



Established by Congress 1923

American Battle Monuments Commission

Fiscal Year 2014 Appropriation Request

Submitted to the
113th Congress of the United States, First Session

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

April 10, 2013

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EXECUTIVE SUMMARY

Total Budget Authority Requested for Fiscal Year 2014

The American Battle Monuments Commission (ABMC) requests \$72,500,000 in total budget authority and a 400 Full-Time Equivalent (FTE) employment level for fiscal year (FY) 2014. This funding request for two appropriations, Salaries and Expenses and Foreign Currency Fluctuations Account, represents a net decrease of \$846,946 from FY 2013 due to foreign currency changes. No change to the Commission's FTE employment level is requested.

The request for the Foreign Currency Fluctuations Account is \$14,100,000, a \$1,095,747 decrease from FY 2013. This funding is required to retain the Commission's buying power against currency losses and the decrease reflects a lower estimated exchange rate and lower planned spending overseas in the Maintenance and Infrastructure Program.

The Salaries and Expenses account request is \$58,400,000. This is an increase of \$248,801 from the FY 2013 appropriation and will fund increases for external audit requirements, rent of office space, and a one percent pay raise effective January 2014. These increases are partially offset by decreases in service contracts and equipment and in the Maintenance and Infrastructure Program.

The details of this request, outlined below, have been developed in support of the Administration's government-wide management initiatives: reducing administrative expenses, reducing information technology duplication, strengthening information technology foundations, and reducing contracts for management support services. The Commission used the FY 2014 budget formulation process to realign resources, where appropriate, in order to address management challenges and to review priorities in the Maintenance and Infrastructure Program.

FY 2014 Funding Request Summary

	FY 2012	FY 2013	FY 2014	Change from
(\$ in thousands)	Appropriation	Appropriation	Request	FY 2013
Salaries & Expenses	\$61,100,000	\$62,929,000	\$58,400,000	
Sequestration, March 1	-	(\$3,073,700)	-	
2.513% rescission, Section 3001	-	(\$1,581,406)	-	
0.2% rescission, Section 3004	-	(\$122,695)	-	
Subtotal	\$61,100,000	\$58,151,199	\$58,400,000	\$248,801
Foreign Currency	\$16,000,000	\$16,446,000	\$14,100,000	
Sequestration, March 1	-	(\$804,900)	-	
2.513% rescission, Section 3001	-	(\$413,288)	-	
0.2% rescission, Section 3004	-	(\$32,065)	-	
Subtotal	\$16,000,000	\$15,195,747	\$14,100,000	(\$1,095,747)
Total	\$77,100,000	\$73,346,946	\$72,500,000	(\$846,946)
FTE	400	400	400	0

Salaries and Expenses Request

The Commission's FY 2014 budget request for salaries and expenses of \$58,400,000 fully supports the agency's mission requirements for compensation and benefits, rent, utilities, travel and transportation, printing and supplies, support contracts and service fees, equipment, and capital improvements to perform its mission. This request is \$248,801 above the funding provided by the *Consolidated and Further Continuing Appropriations Act, 2013* (Public Law 113-6) and the March 1, 2013 sequestration order. Adjustments to the Commission's budget request are shown below:

FY 2013 Appropriation		\$62,929,000
Adjustments:	<u>Notes</u>	
Sequestration, March 1		(\$3,073,700)
2.513% rescission, Section 3001		(\$1,581,406)
0.2% rescission, Section 3004		(\$122,695)
Subtotal Adjustments		<u>(\$4,777,801)</u>
FY 2013 Operating Budget		\$58,151,199
Adjustments:		
Compensation and Benefits	1	\$353,000
Rental of Office Space	2	\$503,000
Service Contracts and Equipment, net decrease	3	(\$342,199)
External Audit and Financial Statements	4	\$600,000
Maintenance and Infrastructure Programs, net decrease	5	(\$865,000)
Subtotal Adjustments		<u>\$248,801</u>
FY 2014 Budget Request		\$58,400,000

Notes:

- 1 Funds a 1% pay raise effective January 2014 and overseas compensation requirements.
- 2 Increase for office space rent.
- 3 Net decrease in requirements for service contracts and equipment.
- 4 External audit and financial statements requirements due to Public Law 112-234, GAO *Mandates Revision Act of 2012*.
- 5 Net decrease in funding requirements in Maintenance and Infrastructure Program at ABMC cemeteries and monuments.

