

**FY 2014**

**CONGRESSIONAL BUDGET JUSTIFICATION**

**EMPLOYEE BENEFITS SECURITY ADMINISTRATION**



# EMPLOYEE BENEFITS SECURITY ADMINISTRATION

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# **EMPLOYEE BENEFITS SECURITY ADMINISTRATION**

## **Appropriation Language**

*For necessary expenses for the Employee Benefits Security Administration \$179,104,000*

*(Department of Labor Appropriations Act)*

## EMPLOYEE BENEFITS SECURITY ADMINISTRATION

<b>AMOUNTS AVAILABLE FOR OBLIGATION</b>						
(Dollars in Thousands)						
	<b>FY 2012 Revised Enacted</b>		<b>FY 2013 Full Year C.R.</b>		<b>FY 2014 Request</b>	
	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>
<b>A. Appropriation</b>	<b>1,003</b>	<b>\$183,500</b>	<b>1,003</b>	<b>\$184,274</b>	<b>1,003</b>	<b>\$179,104</b>
Reduction pursuant to enacted rescission in P.L. 112-74 in FY 2012	0	-\$347	0	\$0	0	\$0
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
(adjusted)	1,003	\$183,153	1,003	\$184,274	1,003	\$179,104
Offsetting Collections From:						
Reimbursements	0	\$8,500	0	\$8,000	0	\$8,000
Non-Expenditure transfer to DM for program evaluation	0	-\$916	0	\$0	0	\$0
<i>Subtotal</i>	<i>1,003</i>	<i>\$190,737</i>	<i>1,003</i>	<i>\$192,274</i>	<i>1,003</i>	<i>\$187,104</i>
<b>B. Gross Budget Authority</b>	<b>1,003</b>	<b>\$190,737</b>	<b>1,003</b>	<b>\$192,274</b>	<b>1,003</b>	<b>\$187,104</b>
Offsetting Collections						
Deduction:	0	\$0	0	\$0	0	\$0
Reimbursements	0	-\$8,500	0	-\$8,000	0	-\$8,000
Non-Expenditure transfer to DM for program evaluation	0	\$916	0	\$0	0	\$0
<i>Subtotal</i>	<i>0</i>	<i>-\$7,584</i>	<i>0</i>	<i>-\$8,000</i>	<i>0</i>	<i>-\$8,000</i>
<b>C. Budget Authority Before the Committee</b>	<b>1,003</b>	<b>\$183,153</b>	<b>1,003</b>	<b>\$184,274</b>	<b>1,003</b>	<b>\$179,104</b>
Offsetting Collections From:						
Reimbursements	0	\$6,193	0	\$8,000	0	\$8,000
Non-Expenditure transfer to DM for program evaluation	0	-\$916	0	\$0	0	\$0
<i>Subtotal</i>	<i>0</i>	<i>\$5,277</i>	<i>0</i>	<i>\$8,000</i>	<i>0</i>	<i>\$8,000</i>
<b>D. Total Budgetary Resources</b>	<b>1,003</b>	<b>\$188,430</b>	<b>1,003</b>	<b>\$192,274</b>	<b>1,003</b>	<b>\$187,104</b>
Unobligated Balance Expiring	-72	-\$26	0	\$0	0	\$0
<b>E. Total, Estimated Obligations</b>	<b>931</b>	<b>\$188,404</b>	<b>1,003</b>	<b>\$192,274</b>	<b>1,003</b>	<b>\$187,104</b>

# EMPLOYEE BENEFITS SECURITY ADMINISTRATION

## SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2012 Revised Enacted	FY 2014 Request	Net Change
<b>Budget Authority</b>			
General Funds	\$183,153	\$179,104	-\$4,049
<b>Total</b>	<b>\$183,153</b>	<b>\$179,104</b>	<b>-\$4,049</b>
<b>Full Time Equivalents</b>			
General Funds	931	1,003	+72
<b>Total</b>	<b>931</b>	<b>1,003</b>	<b>+72</b>

Explanation of Change	FY 2012 Base		Trust Funds		FY 2014 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Increases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
Costs of pay adjustments	931	\$95,654	0	\$0	0	\$599	0	\$599
Personnel benefits	0	\$26,035	0	\$0	0	\$232	0	\$232
One day more of pay	0	\$0	0	\$0	0	\$0	0	\$0
Federal Employees' Compensation Act (FECA)	0	\$184	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$2,972	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$106	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$10,699	0	\$0	0	\$120	0	\$120
Communications, utilities, and miscellaneous charges	0	\$677	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$1,280	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$0	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$3,998	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$15,046	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$533	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$0	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$14,493	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$742	0	\$0	0	\$0	0	\$0
Equipment	0	\$1,079	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$0	0	\$0	0	\$0	0	\$0
<b>Built-Ins Subtotal</b>	<b>931</b>	<b>+\$173,498</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>+\$951</b>	<b>0</b>	<b>+\$951</b>
<b>B. Programs:</b>								

## EMPLOYEE BENEFITS SECURITY ADMINISTRATION

Explanation of Change	FY 2012 Base		Trust Funds		FY 2014 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Total Increase</b>	<b>931</b>	<b>+\$173,498</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>+\$951</b>	<b>+72</b>	<b>+\$951</b>
<b>Decreases:</b>								
<b>A. Built-Ins:</b>								
	0	\$0	0	\$0	0	0	0	\$0
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>
<b>B. Programs:</b>								
To Provide For:	0	\$9,655	0	\$0	0	-\$5,000	0	-\$5,000
Research & Development Contracts	<b>0</b>	<b>+\$9,655</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$5,000</b>	<b>0</b>	<b>-\$5,000</b>
<b>Total Change</b>	<b>931</b>	<b>+\$183,153</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$4,049</b>	<b>+72</b>	<b>-\$4,049</b>

NOTE: FY 2012 reflects actual FTE and does not include the significant staffing increases that occurred late in the fiscal year. The FY 2012 enacted FTE level is 1,003. Accordingly, the FY 2014 request level of 1,003 (depicting a 72 FTE increase from FY 2012) is not a program increase.



## EMPLOYEE BENEFITS SECURITY ADMINISTRATION

<b>SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY</b>								
(Dollars in Thousands)								
	FY 2012 Revised Enacted		FY 2013 Full Year C.R.		FY 2014 Request		Diff. FY 14 Request / FY 12 Rev. Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Enforcement and Participant Assistance</b>	<b>821</b>	<b>145,243</b>	<b>875</b>	<b>146,128</b>	<b>875</b>	<b>146,032</b>	<b>54</b>	<b>789</b>
General Funds	821	145,243	875	146,128	875	146,032	54	789
<b>Policy and Compliance Assistance</b>	<b>84</b>	<b>31,205</b>	<b>102</b>	<b>31,400</b>	<b>102</b>	<b>26,329</b>	<b>18</b>	<b>-4,876</b>
General Funds	84	31,205	102	31,400	102	26,329	18	-4,876
<b>Executive Leadership, Program Oversight and Administration</b>	<b>26</b>	<b>6,705</b>	<b>26</b>	<b>6,746</b>	<b>26</b>	<b>6,743</b>	<b>0</b>	<b>38</b>
General Funds	26	6,705	26	6,746	26	6,743	0	38
<b>Total</b>	<b>931</b>	<b>183,153</b>	<b>1,003</b>	<b>184,274</b>	<b>1,003</b>	<b>179,104</b>	<b>72</b>	<b>-4,049</b>
<b>General Funds</b>	<b>931</b>	<b>183,153</b>	<b>1,003</b>	<b>184,274</b>	<b>1,003</b>	<b>179,104</b>	<b>72</b>	<b>-4,049</b>

NOTE: FY 2012 reflects actual FTE and does not include the significant staffing increases that occurred late in the fiscal year. The FY 2012 enacted FTE level is 1,003. Accordingly, the FY 2014 request level of 1,003 (depicting a 72 FTE increase from FY 2012) is not a program increase.

