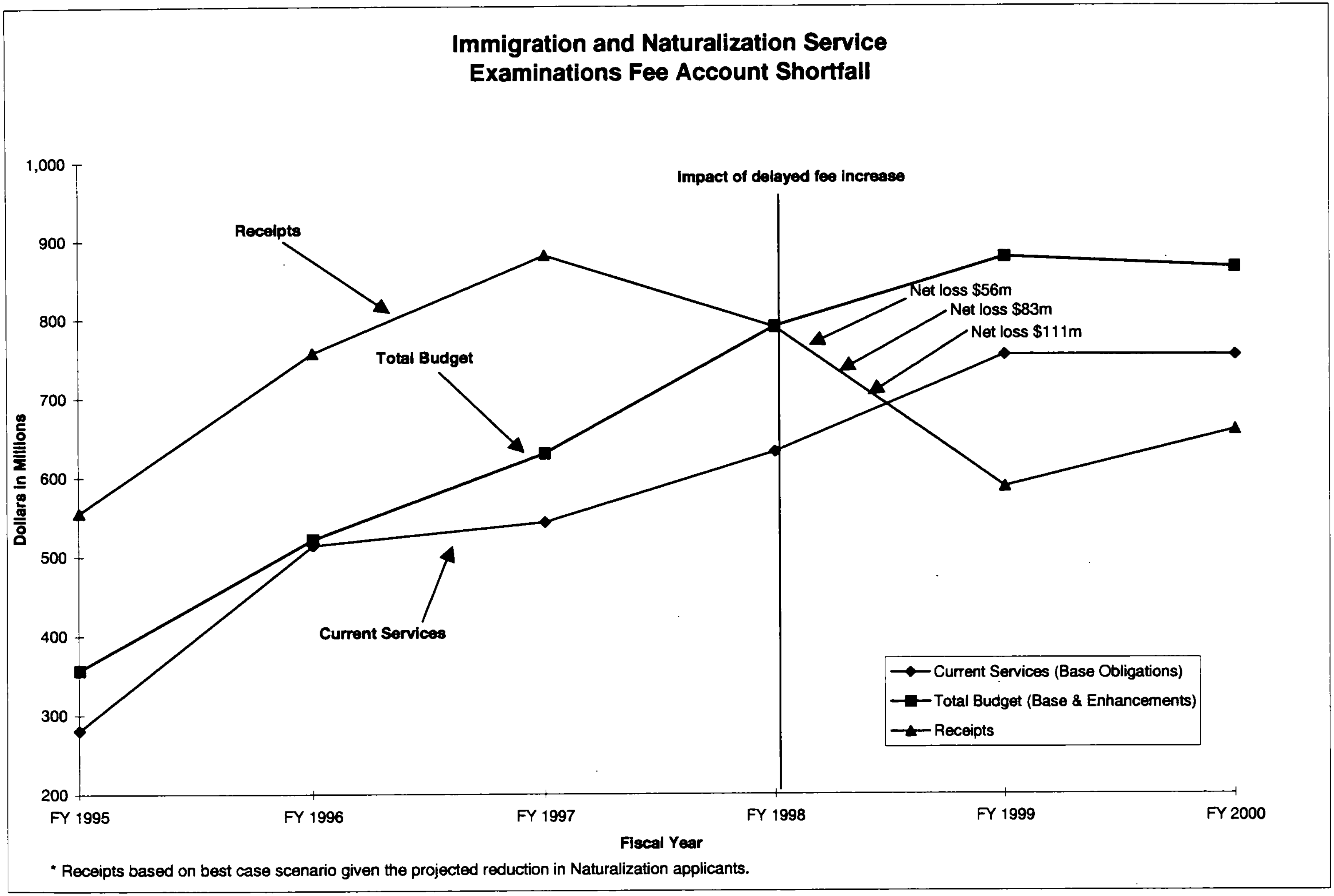
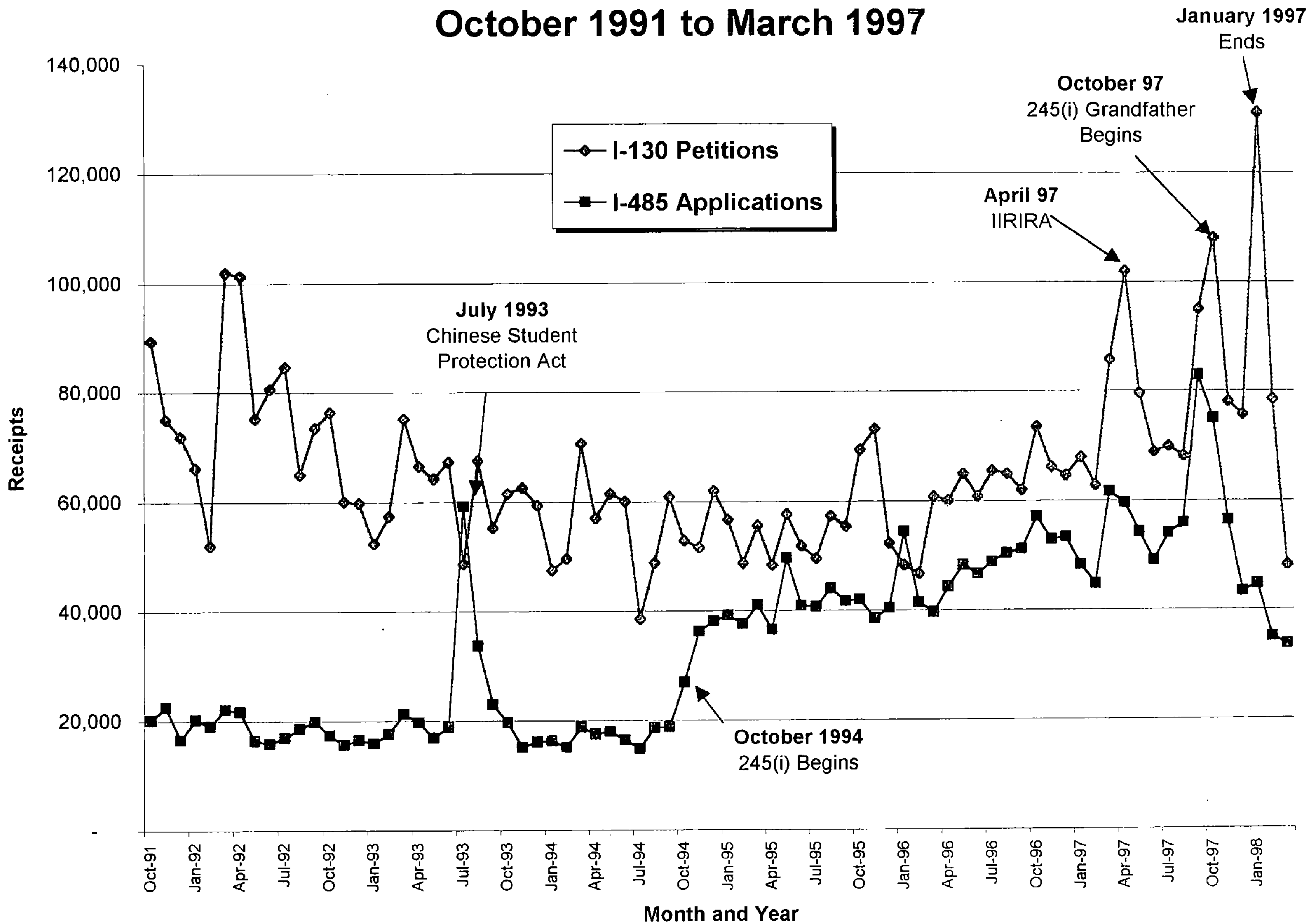
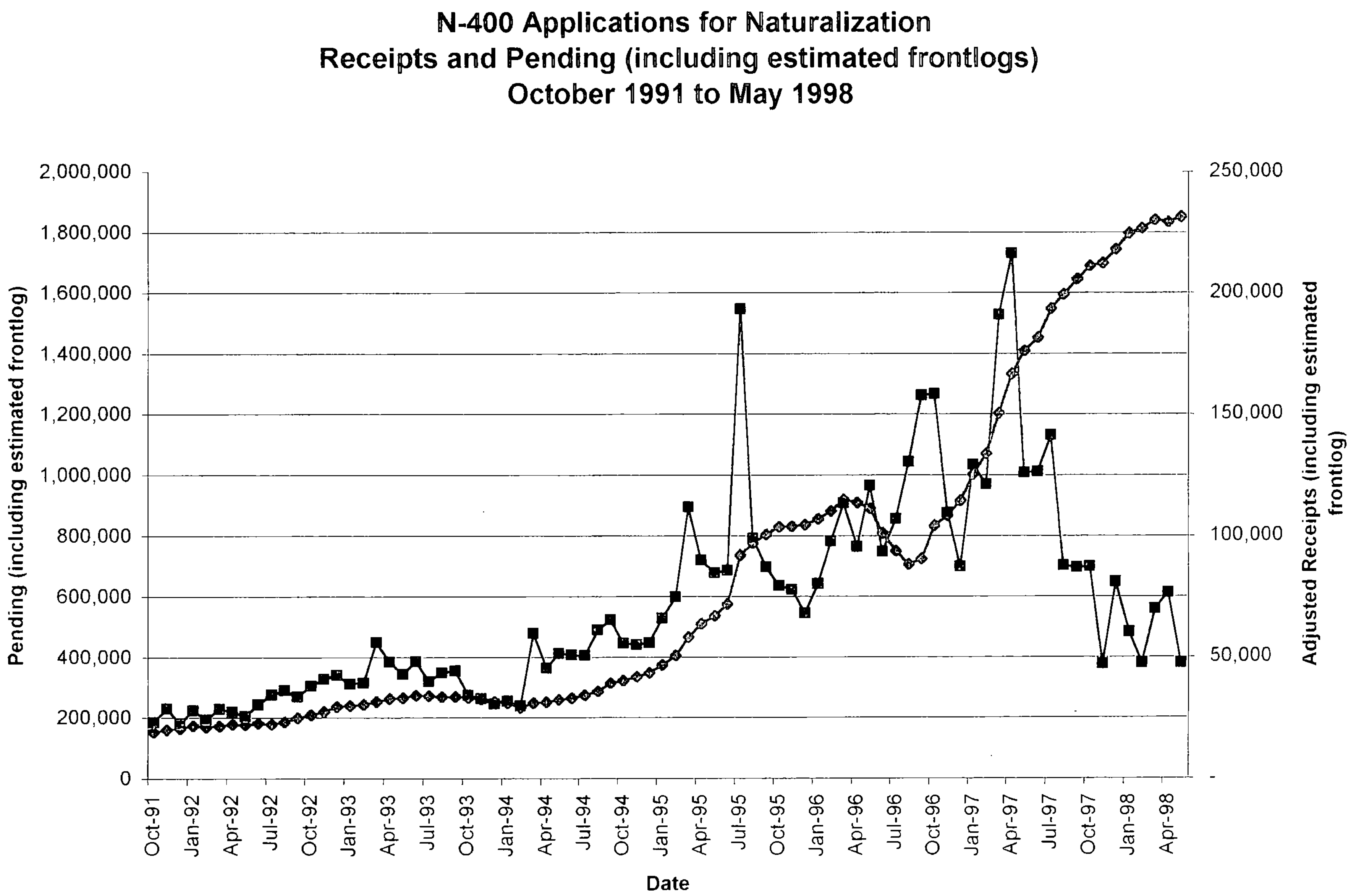
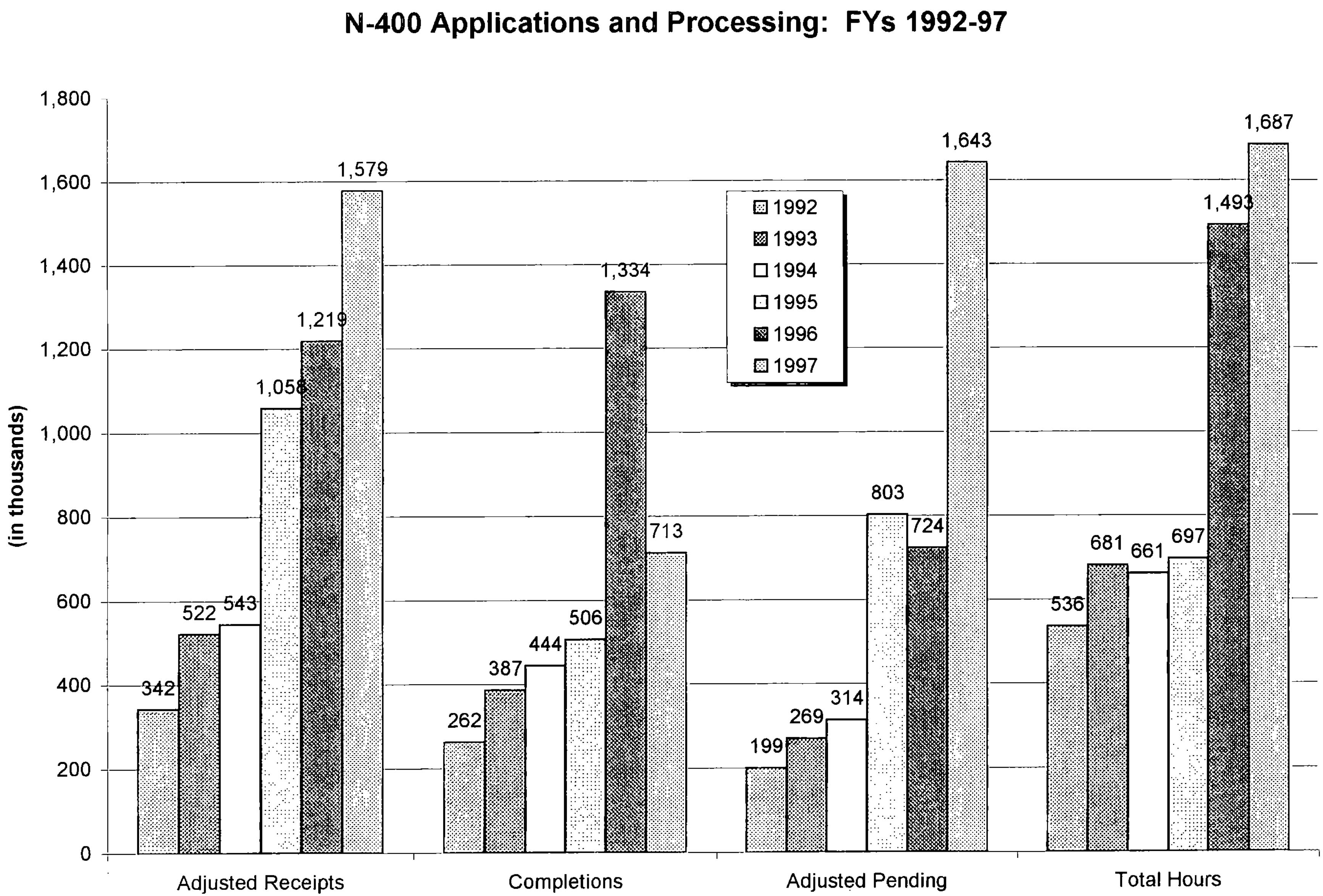
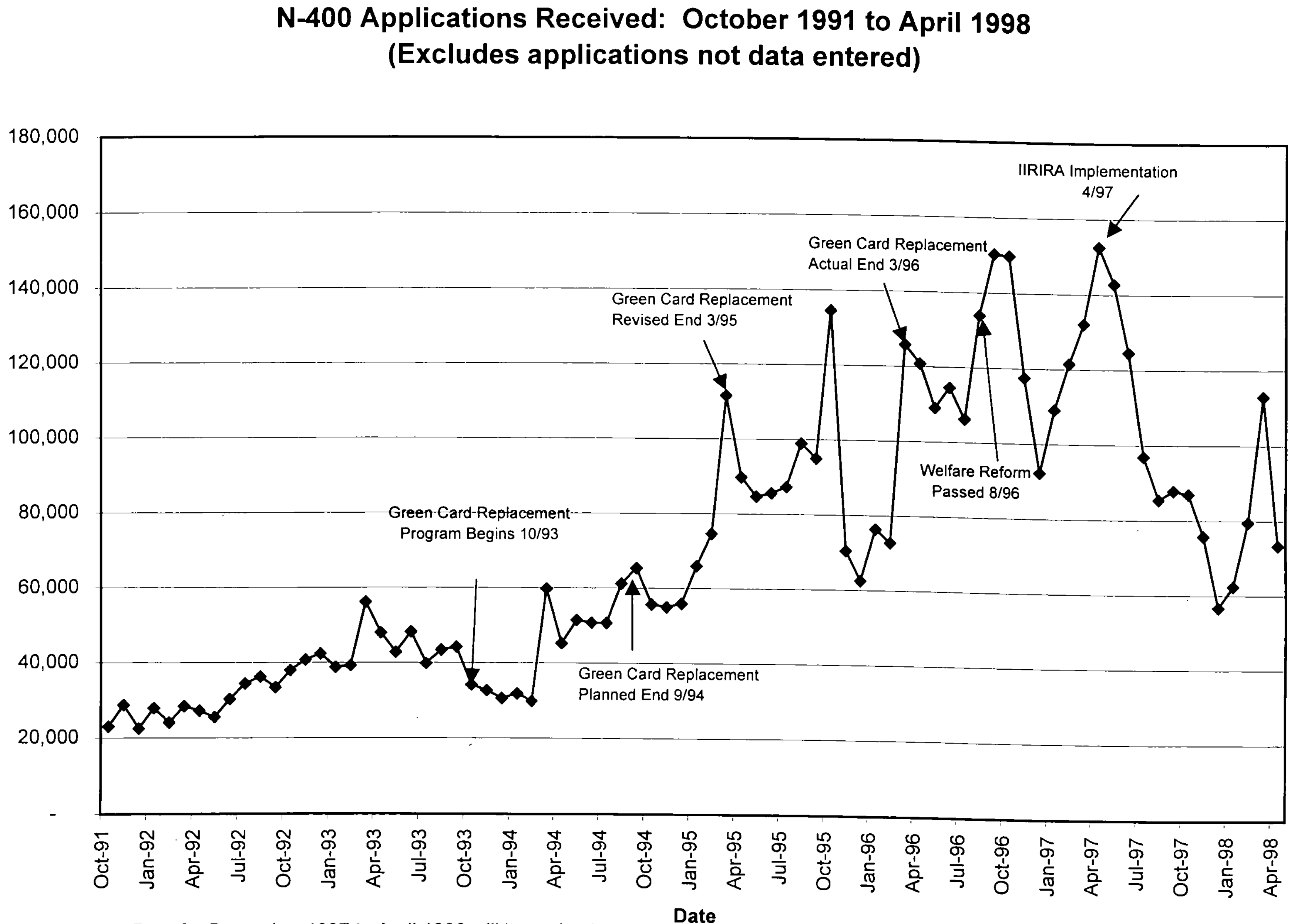