Foreign Currency Fluctuations Account Request

The Commission's FY 2014 budget request to fund the Foreign Currency Fluctuations Account under "such sums as may be necessary" language is estimated to be \$14,100,000, a reduction of \$1,095,747 below the funding provided by the *Consolidated and Further Continuing Appropriations Act, 2013* (Public Law 113-6) and the March 1, 2013 sequestration order. This funding estimate is required to retain the Commission's buying power against currency losses, primarily against the European Euro.

PART 1: INTRODUCTION

Mission

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

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

Vision

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

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

Values

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

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

Who We Serve

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

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

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

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

History and Background

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

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

Cemeteries

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

Memorials, Monuments and Markers

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

As of the end of FY 2012, 124,904 U.S. war dead are interred in these 24 cemeteries: 30,921 of World War I; 93,233 of World War II; and 750 of the Mexican War. Additionally, 6,254 American veterans and others are interred in the Mexico City National Cemetery and Corozal American Cemetery in Panama. Commemorated individually by name on tablets at the World War I and World War II cemeteries and three memorials on U.S. soil are 94,138 U.S. servicemen and women who are missing in action or were lost or buried at sea in their general regions during the world wars and the Korean and Vietnam Wars.

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

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

Clark Veterans Cemetery in the Philippines

Public Law 112-260, the *Dignified Burial and Other Veterans' Benefits Improvement Act of 2012*, authorizes ABMC to restore, operate and maintain Clark Veterans Cemetery in the Philippines. As required by the law, the U.S. Government is negotiating an agreement with the Philippine Government to allow ABMC to begin maintaining the cemetery.

If and when such an agreement is reached, the Commission intends to use existing funds to—

- begin minimum maintenance with crew from the Manila American Cemetery, and
- contract for a full assessment of the site to determine restoration and annual maintenance requirements.

The Congress authorized \$5 million for restoration and amounts necessary to operate and maintain the cemetery. This may be insufficient for a cemetery that is partially covered in volcanic ash and may have other unknown infrastructure issues. However, ABMC has no prior involvement at this cemetery and the costs of restoration and maintenance cannot be estimated until a comprehensive site assessment is completed.

The Commission applauds the dedicated efforts of U.S. veterans in the Philippines who have been maintaining Clark Veterans Cemetery for many years. The mission has now been assigned to ABMC. Work toward executing that mission will begin once an agreement has been reached with the Philippine Government.