## EMPLOYEE BENEFITS SECURITY ADMINISTRATION

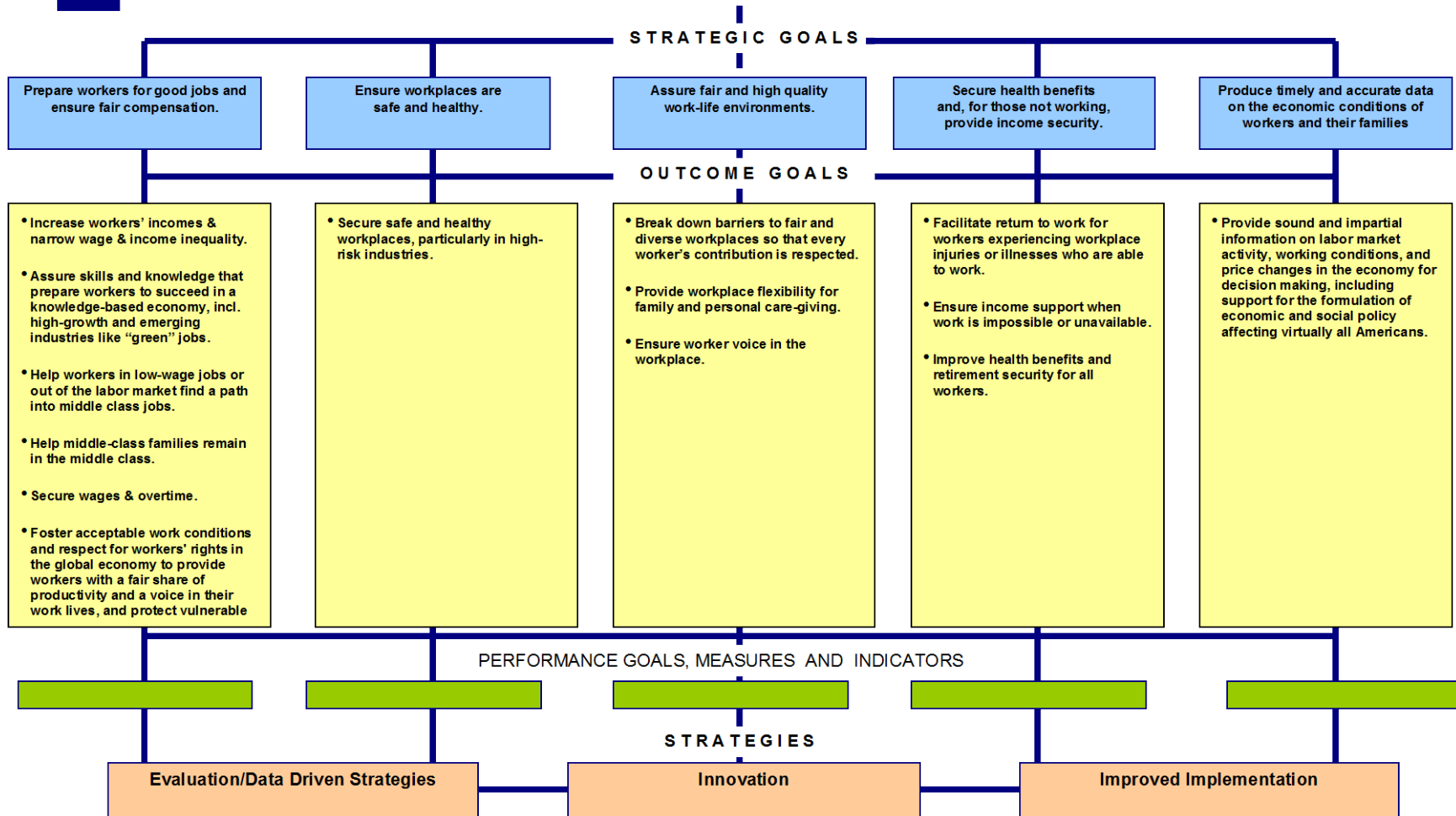
<b>BUDGET AUTHORITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2012 Revised Enacted</b>	<b>FY 2013 Full Year C.R.</b>	<b>FY 2014 Request</b>	<b>Diff. FY14 Request / FY 12 Rev. Enacted</b>
	Full-Time Equivalent				
	Full-time Permanent	917	985	999	82
	Other	14	18	4	-10
	<b>Total</b>	<b>931</b>	<b>1,003</b>	<b>1,003</b>	<b>72</b>
	Average ES Salary	\$166,461	\$165,989	\$167,649	\$1,188
	Average GM/GS Grade	12/6	12/6	12/6	0
	Average GM/GS Salary	\$88,094	\$88,683	\$89,570	\$1,476
	Average Salary of Ungraded Positions	0	0	0	0
11.1	Full-time permanent	92,155	93,667	92,754	599
11.3	Other than full-time permanent	881	176	881	0
11.5	Other personnel compensation	2,618	2,618	2,618	0
11.8	Special personal services payments	0	0	0	0
11.9	<b>Total personnel compensation</b>	<b>95,654</b>	<b>96,461</b>	<b>96,253</b>	<b>599</b>
12.1	Civilian personnel benefits	26,219	26,533	26,451	232
21.0	Travel and transportation of persons	2,972	2,972	2,972	0
22.0	Transportation of things	106	106	106	0
23.1	Rental payments to GSA	10,699	10,699	10,819	120
23.3	Communications, utilities, and miscellaneous charges	677	677	677	0
24.0	Printing and reproduction	1,280	1,280	1,280	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	3,998	3,998	3,998	0
25.3	Other goods and services from Federal sources 1/	15,579	15,579	15,579	0
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	9,655	9,655	4,655	-5,000
25.7	Operation and maintenance of equipment	14,493	14,493	14,493	0
26.0	Supplies and materials	742	742	742	0
31.0	Equipment	1,079	1,079	1,079	0
38.0	Depreciation Expense - Unfunded	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	<b>Total</b>	<b>183,153</b>	<b>184,274</b>	<b>179,104</b>	<b>-4,049</b>
	1/Other goods and services from Federal sources				
	Working Capital Fund	15,046	15,046	15,046	0
	DHS Services	533	533	533	0

NOTE: FY 2012 reflects actual FTE and does not include the significant staffing increases that occurred late in the fiscal year. The FY 2012 enacted FTE level is 1,003. Accordingly, the FY 2014 request level of 1,003 (depicting a 72 FTE increase from FY 2012) is not a program increase.

# EMPLOYEE BENEFITS SECURITY ADMINISTRATION



## Secretary's Vision: "Good Jobs for Everyone"



# EMPLOYEE BENEFITS SECURITY ADMINISTRATION

## PERFORMANCE STRUCTURE

<b>Strategic and Outcome Goals Supporting <i>Good Jobs for Everyone</i></b>	<b>Supporting Budget Activities</b>
<b>Strategic Goal 1 – Prepare Workers for Good Jobs and Ensure Fair Compensation</b>	
1.1 Increase workers’ incomes and narrowing wage and income inequality.	
1.2 Assure skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs.	
1.3 Help workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.	
1.4 Help middle-class families remain in the middle class.	
1.5 Secure wages and overtime.	
1.6 Foster acceptable work conditions and respect for workers’ rights in the global economy to provide workers with a fair share of productivity and protect vulnerable people.	
<b>Strategic Goal 2 – Ensure Workplaces Are Safe and Healthy</b>	
2.1 Secure safe and healthy workplaces, particularly in high-risk industries.	
<b>Strategic Goal 3 – Assure Fair and High Quality Work-Life Environments</b>	
3.1 Break down barriers to fair and diverse work places so that every worker’s contribution is respected.	
3.2 Provide workplace flexibility for family and personal care-giving.	
3.3 Ensure worker voice in the workplace.	
<b>Strategic Goal 4 – Secure Health Benefits and, for Those Not Working, Provide Income Security</b>	
4.1 Facilitate return to work for workers experiencing workplace injuries or illnesses who are able to work.	
4.2 Ensure income support when work is impossible or unavailable.	
4.3 Improve health benefits and retirement security for all workers.	(1) Enforcement and Participant Assistance (2) Policy and Compliance Assistance (3) Executive Leadership, Program Oversight and Administration
<b>Strategic Goal 5 – Assure the Production of Timely and Accurate Data on Social and Economic Conditions of Workers and their Families</b>	
5.1 Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans.	

# EMPLOYEE BENEFITS SECURITY ADMINISTRATION

## AUTHORIZING STATUTES

<b>Public Law / Act</b>	<b>Legislation</b>	<b>Statute No. / US Code</b>	<b>Volume No.</b>	<b>Page No.</b>	<b>Expiration Date</b>
P.L. 93-406	Employee Retirement Income Security Act of 1974	88 Stat. 832/ 29 U.S.C. 1001 et. seq.	88	832	Indefinite
P.L. 99-335	Federal Employees' Retirement System Act of 1986	100 Stat. 514/ 5 U.S.C. 8401 et. seq.	100	514	Indefinite

## EMPLOYEE BENEFITS SECURITY ADMINISTRATION

<b>APPROPRIATION HISTORY</b>					
(Dollars in Thousands)					
	<b>Budget Estimates to Congress</b>	<b>House Allowance</b>	<b>Senate Allowance</b>	<b>Appropriations</b>	<b>FTE</b>
2004					
Base Appropriation...1/	\$128,605	\$128,605	\$121,300	\$124,040	930
2005					
Base Appropriation...2/	\$132,345	\$132,345	\$132,345	\$131,213	887
2006					
Base Appropriation...3/	\$137,000	\$137,000	\$134,900	\$133,550	875
2007					
Base Appropriation...4/	\$143,573	\$141,573	\$141,573	\$141,573	855
2008					
Base Appropriation...5/	\$147,425	\$142,925	\$143,262	\$139,313	855
2009					
Base Appropriation...6/7/	\$147,871	\$0	\$139,313	\$143,419	885
ARRA	\$0	\$0	\$0	\$8,105	0
2010					
Base Appropriation...8/	\$156,060	\$154,060	\$155,662	\$154,861	960
2011					
Base Appropriation...9/	\$161,995	\$0	\$161,995	\$154,861	910
2012					
Base Appropriation...10/	\$197,528	\$159,363	\$195,528	\$183,153	1,003
2013					
Base Appropriation...11/	\$183,153	\$0	\$0	\$184,274	1,003
2014					
Base Appropriation	\$179,104	\$0	\$0	\$0	0

<sup>1</sup> Reflects a reduction of \$922 pursuant to the enacted rescissions in P.L. 108-199

<sup>2</sup> Reflects a reduction of \$1,132 pursuant to the enacted rescissions in P.L. 108-447

<sup>3</sup> Reflects a reduction of \$1,349 pursuant to the enacted rescission in P.L. 109-148

<sup>4</sup> Reflects amounts provided under FY 2007 full year continuing resolution pursuant to P.L. 110-5 and excludes \$7,000 for the one-time real transfer from PBGC pursuant FY 2007 supplemental P.L. 110-28

<sup>5</sup> Reflects a reduction of \$2,477 pursuant to the enacted rescissions in P.L. 110-161, the FY 2008 estimate to Congress included \$5,500 later removed based on funding provided in FY 2007 appropriation.