Immigration and Naturalization Service
Examinations Fee Account Shortfall
1,000
900
800
700
600
500
400
300
200
Dollars in Millions
Impact of delayed fee increase
Receipts
Total Budget
Current Services
Net loss $56m
Net loss $83m
Net loss $111m
Current Services (Base Obligations)
Total Budget (Base & Enhancements)
Receipts
FY 1995
FY 1996
FY 1997
FY 1998
FY 1999
FY 2000
Fiscal Year
* Receipts based on best case scenario given the projected reduction in Naturalization applicants.

I-130 Petition and I-485 Application Receipts by Month
October 1991 to March 1997




N-400 Applications for Naturalization
Receipts and Pending (including estimated frontlogs)
October 1991 to May 1998
Pending (including estimated frontlog)
Adjusted Receipts (including estimated frontlog)
Date
2,000,000
1,800,000
1,600,000
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
250,000
200,000
150,000
100,000
50,000
-
Oct-91
Jan-92
Apr-92
Jul-92
Oct-92
Jan-93
Apr-93
Jul-93
Oct-93
Jan-94
Apr-94
Jul-94
Oct-94
Jan-95
Apr-95
Jul-95
Oct-95
Jan-96
Apr-96
Jul-96
Oct-96
Jan-97
Apr-97
Jul-97
Oct-97
Jan-98
Apr-98


N-400 Applications and Processing: FYs 1992-97
(in thousands)
1,800
1,600
1,400
1,200
1,000
800
600
400
200
0
1992
1993
1994
1995
1996
1997
342
522
543
1,058
1,219
1,579
262
387
444
506
1,334
713
199
269
314
803
724
1,643
536
681
661
697
1,493
1,687
Adjusted Receipts
Completions
Adjusted Pending
Total Hours



Note: Data for December 1997 to April 1998 will be revised.

U.S. Department of Justice
Immigration and Naturalization Service

425 I Street NW.
Washington, DC 20536

APR 2 1998

MEMORANDUM FOR ADRIAN CURTIS
BUDGET DIRECTOR
DEPARTMENT OF JUSTICE

FROM: Jeffery M. Weber
Assistant Commissioner, Budget
Immigration and Naturalization Service

SUBJECT: Notification of Reallocation of Resources in the Examinations Fee Account

As you know, the enhancement resources received in the FY 1998 Appropriation for the Exams Fee account exceeded the level of available resources. In order to fully fund these enhancements, Congress mandated that INS reallocate base resources approved in the total authorized spending level toward the Naturalization initiatives.

In order to meet the mandatory requirements of Congress to reallocate resources within the Exams Fee account, INS, with the support of the Man Tech Systems Engineering Cooperation conducted a review of the Exams Fee account. The review focused on FY 1998 spending for all programs funded in the Exams Fee account to ensure that resources remain available to continue the improvements in the Naturalization program and other high priority projects. The results of this review, and input provided by Executive Associate Commissioners (EACs) were used to develop the reallocation of $38.1 million toward the naturalization initiatives as directed by Congress.

As we previously discussed, Congressional staff were not expecting a formal reprogramming; however, I believe a letter from Mike Roper would be appropriate to advise staff of the adjustments we have made. The following information is provided concerning the reallocation of resources within the Examinations (Exams) Fee account as mandated by Congress. This notification also includes a requirement to increase the funding level in the Exams Fee account by $3.1 million to fund inspector positions to support the increased workload in the Fee for Services portion of the account. Attached for your information is a copy of the final Exams Fee account Review. Due to the fact that this increase in spending authority will require a reprogramming, INS will provide a request under separate cover. This review has resulted in the following reallocation of resources within the Exams Fee account:

Reallocations--

- **Inspections Program** - Within the current account structure, the Inspections program is funded from two different types of Exams Fee receipts: 1) the collections from adjudications processing; and 2) the collections from the fees for border crossing applications received at ports-of-entry. A total of 211 positions are currently funded from adjudications fees, and 187 positions are funded from the border crossing fees. The Inspections program will reallocate $10,419,000 million in base resources.

Adjudications Processing--

A total of 398 inspector and support positions are funded in the Exams Fee account. Of that total, 187 positions are funded in the Fee for Services portion of the Exams Fee account, with the remaining 211 positions funded from the regular portion of the account to perform remote adjudications The Inspections program will reallocate 105 inspector positions from the Exams Fee account into the Fee for Services portion of the account. The reallocation of 105 positions is based on the decline of remote adjudication work performed by immigration inspectors at ports-of-entry since FY 1995.

In FY 1992, INS began using inspectors from the Exams Fee account in order to adjudicate applications processed at ports-of-entry during inspector downtime. Over the past several years, however, the number of benefits applications adjudicated at the ports has reduced significantly. The following statistics show a 100 percent decrease in remote adjudications workload for FY 1998. The INS plans to realign Inspections program positions within the Exams Fee account, which will free up $7.3 million in resources in the regular portion of the Exams Fee account to be made available for the FY 1998 enhancements.

	FY 1995	FY 1996	FY 1997	FY 1998
Remote Adjudications	668,000	365,994	347,144	300,000

Fee for Services--

A corresponding analysis was performed on the Fee for Services workload and that analysis indicated additional costs that should be charged to that account.

In the Fees for Services portion of the account, analysis revealed that INS is experiencing changes in workload for FY 1998. With the inception of these fees in FY 1996, INS charged border crossers for six applications. One of these applications was Form I-444, the Mexican Border Visitor's Permit, which could be utilized by individuals or families to travel outside of the 25-mile border area of the United States. In April 1997, INS eliminated Form I-444 and required all Mexican border crossers to utilize Form I-94. The results of this change has led to increased workload for inspectors at land ports-of-entry.

In addition, Form I-94 does not have a family cap as Form I-444; therefore, each individual or family member must submit a separate application. Based on current statistical projections, INS estimates adjudicating and processing 3 million Forms I-94 for FY 1998. This level represents a 100 percent increase over FY 1997, and almost threefold the amount of applications in FY 1996. The following calculations show the total equivalent workyears required to handle the total workload by application for FY 1998.

	Form I-94 or Form I-94W	Form I-68	Form I-190 Replacement Mexican BCC	Form I-175 Canadian BCC
Total applications	3,000,000	16,000	20,000	2,200
Minutes per application	10	15	20	30
Total minutes	3,000,000	240,000	400,000	66,000
Conversion to hours (with factor for non-productive hours)	595,238	4,762	7,937	1,310
FTE equivalent	285	2	4	1

Based on these calculations, INS requires 292 positions to handle the border application workload. In addition to these positions INS requires 5 positions to ensure quality and timely processing of these applications. As a result, a total of 110 positions must be realigned to be funded with Fees for Services revenue instead of the adjudications revenue.