Organization

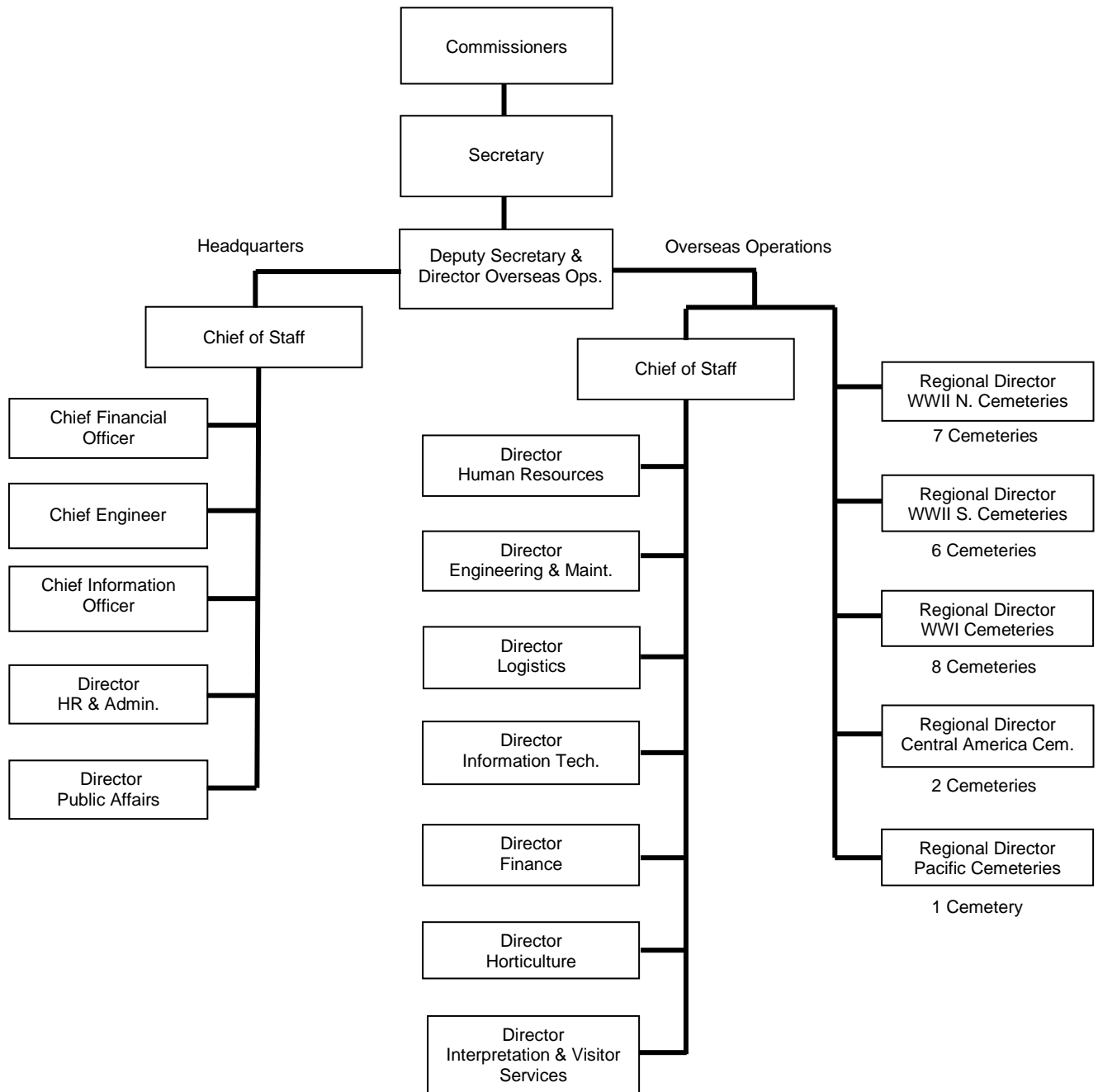
The authorizing legislation for the American Battle Monuments Commission (36 United States Code Chapter 21) specifies that the President will appoint not more than 11 members to the commission, who serve for an indefinite term without pay,

and an officer of the regular Army to serve as the Secretary. The Board of Commissioners constitutes the policy-making body of the Commission.

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

The Commissioners meet with the Secretary and professional staff of the Commission twice annually. They establish policy and ensure proper staff functioning for the Commission to carry out its mission. During inspections, they observe, inquire, comment upon, and make recommendations on any and all aspects of the Commission’s operations. The Commission’s daily operations are directed by the Secretary, an Executive Level appointment.

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



Operations

The Commission's FY 2014 funding request focuses on providing the appropriate amount of funding for personnel costs, service fees, scheduled maintenance and repairs, supplies, materials, spare parts, replacement of uneconomically repairable equipment, and capital improvements enabling the Commission to perform its mission.

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

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

Care and maintenance of these resources requires exceptionally intensive labor at the Commission's cemeteries and memorials. Compensation and benefits consume approximately 49 percent of the Commission's FY 2014 request while the remaining 51 percent supports engineering, maintenance, logistics, services, supplies and other administrative costs critical to its operations.