<sup>6</sup> Excludes \$9,705 for the Recovery Act through a non-expenditure transfer from the Departmental Management (DM) account pursuant to P.L. 111-5

<sup>7</sup> This bill was only reported out of Subcommittee and was not passed by the Full House.

<sup>8</sup> Excludes \$4,434 emergency transfer pursuant to P.L. 111-17

<sup>9</sup> Includes a non-expenditure transfer of \$4,502 from the Departmental Management (DM) account pursuant to P.L. 112-10.

<sup>10</sup> Reflects a reduction of \$347 pursuant to the enacted rescission in P.L. 112-74 and does not reflect re-programming levels. Re-programming levels for FY 2012 is reflected in the Summary Budget Authority and FTE by Activity exhibit.

<sup>11</sup> A full year FY 2013 appropriation was not enacted at the time the budget was prepared.

# EMPLOYEE BENEFITS SECURITY ADMINISTRATION

## OVERVIEW

### Introduction

The DOL Strategic Plan creates the roadmap for meeting the workplace and economic challenges we face as a nation. Contained within the plan are the strategies which DOL will use to accomplish the strategic vision: *Good Jobs for Everyone*. The Department defines *good jobs* as, among many other factors, jobs that provide health benefits and retirement security. In support of the strategic vision, EBSA has a single outcome goal of “improving health benefits and retirement security for all workers.” EBSA is charged with protecting more than 141 million workers, retirees and their families which are covered by nearly 701,000 private retirement plans, 2.3 million health plans, and similar numbers of other welfare benefit plans which together hold estimated assets of \$7.1 trillion.

The retirement and health benefits security of workers, retirees, and their families continue to be significant factors in the overall financial security of the American public. EBSA’s mission and programs are pivotal in providing benefit security to the public and increasing their confidence that their retirement, health and other benefits will be available when needed. EBSA’s mission is carried out in a complex and evolving economic and regulatory environment where the public’s needs, demands, and perceptions are influenced by many factors. In order to enhance benefit security and maintain the public confidence in our private sector based benefits system, EBSA administers an integrated program of regulation, compliance assistance and education, civil and criminal enforcement, research and analysis.

### Employee Benefits Security Administration Programs

EBSA’s programs are developed and implemented in response to many internal and external factors, such as: the Administration’s priorities; Congressional actions; public concerns; our experience with civil and criminal investigations; participant inquiries; and research and trends or vulnerabilities identified in the private sector benefits security universe. Once regulations are promulgated, EBSA utilizes an aggressive outreach, education, and participant assistance program to inform the public of their rights and benefits as well as educating the regulated community regarding their responsibilities and obligations under the law. As addressed later in the budget presentation, EBSA has numerous outreach and educational strategies to achieve this end. At the same time, EBSA’s enforcement program seeks to ensure compliance with the law. Our enforcement program utilizes a series of approaches (national/regional priorities, voluntary compliance programs, civil/criminal litigation, Sample Investigation Program, etc.) to accomplish our mission. Finally, EBSA’s research program continues to analyze and study the benefits universe in order to identify emerging trends. Given these strong individual program components and the extensive interaction between them, EBSA is able to function as a highly integrated and adaptive organization that is responsive to the complex environment in which it operates, thus enhancing its ability to improve employee health and retirement benefits security.

## **EMPLOYEE BENEFITS SECURITY ADMINISTRATION**

Retirement, health and other workplace related benefits of America's workers and their families are threatened by many factors, including fiduciary misconduct, conflicts of interest, excessive fees and improper denial of benefits. These problems are exacerbated when participants are uninformed about their benefits rights and responsibilities and plan sponsors are uninformed about their legal obligations. Beginning in FY 2014, key provisions of the Patient Protection and Affordable Care Act (ACA) are slated to take effect. Accordingly, EBSA will continue to conduct outreach and education programs started in FY 2011 and expand enforcement activities. EBSA will review and analyze the impact of the ACA and attempt to identify unanticipated demands that may require additional resources in FY 2015 and beyond. For FY 2014, EBSA will continue our successful strategy of bringing plan sponsors and their benefit plans into compliance with the law using an integrated approach. As a general matter, this strategy is included in the following programs:

- 1) Vigorous Enforcement;
- 2) Informative Compliance Assistance;
- 3) Proactive Regulation;
- 4) Targeted Research;
- 5) Strong Consumer Outreach and Education; and
- 6) Effective Participant Assistance and Excellent Customer Service

### **FY 2014 Request**

In FY 2014, EBSA seeks \$179,104,000 and 1,003 FTE and includes a program decrease of \$5,000,000 from research contracts that have been completed. The FY 2014 budget provides the resources for EBSA to continue to enhance pension and health benefits security for America's workers and their families. Subsequent to full programmatic implementation of the ACA in FY 2014, EBSA will review and analyze the impact of unanticipated programmatic demands and request resources as necessary in FY 2015 and beyond to address these program requirements.

Specifically, EBSA estimates that during FY 2014, it will: achieve \$1,172,108,000 in total monetary results (including \$173,000,000 in participant benefit recoveries) by conducting 3,674 civil investigations and responding to 250,000 participant inquiries; obtain 105 indictments by conducting 320 criminal investigations; complete 4,330 reporting compliance reviews; conduct 734 rapid response sessions for individuals facing job loss; conduct 200 Congressional office briefings; and complete 11 webcasts and 11 compliance seminars for plan sponsors and participants.

In FY 2014, EBSA will continue to: promulgate regulations implementing the ACA in conjunction with the Departments of Health and Human Services (HHS) and Treasury; design and conduct several health benefit studies; and implement education, outreach, and assistance programs, as well as implement additional enforcement strategies that support new requirements applied to employer sponsored health plans. EBSA estimates completing a total of 4,500 interpretive and other associated technical assistance projects/plan inquiries and targeted technical assistance in FY 2014.



## **EMPLOYEE BENEFITS SECURITY ADMINISTRATION**

During FY 2014, EBSA will begin to focus its enforcement program on ACA compliance. With regard to the Multiple Employer Welfare Arrangement (MEWA) registration requirements and health care related enforcement tools, EBSA will develop and implement compliance related programs to aid in the Agency's oversight and audit initiatives to combat health care fraud. These efforts will include developing compliance related materials and providing training for the agency's Benefits Advisors and Investigators upon issuance of final MEWA regulatory provisions. Detailed presentations on the MEWA regulatory provisions will also be provided to new field office Investigators and Benefits Advisors who attend the agency's Basic Training programs. EBSA will develop materials and conduct compliance workshops across the country to educate industry professionals about the new MEWA provisions and will enhance the MEWA Registration Form to facilitate targeting entities for investigation that may not have sufficient reserves to pay legitimate health care claims.

### **Selected Workload and Productivity**

To maximize the impact of program resources, EBSA targets its investigative resources towards plans that it believes, based on a variety of factors, appear likely to be in violation of the law. Targeting likely violators, correcting violations, and publicizing our successes will deter bad actors and result in greater compliance with the Employee Retirement Income Security Act (ERISA). EBSA also entered the third year of the Sample Investigation Program (SIP) that will lead to measuring overall compliance with ERISA and the impact of EBSA investigations on the compliance rate. In FY 2012, EBSA processed 271 SIP cases. Data collected from these SIP investigations will be used to estimate the overall level of compliance with Title I of ERISA. In addition, the collected data will be used to evaluate the effectiveness of enforcement targeting strategies, as well as the impact of investigations on plan compliance. Finally, EBSA accepted and processed 25,444 applications received by its two major voluntary compliance programs in FY 2012. These programs include the Voluntary Fiduciary Correction Program (VFCP) and the Delinquent Filer Voluntary Compliance Program (DFVCP).

In FY 2014, consistent with the DOL Strategic Plan, EBSA will continue to report data on the percent of employee benefit plans in compliance with the civil provisions of ERISA. EBSA will also continue collecting data on randomized investigations. This new approach, first implemented during FY 2011, will allow EBSA to assess and improve the effectiveness of its enforcement program and will rely on statistical techniques of random sampling in data collection. EBSA will continue to make projections about the behaviors and conditions within very large groups of regulated entities by systematically collecting data from a random sample of those entities. These samples are designed to inform EBSA about the level of compliance with ERISA among employee benefit plans and the impact of EBSA investigations on that compliance level.