Carryforward Resources--

In FY 1996, INS began collecting fees for the six border crossing applications in the Fees for Services portion of the Exams Fee account. The INS collected a total of $15 million in FY 1996 for these applications, of which most of the funding was realized in the third and fourth quarters of the fiscal year. In addition, INS delayed hiring inspectors due to the unknown level of revenue to be collected in FY 1996. As a result, the INS had a carryforward balance of approximately $12 million from FY 1996 into FY 1997. Similarly in FY 1997, a total of $17 million was collected for these border applications, but only $6.5 million was obligated due to unfilled vacancies for inspectors. As a result, INS had a total carryforward balance of $23 million in FY 1997 going into FY 1998.

An increase of $3.1 million in spending authority for the Fee for Services portion of the account will be required. The INS will utilize this $3.1 million from the carryforward to cover the costs of the additional positions transferred from the regular portion of the Exams Fee account. Due to the fact that this increase in spending authority will require a reprogramming, INS will provide a request under separate cover.

- **Intelligence** - The Intelligence program will reallocate $13,000 from their discretionary general expenses resources. The programmatic impact of the reallocation of these resources is negligible.

- **Adjudication and Naturalization** - The Adjudication program will reallocate $4,238,000 million. A reallocation of $708,000 in discretionary general expenses resources will result in a reduction in the amount of available funding for travel, contractual services for training, and USATREX support services. Included in this reallocation is $3.5 million from the backlog reduction initiative to cover a shortfall in their base for resources used to provide funds to extend adjudication officers and clerical support through the end of March.

- **International Affairs** - The Reallocation of $5,598,000 in discretionary general expenses will reduce the amount of resources set aside for contingencies to cover any unforeseen circumstances that may occur during the fiscal year. With close management of the remaining resources in the International Affairs program, we believe there will be sufficient funds to maintain operations.

- **Training** - A reallocation of $482,000 in discretionary general expenses resources will result in a reduction in the amount of available funding for travel, and miscellaneous contractual services.

- **Data and Communications** - The Data and Communications program will reallocate a total of $4,516,000 in discretionary general expense resources. The reallocation of $4,514,000 from the IRM infrastructure budget will result in the reduction of infrastructure deployment to 52 sites and 900 employees. The program will also reallocate $2,000 from its travel budget. A comprehensive review of the Data and Communications program is underway and it is anticipated that this review will realign resources to complete the infrastructure deployment.

- **Information and Records Management** - A reallocation of $7,555,000 will result in a reduction of $6,200,000 to telephone services, $960,000 from district office budgets and contractor support, the remaining reallocation of $395,000 will reduce their travel and USATREX support contract services. The remaining budget for the Telephone Services will provide resources for the current level of operations, but no expansion or improvements to the system during FY 1998.

- **Legal Proceedings** - The reallocation of $38,000 will result in a reduced travel budget for the Legal Proceedings program. The programmatic impact of the reallocation of these resources is negligible.

- **Management and Administration** - A reallocation of $101,000 in discretionary general expenses resources will result in a reduction of funding for travel, contractual services for training, and USATREX support services.

- A reallocation of available resources from vacancies and attrition will result in the reduction of 13 positions in the regular Exams Fee portion of the account. This reallocation is a permanent reduction of 8 positions and $938,000 in the Exams Fee account. The remaining 5 positions and $292,000 in the Inspections program currently in the regular portion of the account will be realigned to the Fee for Services portion of the account. This reallocation would further reduce the number of inspector positions to 101 in the regular portion of the Exams Fee account and raise the Fee for Services portion to 297 positions.

Program	Lapse Amount ($000)	Reduced FTE and Positions
Inspections	$314	5
Investigations	157	1
Adjudications & Naturalization	420	4
International Affairs	303	2
Management and Administration	58	1
Total	$1,252	13

- Training Enhancement - The Adjudication and Naturalization program will reallocate $2,400,000 million from the resources received for the training of new employees. This reallocation is based on the Training program' s scheduled classes for basic and advanced training. The Training program will provide training for 747 students in basic training and 192 students in advance training. The reallocation of these resources will be used to cover the shortfall of base resources used to fund the extension of temporary adjudication officers and support staff through the end of March.

- Adjudications and Naturalization Program Enhancement - A savings of $1,500,000 will be reallocated from the 400 term positions and the Quality Assurance Initiatives. The savings will be realigned from the savings in personnel salaries and benefit resources for 400 term positions and the 121 positions in the Quality Assurance Initiative. When these 400 term positions were being requested, INS anticipated that a majority of the positions would be filled at a higher grade level, however, the majority of the positions are actually being filled at lower grades. For the most part, a majority of the candidates being selected for these term positions are qualifying for a lower grade than what was originally projected. A cost savings is also being realized based on the hiring of 121 permanent positions in the Quality Assurance initiative. These positions were requested in the FY 1997 Reprogramming with the anticipation that these positions would be hired by the beginning of the first quarter of FY 1998.

Quality Assurance Initiative--

Included in this reallocation of resources from the Quality Assurance Initiative are resources for the Internal Audit Office (11 positions, 6 of which are special agents, 11 workyears and \$1,137,000) and the Office of Naturalization Operations (2 positions, 2 workyears and \$139,000). These resources will be used to establish a rudimentary foundation for field based quality assurance and the continuous review of operational compliance, improvements, and accountability. The Quality Assurance Initiative originally planned that all positions would be deployed to the field. Subsequent discussions have concluded that INS requires a formal Quality Assurance program with more structural support, guidance and oversight from the Office of Internal Audit and Headquarter Office Naturalization Operations.

During the past two years, significant management control weaknesses have been identified in the Naturalization process. The INS addressed these weaknesses by developing standardized process procedures and conducting continuous on-site management reviews for monitoring field office compliance. These reviews resulted in a resource drain on operations at most offices. The Office of Internal Audit will develop a standard means for process evaluation for all processes related to Naturalization that can be consistently applied across INS. These standards will enhance the capability to conduct independent reviews and investigations of INS implementation of control process. The Office of Naturalization Operations will further develop control procedures and implementation plans.

Your assistance in providing congressional staff with this information is appreciated. If your staff has any questions concerning this notification, they may contact Jolene Lauria Sullens on 514-3410.

Immigration and Naturalization Service
Effect of Reallocation of Resoruces
(Dollars in Thousands)

Decision Unit	FY 1998 Appropriation Anticipated			Item 1 Base Reallocation			Item 2 Available Lapse Resources			Item 3 FY 1998 Enhancements		
	Position	FTE	Amount	Position	FTE	Amount	Position	FTE	Amount	Position	FTE	Amount
ENFORCEMENT:	536	511	39,159	...	...	(10,432)	(1)	(1)	(471)	...	...	...
Inspections	428	406	28,252	...	...	(10,419)	...	...	(314)	...	...	...
Investigations	94	92	9,775	...	...	...	(1)	(1)	(157)	...	...	...
Intelligence	14	13	1,132	...	...	(13)	...	...	...	...	...	...
CITIZENSHIP AND BENEFITS:	3,732	4,553	502,469	...	...	(13,736)	(6)	(6)	(723)	(11)	(11)	(1,137)
Adjudications and Naturalization	2,928	3,796	411,636	...	...	(8,138)	(4)	(4)	(420)	(11)	(11)	(1,137)
International Affairs	804	757	90,833	...	...	(5,598)	(2)	(2)	(303)	...	...	...
IMMIGRATION SUPPORT:	867	1,003	264,763	...	...	(12,591)	(1)	(1)	(58)	...	...	...
Training	24	25	3,766	...	...	(482)	...	...	...	...	...	...
Data and Communications	85	80	86,884	...	...	(4,516)	(1)	(1)	(58)	...	...	...
Information and Records Managemen	704	842	166,904	...	...	(7,555)	...	...	...	...	...	...
Construction and Engineering	1	1	400	...	...	...	...	...	...	...	...	...
Legal Proceedings	53	55	6,809	...	...	(38)	...	...	...	...	...	..
PROGRAM DIRECTION:	122	129	17,063	...	...	(101)	...	...	...	11	11	1,137
Management and Administration	122	129	17,063	...	...	(101)	...	...	...	11	11	1,137
Total	5,257	6,196	823,454	...	...	(36,860)	(8)	(8)	(1,252)	...	...	...

Decision Unit	Total			Revised FY 1998 Reallocated Resources			Item 4 Fee for Services			Revised FY 1998 Appropriation Anticipated		
	Position	FTE	Amount	Position	FTE	Amount	Position	FTE	Amount	Position	FTE	Amount
ENFORCEMENT:	**(1)**	**(1)**	**(10,903)**	**535**	**510**	**28,256**	...	...	**3,125**	**535**	**510**	**31,381**
Inspections	...	...	(10,733)	428	406	17,519	...	...	3,125	428	406	20,644
Investigations	(1)	(1)	(157)	93	91	9,618	...	...	...	93	91	9,618
Intelligence	...	...	(13)	14	13	1,119	...	...	...	14	13	1,119
CITIZENSHIP AND BENEFITS:	**(17)**	**(17)**	**(15,596)**	**3,715**	**4,536**	**486,873**	...	...	...	**3,715**	**4,536**	**486,873**
Adjudications and Naturalization	(15)	(15)	(9,695)	2,913	3,781	401,941	...	...	...	2,913	3,781	401,941
International Affairs	(2)	(2)	(5,901)	802	755	84,932	...	...	...	802	755	84,932
IMMIGRATION SUPPORT:	**(1)**	**(1)**	**(12,649)**	**866**	**1,002**	**252,114**	...	...	...	**866**	**1,002**	**252,114**
Training	...	...	(482)	24	25	3,284	...	...	...	24	25	3,284
Data and Communications	(1)	(1)	(4,574)	84	79	82,310	...	...	...	84	79	82,310
Information and Records Managemen	...	...	(7,555)	704	842	159,349	...	...	...	704	842	159,349
Construction and Engineering	...	...	...	1	1	400	...	...	...	1	1	400
Legal Proceedings	...	...	(38)	53	55	6,771	...	...	...	53	55	6,771
PROGRAM DIRECTION:	**11**	**11**	**1,036**	**133**	**140**	**18,099**	...	...	...	**133**	**140**	**18,099**
Management and Administration	11	11	1,036	133	140	18,099	...	...	...	133	140	18,099
Total	(8)	(8)	(38,112)	5,249	6,188	785,342	...	...	3,125	5,249	6,188	788,467

U.S. Department of Justice
Immigration and Naturalization Service

425 I Street NW.
Washington, DC 20536

MAR 24 1997

MEMORANDUM FOR EXECUTIVE STAFF

FROM: Jeffery M. Weber
Assistant Commissioner

SUBJECT: Exams Fee Review

The Office of Budget with the support of the Man Tech Systems Engineering Cooperation has completed its review of the Examinations Fee (Exams Fee) account. The results of this review and input provided by the Executive Associate Commissioners (EACs) were used to develop the reallocation of $38.1 million as directed by Congress. The review focused on FY 1998 spending for all programs funded in the Exams Fee account to ensure that resources remain available to continue the improvements in the Naturalization program and other high priority projects.

Currently, the second quarter remaining balance for the Exams Fee account BEP based on the original control totals has been allocated. The third and fourth quarter allocations will be adjusted to reflect the resource reallocation approved by the EACs and the Commissioner (Option I in attached report) on February 23 with two revisions: 1) the Inspections and International Affairs programs reallocation were revised based on subsequent information provided by the Office of Field Operations; and 2) the Office of Management made minor revisions to the Inspections, Adjudication and Naturalization, Training and Data and Communications program reallocation.

Attached for your information is a copy of the final Exams Fee account review. A summary chart outlining the resource reallocation by program and EAC is also attached. The final reallocation includes the $20.4 million in discretionary resources as submitted by the Executive Staff, as well as a reallocation of the remaining $17.7 million not covered in the EAC proposals. The following is a summary of this reallocation:

- A reallocation of $20.4 million including permanent reductions of $3.5 million from the Inspections program; $3.5 million from the International Affairs program and $4.5 million in Data and Communications resources from the infrastructure initiative. The reallocation of resources in the Data and Communication program will result in the reduction of infrastructure deployment to 52 sites and 900 employees. A reallocation of $6.2 million from the Information and Records Management program for Telephone Centers will still allow for the continued current level of operation, but no expansion or improvements to the system in FY 1998. Also included is a reduction of $2.7 million in various general expense items for programs funded in the Exams Fee account.

- In addition to the $3.5 million referred by EAC Field Operations an additional $6.8 million will be reallocated from the Inspections program representing 105 positions and associated costs that will be moved into the Fee for Services portion of the Exams Fee account. The Service will request an increase of $3.1 million in spending authority for the Fee for Services portion of the account. As a follow on activity to this review, the Inspections program will be required to perform a detailed analysis of its "remote adjudication" workload and realign their funding to reflect more accurately the work being performed in the Exams Fee account.