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

Strategic Plan

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

Strategic Goals

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

- Provide an inspirational and educational visitor experience through effective outreach and interpretive programs.

- Develop, operate, maintain, and improve ABMC facilities as the world's best commemorative sites.
- Attract and retain quality employees through personal and professional investment and development.
- Continually improve business and resource management practices.

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

PART 2: FY 2014 BUDGET REQUEST

Overview of FY 2014 Request

The Commission requests \$72,500,000 in total budget authority and a 400 FTE employment level for FY 2014. This funding request for two appropriations, Salaries and Expenses and Foreign Currency Fluctuations Account, represents a net decrease of \$846,946 from FY 2013 due to foreign currency changes.

The request for the Foreign Currency Fluctuations Account is \$14,100,000, a \$1,095,747 decrease from FY 2013. This funding is required to retain the Commission's buying power against currency losses and the decrease reflects a lower estimated exchange rate and lower planned spending overseas in the Maintenance and Infrastructure Program.

The Salaries and Expenses account request is \$58,400,000. This is an increase of \$248,801 from the FY 2013 appropriation and will fund increases for external audit requirements, rent of office space, and a one percent pay raise effective January 2014. These increases are partially offset by decreases in service contracts and equipment and in the Maintenance and Infrastructure Program.

(\$ in thousands)	FY 2012	FY 2013	FY 2014	Change from
	Appropriation	Appropriation	Request	FY 2013
Salaries & Expenses	\$61,100,000	\$62,929,000	\$58,400,000	
Sequestration, March 1	-	(\$3,073,700)	-	
2.513% rescission, Section 3001	-	(\$1,581,406)	-	
0.2% rescission, Section 3004	-	(\$122,695)	-	
Subtotal	\$61,100,000	\$58,151,199	\$58,400,000	\$248,801
Foreign Currency	\$16,000,000	\$16,446,000	\$14,100,000	
Sequestration, March 1	-	(\$804,900)	-	
2.513% rescission, Section 3001	-	(\$413,288)	-	
0.2% rescission, Section 3004	-	(\$32,065)	-	
Subtotal	\$16,000,000	\$15,195,747	\$14,100,000	(\$1,095,747)
Total	\$77,100,000	\$73,346,946	\$72,500,000	(\$846,946)
FTE	400	400	400	0

Salaries and Expenses

The Commission's FY 2014 budget request for salaries and expenses of \$58,400,000 fully supports the agency's mission requirements for compensation and benefits, rent, utilities, travel and transportation, printing and supplies, support contracts and service fees, equipment, and capital improvements to perform its mission. This request is \$248,801 above the funding provided by the *Consolidated*

and Further Continuing Appropriations Act, 2013 (Public Law 113-6) and the March 1, 2013 sequestration order.

This request will allow the Commission to continue its commemorative mission and to achieve the Administration's government-wide management initiatives within agency operations. The Commission took the opportunity during the FY 2014 budget formulation process to align resources and to review priorities in the Maintenance and Infrastructure Program. With these efforts, the Commission is requesting the same level of funding as in FY 2013.

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

FY 2013 Appropriation		\$62,929,000
Adjustments:		
Sequestration, March 1	(\$3,073,700)	
2.513% rescission, Section 3001	(\$1,581,406)	
0.2% rescission, Section 3004	(\$122,695)	
Subtotal Adjustments		<u>(\$4,777,801)</u>
FY 2013 Operating Budget		\$58,151,199
Adjustments:		
Compensation and Benefits	\$353,000	
Rental of Office Space	\$503,000	
Service Contracts and Equipment, net decrease	(\$342,199)	
External Audit and Financial Statements	\$600,000	
Maintenance and Infrastructure Programs, net decrease	(\$865,000)	
Subtotal Adjustments		<u>\$248,801</u>
FY 2014 Budget Request		\$58,400,000

Adjustments from the FY 2013 Operating Budget

Salaries & Benefits \$353,000

For FY 2014, the Commission is requesting an increase of \$353,000 for Salaries & Benefits. The Commission operates in an overseas environment where personnel compensation expenses increase annually regardless of Federal pay guidance due to personnel benefits for employees worldwide, including health insurance, social security, and other allowances authorized for the Commission's U.S. employees and Foreign National workforce. This increase will fund such annual increases plus an estimated 1.0 percent pay increase under the Administration's FY 2014 pay assumptions.