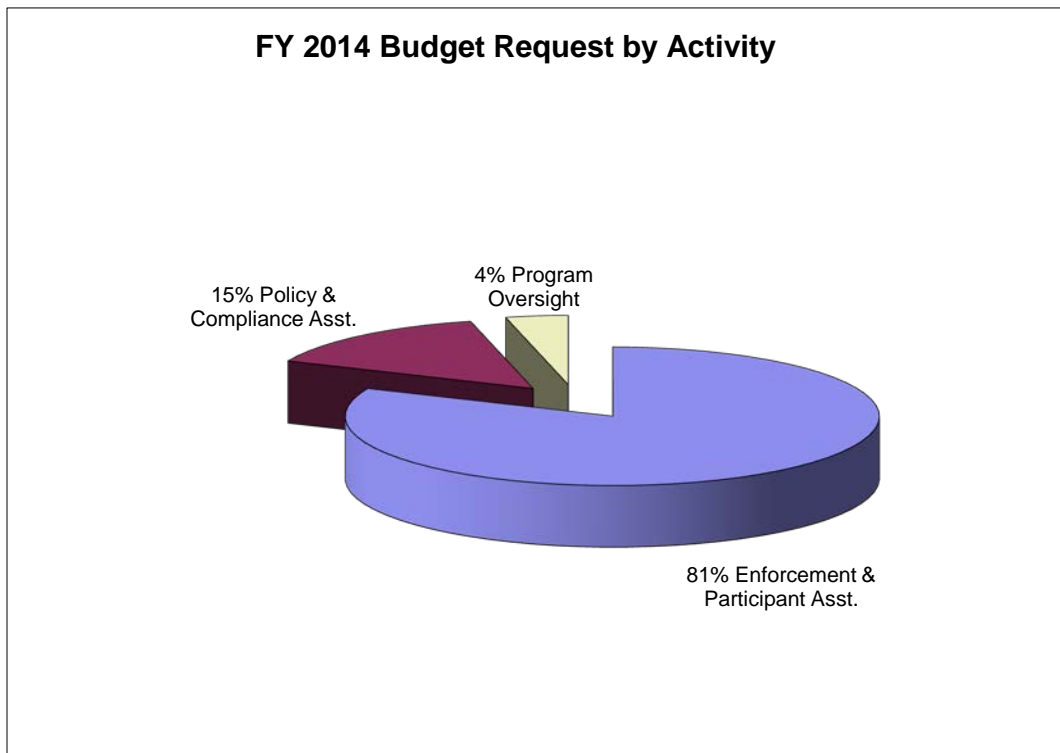
# EMPLOYEE BENEFITS SECURITY ADMINISTRATION

## Cost Model

The FY 2014 budget request for EBSA provides \$179,104,000 and 1,003 FTE. Three program activities encompass the EBSA budget and include the:

- Enforcement and Participant Assistance budget activity with FY 2014 requested resources of \$146,032,000 and 875 FTE.
- Policy and Compliance Assistance budget activity with FY 2014 requested resources of \$26,329,000 and 102 FTE.
- Executive Leadership, Program Oversight and Administration with FY 2014 requested resources of \$6,743,000 and 26 FTE.

EBSA resources are devoted to accomplishing DOL Strategic Goal 4: Secure health benefits and, for those not working, provide income security. EBSA program efforts directly support the Department's vision of providing *Good Jobs for Everyone* by improving health benefits and retirement security for all workers.



# EMPLOYEE BENEFITS SECURITY ADMINISTRATION

## Employee Benefits Security Administration

			Assistant Secretary Phyllis C. Borzi		
			Deputy Assistant Secretary Vacant		
			Deputy Assistant Secretary Alan D. Lebowitz		
Office of Technology and Information Services	Office of Program Planning, Evaluation, and Management	Office of Health Plan Standards, and Compliance Assistance	Office of Outreach, Education and Assistance	Office of the Chief Accountant	
Diane Schweizer	Joel K. Lovelace	Daniel J. Maguire	Sharon S. Watson	Ian Dingwall	
Office of Exemption Determinations	Office of Enforcement	Regional Directors*	Office of Policy and Research	Office of Regulations and Interpretations	
Lyssa E. Hall	Mabel L. Capolongo		Joseph Piacentini	John J. Canary	

\*Regional Directors

Boston – Susan Hensley  
 New York – Jonathan Kay  
 Philadelphia – Marc Machiz  
 Atlanta – Isabel Colon  
 Cincinnati – Larry J. Rivers

Chicago – Steve Haugen  
 Kansas City – James Purcell  
 Dallas – Vacant  
 Los Angeles – Crisanta Johnson  
 San Francisco – Jean Ackerman



## ENFORCEMENT AND PARTICIPANT ASSISTANCE

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2012 Revised Enacted</b>	<b>FY 2013 Full Year C.R.</b>	<b>FY 2014 Request</b>	<b>Diff. FY 14 Request / FY 12 Rev. Enacted</b>
<b>Activity Appropriation</b>	<b>145,243</b>	<b>146,128</b>	<b>146,032</b>	<b>789</b>
FTE	821	875	875	54

NOTE: FY 2012 reflects actual FTE and does not include the significant staffing increases that occurred late in the fiscal year. The FY 2012 enacted FTE level is 875. Accordingly, the FY 2014 request level of 875 (depicting a 54 FTE increase from FY 2012) is not a program increase.

### Introduction

Within this activity, EBSA develops and implements a comprehensive enforcement program using civil and criminal investigations that target the most egregious and persistent violators, as well as voluntary compliance programs. The enforcement program detects and investigates civil and criminal violations of ERISA and other related criminal laws and, as appropriate, refers them for civil litigation or criminal prosecution; ensures that annual reports are filed on time and accurately; and determines that public accountant audits of employee benefit plans comply with professional standards. To help plan sponsors and fiduciaries comply with ERISA’s complex provisions, this activity administers the Fiduciary Education Campaign that informs plan sponsors and their service providers about their basic fiduciary responsibility under the law.

EBSA implemented two highly successful self-correction programs designed to encourage voluntary compliance in order to better leverage its resources. Our Voluntary Fiduciary Correction Program (VFCP) encourages plan officials to voluntarily comply with ERISA’s fiduciary and prohibited transactions provisions by self-correcting certain specified violations of the law. The Delinquent Filer Voluntary Compliance Program (DFVCP) encourages voluntary compliance with the annual reporting requirements under ERISA. Together, these two programs provide an efficient mechanism for self-identifying and correcting violations which allows investigative resources to focus on other, more complex issues.

Complementing the investigative arm of the enforcement program, EBSA’s participant assistance staff responds to inquiries from the public who are seeking information or have a complaint about their benefits. Our Benefits Advisors are able to assist the public in understanding their rights under their plans and are often able to informally resolve disputes thereby obtaining benefits for these workers and their families. This informal dispute resolution process enables EBSA to answer individuals’ complaints without utilizing the more resource intensive investigative process, allowing EBSA to direct its investigative resources to more egregious and wide-spread violations of ERISA. The participant assistance program is also the source of some of our best investigative leads, producing several hundred cases per year—cases that, in the absence of this program, might not have been discovered.

EBSA helps to inform the public with regard to benefits issues, who can then monitor their own benefits and hopefully obtain correction before serious financial damage is done. EBSA educates plan participants and officials by conducting outreach and education programs regarding their rights and responsibilities under ERISA. Benefits will be more secure if plan

## ENFORCEMENT AND PARTICIPANT ASSISTANCE

officials are more knowledgeable and therefore in a better position to be in compliance. Furthermore, better informed plan participants are more prepared to ensure they receive all the benefits to which they are entitled under their plan and to bring potential violations to the attention of EBSA. The program includes three education campaigns: (1) the Retirement Savings Education Campaign (RSEC); (2) the Health Benefits Education Campaign (HBEC); and, (3) the Fiduciary Education Campaign. These programs target plan sponsors and officials, service providers, and plan participants to inform them of their respective rights and responsibilities under ERISA. In the outreach and education area, EBSA works cooperatively with private and public sector organizations such as the Financial Accounting Standards Board, the American Institute of Certified Public Accountants, the Financial Planners Board and state commissioners of insurance. In addition to these three campaigns, EBSA also conducts outreach to dislocated workers through rapid response events delivered in conjunction with states and other DOL agencies. Outreach is also conducted via public awareness events such as congressional staff briefings, job fairs and other venues.

Also included in this budget activity is EBSA's program to ensure that the regulated community files its employee benefit plan annual reports (Form 5500) on time and accurately via an electronic filing system. Implemented in January 2010, the electronic filing system created more transparency by publicly disclosing plan information through the Internet, and by providing a free web-based program that plan administrators can use to meet the new electronic filing requirement. Annually, the electronic filing system receives and processes the 1.2 million Form 5500s that are filed with DOL, IRS and the PBGC. EBSA also operates the ERISA Information System (EIS) that provides plan data for our enforcement, research, and policy development programs. Together these systems support enforcement-related targeting, comprise essential databases for the agency's research and regulatory activities, and are the primary sources of employee benefit plan information to Congress and interested stakeholders, including plan participants and beneficiaries. The electronic filing system is also the primary source of employee benefit plan data for the Internal Revenue Service (IRS), the Pension Benefit Guaranty Corporation (PBGC), the Government Accountability Office (GAO) and others. The benefit plan data provided by the electronic filing system supports IRS oversight of private-sector retirement and health plans and directly impacts the PBGC's ability to manage its risk from underfunded defined benefit plans.

### **Reimbursable Account**

Program Description: A reimbursable account is established in EBSA to receive funds from other Federal agencies to support the electronic filing system and other work involving pension or health care issues performed on their behalf.

FY 2014 Request: The FY 2014 request level of \$8,000,000 for this purpose will allow EBSA to collect and obligate funds for any authorized reimbursable work associated with the electronic filing system and other reimbursable agreements with the IRS and PBGC.

## ENFORCEMENT AND PARTICIPANT ASSISTANCE

### Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2009	\$119,691	750
2010	\$129,199	796
2011	\$129,250	796
2012	\$145,243	875
2013	\$146,128	875

### FY 2014

EBSA seeks \$146,032,000 and 875 FTE for the enforcement and participant assistance budget activity. This budget enables EBSA to: (a) work more aggressively in support of the DOL outcome goal of improving health benefits and retirement security for all workers; (b) sustain effective implementation of the ACA; and (c) ensure that EBSA has the capability to respond to an estimated 250,000 participant inquiries. We will continue to focus enforcement resources toward creating a more evaluative, innovative, and constantly improving program that increases compliance with ERISA. For example, EBSA will continue with a major case enforcement priority project and will analyze results from a pilot program for Employee Contribution Compliance Reviews (ECCRs) for programmatic impact on participant assistance and outreach programs. Field offices will be required to place special investigative emphasis on national enforcement projects (including major case investigations) and will respond to emerging issues by developing regional enforcement initiatives.