- An additional reallocation of $2.1 million from the International Affairs program.

- $3.5 million from the backlog reduction initiative was reallocated to fund the extension of temporary clerical staff through the end of March to continue processing backlog applications.

- A permanent reduction of 8 headquarters positions and $938,000 from available lapse resources as of January 22 (see chart below). In addition, the Inspections program will transfer 5 positions and $314,000 from the Exams Fee account to the Fee for Services portion of the account.

Program	Field Operations		Programs		Management		Total	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Inspections*	5	$314	...	...	...	...	5	$314
Investigations	1	157	...	...	...	...	1	157
Adjudications/ Office of Natz. Operations	3	296	1	$112		$12	4	420
International Affairs	2	303	...	...	...	...	2	303
Management & Administration	...	...	...	...	1	58	1	58
Total	11	$1,070	1	$112	1	$70	13	$1,252

* These resources will be moved into the Fee for Services portion of the Exams Fee account.

- A total of $3.9 million redirected from FY 1998 Program Enhancements:
  - $1.5 million from modular cost savings from Term and Quality Assurance Initiatives;
  - $2.4 million from the modular cost resources for the Training program.

To implement the above decisions, please provide the Office of Budget the location of the permanent reduction of 8 positions reflected in the chart above and the reallocation of 110 positions in the Inspections program. This information is required in order for the adjustments to be made in the POSTS. All permanent reductions in positions will be taken from Headquarter positions. Your response should be submitted to the Office of Budget by March 27. If you have any questions concerning this review, your staff can contact Debra Rodgers on 616-7711.

Examinations Fee Account Review
Reallocation of Base Resources
(Dollars in thousands)

Summary of All Programs	Executive Associate Commissioner: Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
Inspections							
Contract - USATREX	...	...	...	24	...	...	24
Discretionary General Expenses	7,260	...	...	...	...	...	7,260
Contractual Services (Training)	...	...	...	10	...	...	10
Fee for Services *	3,125	...	...	...	...	...	3,125
Lapse	314	...	...	...	...	...	314
Subtotal, Inspections	10,699	...		34	...	...	10,733
Investigations							
Lapse	157	...	...	...	...	...	157
Intelligence							
Discretionary General Expenses	...	...	...	...	13	...	13
Adjudication and Naturalization							
Travel	...	...	...	5	...	...	5
Discretionary General Expenses (Increase of $3.1 m included in Reprogramming)	...	...	400	...	...	...	400
Contractual Services (Training)	...	...	...	57	...	...	57
USATREX Contract	...	...	...	246	...	...	246
Lapse	308	...	...	...	112	...	420
FY 1998 Program Enhancement							
Backlog Reduction	...	..	3,530	...	...	...	3,530
Modular cost - training	...	...	...	2,400	...	...	2,400
400 Term and Quality Assurance Initiative - Modular cost savings	1,500	...	..	...	...	...	1,500
Subtotal, Adjudication and Naturalization	1,808	...	3,930	2,708	112	...	8,558
International Affairs							
Contractual Services (Training)	...	...	...	12	...	...	12
Contract - USATREX	...	...	...	71	...	...	71
Discretionary General Expenses	5,500	15	...	..	...	...	5,515
Lapse	303	...	..	...	...	...	303
Subtotal, International Affairs	5,803	15	...	83	...	...	5,901
Training							
PS&B - Discretionary	...	...	...	9	...	...	9
Travel	...	...	...	5	...	...	5
Contractual Services (Training)	...	...	...	268	...	...	268
Discretionary GE	..	...	...	200	...	...	200
Subtotal, Training	...	.	...	482	...	...	482
Data and Communications							
Travel	...	...	...	2	...	...	2
Lapse	...	...	...	58	...	...	58
IRM Infrastructure	...		...	4,514	...	...	4,514
Subtotal, Data and Communications	...	..	...	4,574	...	..	4,574
Information and Records Management							
Telephone Service Center	...	..	...	..	6,200	...	6,200
PS&B - Discretionary	..	..	...	39	...	...	39
USATREX Contract	..	..	...	80	...	..	80
Supplies		...	...	234	...	...	234
CUSA Offices in Miami and Chicago	...	...	...	...	960	...	960
Overtime to reduce N-400 and I-485 backlog	..	...	...	...	42	...	42
Subtotal, Information and Records	...	...	...	353	7,202	...	7,555
Legal Proceedings							
Travel						38	38
Management and Administration							
PS&B - Discretionary	...	...	...	52	...	...	52
Travel	...	...	...	3	...	...	3
IRM Infrastructure	...	...	...	46	...	...	46
Subtotal, Mgmt. and Administration	...	...	...	101	...	...	101
Total	18,467	15	3,930	8,335	7,327	38	38,112

*** The Reprogramming notification will request additional spending authority of $3.1 million in the Fee for Services portion of the account.**
Note: The Inspections and International Affairs program resource reallocations have been revised based on new information form the Office of Field Operations. The Office of Management has also revised the Inspections, Adjudication and Naturalization, Training, and Data and Communication program reallocation of resources from the original reallocations approved in Option I.

Immigration and Naturalization Service

Examinations Fee Account Review

FY 1998 Available Resources

Prepared by Office of Budget

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Examinations Fee Account Review

DISCUSSION

The demand for resources in the Exams Fee account has increased dramatically over the past few years, and the level of revenue received from fees cannot keep up with the growing resource requirements. There are three major changes in FY 1998 that will potentially reduce the amount of resources received in the Exams Fee account. These changes and Congressional requirements are as follows:

1) **Legislative changes for 245(I)** - The number of 245(I) applicants will probably decrease based on the revised legislative changes. In FY 1998, legislative language restricts eligibility to apply for 245(I). The legislation for 245(I) expired on January 14, 1998, except for provisions that will allow an applicant to remain eligible for adjustment of status under 245(I). In order to remain eligible, an applicant must have an approved visa petition, have filed a relative petition, or filed an employment preference petition by January 14, 1998. Any person who is eligible for an immigrant visa and is unlawfully in the United States but elects to adjust their status, but did not filed by January 14,1998, must obtain their immigrant visa overseas at the appropriate U.S. Consulate Offices.

2) **Revised schedule for implementation of new fees** - The projected level of resources for the Exams Fee account will be reduced by approximately $57.4 million based on the revised schedule for the implementation of new fees compared to November estimate when fees were expected to be implemented by August 1. The delay in the Fingerprint regulations, originally anticipated to start in February, will reduce the revenue even further in the Exams Fee account. Based on the current projections, the Exams Fee account will only have a carryforward of $15 million into FY 1999. Our previous operating policy is that carryforward should equal at least one month of operating level resources. However, the carryforward should really cover the cost of processing all applications that are backlogged. The Exams Fee account revenue will be reduced even further with the delay in the Fingerprint Regulations. The collection of fees for fingerprint was originally estimated to start in February. (See attached Exams Fee revenue chart)

3) **Exams Fee Account Review** - The Exams Fee Account review is being conducted to comply with the Congressional mandate to redirect 5 percent of the Exams Fee account base budget. The total amount to be reallocated will be $38 million, of which $5 million will be used to provide funds for DOJ oversight of the Naturalization program. The review has focused on FY 1998 spending for all programs funded in the Exams account to ensure tnat resources are available to continue with the improvements in the Naturalization program, to continue with the Servicewide records centralization project, and to provide the required funding for the fingerprint program provided in the FY 1998 Appropriations.

FY 1998 Operating Plan Review:

The Office of Budget with support from representatives from the ManTech Systems Engineering Corporation has conducted an extensive review of resources in the Exams Fee account. This review has resulted in proposed reductions to the base operating plans developed with the assistance of ManTech. This proposed operating plan includes a list of planned expenditures over $100,000 and a prioritized list of reductions totaling at least 10 percent of discretionary funding for each allotment holder receiving funds in the Exams Fee account. (Attached list of spending plan items totaling $100,000 and over)

Alternatives

The Office of Budget is proposing that one of the following Options be approved in order to comply with the Congressional mandate to reallocate 5 percent of base resources toward the naturalization initiatives. All options include the proposed reductions in discretionary resources as submitted by the Office of Naturalization, the EAC for Programs, Field Operations, Management and the General Counsel, as well as proposals to reallocate the remaining $12.8 million not covered in the EAC reallocation proposals.

Option I:

This option as well as Option II and Option III includes the proposed $20.4 million in discretionary general expenses recommended by the EACs. The Office of Budget is recommending that Option I be approved as a result of the findings in the analysis performed during the Exams Fee account review. This Option proposes that the following resources be reallocated:

- $20.4 million in discretionary general expenses recommended by EACs.

- In addition to the $3.5 million referred by Field Operations, $6.8 million is being proposed for reallocation in the Inspections program. These resources are being recommended based on the large amount of unobligated resources that the Inspections program continually has available at the end of the fiscal year for the regular portion of the Exams Fee account and the allocation of resources between the regular Exams Fee account and the Fee for Services portion.

  The Inspections program receives funds from the regular portion of the Exams Fee account and the Fees for Services portion that is collected at land border POE's and deposited in the Exams Fee account, but tracked separately. A total of 398 immigration inspectors and support positions are funded in the Exams Fee account. There are 187 Immigration Inspectors and support positions funded in the Fee for Services portion of the Exams Fee account to process applications for border crossers. The remaining 211 immigration inspectors are funded from the regular Exams Fee account to perform remote adjudications. The number of remote adjudications completed at ports-of-entry have declined since FY 1995.

  The Office of Budget is proposing that the Inspections program perform a detailed analysis of workload and realign its funding sources for those immigration inspectors who are not performing remote adjudications. This proposal is recommending that 105 immigration inspector positions funded in the regular portion of the Exams Fee account be moved into the Fee for Services portion of the account.

  This proposal to realign 105 positions will reduce the 211 immigration inspector positions to 106 and increases the number of inspectors in the Fee for Service portion from 187 to 292. Based on the chart below, INS requires 292 positions to handle the border application workload. The following calculations show the equivalent workyears required to handle the total workload by application for FY 1998.

	Form I-94 or Form I-94W	Form I-68	Form I-190 Replacement Mexican BCC	Form I-175 Canadian BCC
Total applications	3,000,000	16,000	20,000	2,200
Minutes per application	10	15	20	30
Total minutes	30,000,000	240,000	400,000	66,000

	Form I-94 or Form I-94W	Form I-68	Form I-190 Replacement Mexican BCC	Form I-175 Canadian BCC
Conversion to hours (with factor for non-productive hours)	595,238	4,762	7,937	1,310
FTE equivalent	285	2	4	1

- Instead of the $3.5 million reduction proposed by Field Operations, $5.6 million is being proposed for the International Affairs program, an increase of $2.1 million over the EAC for Field Operations recommended level. The FY 1998 Budget Execution Plan for the International Affairs program includes a contingency fund for $5 million that will be allocated at some point in time during the fiscal year to cover "any unforeseen circumstances" that may occur during the fiscal year. The Office of Budget is recommending that the resources established for the contingency fund be used to reallocate base resources in the absence of a spending plan. The Exams Fee account review also noted that in FY 1997, the International Affairs program had $7.1 million in unobligated resources that were used to fund Commissioner Priority items at the end of the fiscal year.

- As of January 22, $1.2 million in lapse funds has been identified. The permanent realignment of lapse resources will result in a reduction of 13 positions. This would further reduce the number of inspector positions to 164 in the regular portion of the Exams Fee account. Of the 13 positions, 8 will be permanent reductions at headquarters and the 5 in the Inspections program will be reallocated to the Fee for Services portion of the account. (Note: This change totals 101 positions in regular portion of the Exams Fee account and 297 positions in Fee for Services.) In addition to the amounts discussed above, this proposal also includes a recommendation that the available lapse funds and associated FTE reductions be taken by the following programs.

Program	Lapse Amount ($000)	Reduced FTE and Positions
Inspections	$292	5
Investigations	157	1
Adjudications & Naturalization	420	4
International Affairs	255	2
Management and Administration	58	1
	$1,182	13

- $3.5 million would be reallocated from the Backlog Reduction Initiative received in FY 1998. The Adjudications and Naturalization program is using base resources to cover the costs of extending temporary clerical support staff until the end of M...ch to continue processing backlog applications.

- A total of $3.9 million will be reallocated from Program Enhancements:

  - $2.4 million will be reallocated from the Adjudication and Naturalization program training modular cost increases. The Training program performed an analysis on the number employees that would require basic adjudicator training during FY 1998. The resources required to conduct the basic adjudicator training is based the number of classes that could be filled during FY 1998. There will be a total of 747 employees receiving basic adjudicator training (400 temporary, 304 permanent and 43 in other categories).

  - $1.5 million will be reallocated from modular cost adjustments from the 400 term positions and the quality Assurance Initiatives.