Rental of Office Space..... \$503,000

An increase of \$503,000 is requested for the rental of office space. This increase will fund office rent payments to the General Services Administration and office space rental in Paris. In December 2012, ABMC's Board of Commissioners approved a move from the current Overseas Operations office location in Garches, France. The

Garches office space is in a large house that a) does not meet security requirements; b) does not meet space requirements for staffing pattern; c) does not meet health and safety regulations; and d) is not easily accessible by public or private transportation. The move into new office space is anticipated for the first quarter of FY 2014 and the rent estimate is \$500,000.

Service Contracts and Equipment.....(**\$342,199**)

A net reduction of \$351,199 will be applied to contracts for various services and a net increase of \$9,000 will fund equipment purchases. Decreases in contracted services for one-time account reporting, inventory, and foreign national payroll efforts, and contributions to the Department of State's Capital Security Cost Sharing Program are offset by increases for annual accounting services with the Department of the Interior and for costs associated with new office space in Paris, such as make ready and build out expenses. The net increase in equipment is a combination of reduced information technology purchases offset by a one-time increase in office equipment due to the office relocation.

External Audit and Financial Statements **\$600,000**

In December 2012, the *GAO Mandates Revision Act of 2012* (Public Law 112-234) included a repeal of the requirement that GAO conduct an annual audit of ABMC's financial statements. Prior to the Act, ABMC's authorization (U.S. Code Title 31 Section 2103) required ABMC to "obtain an audit by the Comptroller General" of the Government Accountability Office (GAO). The GAO has annually audited ABMC and certified the Commission's financial statements at no cost and with no funding impact to ABMC.

The Commission is requesting \$600,000 to contract with external auditors that will conduct an annual audit of ABMC and certify the Commission's financial statements. Various guidance, such as the *Chief Financial Officer Act of 1990*, the *Accountability of Tax Dollars Act of 2002*, and OMB Circular A-136, *Financial Reporting Requirements*, requires federal agencies to perform financial audits and issue certified financial statements.

Maintenance and Infrastructure Programs.....(**\$865,000**)

The Commission is requesting a decrease in funding for the Maintenance and Infrastructure Program of \$865,000. The overall Maintenance and Infrastructure Program funding request of nearly \$13 million will provide an increase above the FY 2013 budget to both Engineering and Maintenance and Logistics programs. ABMC's Horticulture program will be reduced to \$450,000 with no major landscaping projects planned in FY 2014. The Interpretation program will remain funded at \$4 million.

The largest Engineering and Maintenance project planned in FY 2014 is replacing limestone walls in the Courts of the Missing at the Honolulu Memorial located within the National Memorial Cemetery of the Pacific in Hawaii. This project will continue major improvement efforts at the Memorial. When the Honolulu Memorial was finished in 1964, three major problems surfaced: 1) major roof leakage, 2) immediate fading and degradation to the scagliola battle maps, and 3) severe dark

staining of the Trani limestone (a very fine-grained limestone) on the walls in the Courts of the Missing. Although the memorial was considered incomplete due to these major deficiencies, the dedication ceremony was held in May 1966. The Commission searched for solutions to the problems. The roofing system was replaced, which greatly reduced water infiltration, and the battle maps were replaced in the early 1970s. However, the Trani limestone was simply painted to hide the problem while a solution was researched. Ultimately, ABMC redesigned the walls in the Courts of the Missing to increase the width of the cap stone, and added metal flashing to minimize water infiltration and improve ventilation behind the stones.