EBSA estimates that during FY 2014, it will: achieve \$1,172,108,000 in total monetary results (including \$173,000,000 in participant benefit recoveries) by conducting 3,674 civil investigations and responding to approximately 250,000 participant inquiries; obtain 105 indictments by conducting 320 criminal investigations; complete 4,330 reporting compliance reviews; conduct 734 rapid response sessions held for individuals facing job loss; conduct 200 Congressional office briefings; and complete 11 webcasts and 11 compliance seminars for plan sponsors and participants.

EBSA will continue its three education campaigns: (1) the Retirement Savings Education Campaign (RSEC); (2) the Health Benefits Education Campaign (HBEC); and, (3) the Fiduciary Education Campaign. EBSA will update, print and distribute publications which explain participant rights as well as recent changes in employee benefits laws and conduct local seminars and national webcasts for its compliance assistance constituencies. EBSA will continue to participate in rapid response sessions to reach dislocated workers and will continue to update and distribute educational materials with the latest information on managing benefits through job loss.

EBSA will leverage its resources by partnering with numerous organizations such as the Social Security Administration (SSA), AARP, Financial Literacy Education Commission (FLEC), Women Investing for a Secure Retirement (WISER), labor unions, state insurance commissioners, Internal Revenue Service (IRS), Department of Health and Human Services

## **ENFORCEMENT AND PARTICIPANT ASSISTANCE**

(HHS), Services Society of Human Resource Management (SHRM), the American Institute of Certified Public Accountants (AICPA), the Society of Actuaries, and others to reach our targeted audiences. We will also maintain a Web site and utilize webcasts as an efficient way to inform stakeholders about our programs, services and initiatives and to assist the regulated community with compliance. EBSA conducts numerous webcasts which are attended by thousands of stakeholders each year. These sessions are archived on our Web site for future review by other interested parties. EBSA remains convinced that partnering with worker and community-based organizations to educate workers, small business owners, and others about ERISA's requirements is an effective way to create broad-based compliance.

During FY 2014, EBSA will enhance its enforcement program by utilizing the newly expanded authority provided to the Secretary in the ACA. The ACA includes a number of provisions that will result in an increased number of civil and criminal multiple employer welfare arrangement (MEWA) investigations. A MEWA is an entity that offers or provides coverage for medical care to the employees of two or more employers. The ACA includes new provisions that require MEWA entities to register with DOL and expands enforcement authority to include ex parte cease and desist and summary seizure orders. Included in the national Health Benefits Security Project, these types of investigations are among the most resource-intensive and will require EBSA to allocate additional resources to effectively enforce the new ACA provisions and other ERISA provisions such as fiduciary duties. EBSA will develop materials and conduct compliance workshops across the country to educate industry professionals about the new MEWA provisions and will enhance the MEWA Registration Form to facilitate targeting entities for investigation that may not have sufficient reserves to pay legitimate health care claims. Health and Human Services (HHS) will also identify areas where more enforcement action is necessary and share the information with EBSA for use in enforcement activities.

### **FY 2013**

Figures shown for FY 2013 reflect the annualized Continuing Resolution (P.L. 112-175) as a full-year appropriation, which had not been replaced or amended at the time the budget was produced. In addition, these numbers do not reflect the impact of sequestration. The operating plan for Department of Labor programs for FY 2013 including sequestration are being provided to the Committee in a separate communication.

### **FY 2012**

#### **Enforcement**

In FY 2012, EBSA closed 3,566 civil cases and obtained monetary results of nearly \$1,280,000,000. These monetary results were achieved through an aggressive enforcement program integrated with an effective participant assistance program. Participant assistance investigatory leads resulted in the opening of 814 enforcement cases with associated monetary results of \$260,679,000 (a subset of the \$1,280,000,000). FY 2012 was another unprecedented year for participant assistance benefit recoveries. In partnership with other Departmental, federal, state, and local authorities, EBSA also closed 318 criminal cases in FY 2012 that resulted in 117 individuals being indicted and 78 cases being closed with guilty pleas and/or



## **ENFORCEMENT AND PARTICIPANT ASSISTANCE**

convictions. This demonstrates that EBSA's strategies for enforcement targeting and partnering with other law enforcement organizations is effective in finding the most egregious and persistent violators.

EBSA also actively engaged the regulated community in efforts to identify and remedy violations with two highly successful self-correction programs designed to encourage voluntary compliance. The VFCP and the DFVCP encourage plan officials to identify and remedy certain ERISA violations. In FY 2012, EBSA verified \$12,190,000 in restored assets by closing 1,884 applications under the VFCP and 23,560 delinquent filers have come into compliance with ERISA's filing requirements under the DFVCP.

### **Participant Assistance, Outreach and Education**

The EBSA Participant Assistance Program assists workers in obtaining promised benefits that have been inappropriately denied and helps workers understand their benefits rights and to make informed decisions about their health and pension benefits. In FY 2012, EBSA's Benefits Advisors responded to 239,520 inquiries and recovered nearly \$261,000,000 for participants through informal dispute resolution. FY 2012 was another unprecedented year for participant assistance benefit recoveries. EBSA secured three large recoveries totaling more than \$78,000,000 in FY 2012, which are about 30 percent of total monetary recovery results. It is not possible to project when EBSA will have similarly large participant assistance recoveries in the future. In fact, the rolling average for total participant benefit recoveries from FY 2008 through FY 2012 is approximately \$233,400,000. EBSA is already responding to the increase in inquiries resulting from the passage of the ACA and will continue to do so as mandated regulations implementing the new law become effective.

EBSA conducts education and outreach events for workers, employers, plan officials, service providers and members of Congress and their staffs. In FY 2012, these nationwide activities included assisting dislocated workers who were facing job loss by participating in 891 rapid response sessions, using a train-the-trainer format to inform congressional staff in 270 district offices of EBSA programs for their use in constituent services, providing employees with information concerning their rights under the law, and educating employers and their service providers of their obligations under ERISA. In FY 2012, EBSA conducted 2,080 outreach activities reaching 269,937 individuals, including three compliance seminars in coordination with state insurance commissioners, the IRS, HHS, SHRM, AICPA, VETS and Wage and Hour, nine compliance and consumer webcasts, 315 regional presentations and 64 workshops. Included as part of the FY 2012 outreach program efforts are the 21,152 individuals reached by conducting 772 Affordable Care Act (ACA) outreach events. One of our webcasts was EBSA's first webcast in Spanish for participants on health benefit laws, including Consolidated Omnibus Budget Reconciliation Act (COBRA), Health Insurance Portability and Accountability Act (HIPAA) and the ACA. We also held webcasts on new fee disclosures for participants, apprenticeship plans and mental health parity. EBSA held retirement savings education webcasts for women nearing retirement and college seniors and new workers. Almost 3,800 attendees viewed the live webcasts and over 1,000 viewed the archived copies on our Web site.

## **ENFORCEMENT AND PARTICIPANT ASSISTANCE**

In FY 2012, EBSA also developed four new publications and updated 40 existing publications including the dislocated worker cards in Vietnamese, Korean and Chinese (first printed information in these languages). EBSA updated its health publications with basic information on the Affordable Care Act. Over 506,000 publications were distributed via our toll-free publication hotline and at outreach events in FY 2012. All the publications are available and accessible on line. EBSA's Web site has become the primary means of reaching the public. In FY 2012, the Web site hosted nearly 6 million visitors who viewed over 10 million pages.

## ENFORCEMENT AND PARTICIPANT ASSISTANCE

<b>DETAILED WORKLOAD AND PERFORMANCE</b>					
	<b>FY 2012 Revised Enacted</b>		<b>FY 2013 Full Year C.R.</b>	<b>FY 2014 Request</b>	
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>	
<b>Enforcement and Participant Assistance</b>					
<b>Strategic Goal 4 - Secure health benefits and, for those not working, provide income security.</b>					
<b>Outcome Goal 4.3 - Improve health benefits and retirement security for all workers.</b>					
<b>Investigations Processed:</b>					
EBSA- ENF	Civil Investigations Processed	3,611	3,566	3,674	3,674
EBSA- ENF	Criminal Investigations Processed	310	318	320	320
<b>Total</b>		<b>3,921</b>	<b>3,884</b>	<b>3,994</b>	<b>3,994</b>
<b>Inquiries Answered (Participants)</b>					
Field Offices		286,400[p]	232,024	247,800[p]	247,800[p]
EBSA- ENF	Percent of employee benefit plans in compliance with civil provisions of ERISA	--	--	[base]	TBD
EBSA- ENF	Percentage point difference in compliance rate between employee benefit plans recently investigated and other employee benefit plans	--	--	--	TBD
EBSA- OEA	Participant assistance program customer satisfaction index	68.00%	69.00%	69.00%	69.00%
EBSA- ENF	Voluntary Fiduciary Correction Program Applications Processed	2,000[p]	1,884	2,000[p]	2,000[p]

## ENFORCEMENT AND PARTICIPANT ASSISTANCE

<b>DETAILED WORKLOAD AND PERFORMANCE</b>					
		<b>FY 2012 Revised Enacted</b>		<b>FY 2013 Full Year C.R.</b>	<b>FY 2014 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
EBSA- ENF	Delinquent Filer Voluntary Compliance Program Applications Processed	20,500[p]	23,560	20,500[p]	20,500[p]
EBSA- ENF	Indictments	93[e]	117	105[e]	105[e]
EBSA- ENF	Reporting Compliance Reviews	4,330	4,609	4,330	4,330
EBSA- ENF	CPA Firm Inspections	3	22	3	5
EBSA- OEA	Rapid Response Sessions Held for Individuals Facing Job Loss	600[p]	891	734[p]	734[p]
EBSA- ENF	EFAST Help Desk Inquiries by Contractors	90,000[p]	70,639	90,000[p]	90,000[p]
EBSA- OEA	EFAST Help Desk inquiries referred to EBSA	10,000[p]	8,165	10,000[p]	10,000[p]
EBSA- ENF	Percent of EFAST Help Desk inquiries referred to EBSA responded to within 24 hours	95.00%	98.00%	95.00%	95.00%

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

## ENFORCEMENT AND PARTICIPANT ASSISTANCE

### Workload Summary

In FY 2014, consistent with the DOL Strategic Plan, EBSA will more fully report data on the percent of employee benefit plans in compliance with the civil provisions of ERISA. EBSA will also continue collecting data on randomized investigations.