Pros:

- The proposals included in Option I reflect $20.4 million in reductions by EAC allocations as recommended by program offices. These reductions were based on the analysis performed by each program, allowing the program managers to accept the responsibility of managing their resources by setting their own priority and making recommendations for reductions where they will have the least impact.

- The additional realignment of resources within the Inspections program from the regular portion of the Exams fee account into the Fee for Services portion will reflect a more realistic alignment of resources based on the decline of remote adjudications being performed by immigration inspectors funded in the regular portion of this account.

- This Option includes a realignment of resources in the Inspections and the International Affairs program that currently have no spending items planned. Both of these programs ended FY 1997 with a large amount of unobligated resources that ended up being allocated toward items included on the Commissioner's priority list. A realignment of these resources will allow funds to be allocated throughout the fiscal year toward priority items in support of the improvements in the Naturalization program and reducing backlogs.

Cons:

- This Option will eliminate the use of contingency funds established by programs to use throughout the year for emergency.

- The reallocation of resources for training will result in a shortfall of base resources in the outyears that will be needed for advanced training.

Option II:

Option II includes the proposed $20.4 million in discretionary general expenses as recommended by the EAC for Programs, Field Operations, Naturalization, Management and General Counsel. This Option recommends that the remaining $12.8 million will be prorated and spread to each program by the EAC allotment holder. An additional $5 million will be used to provide resources for DOJ Oversight mandated by Congress. These resources will be reallocated from the $1.5 million modular cost savings from the 400 Term and Quality Assurance Initiatives. A reallocation of $900,000 will be taken from other Program Enhancements. The Training Program will reallocate $2.6 million of their modular cost resources.

The chart below shows the impact of the $12.6 million reductions by program:

Program	Amount ($000)	Positions & FTE
Inspections	$ 486	5
Intelligence	7	...
Adjudications & Naturalization	4,358	47
International Affairs	1,792	22
Training	93	1
Data and Communications	2,546	39
Information & Records Mgmt.	3	...
Legal Proceedings	17	...
Management and Administration	351	4
Total	$12,582	118

Pro:

- The proposals included in Option I reflect $20.4 million in reductions by EAC allocations as recommended by program offices. All programs are treated equally and the proposed reallocation of resources is based on their pro rata share of the remaining $12.8 million that is required to meet the Congressional mandate to realign $38 million in base resources.

Con:

- This proposal does not reflect any analysis on program impact with the realignment of resources and the permanent reduction of FTE and positions. For example, the Adjudications and Naturalization program's base resources would be impacted the most with this realignment. The realigned base resources would be redirected back into the Adjudications and Naturalization program toward the naturalization initiatives. This proposal does not reflect what the impact will be on other priority areas with the reduction in base resources included in this option. The Adjudications and Naturalization and Data and Communications programs pro rata share of the reductions are higher than the other programs based on the amount of discretionary general expense funds for items such as, FBI Fingerprint, US Courts, Service Center Records Contract, IRM infrastructure, etc. Therefore, their share of the reductions are higher and they will be impacted the most.

Option III:

Option III includes the proposed $20.4 million in discretionary general expenses as recommended by the EAC for Programs, Field Operations, Naturalization, Management and General Counsel. The remaining $14.5 million will be taken from the program increases provided in the FY 1998 Appropriations, with the expectation that this initiative will be partially funded with lapse resources as they are identified in the Exams Fee account. Included in this amount is $5 million to provide resources for DOJ Oversight mandated by Congress. These resources will be reallocated from modular cost savings of $1.5 million from the 400 Term and Quality Assurance Initiatives. A reallocation of $2.6 million from modular cost resources for the Training Program. The remaining $13.7 million will be reallocated from other Program Enhancements.

Pro:

- The $20.4 million included in this option are proposed reductions based on the analysis performed by each program in setting their own priority and making recommendations for reduction in resources where they will have the least impact. The proposal to take the $12.6 million remaining reductions from the program increases, will eliminate the programs from having to take an additional reduction in their discretionary general expenses.

Con:

- This proposal does not reflect Congressional mandate to realign 5 percent of base resources to fully fund the Naturalization initiatives. There are not guarantees that lapse resources will become available to restore the level of funding provided by Congress to the Naturalization initiatives.

Final Decision:

The Options recommended for the reallocation of resources were presented to the Executive Staff on February 23. The Executive Staff approved the reallocation of resources recommended in Option I. In reference to any cost savings in FBI costs (if they become available), the Executive Staff will make decisions at a later time on where the savings are to be applied. Subsequent to the February 23 meeting, two adjustments were made based on new information provided by EAC Field Operations and EAC Management as follows:

- The Inspections program will realign $7.3 million and 105 positions from the regular portion of the Exams Fee account into the Fee for Services portion of the account. The International Affairs program will realign a total of $5.6 million from base resources an increase of $2.1 million from the original reallocation of resources..

- The EAC for Management made minor adjustments to the reallocation of resources in the Inceptions, Adjudication and Naturalization, Training and Data and Communication program.

OPTION I

Examinations Fee Account Review
5 % Reallocation of Base Resources
(Dollars in thousands)

Rank	Sumary of All Programs	Executive Associate Commissioner: Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
	Enforcement:							
	Inspections	10,699	...		34	...	...	10,733
	Investigations	157	...		...	...	...	157
	Intelligence	...	...		...	13	...	13
	Citizenship and Benefits:							
	Adjudications and Naturalization	1,808	...	3,930	2,708	112	...	8,558
	International Affairs	5,803	15	...	83	...	...	5,901
	Immigration Support:							
	Training	...	...	...	482	...	...	482
	Data and Communications	...	...	...	4,574	...	...	4,574
	Information and Records Management	...	...	...	353	7,202	...	7,555
	Construction and Engineering	...	...	...	...	...	...	...
	Legal Proceedings	...	...	...	...	...	38	38
	Program Direction:							
	Management and Administration	...	..	...	101	...	...	101
	Total	18,467	15	3,930	8,335	7,327	38	38,112

Option I includes the following items:

- $20.4 million in proposed reallocations from EACs (Includes: $3.5M Inspections; .5M IA; $4.5M Infrastructure; and $6.2M Telephone)
- An additional $6.8 million from the Inspections Program
- An additional $2.1million from the International Affairs Program
- As of January 22, $1.2 million has been identified in PS&B Lapse
- $3.5 million from Progam Enhancements to cover resources expended on extention of temporary clerical staff
- A total of $3.9 million from FY 1998 Program Increases--resources will be replaced with available lapse fund
  - $1.5 million from modular cost savings from Term and Quality Assurance Initiatives
  - $2.4 million from the Training Progam (modular cost)

Program	Permanent effect of $1.2 million lapse funds							
	Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total	Loss of FTE
Inspections	292	...	...	...	...	...	$292	5
Investigations	157	...	...	...	...	...	$157	1
Adjudications & Naturalization	296	...	...	12	112	...	$420	4
Data and Communications	...	...	...	58	...	...	$58	1
International Affairs	255	...	...	...	...	...	$255	2
Total	1,000	...	..	70	112	...	1,182	13

OPTION II

Examinations Fee Account Review
5% Reallocation of Base Resources
(Dollars in thousands)

Rank	Sumary of All Programs	Executive Associate Commissioner Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
	Enforcement:							
	Inspections	4,081	...		31	24	...	4,136
	Investigations	...	...		...	...	...	...
	Intelligence	...	...		...	20	...	20
	Citizenship and Benefits:							
	Adjudications and Naturalization	1,972	...	1,464	435	3,518	...	7,389
	International Affairs	5,283	...	...	86	2	...	5,371
	Immigration Support:							
	Training	1	...	...	283	1	...	285
	Data and Communications	6	...	...	6,532	724	...	7,262
	Information and Records Management	326	...	...	487	7,202	...	8,015
	Construction and Engineering	3	...	...	...	...	...	3
	Legal Proceedings	...	...	...	...	...	55	55
	Program Direction:							
	Management and Administration	14	48	...	503	11	...	576
	Program Increases							5,000
	Total	11,686	48	1,464	8,357	11,502	55	38,112

Option II includes the following items:

Permanent Reductions
- $20.2 million in proposed reallocations from EACs
- $12.8 million and reduction of 118 positions spread across programs by EAC

One-Time Reductions
- $5 million in one-time program increase reallocations to provide resources for DOJ Oversight

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OPTION III

Examinations Fee Account Review
5% Reallocation of Base Resources
(Dollars in thousands)

Rank	Sumary of All Programs	Executive Associate Commissioner						
		Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
	Enforcement:							
	Inspections	3,500	...		31	...	...	3,531
	Investigations	...	...		...	...	...	...
	Intelligence	...	...		...	13	...	13
	Citizenship and Benefits:							
	Adjudications and Naturalization	...	...	504	281	...	...	785
	International Affairs	3,500	...	...	79	...	...	3,579
	Immigration Support:							
	Training	...	...	...	...	...	...	...
	Data and Communications	...	...	...	4,516	...	...	4,516
	Information and Records Management	...	...	...	353	7,202	...	7,555
	Construction and Engineering	...	...	...	...	...	...	...
	Legal Proceedings	...	...	...	...	...	38	38
	Program Direction:							
	Management and Administration	...	40	...	185	...	...	225
	Program Enhancements							17,870
	Total	7,000	40	504	5,445	7,215	38	38,112

Option III includes the following items:
Permanent Reduction
- $20.2 million in proposed reallocations from EACs

Program Enhancements
- $5 million in one-time reallocations of program increases to provide resources for DOJ Oversight
- $12.8 million from Program Enhancements

Program Description:

A description of work is provided for each program funded in the Exams Fee account, along with FY 1998 proposed reductions to operating plans. The program description also includes impact statements on the proposed reallocation of resources.

Inspections–

Description of Work:

The objective of the Inspections program in the Exams Fee account is to process and adjudicate applications for immigration benefits at the Ports-of-Entry (POE's) during non-peak workload hours. In addition, in the Fee for Services portion of the account, immigration inspectors adjudicate applications for admission at land border ports-of-entry to applicants visiting from Mexico and Canada who are qualified to enter the U.S.

- There are five applications that INS collects fees at POEs: Arrival/Departure; Waiver for Arrival/Departure; Canadian Border Boat Landing Permit; the replacement Mexican Border Crossing Card (BCC); and the Canadian BCC.

Workload:

Immigration Inspectors process applications at land border ports-of-entry for border crossers, as well as adjudicate applications for immigration benefits during periods of standby time. A total of 187 Immigrations Inspectors and support positions are funded in the Fee for Services portion of the Exams Fee account to process applications for border crossers. The remaining 211 immigration inspectors are funded from the regular Exams Fee account to perform remote adjudications. The number of remote adjudications completed at ports-of-entry have declined since FY 1995.

	FY 1995	FY 1996	FY 1997	FY 1998 (Estimate)
Remote Adjudications	668,000	365,994	347,144	300,000

This proposal is based on the continued decline in the processing of remote adjudications, for which funds are provided from the regular portion of the Exams Fee account without the commensurate workload. In the Fee for Services portion of the account, there is an increase in workload for inspectors at land ports-of-entry in the processing of I-94 Mexican border crosser applications. The Inspections program is estimating adjudicating and processing 3 million I-94 or I-94 waiver applications in FY 1998. This level represents a 100 percent increase in workload over FY 1997 and almost threefold the amount of applications in FY 1996. The following calculations show the total equivalent workyears required to handle the total workload by application for FY 1998.

	Form I-94 or Form I-94W	Form I-68	Form I-190 Replacement Mexican BCC	Form I-175 Canadian BCC
Total applications	3,000,000	16000	20000	2200
Minutes per application	10	15	20	30
Total minutes	30,000,000	240,000	400,000	66,000
Conversion to hours with factor for non-productive hours)	595238	4762	7937	1310
FTE equivalent	285	2	4	1

Impact of Reduction:

The EAC for Field Operations has recommended that a reduction of $7.6 million be reallocated from the Inspections program. The EAC for Management is recommending that $24,000 be reallocated from the USATREX contract (these resources are currently in reserve) and $7,000 from contractual services for training.

Impact of Reduction:

Option I: In conducting the review of the FY 1998 allocations in the Budget Execution Plan, it is noted that the Inspections program has $8 million allocated to EAC BEP with no spending plan. The Inspections program in FY 1997 also had $8.5 million in unobligated resources that were used to fund Commissioner priority items. The reallocation of $10.7 million in the Inspections program should not have an adverse impact on the program based on the continued amount of resources that remain unobligated at the end of the fiscal year. This proposal is recommending that 105 immigration inspector positions funded in the regular portion of the

Exams Fee account be moved into the Fee for Services. The Inspections program will utilize $3.1 million of the carryforward for expenses in FY 1998 related to the production of Mexican Border Crossing Cards. The INS has obligated base funding from the card production budget, as well as from the base resources of the Inspections program, in order to meet the April 1 deadline mandated in the Illegal Immigration Reform and Immigrant Responsibility Act of 1996(IIRIRA). The $3.1 million from available balances will refund those resources used at the start of FY 1998.