The Commission believes this work has eliminated the cause of the staining, however the stone remains stained and efforts to remove the stains have not been successful. In FY 2011 ABMC began working with the U.S. Army Corps of Engineers to find a solution. ABMC does not believe a remedy to remove the staining will be acceptable. If the staining cannot be removed, replacement of the stone will be required to finally resolve this complex problem.

The Honolulu Memorial is a heavily visited site in Honolulu, receiving many American and Pacific region visitors. The severely stained stone does not allow us to achieve our goal of properly honoring those missing in the three wars in the Pacific region. The FY 2014 funding request will enable the Commission to renovate the Courts of the Missing and bring its appearance up to the standard maintained at ABMC commemorative sites honoring our war dead.

In FY 2014, the Interpretation program will address 4 large projects: 1) design for an interpretive center at the Honolulu Memorial; 2) design for interpretive efforts at the Manila American Cemetery; 3) an Education and Digital History Initiative; and 4) continued implementation of mobile applications and virtual tours at ABMC's World War I cemeteries and memorials.

Among other projects, the FY 2014 request will allow the Commission to:

- renovate the service area at the Netherlands Cemetery;
- clean the Chateau Thierry Monument;
- renovate and implement structural upgrades to the Guadalcanal Memorial;
- continue efforts at the Manila Cemetery per the master plan, such as service area renovations, road improvements, and utility upgrades; and
- perform various quarters improvements and renovations.

Maintenance and Infrastructure Program Funding				
(\$ in thousands)				
	FY 2012 Appropriation	FY 2013 Appropriation	FY 2014 Request	Change from FY 2013
Engineering & Maintenance	\$9,722	\$7,086	\$7,935	\$849
Horticulture	\$1,048	\$2,280	\$450	(\$1,830)
Logistics	\$722	\$534	\$650	\$116
Interpretation	\$5,000	\$4,000	\$4,000	\$0
TOTAL Program Funding	\$16,492	\$13,900	\$13,035	(\$865)

Foreign Currency Fluctuations Account

The Commission's FY 2014 budget request for the Foreign Currency Fluctuations Account under "such sums as may be necessary" language is estimated to be \$14,100,000. This request, reflecting the estimate needed to retain the Commission's buying power (primarily against the European Euro), is \$1,095,747 below the FY 2013 estimate. This decrease is attributable to two factors: a lower estimated exchange rate to the European Euro, and higher planned program spending in Honolulu offset by lower program spending overseas in FY 2014.

Foreign Currency Exchange Rate Trend



Proposed Appropriations Language

Federal Funds:

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

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one-for-one replacement basis only) and hire of passenger motor vehicles; not to exceed \$7,500 for official reception and representation expenses; and insurance of official motor vehicles in foreign countries, when required by law of such countries, ~~[\$62,929,000]~~\$58,400,000, to remain available until expended. (*Consolidated and Further Continuing Appropriations Act, 2013*)

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

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, such sums as may be necessary, to remain available until expended, for purposes authorized by section 2109 of title 36, United States Code.

Statement of Personnel

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>
Total Compensable Work Years (FTE) Authorized	409	400	400
Total Compensable Work Years (FTE) Actual/Estimated	393	400	400
Average GS Grade/Step (including Locality Pay)	12/4	12/5	12/5
Average Salary of GS Positions	\$82,885	\$82,885	\$83,806
Average Salary of FSN Positions	\$35,247	\$35,247	\$35,510

Statement of Increases And Decreases By Activity

	FY 2012 Appropriation	FY 2013 Appropriation	FY 2014 Request	Change from FY 2013
Headquarters				
Administration/U.S. Memorials	\$17,100,000	\$14,101,199	\$15,810,000	\$1,708,801
Overseas				
Cemeteries/Memorials	\$44,000,000	\$44,050,000	\$42,590,000	(\$1,460,000)
Total	\$61,100,000	\$58,151,199	\$58,400,000	\$248,801
FTE	400	400	400	0

Changes by Activity

The FY 2014 appropriation request for Salaries and Expenses of \$58,400,000 supports the Commission's requirements for the administration, operation, maintenance, and supervision for 24 memorial cemeteries, 25 separate Federal monuments, memorials, markers and offices around the world. This represents an increase of \$248,801 from the FY 2013 appropriation.