In FY 2014, EBSA estimates it will achieve over \$1,172,000,000 in total monetary results (including \$173,000,000 in participant benefit recoveries) by: conducting 3,674 civil investigations; securing 105 indictments by conducting 320 criminal investigations; completing 4,330 reporting compliance reviews, responding to 250,000 participant inquiries; conducting 734 rapid response sessions held for individuals facing job loss; conducting 200 Congressional office briefings; and completing 11 webcasts and 11 compliance seminars for plan sponsors and participants. EBSA also estimates responding to approximately 100,000 EFAST2 help-desk inquiries.

EBSA's projects a call volume of 250,000 in FY 2014 and estimates that recoveries obtained through informal, voluntary resolution of benefit disputes between employers, plan officials and participants will be approximately \$173,000,000. The FY 2014 budget request provides the resources to ensure that all workers have access to a secure retirement and to adequate and affordable health coverage, supporting the DOL strategic vision of *Good Jobs for Everyone*.

## ENFORCEMENT AND PARTICIPANT ASSISTANCE

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2012 Revised Enacted</b>	<b>FY 2013 Full Year C.R.</b>	<b>FY 2014 Request</b>	<b>Diff. FY14 Request / FY 12 Rev. Enacted</b>
11.1	Full-time permanent	76,962	78,304	77,458	496
11.3	Other than full-time permanent	762	57	762	0
11.5	Other personnel compensation	2,167	2,167	2,167	0
11.8	Special personal services payments	0	0	0	0
11.9	<b>Total personnel compensation</b>	<b>79,891</b>	<b>80,528</b>	<b>80,387</b>	<b>496</b>
12.1	Civilian personnel benefits	22,157	22,405	22,350	193
21.0	Travel and transportation of persons	2,712	2,712	2,712	0
22.0	Transportation of things	71	71	71	0
23.1	Rental payments to GSA	8,780	8,780	8,880	100
23.3	Communications, utilities, and miscellaneous charges	431	431	431	0
24.0	Printing and reproduction	1,048	1,048	1,048	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	3,149	3,149	3,149	0
25.3	Other goods and services from Federal sources 1/	12,858	12,858	12,858	0
25.4	Operation and maintenance of facilities	0	0	0	0
25.7	Operation and maintenance of equipment	12,751	12,751	12,751	0
26.0	Supplies and materials	591	591	591	0
31.0	Equipment	804	804	804	0
38.0	Depreciation Expense - Unfunded	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	<b>Total</b>	<b>145,243</b>	<b>146,128</b>	<b>146,032</b>	<b>789</b>
	1/Other goods and services from Federal sources				
	Working Capital Fund	12,421	12,421	12,421	0
	DHS Services	437	437	437	0

# ENFORCEMENT AND PARTICIPANT ASSISTANCE

## CHANGES IN FY 2014

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Costs of pay adjustments	\$496
Personnel benefits	193
One day more of pay	0
Federal Employees' Compensation Act (FECA)	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	100
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0

**Built-Ins Subtotal** **\$789**

**Net Program** **\$0**

**Direct FTE** **0**

	Estimate	FTE
<b>Base</b>	<b>\$146,032</b>	<b>821</b>

NOTE: FY 2012 base reflects actual FTE and does not include the significant staffing increases that occurred late in the fiscal year. The FY 2012 enacted FTE level is 875. Accordingly, the FY 2014 request level of 875 (depicting a 54 FTE increase from FY 2012) is not a program increase.





## POLICY AND COMPLIANCE ASSISTANCE

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2012 Revised Enacted</b>	<b>FY 2013 Full Year C.R.</b>	<b>FY 2014 Request</b>	<b>Diff. FY 14 Request / FY 12 Rev. Enacted</b>
<b>Activity Appropriation</b>	<b>31,205</b>	<b>31,400</b>	<b>26,329</b>	<b>-4,876</b>
FTE	84	102	102	18

NOTE: FY 2012 reflects actual FTE and does not include the significant staffing increases that occurred late in the fiscal year. The FY 2012 enacted FTE level is 102. Accordingly, the FY 2014 request level of 102 (depicting an 18 FTE increase from FY 2012) is not a program increase.

### Introduction

The Policy and Compliance Assistance activity will directly support the Department’s strategic outcome goal of providing *Good Jobs for Everyone* by sustaining health care and regulatory reform programs, strengthening regulatory programs, and supporting efforts to deter and correct worker misclassification as it relates to the denial of health benefits and retirement security. EBSA constantly seeks to improve our policy and regulatory programs. We routinely evaluate and adjust our regulatory activities to achieve Departmental and national priorities. We also provide meaningful compliance assistance and engage the regulated community in designing and implementing compliance assistance tools and materials, a key strategic and organizational principle.

This activity formulates policy, promulgates regulations and provides interpretations and other guidance to the regulated community under Title I of ERISA. EBSA implements a proactive regulatory agenda that includes providing detail and clarity to the law by rulemaking, thereby offering a path to more secure health and retirement benefits. In addition to high priority Affordable Care Act (ACA) regulatory activities, EBSA addresses the security of employee benefits through other non-ACA regulatory activities. This activity will carry out the agency’s interpretive activities concerning the provisions of ERISA and related statutes through the timely issuance of advisory opinions and field assistance bulletins addressing relevant interpretive issues raised by the regulated community or considered significant by the Department.

Through this activity, EBSA will continue its research activities of employer-sponsored pension and health benefit plans. Additionally, EBSA will continue implementing the ACA by promulgating regulations, developing compliance assistance tools and materials, and providing technical assistance. With the increase in regulatory activity for both pension and health care benefits, EBSA will continue to strengthen its research program which plays a pivotal role in supporting the regulatory agenda and policy formulation of the agency. EBSA performs three major, non-discretionary research functions:

- *Economic research* – Section 513 of ERISA directs the Secretary of Labor to conduct research and produce statistics on employee benefit programs (the ACA includes many additional specific areas of research);

## POLICY AND COMPLIANCE ASSISTANCE

- *Regulatory impact analysis* – Agencies must assess their regulations’ economic costs and benefits as required under Executive Order 12866, the Regulatory Flexibility Act and the Paperwork Reduction Act; and
- *Legislative and policy development and analysis* – EBSA is a lead agency for many of the Administration’s employee benefits legislative and policy activities.

Through this activity, EBSA issues individual and class exemptions from the prohibited transaction provisions of ERISA. These exemptions are necessary to facilitate transactions between employee benefit plans and related parties, such as service providers, that would otherwise be prohibited but that are considered beneficial to employee benefit plans. Finally, this activity also provides ongoing compliance and technical assistance to small businesses, plan officials, and the general public to improve their understanding of the complex provisions of ERISA and their compliance with statutory requirements.

### Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2009	\$18,198	92
2010	\$18,994	88
2011	\$18,956	88
2012	\$31,205	102
2013	\$31,400	102

### FY 2014

EBSA seeks \$26,329,000 and 102 FTE for the Policy and Compliance Assistance budget activity which includes a program decrease of \$5,000,000 from research contracts that have been completed. This budget will enable EBSA to sustain effective implementation of the ACA as well as support the Department’s regulatory strategies of *Plan-Prevent-Protect* and *Openness and Transparency*. Fiduciary education, regulations, exemptions, compliance assistance, policy and research, and interpretive guidance have and will continue to substantially contribute to the protection of employee pension and health benefits.

In FY 2014, EBSA will continue the collaboration with the Departments of Health and Human Services (HHS) and Treasury to support and participate in the development of regulations, regulatory impact statements and economic analyses, and guidance needed for implementation of the provisions of the ACA. At the resource level proposed for this budget activity, EBSA will: (1) continue to develop regulations to implement the provisions of the ACA within specified timeframes; (2) continue to administer new responsibilities for the registration requirements of and enforcement tools for Multiple Employer Welfare Arrangements; (3) continue to support new and comprehensive compliance assistance programs; (4) continue the implementation of new and expanded enforcement strategies; and (5) support a number of health benefit related research studies.