The impact of the reductions recommended in Option I for the use of lapse funds will be the reduction of 5 FTE's in the Inspections programs. These 5 positions can be realigned into the Fee for Services portion of the account.

Summary of Analysis--

The Inspections program in FY 1997 did not obligate all of their available resources. The Fee for Services portion of the account continues to carryforward a significant amount of resources. The resources in the Fee for Services portion of the account can only support adjudicatory services provided for the processing of applications for border crossers.

A reprogramming approved in FY 1992, provided the Inspections program with 141 inspector positions in the Exams Fee account. In FY 1993, Congress provided an additional 100 immigration inspector positions to perform remote adjudication functions. This was done without any consideration fro the level of work that would be performed. During FY 1997, immigration inspectors worked 124,994 hours performing remote adjudications. These remote adjudications hours equate to 71 workyears. Based on the continued decline in the processing of remote adjudications, it is recommended that the Inspections program perform a detailed analysis of workload and realign its funding sources for those immigration inspectors who are not performing remote adjudications and who are currently being charged to the regular portion of the Exams Fee account. **Potential Impact on Other Funding Sources**: If the analysis determines that the workload cannot support the number of workyears allocated in the Exams Fee account, then other funding sources will be required.

As a result of the Table of Organization review, there are 211 inspector positions funded in the Exams Fee account to perform remote work on applications for benefits received directly at the POEs, and 187 inspector positions funded in the Fee for Services portion of the Exams Fee account. The above changes would reallocate 105 positions funded in the regular portion of the Exams Fee account into the Fee for Services portion of the account. This reallocation would result in a total of 292 positions funded in the Fee for Services portion of the account a 106 positions funded in the regular portion of the Exams Fee account.

Examinations Fee Account Review
5 % Reallocation of Base Resources
(Dollars in thousands)

ınk	Program: Inspections	Executive Associate Commissioner: Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
	General Expense Items							
	Travel							...
	Contract - USATREX *				**24**			24
	Discretionary General Expenses	**10,385**						10,385
	Contractual Services (Training)				**10**			10
	Lapse	314						314
	Subtotal, General Expense	10,699	...		**34**	...	...	10,733

Note: Items in bold are EAC recommendation
*Resources in Reserve

17

Examinations Fee Account Review
Proposed Base Operating Plan
Inspections Program

Rank	Item	Officer	Support	Executive Associate Commissioner							
				Headquarter	Field Operations	Commr.	Natz. Operations	Mgmt.	Programs	General Counsel	Total
	Mandatory			481,000							481,000
	Recurring			496,718							496,718
	Set Asides			225,231							225,231
	PS&B										
	EOR	45			2,729,046						2,729,046
	COR	126			6,097,283						6,097,283
	WOR	128			7,281,641						7,281,641
	HQ	...									
	Total	299			40,638						40,638
	PS&B Shortage (FTE Other)				(393,671)						(393,671)
	Subtotal			1,202,949	15,754,937	...	...	...	...	...	16,957,886
	General Expense Items										
	EAC BEP				8,328,914			91,552			8,420,466
	BEP				2,335,302						2,335,302
	Awards				73,473						73,473
	Travel					2,021					2,021
	Uniforms								69,181		69,181
	Biometrics, BCC								500,000		500,000
	PS&B Shortage				393,671						393,671
	Subtotal, General Expenses			...	11,131,360	2,021	...	91,552	569,181	...	11,794,114
	Total			1,202,949	26,886,297	2,021	...	91,552	569,181	...	28,752,000

Investigations--

Description of Work: The Investigations programs investigates cases that involve fraudulent applications for immigration benefits. This program provides investigative support for the detection of criminal law violations and the identification of violators through undercover operations and traditional investigative procedures.

Workload:

Many of the investigative cases involve violators associated with large-scale organized alien criminal organizations that are engaged in other illegal activities such as racketeering, alien smuggling, immigration benefit fraud, counterfeiting, prostitution, official corruptions, extortion, narcotics, and weapons trafficking.

Impact of Reduction:

The Investigations program will reallocate $157,000 in available lapse resources.

Summary of Analysis:

The Exams Fee account review noted that the Investigations program in FY 1997 ended the fiscal year with a shortage of $134,241 out of a budget of $9,664,410.

Examinations Fee Account Review
5 % Reallocation of Base Resources
(Dollars in thousands)

Program: Investigations	Executive Associate Commissioner						
General Expense Items	Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
Lapse	157						157
Subtotal, General Expense	157	...		...	...		157

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Examinations Fee Account Review
Proposed Base Operating Plan
Investigations Program

Rank	Investigations	Executive Associate Commissioner							
		Headquarter	Field Operations	Commr.	Natz. Operations	Mgmt.	Programs	General Counsel	Total
	Mandatory	1,269,000							1,269,000
	Recurring	5,685							5,685
	Set Asides	307,606							307,606
	PS&B								
	Officer / Support								
	EOR 31		2,774,200						2,774,200
	COR 19		1,436,523						1,436,523
	WOR 44		3,995,422						3,995,422
	HQ ...		...						...
	Total 94								...
	Subtotal	1,582,291	8,206,145	...	...	...	...	...	9,788,436
	General Expense Items								
	BEP District Offices		57,613						57,613
	OPS Adjustment		(120,000)						(120,000)
	BEP Awards		40,895						40,895
	BEP Training					8,056			8,056
									...
									...
									...
	Subtotal, General Expenses	...	(21,492)	...	...	8,056	...	...	(13,436)
	Total	1,582,291	8,184,653	...	...	8,056	...	...	9,775,000

Intelligence--

Description of Work: The Intelligence program's Fraudulent Document Laboratory provides assistance in the detection of fraudulent documents and provides technical support and assistance in the prosecution of major document counterfeiters, alien smugglers, and other violators of immigration laws.

Workload:

The Fraudulent Document laboratory performs analysis on documents to detect fraud.

Impact of Reduction:

The EAC for Programs is recommending a reduction of $12,700 in discretionary general expenses for the Intelligence program.

Summary of Analysis:

In comparing the allocations and obligations for FY 1997, it is recommend that the Intelligence program reallocate $12,700 in discretionary general expense. The Intelligence program in FY 1997 ended the fiscal year with an unobligated balance of $34,500 out of a budget of $1,107,354.

Examinations Fee Account Review
5 % Reallocation of Base Resources
(Dollars in thousands)

Program: Intelligence	Executive Associate Commissioner: Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
General Expense Items							
Disrectionary General Expenses					**13**		13
Subtotal, General Expense	...	...		...	13		13

Note: Items in bold are EAC recommendations

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Examinations Fee Account Review
Proposed Base Operating Plan
Intelligence Program

Rank	Item	Executive Associate Commissioner							
		Headquarter	Field Operations	Commr.	Natz. Operations	Mgmt.	Programs	General Counsel	Total
	Mandatory	70,000							70,000
	Recurring	103							103
	Set Asides	17,282							17,282
	PS&B								
	Officer Support								
	ESC ...						133,709		133,709
	NSC ...						137,948		137,948
	SSC 1	1					140,083		140,083
	WSC 1						165,548		165,548
	HQ & FDL 1						315,011		315,011
	Total 3								...
	Subtotal	87,385	...	...	...	...	892,299	...	979,684
	General Expense Items								
	ESC						6,450		6,450
	NSC						5,650		5,650
	SSC						6,350		6,350
	WSC						6,550		6,550
	BEP Program and FDL						94,268		94,268
	JUST Database (Watch List)						75,000		75,000
	Travel						3,000		3,000
	WOR		2,338						2,338
									...
	Subtotal, General Expenses	...	2,338	...	...	...	197,268	...	199,606
	Total	87,385	2,338	...	...	...	1,089,567	...	1,179,290

Adjudications and Naturalization--

Description of Work: The Adjudications and Naturalization program has the responsibility of processing and adjudicating applications or petitions for benefits provided under the immigration laws.

Workload:

Workload is directly related to the number of applications received.

Impact of Reduction:

The Adjudication and Naturalization program will reallocate $3,530,000 from the backlog reduction initiative and $420,000 from available lapse resources. A reallocation of $2,400,000 from resources received for the training of new employees, and $1,500,000 modular cost lapse from the 400 term and Quality Assurance initiatives will be used to cover base shortfall of resources used to fund the extension of temporary adjudication officers and support staff through the end of March. The EAC for Management is recommending that $5,000 from their travel budget be reallocated as well as $57,000 for contractual services for training, $400,000 in discretionary GE from EAC Naturalization Operations, and $246,000 for USATREX contract (the USATREX resources are in reserve). Option III recommends $988,000 be reallocated from the Adjudications and Naturalization EAC Programs allocation for headquarters general expenses.

Option I proposes that the Adjudications program reallocate $1.5 million from modular cost savings from the 400 Term position and Quality Assurance Initiatives.

Summary of Analysis:

Potential Issue: The Adjudications and Naturalization program used a portion of the $6 million for fingerprint machines to recover resources used to fund the Office of Naturalization Operations at the start of the year. Their use of these resources may become a potential problem when the fingerprint machines are purchased. The Adjudications program still needs to, within their existing budget, identify $1.4 million required for the purchase of the fingerprint machines.

Examinations Fee Account Review
5 % Reallocation of Base Resources
(Dollars in thousands)

Program: Adjudications and Naturalization	Executive Associate Commissioner						
General Expense Items	Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
Travel				**5**			**5**
Discretionary General Expenses			400				400
Contractual Services (Training)				**57**			**57**
USATREX Contract *				**246**			**246**
Lapse	308				112		420
FY 1998 Program Increases -							
Term and Quality Assurance Initiative - modular cost savings	1,500						1,500
Training modular cost				2,400			
Backlog Reduction			3,530				
Subtotal, General Expense	1,808	...	3,930	2,708	112	...	8,558

Note: Items in bold are EAC recommendations
*Resources in Reserve

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Examinations Fee Account Review
Proposed Base Operating Plan
Adjudications and Naturalization Program

Rank	Item	Officer	Support	Headquarter	Executive Associate Commissioner: Field Operations	Commr.	Natz. Operations	Mgmt.	Programs	General Counsel	Total
	Mandatory			36,622,000							36,622,000
	Recurring			8,333,300							8,333,300
	Set Asides			10,792,440							10,792,440
	PS&B	Officer	Support								
	EOR	496	252		38,926,329						38,926,329
	COR	200	69		14,473,179						14,473,179
	WOR	363	209		29,792,256						29,792,256
	HQ OPS	3	1		665,189						665,189
	HQ MGT	5	1					397,368			397,368
	HQ PGM	60	38						7,958,936		7,958,936
	HQ ONO	...	5								...
	ESC	136	109						11,754,100		11,754,100
	NSC	87	110						8,663,903		8,663,903
	SSC	90	89						7,933,448		7,933,448
	WSC	110	117						11,159,451		11,159,451
	Total	1,550	1,000		...						...
	Subtotal			55,747,740	83,856,953	...	...	397,368	47,469,838	...	187,471,899
	General Expense Items										
	ESC Base Expenses								877,200		877,200
	NSC Base Expenses								653,300		653,300
	SSC Base Expenses								605,300		605,300
	WSC Base Expenses								812,300		812,300
	HQ Base General Expenses						1,433,684	219,430	4,146,180		5,799,294
	Library of Congress								57,000		57,000
	Foreign Student Controls								750,000		750,000
	US Courts								7,067,000		7,067,000
	State Courts								300,000		300,000
	FBI Fingerprint/Name Checks								60,944,000		60,944,000
	Uniforms								40,000		40,000
	Office Move ADM							2,700,000			2,700,000
	Service Center/Records Contract								1,873,000		1,873,000
	Travel				64,181	14,469		30,531	1,100,000		1,209,181
	PR ACB/TRN							8,400			8,400
	BEP HRA							20,769			20,769
	BEP TRN (Contract)							569,460			569,460
	BEP Districts				2,462,127						2,462,127
	BEP Regions				1,204,973						1,204,973
	NATZ Personnel Reimbursements				197,201		985,895				1,183,096
	Contract Support						940,000				940,000
	Charleston Review						629,500				629,500
	NQP4 Service Center (Training)						35,000				35,000
				...	3,928,482	14,469	4,024,079	3,548,590	79,225,280	...	90,740,900
	Total			55,747,740	87,785,435	14,469	4,024,079	3,945,958	126,695,118	...	278,212,799

International Affairs--

Description of Work: Adjudicate refugee and asylum claims. Represent the United States in immigration policy and issues with foreign governments, international organizations, and voluntary agencies.