This request will allow the Commission to continue its commemorative mission and to achieve the Administration's government-wide management initiatives within agency operations. The Commission took the opportunity during the FY 2014 budget formulation process to align resources and to review priorities in the Maintenance and Infrastructure Program. With these efforts, the Commission is requesting the same level of funding as in FY 2013.

Headquarters Administration and U.S. Memorials

The Commission requests \$15,810,000 to support operations of the Commission's Washington Office (located in Arlington, Virginia), an increase of \$1,708,801 from FY 2013. This increase reflects the project to replace limestone walls in the Courts of the Missing at the Honolulu Memorial in Hawaii. The funding for this project is offset by one-time FY 2013 management efforts in the areas of account reporting and inventory, and a decrease in ABMC contributions to the Department of State's Capital Security Cost Sharing Program.

Overseas Cemeteries and Memorials

The Commission requests \$42,590,000 for overseas cemeteries and memorials, a decrease of \$1,460,000 from FY 2013. The request level represents the funding required to maintain the cemeteries and memorials, including a reduction in Maintenance and Infrastructure Program funding in order to fund a large project at the Honolulu Memorial. This request enables the Commission's Overseas Operations office to administer, supervise, operate, and maintain 24 cemeteries and 22 memorials at dispersed locations around the world.

Statement of Increases and Decreases By Object Classification

Object Class	FY 2012 Appropriation	FY 2013 Appropriation	FY 2014 Request	Change from FY 2013
11 Personnel Compensation	\$18,836,000	\$18,474,000	\$18,795,000	\$321,000
12 Personnel Benefits	\$9,412,000	\$9,778,000	\$9,810,000	\$32,000
13 Benefits - Former Employees	\$238,000	\$75,000	\$75,000	\$0
21 Travel	\$1,486,000	\$1,100,000	\$1,100,000	\$0
22 Transportation of Things	\$163,000	\$245,000	\$245,000	\$0
23 Rent/Communications/Utilities	\$1,866,000	\$2,390,000	\$2,893,000	\$503,000
24 Printing	\$261,000	\$193,000	\$193,000	\$0
25 Other Services	\$20,970,000	\$16,654,199	\$17,609,000	\$954,801
26 Supplies	\$2,364,000	\$2,153,000	\$2,153,000	\$0
31 Equipment	\$1,235,000	\$1,077,000	\$1,202,000	\$125,000
32 Construction/Landscaping	\$4,269,000	\$6,012,000	\$4,325,000	(\$1,687,000)
TOTAL	\$61,100,000	\$58,151,199	\$58,400,000	\$248,801

Changes by Object Classification

The FY 2014 appropriation for Salaries and Expenses request of \$58,400,000 supports the Commission's requirements for administration, operation, maintenance, and supervision for 24 memorial cemeteries, 25 separate Federal monuments, memorials, markers and offices around the world. This represents an increase of \$248,801 from the FY 2013 appropriation.

This request will allow the Commission to continue its commemorative mission and to achieve the Administration's government-wide management initiatives within agency operations. The Commission took the opportunity during the FY 2014 budget formulation process to realign resources and to review priorities in the Maintenance and Infrastructure Program. Under these efforts, the Commission is requesting the same level of funding as in FY 2013.

Object Class 11 – Personnel Compensation

The Commission requests \$18,795,000. This funding will support a 400 FTE employment level, including allowances authorized for the Commission's U.S. employees and Foreign National workforce. An estimated 1.0 percent pay increase is included under the President's FY 2014 pay assumptions.