## **POLICY AND COMPLIANCE ASSISTANCE**

In sustaining health care reform, EBSA will continue its commitment to the development of health care related regulations, interpretive guidance and other materials. These materials will both encourage and facilitate compliance with the new law and regulations. For example, EBSA will continue to develop and disseminate compliance assistance tools and materials, including investigative and compliance assistance check sheets that will provide clarifications to group health plans, health insurance issuers, participants, beneficiaries, and other interested stakeholders regarding compliance with the ACA. These check sheets will be designed to facilitate broad based compliance among group health plans and health insurance issuers. EBSA will also conduct research into characteristics of employment-based health insurance plans, self-insured plans and wellness programs. EBSA will continue to advance the goals of health care reform by publishing compliance assistance guidance regarding the health plan coverage provisions of ERISA, including the Genetic Information Nondiscrimination Act (GINA), the Mental Health Parity and Addiction Equity Act (MHPAEA), and the special enrollment and notice provisions added to the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA).

This activity will continue to carry out the agency's interpretive activities concerning the provisions of ERISA and related statutes through the issuance of advisory opinions and field assistance bulletins addressing relevant interpretive issues raised by the regulated community or considered significant by the Department. With the proposed resources for this activity in FY 2014, EBSA will be positioned to meet the anticipated workload for interpretative and other technical assistance projects. EBSA will complete an estimated 4,500 interpretive and other associated technical assistance projects/plan inquiries and targeted technical assistance. EBSA will also pursue a proactive regulatory agenda that includes completing 245 regulatory projects for the advancement of health care reform and retirement security. These projects include providing guidance, developing regulatory standards, conducting statistical research, policy, regulatory analysis, and issuing ERISA exemptions. It is estimated that over 26 percent of technical assistance to the regulated community and regulatory projects will be devoted to ACA-related health plan regulations and standards. It is anticipated that other major projects will include (1) developing and implementing a regulation to facilitate compliance with the requirement that retirement plans automatically provide participants and certain beneficiaries with individual pension benefit statements; (2) amending the Department's claims procedure regulation to improve protections for disability plan participants and update the internal claims and appeals process for disability plans; (3) developing a regulation on the fiduciary duties concerning a retirement plan's provision of a brokerage window that enables participants and beneficiaries to select investments beyond those designated by the plan as investment alternatives; and (4) developing and implementing a regulation that implements the Pension Protection Act requirement that administrators of defined benefit pension plans must provide participants, beneficiaries, and other parties with an annual notice regarding the plan's funded status.

Finally, EBSA will review and process class and individual exemption applications with the ultimate objective of protecting plans and their participants and beneficiaries while facilitating necessary business transactions. Specifically, EBSA has allocated sufficient resources to close, propose or grant an estimated 130 individual exemption actions (includes exemption actions that meet requirements for expeditious processing – EXPRO), complete project work on six (6) class

## **POLICY AND COMPLIANCE ASSISTANCE**

exemptions and reduce average exemption processing time to 300 days. Through these programs, we provide guidance and engage the regulated community in achieving compliance while protecting the benefits of workers, retirees and their families.

### **FY 2013**

Figures shown for FY 2013 reflect the annualized Continuing Resolution (P.L. 112-175) as a full-year appropriation, which had not been replaced or amended at the time the budget was produced. In addition, these numbers do not reflect the impact of sequestration. The operating plan for Department of Labor programs for FY 2013 including sequestration are being provided to the Committee in a separate communication.

### **FY 2012**

In FY 2012, EBSA pursued a proactive regulatory agenda that included completing 375 regulatory projects for the advancement of health care reform and retirement security. These projects included providing guidance, developing regulatory standards, conducting statistical research, policy, regulatory analysis, and issuing ERISA exemptions. EBSA conducted several research projects related to the Affordable Care Act (ACA) and Mental Health Parity and Addiction Equity Act (MHPAEA), including research leading to the submission to Congress of the annual Self-Insured Group Health Plan Report and the MHPAEA Report, as well as assistance to HHS in the preparation of the Wellness Study.

In FY 2012, EBSA continued its efforts to improve the overall transparency of 401(k) fees so that workers' hard-earned savings are not unwittingly eroded by undisclosed fees. For the first time since the enactment of ERISA, under a new rule that took effect in FY 2012, plan fiduciaries must give workers with 401(k)-type retirement plans quarterly statements of plan fees and expenses deducted from their accounts and core information about investments available under their plan including the cost of these investments. EBSA issued sub-regulatory guidance to help plan administrators and service providers comply with the requirements of this new and related service provider fee disclosure rule. The guidance was published as a set of frequently asked questions and answers. EBSA also published a final rule that amends existing standards under ERISA section 408(b)(2) for ERISA plans contracting or making reasonable arrangements for services. This rule establishes new requirements for key pension plan service providers (such as record-keepers, brokers, banks, and insurers) to disclose information to plan sponsors about the fees they receive, both directly from the plan and indirectly in the form of revenue sharing from other parties dealing with the plan. These new rules on fee disclosures are meant to ensure that workers as well as employers and other plan sponsors get disclosures about retirement plan fees and investment expenses that are clearer and easier to understand. We believe the greater transparency afforded by these rules will enable plan sponsors and workers to make better decisions about their retirement plans and 401(k) investments, which should result in cost savings for both.

## **POLICY AND COMPLIANCE ASSISTANCE**

EBSA continued to devote resources to make sure that plan fiduciaries and plan participants understand the characteristics of target date funds when offered as an investment option. Target date retirement funds, also called target date funds and lifecycle funds, have become an increasingly popular investment option for 401(k) plans and similar employee-directed retirement plans. In FY 2012, EBSA developed sub-regulatory guidance to remind plan fiduciaries that they are subject to ERISA's prudent person standard when placing and keeping target date funds on the plan's investment platform. The sub-regulatory guidance is expected to be released in 2013. EBSA also developed proposed amendments to three existing ERISA regulations to facilitate the termination of, and distribution of benefits from, individual account pension plans that have been abandoned by their sponsoring employers. These amendments propose to permit bankruptcy trustees to use the Department's Abandoned Plan Program to terminate and wind up the plans of sponsors in liquidation under Chapter 7 of the U.S. Bankruptcy Code.

Additionally, EBSA completed 334 technical and compliance assistance projects involving Part 7 of ERISA by providing technical/compliance assistance to plan sponsors and employers for ACA health plan standards in FY 2012. In the area of exemptions, EBSA published a proposed amendment to Prohibited Transaction Exemption (PTE 2006-06), in conjunction with a proposed amendment to the abandoned plan regulation. EBSA also published an information letter regarding the applicability of the Qualified Professional Asset Manager (QPAM) class exemption to a multi-tiered parent subsidiary corporation. In addition, EBSA granted 22 individual prohibited transaction exemptions and authorized 12 transactions under the expedited application process (EXPRO). Finally, EBSA continued to perform a substantial amount of work drafting exemptive relief in connection with the Department's consideration of a proposed regulation defining investment advice fiduciaries.

## POLICY AND COMPLIANCE ASSISTANCE

<b>DETAILED WORKLOAD AND PERFORMANCE</b>				
	<b>FY 2012 Revised Enacted</b>		<b>FY 2013 Full Year C.R.</b>	<b>FY 2014 Request</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Policy and Compliance Assistance</b>				
<b>Strategic Goal 4 - Secure health benefits and, for those not working, provide income security.</b>				
<b>Outcome Goal 4.3 - Improve health benefits and retirement security for all workers.</b>				
<b>Interpretations &amp; Other Technical Assist</b>				
Health Plan Standards	1,900	1,890	2,800	2,800
Regulations & Interpretations	1,700	2,300	1,700	1,700
<b>Total</b>	<b>3,600</b>	<b>4,190</b>	<b>4,500</b>	<b>4,500</b>
Participant assistance program customer satisfaction index	68.00%	69.00%	69.00%	69.00%
Percent of employee benefit plans in compliance with civil provisions of ERISA	--	--	[base]	TBD
Percentage point difference in compliance rate between employee benefit plans recently investigated and other employee benefit plans	--	--	--	TBD
Regulations/Projects	253	269	246	245
Individual Exemptions & Expro (Proposed & Granted)	130[e]	106	130[e]	130[e]
Section 502(l) Waivers	6	11	6	6
Exemption Processing Time (avg #days)	400	238	300	300

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

## **POLICY AND COMPLIANCE ASSISTANCE**

### **Workload Summary**

EBSA will be positioned to effectively complete interpretative and other technical assistance projects. EBSA will complete an estimated 4,500 interpretive and other associated technical assistance projects/plan inquiries and targeted technical assistance. EBSA also estimates completing 245 regulatory projects involving interpretive issues, health plan standards, research statistical projects, policy and legislative analysis projects, regulatory analysis projects, MHPAEA implementation and MEWA registration requirements.

Additionally, EBSA will review and process class and individual exemption applications with the ultimate objective of protecting plans and their participants and beneficiaries while facilitating necessary business transactions. Specifically, EBSA has allocated sufficient resources to close, propose or grant an estimated 130 individual exemption actions (includes EXPRO), complete project work on six (6) class exemptions and reduce exemption processing time to 300 days. Through these programs, we provide guidance and engage the regulated community in achieving compliance while protecting the benefits of workers, retirees and their families.