The International Affairs program has 3 overseas district offices and 8 asylum offices. The asylum offices operate under headquarter direction to ensure consistency in decision making, timely review, and application standards. Asylum officers are required to travel throughout the nation performing asylum interviews.

Workload:

The International Affairs program is responsible for the adjudication of refugee applications, processing parolees, conducting investigations for preference relative visa petitions, and conducting other records checks and background investigations at Overseas Service offices.

Impact of Reduction:

The International Affairs program will reallocate a total of $5.9 million. The EAC for Field Operations is recommending that $5.5 million be reallocated from the International Affairs program. The EAC for Management is recommending $12,000 from contractual services for training and $71,000 from the USATREX contract (the resources for USATREX are being held in reserve), $15,000 from the Commissioner's Contingency Fund, and $303,000 in lapse resources. The FY 1998 Budget Execution Plan for the International Affairs program includes a contingency fund for $5 million that will be allocated at some point in time during the fiscal year to cover "any unforeseen circumstances" that may occur during the fiscal year. The Office of Budget is recommending that the resources established for the contingency fund be used to reallocate base resources in the absence of a spending plan. With close management of its remaining resources, International Affairs should have sufficient funds to maintain its operations. The Exams Fee account review also noted that in FY 1997, the International Affairs program had $7.1 million in unobligated resources at the end of the year. The impact of the reductions recommended in Option I to use lapse funds will be the reduction of 2 positions and FTEs in this program.

Summary of Analysis:

In FY 1997, a total of $7 million was unobligated in the International Affairs program. Based on the large amount of resources unobligated in FY 1997, it is recommend that the $3.5 million in base resources along with the additional $2 million be reallocated as recommended by the EAC for Field Operations.

Examinations Fee Account Review
5 % Reallocation of Base Resources
(Dollars in thousands)

Rank	Program: International Affairs	Executive Associate Commissioner Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
	General Expense Items							
	Travel							
	Contractual Services (Training)							
	Contract - USATREX *				**12**			**12**
	Discretionary General Expenses	**5,500**	**15**		**71**			**71**
	Lapse	303						**5,515**
								303
	Subtotal, General Expense	5,803	15		83			5,901

Note: Items in bold are EAC recommendations
*Resources in Reserve

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Examinations Fee Account Review
Proposed Base Operating Plan
International Affairs Program

Rank	Item	Executive Associate Commissioner							
		Headquarter	Field Operations	Commr.	Natz. Operations	Mgmt.	Programs	General Counsel	Total
	Mandatory	6,421,000							6,421,000
	Recurring	1,108,284							1,108,284
	Set Asides	1,765,540							1,765,540
	PS&B								
	Officer 476 **Support** 275 **Total** 751		41,151,573						41,151,573
	General Expense Items								
	Grants		8,000,000						8,000,000
	MOU Russia		1,700,000						1,700,000
	ICASS		1,600,000						1,600,000
	Cuban Lottery		600,000						600,000
	Asylum OPMs		196,000						196,000
	Contingency		5,494,948						5,494,948
	Asylum (BEP)		4,074,000						4,074,000
	Asylum Overtime		836,400						836,400
	Humanitarian Affairs Branch		217,772						217,772
	FOR		7,721,693						7,721,693
	EAC		55,000	5,120		155,675	46,560		262,355
	Overseas BEP		8,816,502						8,816,502
	Overseas Overtime		60,000						60,000
	Overseas FTO		806,933						806,933
	Subtotal, General Expenses	...	40,179,248	5,120	...	155,675	46,560	...	40,386,603
	Total	9,294,824	81,330,821	5,120	...	155,675	46,560	...	90,833,000

Training--

Description of Work: Provides training resources for basic and advanced training at the Federal Law Enforcement Training Centers in Glynco, Georgia and Artesia, New Mexico, supervisory training at the Leadership Development Center, and for overhead costs associated with the Examinations Fee related training.

Workload:

Workload is related to the number of employees requiring training.

Impact of Reduction:

The EAC for Management is recommending that $268,000 be reallocated from base resources. Of the resources to be reallocated, $9,000 is being reallocated from PS&B (FTO) discretionary general expenses, $5,000 from travel, and $178,000 from resources provided for miscellaneous contractual services in the Training program.

The Adjudication and Naturalization program will reallocate $2.4 million from resources received for the training of new employees. This reallocation is based on the Training program's scheduled classes for basic training for new employees provided in the program. In FY 1998, the Training program will provide training for 747 students in basic training and 192 students in advance training. The Training Program's resources that will be reallocated consist of $200,000 from the program's training base, and $282,000 from discretionary GE.

Summary of Analysis:

In comparing the allocations and obligations for FY 1997, it is recommend that the $482,000 in discretionary GE be reallocated as part of the congressional mandate to reallocate 5 percent of the Exams Fee account base resources for the naturalization initiatives. The Training program had an unobligated balance of $458,733 at the end of the fiscal year. The Examinations Fee account funds a total of 25 positions in the Training program (11 officers and 14 support positions). During FY 1998, the Training program is conducting training classes for Immigration Officers to support the re-engineering efforts taking place in the Naturalization program.

Examinations Fee Account Review
5 % Reallocation of Base Resources
(Dollars in thousands)

Program: Training	Executive Associate Commissioner: Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
General Expense Items							
PS&B - Discretionary							
Travel				**9**			9
Contractual Services (Training)				**5**			5
Discretionary GE				**268**			268
FY 1998 Program Increases - Modular cost				200			200
Subtotal, General Expense	...	...		482	...		482

Note: Items in bold are EAC recommendations

Examinations Fee Account Review
Proposed Base Operating Plan
Training Program

Rank	Item	Executive Associate Commissioner							
		Headquarter	Field Operations	Commr.	Natz. Operations	Mgmt.	Programs	General Counsel	Total
	Mandatory	70,000							70,000
	Recurring	...							...
	Set Asides	18,461							18,461
	PS&B								
	Officer **Support**								
	11 14					1,534,910			1,534,910
	Subtotal	88,461	...	...	...	1,534,910	...	...	1,623,371
	General Expense Items								
	ESC Base General Expenses						8,740		8,740
	NSC Base General Expenses						7,320		7,320
	SSC Base General Expenses						6,209		6,209
	WSC Base General Expenses						8,740		8,740
	HQ Base BEP (Contract Services)		16,117			1,869,273			1,885,390
	Travel					121,000			121,000
	Other Payroll								
	HQ					98,830			98,830
	Region					6,400			6,400
	Subtotal, General Expenses	...	16,117	...	...	2,095,503	31,009	...	2,142,629
	Total	88,461	16,117	...	...	3,630,413	31,009	...	3,766,000

Data and Communications--

Description of Work: Provide information technology and support to employees performing application benefit processing.

Workload:

The Data and Communications program provides information and technology support. The re-engineering of the Naturalization program is reliant on improvements in the CLAIMS 4.0 system that will be implemented nationwide.

Impact of Reduction:

The EAC for Management is recommending that the Data and Communications program reallocate $4.5 million in base resources from resources allocated for IRM infrastructure, $58,000 in lapse, and $2,000 from their travel budget. The reduction of $4.5 million from the Data and Communications program budget will result in the reduction of IRM infrastructure deployment to 52 sites and 900 employees. The impact of the reductions recommended in Option I to use lapse funds will result in the reduction of 2 positions in this program.

Summary of Analysis:

It is recommend that the $4.5 million in base resources be reallocated as part of the congressional mandated to reallocate 5 percent of the Exams Fee account base resources for the naturalization initiatives. In FY 1997 the Data and Communications program had $469,278 in unobligated resources at the end of the fiscal year. The Exams Fee account review found in reviewing data transactions for infrastructure deployment that the Data and Communications program had funded $1.2 million for the Border Patrol program, $45,276 for Service Processing Centers and $61,523 for Anti-smuggling units improperly from the Exams Fee account. Likewise, other obligations that could have been legitimately charged to the Exams Fee account were charged to other accounts. The Resource Management Office is incorporating new policies that will enable them to evaluate requisitions to ensure that resources are obligated to the proper funding source.

Examinations Fee Account Review
5 % Reallocation of Base Resources
(Dollars in thousands)

Program: Data and Communications	Executive Associate Commissioner: Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
General Expense Items							
Travel							...
IRM Infrastructure				**2**			2
Lapse				**4,514**			4,514
Awards				**58**			58
Overtime							...
Supplies							...
Subtotal, General Expense	...	...		4,574	...		4,574

Note: Items in bold are EAC recommendations

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Examinations Fee Account Review
Proposed Operating Plan
Data and Communications Program

The Data and Communication Program's Operating Plan for FY 1998 is currently being developed. The Operating Plan will be complete for the Quarterly Financial Review in April.

Information and Records Management--

Description of Work: Performs support functions related to the creation, verification and transfer and verification of A-files. The program also responds to inquiries from the public through the Forms and Telephone Centers.

Workload:

The Information and Records Management program provides responses to inquiries from the public and private sectors, maintains alien records and files, and responses to FOIA/PA requests. This program is also responsible for the development and issuance of forms.

Impact of Reduction:

The Telephone Services budget obligations for FY 1998 will be reduced by $6.2 million as recommended by Adjudications and Naturalization program, Office of Program. The remaining budget for the Telephone Services will provide resources for the current level of operations, with no expansion to new locations. It is being recommended by the Office of Programs that the Information and Records Management program reallocate a total of $1.4 million. Of the $1.4 million being reallocated, $960,000 will be taken from resources dedicated to the CUSA offices in Miami and Chicago. The reduction in resources will reduce the level of contractor support in Miami and Chicago USA sites for records support functions. Also recommended for reallocation is $42,322 for overtime to reduce N-400 and I-485 backlogs. The impact of the reductions recommended in Option I to use lapse funds will be the reduction of 2 positions in this program.

Summary of Analysis:

At the end of FY 1997, the Information and Records Management program had $1.6 million in unobligated resources. It is recommend that the $1.4 million in base resources be reallocated as part of the congressional mandated to reallocate 5 percent of the Exams Fee account base resources for the naturalization initiatives.

Examinations Fee Account Review
5 % Reallocation of Base Resources
(Dollars in thousands)

Program: **Information and Records Management**	Executive Associate Commissioner						
	Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
General Expense Items							
Telephone Service Center							
Contractual Services					**6,200**		6,200
Equipment							...
PS&B - Discretionary							...
USATREX Contract *				**39**			39
Supplies				**80**			80
Training				**234**			234
CUSA Offices in Miami and Chicago							...
Overtime to reduce N-400 and I-485					**960**		960
backlog					**42**		42
Subtotal, General Expense	...	...	...	353	7,202	...	7,555

Note: **Items in bold are EAC recommendations**
*Resources in Reserve

Examinations Fee Account Review
Proposed Base Operating Plan
Information and Records Management

Rank	Item	Headquarter	Field Operations	Commr.	Natz. Operations	Mgmt.	Programs	General Counsel	Total
				Executive Associate Commissioner					
	Mandatory	11,209,000							11,209,000
	Recurring	1,537,853							1,537,853
	Set Asides	2,551,977							2,551,977
	PS&B								
	Support								
	ESC 70								...
	ETC 65								...
	NSC 29								...
	SSC 25								...
	WSC 23								...
	WTC 37								...
	HQ 45								...
	EOR 187								
	COR 81								
	WOR 138								
	Total 700		20,928,002			1,663,058	9,894,880		... 32,485,940
	Subtotal	15,298,830	32,754	...	...	1,663,058	9,894,880	..	47,784,770
	General Expense Items								
	ESC Base General Expenses						148,800		148,800
	ETC Base General Expenses						154,600		154,600
	NSC Base General Expenses						124,400		124,400
	SSC Base General Expenses						107,000		107,000
	WSC Base General Expenses						149,800		149,800
	WTC Base General Expenses						79,100		79,100
	HQ Base General Expenses						2,464,496		2,464,496
	NATZ Contract Support				135,000				135,000
	Service Center/Records Contract						30,091,000		30,091,000
	Microlog Maintenance						468,000		468,000
	TSO Contract (Fed Sim)						11,500,700		11,500,700
	Uniforms						400,000		400,000
	FOIA/PA Appeals					1,000,000			1,000,000
	FOIA/PA Automation (FIPS) Dev. Testing					566,000	10,023,215		10,589,215
	District Pilot Contract					47,599	85,000		132,599
	Travel			6,631					6,631
	FAF					42,400			42,400
	QA Training/Contract Support						200,000		200,000
	Travel						50,000		50,000
	BEP ACB					188,230			188,230
	FAF (USATREX)					369,629			369,629
	OSP					105,889			105,889
	MGT					79,793			79,793
	ACL (Aspen Contract Services)					449,600			449,600
	Other Payroll ACB					250,200			250,200
	ACL					26,600			26,600
	FAF					51,300			51,300
	District BEP		1,539,700						1,539,700
	Region BEP		66,050						66,050
	HQ BEP		95,742						95,742
	Reserve		37,032						37,032
	Subtotal	...	1,738,524	6,631	135,000	3,177,240	56,046,111	...	... 61,103,506
		15,298,830	1,771,278	6,631	135,000	4,840,298	65,940,991	...	108,888,276

Construction and Engineering--

Description of Work: Provides facility and space acquisition, management, and disposal support to programs funded in the Exams Fee account.