Object Class 12 – Personnel Benefits

This \$9,810,000 request includes funding benefits for employees worldwide such as health insurance, social security, and other allowances authorized for the Commission's U.S. employees and Foreign National workforce.

Object Class 13 – Benefits for Former Personnel

No increase is requested for unemployment compensation and severance pay.

Object Class 21 – Travel and Transportation of Persons

No increase in funding is requested for travel for FY 2014. The Commission is in compliance with Administration directives to reduce travel and conference spending. The FY 2013 budget for travel was reduced by 34 percent. This line item supports travel and transportation requirements for U.S. and Foreign National workers, U.S. employees and dependents traveling on permanent change of station, U.S. student dependents traveling to or from school, and travel by the Commissioners appointed by the President who are charged with oversight of Commission operations.

Object Class 22 – Transportation of Things

The Transportation of Things budget request is \$245,000 for the transportation of supplies, materials, spare parts, vehicles and equipment used in the operation, maintenance, and repair of ABMC facilities and for the transportation of household goods in connection with permanent change of station. No increase is requested.

Object Class 23 – Rent, Communications, and Utilities

The Commission requests \$2,893,000 for rent; water, gas and electricity; horticulture equipment rental; and postal, telephone, and internet services. This increase will fund office rent payments to the General Services Administration and the rental of office space in Paris. In December 2012, ABMC's Board of Commissioners approved a move from the current Overseas Operations Office location in Garches, France. The Garches office space is in a large house that a) does not meet security requirements; b) does not meet space requirements for staffing pattern; c) does not meet health and safety regulations; and d) is not easily accessible by public or private transportation. The move into new office space is anticipated for the first quarter of FY 2014 and the office space rent estimate is \$500,000.

Object Class 24 – Printing and Reproduction

The request of \$193,000 will fund the printing of cemetery booklets, visitor brochures, photographs, general information pamphlets, and reports. No change is requested.

Object Class 25 – Other Services

The Commission requests \$17,609,000 for other contractual services which consists of engineering and technical services; professional support services; horticulture

contracts; operation, maintenance, and repair of equipment; information technology services; interagency service agreements (such as payments to the Department of State for International Cooperative Administrative Support Service and Capital Security Cost Share Program fees); maintenance and repairs of vehicles; and employee training. These funds also support the Commission's Maintenance and Infrastructure Program requirements. This request also includes \$7,500 (not to exceed) for official reception and representation expenses.

The net increase of \$954,801 will fund Maintenance and Infrastructure Program projects, external audit services, increases for annual accounting services with the Department of the Interior, and costs associated with new office space in Paris, such as make ready and build out expenses. Offsetting decreases include contracted services for account reporting, inventory, and foreign national payroll efforts during FY 2013, and contributions to the Department of State's Capital Security Cost Sharing Program.

Object Class 26 – Supplies and Materials

The Commission requests no change in funding for Supplies and Materials. These funds are used to replace headstones; replenish plantings, soil, and seeds; repair, utility, and custodial supplies; petroleum, oils and lubricants; information technology supplies; and spare replacement parts for vehicles and equipment.

Object Class 31 – Equipment

The Commission requests \$1,202,000 to replace maintenance equipment and unserviceable vehicles under the Logistics program. Other equipment funded in this line item includes office and information technology equipment and software. The net increase is a combination of reduced information technology and other equipment purchases offset by an increase in the Logistics program and a one-time increase due to the office space relocation.

Object Class 32 – Land and Structures

The Commission requests \$4,325,000, a decrease of \$1,687,000, for construction, improvement, and landscaping projects in support of the Commission's Maintenance and Infrastructure Program. This request will fund infrastructure projects such as replacing limestone walls at the Honolulu Memorial; renovating roads, storm drainage system, and service area at the Netherlands Cemetery; renovating and upgrading the Guadalcanal Memorial; and continuing efforts at the Manila Cemetery per the master plan, such as service area renovations, road improvements, and utility upgrades.