Workload:

The Construction and Engineering program ensures that space allocation standards are met through the acquisition and assignment of space for programs funded in the Exams Fee account.

Impact of Reduction:

No base resources are being recommend for reallocation.

Summary of Analysis:

No significant findings were found during the Exams Fee account review. In FY 1997, the Construction and Engineering program ended the fiscal year with a shortfall of $1,943.

Examinations Fee Account Review
Proposed Base Operating Plan
Construction and Engineering Program

Rank	Item	Executive Associate Commissioner							
		Headquarter	Field Operations	Commr.	Natz. Operations	Mgmt.	Programs	General Counsel	Total
	Mandatory	11,000							11,000
	Recurring	2,224							2,224
	Set Asides	3,888							3,888
	PS&B								
	Officer **Support**								
	... 1					93,970			93,970
	Subtotal	17,112	...	...	...	93,970	...	...	111,082
	General Expense Items								
	HQ EAC		87,167						87,167
	Other Payroll (ADM)					1,750			1,750
									...
									...
									...
									...
	Subtotal, General Expenses	...	87,167	...	...	1,750	...	...	88,917
	Total	17,112	87,167	...	...	95,720	...	...	199,999

Legal Proceedings--

Description of Work: Provides legal support and representation in asylum, rescission, naturalization, visa petition, and adjustment of status cases.

Workload:

Workload is directly related to the number of cases worked, however, the Legal Proceedings program does not capture caseload data by categories.

Impact of Reduction:

The Legal Proceeding program will reallocate $38,000 in base resources from their travel budget.

Summary of Analysis:

It is recommend that the $38,000 in base resources be reallocated as part of the congressional mandated to reallocate 5 percent of the Exams Fee account base resources for the naturalization initiatives. No significant findings were found during the Exams Fee account review. In FY 1997, the Legal Proceedings program had $79,470 in unobligated resources at the end of the fiscal year.

Examinations Fee Account Review
5 % Reallocation of Base Resources

(Dollars in thousands)

Rank	Program: Legal Proceedings	Executive Associate Commissioner: Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
	General Expense Items							
	Travel							
							38	38
	Subtotal, General Expense	...	...	...	...	...	38	38

Note: Items in bold are EAC recommendations

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Examinations Fee Account Review
Proposed Base Operating Plan
Legal Proceedings

Rank	Item	Executive Associate Commissioner							
		Headquarter	Field Operations	Commr.	Natz. Operations	Mgmt.	Programs	General Counsel	Total
	Mandatory	484,000							484,000
	Recurring	8,894							8,894
	Set Asides	270,290							270,290
	PS&B								
	Attorney 63 **Support** 7							5,781,556	5,781,556
	Subtotal	763,184	...	...	...	...	...	5,781,556	6,544,740
	General Expense Items								
	General Expenses							264,260	264,260
	Subtotal, General Expenses	...	...	...	...	...	...	264,260	264,260
	Total	763,184	...	...	...	...	...	6,045,816	6,809,000

Management and Administration--

Description of Work: Provides management direction and administrative support for headquarter, regional and field activities.

The following offices are included in the Management and Administration program:

Public Affairs - provides support in answering inquiries and conducts press conferences.
Congressional Relations - responds to congressional inquiries, the White House and the Attorney General.
Budget - manages and provides support for the formulation and execution of INS' budget.
Finance - performs various accounting and financial functions
Administrative Center - provides personnel, training, EEO, security, finance, accounting, procurement, facilities and ADP Support to field offices.

Workload:

Workload is not related to the number of applications processed, but does have some relationship to the number of employees on-board, and new hires.

Impact of Reduction:

The Management and Administration program will reallocate $185,000 in base resources. These reallocation of resources include $52,000 from discretionary PS&B (FTO, overtime, and awards), $3,000 from training (management leadership courses), $66,000 for travel, and $64,000 in reserve.

Summary of Analysis:

It is recommend that the $101,000 in base resources be reallocated as part of the congressional mandated to reallocate 5 percent of the Exams Fee account base resources for the naturalization initiatives. There were no significant findings found during the Exams Fee account review. In FY 1997, the Management and Administration program had $151,416 in unobligated resources at the end of the fiscal year.

Examinations Fee Account Review
5 % Reallocation of Base Resources
(Dollars in thousands)

ık Program: Management and Administration	Executive Associate Commissioner						
	Field Operations	Commr.	Natz. Operations	Mgmt	Programs	General Counsel	Total
General Expense Items							
Contract							...
Equipment							...
PS&B - Discretionary							
Overtime				52			52
Awards							...
Supplies							...
Training							...
Travel							...
IRM Infrastructure				3			3
				46			46
							...
							...
							...
Subtotal, General Expense	...	...		101	...		101

Note: Items in bold are EAC recommendations

45

Examinations Fee Account Review
Proposed Base Operating Plan
Management and Administration

Rank	Item	Executive Associate Commissioner							
		Headquarter	Field Operations	Commr.	Natz. Operations	Mgmt.	Programs	General Counsel	Total
	Mandatory	1,166,000							1,166,000
	Recurring	73,218							73,218
	Set Asides	719,441							719,441
	PS&B								
	Officer **Support**								
	5 115		1,553,134	819,197		3,571,151	795,718		6,739,200
	Subtotal	1,958,659	1,553,134	819,197	...	3,571,151	795,718	...	8,697,859
	General Expense Items								
	ESC Base General Expenses						24,682		24,682
	NSC Base General Expenses						20,653		20,653
	SSC Base General Expenses						17,731		17,731
	WSC Base General Expenses						24,884		24,884
	HQ Base General Expenses	23,300					118,511		141,811
	Other Payroll			22,500		574,890			597,390
	Reserve			4,900		741,699			746,599
	Travel			382,736		151,457			534,193
	BEP					4,671,854			4,671,854
	Service Fees Land Border travel exp.					1,147,000			1,147,000
	Exams Printing					9,870			9,870
	Financial Support					27,700			27,700
	Financial Statement/Audit (DOJ)					74,832			74,832
	Compensation Study					30,000			30,000
	Retention Plan					40,000			40,000
	District BEP		148,994						148,994
	Regional Reserve		26,803						26,803
	Awards		25,000						25,000
	WOR BEP		21,284						21,284
	Overtime		33,861						33,861
	Subtotal, General Expenses	23,300	255,942	410,136	...	7,469,302	206,461	...	8,365,141
	Total	1,981,959	1,809,076	1,229,333	...	11,040,453	1,002,179	...	17,063,000

Attachments

February 19, 1998

Examinations Fee Account

Implementation of Reallocation of Resources

Action Items	**Assigned**
Memorandum to Programs on Final Decisions	Budget Office (Analysis and Formulation)
DBM Transactions	Programs/Budget Office (Execution)
Update POST	Office of Budget (Review & Coordination)
Notification to DOJ/OMB/Congress (Reprogramming)	Budget Office

Revised: January 8, 1998

FY 1998 Congressional Action on Examinations Fee Account

Decision Unit	Allotment Holder	FY 1998 Program Increases Position	FY 1998 Program Increases FTE	FY 1998 Program Increases Amount	Recurring/Non-Recurring Items Position	Recurring/Non-Recurring Items FTE	Recurring/Non-Recurring Items Amount	FY1999 Annualization of Program Increases Position	FY1999 Annualization of Program Increases FTE	FY1999 Annualization of Program Increases Amount
Adjudications and Naturalization										
Naturalization Ceremonies-Administrative	OPS	.	..	2,100	.	...	...	...	...	2,100
Naturalization Ceremonies-Courts	PGM	.	..	3,173	...	...	...	...	...	3,173
Fingerprint Requirements										
Adjudication Officers	OPS/ONO	125	94	66,655	.	31	(747)	125	125	65,908
Support	ONO	2	1	139	.	1	37	2	2	176
Convert 400 temp positions to term positions	OPS	.	400	38,287	.	...	...	...	400	38,287
Quality Assurance	OPS	115	115	8,801	...	...	359	115	115	9,160
Quality Assurance	ONO	..	..	1,330	..	...	...	...	...	1,330
Direct Mail	PGM/OPS	37	19	3,192	.	18	279	37	37	3,471
Overtime and Service Center Contract Services-Backlog Reduction	RESERVE	..	...	2,950	...	...	11,131	...	...	14,081
Subtotal		279	629	126,627	...	50	11,059	279	679	137,686
Data and Communications										
Direct Mail	MGMT	10	8	875	..	2	12	10	10	887
Fingerprint Requirements	MGMT	3	2	206	..	1	61	3	3	267
CLAIMS Systems in support of Natz.	MGMT	.	.	5,210	...	...	...	...	...	5,210
Enhance INS Central Index Systems	MGMT	.	.	1,250	.	...	...	...	...	1,250
Purchase and install card production machine-Kentucky (Border Crosser cards)	RESERVE	.	...	3,125	.	...	(1,875)	...	...	1,250
Subtotal		13	10	10,666	...	3	(1,802)	13	13	8,864
Information and Records Management										
Improve Records Infrastructure	MGMT	...	...	11,096	...	...	...	...	...	11,096
Direct Mail:										
Information Officers	PGM	22	17	1,561	..	5	(89)	22	22	1,472
Records Staff (Support)	PGM	56	42	2,947	...	14	(529)	56	56	2,418
Data Entry Contract and eqpt.		.	..	24,594	...	...	641	...	...	25,235
Expansion of Texas Service Center	PGM	...	...	1,700	...	...	...	...	...	1,700
Overtime and Service Center Contract Services	PGM	...	...	8,481		...	...	...	...	8,481
Backlog Reduction	RESERVE	.	..	2,650	..	..	...	...	...	2,650
Records Contract in District Offices	MGMT	...	..	4,800	...	...	...	...	...	4,800
Subtotal		78	59	57,829	...	19	23	78	78	57,852
Construction and Engineering										
Expansion of Texas Service Center	MGMT	..	..	200	...	...	(200)	...	...	..
Management and Administration										
Quality Assurance										
Internal Audit	MGMT	6	6	782	..	..	81	6	6	863
Total, Program Increases		376	704	196,104	...	72	9,161	376	776	205,265
Other FY 1998 Items:										
DOJ Oversight	NATZ	...	...	5,000	...	..	...	...	..	5,000
OIG	MGMT	...	..	3,700	...	...	..	...	...	3,700

Program	Executive Associate Commissioner			
	Program	Management	Field Operations	Total
Information and Records Management				
Headquarters				
Service Center Records Contracts	30,091,000			30,091,000
Printing and Brochures/Publicity	150,000			150,000
CMIS Installations	225,000			225,000
Microlog Messaging	141,600			141,600
Western Telephone Center Move	886,000			886,000
EAC Programs and Employee Relocation	696,896			696,896
PS&B - FTEO's (PMI's and Summer hires)	200,000			200,000
Aspen Contract Services		215,000		215,000
FOIA/PA Automation (FIPS Development and testing)		566,000		566,000
Records operation support at District Offices		1,000,000		1,000,000
FOIA/PA Support Contract - USATREX		175,800		175,800
Miscellaneous equipment		220,600		220,600
FOIA Office supplies		114,230		114,230
Office supplies		160,000		160,000
OSP GE		105,889		105,889
Files and Forms				
Field Support (Supplies)		674,500		674,500
FOIA/PA Denial Application Support		1,000,000		1,000,000
FOIA/PA Automation (FIPS Development and Testing)		566,000		566,000
FOIA/PA Temporary Administrative Support (USATREX)		200,000		200,000
Presort Mail Service		333,000		333,000
FOIA Denial Application Support		1,000,000		1,000,000
District Office Contract Cost				
Labor (7 sites)			14,543,851	14,543,851
LBIs (Background investigations)			146,000	146,000
General Expenses			300,000	300,000
Procurement Assistance			100,000	100,000
FRC Laguna			113,000	113,000
Subtotal	32,390,496	6,331,019	15,202,851	53,924,366
Construction and Engineering				
No single spending items over $100K	...	...	...	...
Legal Proceedings				
No single spending items over $100K	...	...		...
Management and Administration				
Travel for Internal Review		382,786		382,786
Fee Study		100,000		100,000
FMIS - Financial Support		100,000		100,000
Contractual Services - CUSA		3,695,000		3,695,000
Service Contracts		100,000		100,000
Miscellaneous equipment		190,100		190,100
PS&B - FTEO		172,100		172,100
IRM Reserve		644,147		644,147
Subtotal		5,384,133	...	5,384,133
Total	141,237,458	68,728,697	15,202,851	223,234,006