## POLICY AND COMPLIANCE ASSISTANCE

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2012 Revised Enacted</b>	<b>FY 2013 Full Year C.R.</b>	<b>FY 2014 Request</b>	<b>Diff. FY14 Request / FY 12 Rev. Enacted</b>
11.1	Full-time permanent	11,968	12,108	12,046	78
11.3	Other than full-time permanent	2	2	2	0
11.5	Other personnel compensation	352	352	352	0
11.9	<b>Total personnel compensation</b>	<b>12,322</b>	<b>12,462</b>	<b>12,400</b>	<b>78</b>
12.1	Civilian personnel benefits	3,151	3,206	3,181	30
21.0	Travel and transportation of persons	212	212	212	0
22.0	Transportation of things	32	32	32	0
23.1	Rental payments to GSA	1,467	1,467	1,483	16
23.3	Communications, utilities, and miscellaneous charges	129	129	129	0
24.0	Printing and reproduction	157	157	157	0
25.2	Other services from non-Federal sources	608	608	608	0
25.3	Other goods and services from Federal sources 1/	2,294	2,294	2,294	0
25.5	Research and development contracts	9,655	9,655	4,655	-5,000
25.7	Operation and maintenance of equipment	873	873	873	0
26.0	Supplies and materials	89	89	89	0
31.0	Equipment	216	216	216	0
	<b>Total</b>	<b>31,205</b>	<b>31,400</b>	<b>26,329</b>	<b>-4,876</b>
	1/Other goods and services from Federal sources				
	Working Capital Fund	2,225	2,225	2,225	0
	DHS Services	69	69	69	0



# POLICY AND COMPLIANCE ASSISTANCE

## CHANGES IN FY 2014

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Costs of pay adjustments	\$78
Personnel benefits	30
One day more of pay	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	16
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Other services from non-Federal sources	0
Working Capital Fund	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0

**Built-Ins Subtotal** **\$124**

#### Program

To Provide For:

Research & Development Contracts -\$5,000

**Program Subtotal** **-\$5,000**

**Net Program** **-\$4,876**

**Direct FTE** **0**

	Estimate	FTE
<b>Base</b>	<b>\$26,329</b>	<b>84</b>

NOTE: FY 2012 base reflects actual FTE and does not include the significant staffing increases that occurred late in the fiscal year. The FY 2012 enacted FTE level is 102. Accordingly, the FY 2014 request level of 102 (depicting an 18 FTE increase from FY 2012) is not a program increase.



## EXECUTIVE LEADERSHIP, PROGRAM OVERSIGHT AND ADMINISTRATION

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2012 Revised Enacted</b>	<b>FY 2013 Full Year C.R.</b>	<b>FY 2014 Request</b>	<b>Diff. FY 14 Request / FY 12 Rev. Enacted</b>
<b>Activity Appropriation</b>	<b>6,705</b>	<b>6,746</b>	<b>6,743</b>	<b>38</b>
FTE	26	26	26	0

NOTE: FY 2012 reflects actual FTE. Authorized FTE for FY 2012 was 26.

### Introduction

The EBSA Executive Leadership, Program Oversight and Administration budget activity provides the overall leadership and direction for the policy, regulatory, enforcement and all other program and administrative activities that support the Department’s strategic vision of *Good Jobs for Everyone*. This activity supports the strategic vision through our component program offices and will improve pension and health benefits security with increased enforcement, strengthened regulatory programs to effectively implement reform legislation, and improve transparency through public disclosure and helpful participant assistance and outreach programs.

This budget activity is also responsible for the development and implementation of the agency’s administrative policy, strategic planning, and operational guidance by: (a) planning and overseeing human capital management programs to build, sustain, and effectively deploy the skilled, knowledgeable, diverse, and high-performing workforce needed to meet current and emerging needs; (b) providing leadership in the development of the agency’s training goals and delivery mechanisms; (c) providing leadership in the development of long-term and annual performance plans and reports; (d) overseeing the development and implementation of the agency’s Continuity of Operations Plan (COOP) to ensure timely and effective continuation of critical agency operations in the event of a major disruption; (e) planning and directing the analysis, justification, execution and evaluation of the agency budget - integrating the agency’s strategic performance goals with budget formulation and execution; (f) providing advice and oversight regarding the prudent management and use of resources and compliance with governing laws and regulations; and, (g) planning and coordinating the overall facilities management plan including space, telecommunications, mail, and printing management.

Through this activity, EBSA also carries out its responsibilities under the Debt Collection and Debt Collection Improvement Acts, specifically, those related to debts arising from civil penalties assessed under ERISA sections 502(c), 502(i) and 502(l).

# EXECUTIVE LEADERSHIP, PROGRAM OVERSIGHT AND ADMINISTRATION

## Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2009	\$5,530	25
2010	\$6,668	26
2011	\$6,655	26
2012	\$6,705	26
2013	\$6,746	26

## FY 2014

EBSA seeks \$6,743,000 and 26 FTE for the Executive Leadership, Program Oversight and Administration budget activity. This budget will enable EBSA to continue to provide the leadership and administrative support for all of the agency's programs including enforcement, participant assistance, policy, compliance assistance, and regulatory initiatives. EBSA will utilize human capital, financial and other information systems to provide decision-makers with the timely analysis required to monitor and update strategic plans and to measure the results of program and management initiatives. Additionally through this activity, EBSA will ensure the proper execution of responsibilities under the Affordable Care Act (ACA) to sustain health care reform.

Through this budget activity, EBSA will ensure effective and consistent employee and labor relations; promote a positive labor management relationship with the employees' exclusive representatives; plan and execute Executive Orders and Departmental special emphasis programs such as those for Historically Black Colleges and Universities, Hispanic Serving Institutions, Tribal Colleges and Universities, Asian American and Pacific Islanders, and individuals with disabilities; develop policy and operational guidance regarding the prudent management and use of resources in compliance with governing laws and regulations; and, oversee the agency's procurement, travel and other financial management activities.

The proposed FY 2014 budget level for the Executive Leadership, Program Oversight and Administration budget activity ensures the execution of functions that include: (a) human capital management programs to build, sustain, and effectively deploy the skilled, knowledgeable, diverse, and high-performing workforce needed to meet current and emerging needs; (b) development of strategic training goals and delivery mechanisms that meet both programmatic and individual needs; (c) development of long term and annual performance plans and reports; (d) development and implementation of the Agency Continuity of Operations Plan for continuation of critical agency operations in the event of a major disruption; (e) formulation, execution and evaluation of the Agency budget; and (f) overall facilities management planning including space, telecommunications, mail, and printing management.

Lastly, during FY 2014, EBSA will continue to effectively administer its responsibilities for the management of debts arising from the assessment of civil penalties under ERISA sections 502(c)(2), 502(i) and 502(l). This will be accomplished in accordance with the requirements of the Debt Collection and Debt Collection Improvement Acts.

# **EXECUTIVE LEADERSHIP, PROGRAM OVERSIGHT AND ADMINISTRATION**

## **FY 2013**

Figures shown for FY 2013 reflect the annualized Continuing Resolution (P.L. 112-175) as a full-year appropriation, which had not been replaced or amended at the time the budget was produced. In addition, these numbers do not reflect the impact of sequestration. The operating plan for Department of Labor programs for FY 2013 including sequestration are being provided to the Committee in a separate communication.

## **FY 2012**

Extensive discussions of the agency achievements are found in the Overview and other budget activity sections. However, the following are a few of the significant accomplishments in the administrative areas. Effective human capital management requires us to identify and recruit qualified candidates, train and develop them for current positions and prepare them for progressively more responsible positions within EBSA. These positions include occupations such as Investigators, Auditors, Benefits Advisors and Employee Benefits Law Specialists. To identify and recruit qualified, diverse entry-level employees, our recruitment teams conducted on-campus recruiting at local colleges and universities throughout the country. We utilized internship programs at undergraduate, graduate and professional institutions. In FY 2012, 80 employees (includes temporary and permanent Student Career Pathways Program employees) were hired through recruitment and hiring programs. To enhance employee development and succession planning, we utilized intra-agency development assignments, OPM-sponsored management development training, and Graduate School sponsored classes and seminars, and other management development assignments (e.g., developmental details, EBSA management conferences and seminars, annual employee needs assessments). EBSA had approximately 230 employees complete such developmental assignments in FY 2012.

We continued our extensive internal training curriculum to ensure that our employees develop and maintain the technical knowledge needed to successfully meet our strategic and performance objectives. The training curriculum consisted of a two-part Basic Training Course, Criminal Enforcement Training Course, Benefit Plan Accounting Course, and an independent study course for the Introduction to Employee Benefits and Fiduciary Conduct. In FY 2012, EBSA trained approximately 290 employees in technical, professional and leadership areas, expending more than 13,000 hours on training. These courses are designed to provide a foundation of legal knowledge and an understanding of industry practices required to effectively regulate the employee benefits industry and provide compliance assistance to stakeholders. Additionally, 55 employees completed Federal Law Enforcement Training Center (FLETC) courses to enhance their skills in areas unique to conducting criminal employee benefit plan investigations.

Lastly, EBSA effectively administered its responsibilities under the Debt Collection and Debt Collection Improvement Acts resulting in net final assessments of approximately \$20,888,000 and net collections of approximately \$20,760,000 in FY 2012.

**EXECUTIVE LEADERSHIP, PROGRAM OVERSIGHT AND  
ADMINISTRATION**

<b>DETAILED WORKLOAD AND PERFORMANCE</b>				
	<b>FY 2012 Revised Enacted</b>		<b>FY 2013 Full Year C.R.</b>	<b>FY 2014 Request</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Executive Leadership, Program Oversight and Administration</b>				
<b>Strategic Goal 4 - Secure health benefits and, for those not working, provide income security.</b>				
<b>Outcome Goal 4.3 - Improve health benefits and retirement security for all workers.</b>				
Participant assistance program customer satisfaction index	68.00%	69.00%	69.00%	69.00%
Percent of employee benefit plans in compliance with civil provisions of ERISA	--	--	[base]	TBD
Percentage point difference in compliance rate between employee benefit plans recently investigated and other employee benefit plans	--	--	--	TBD

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

# **EXECUTIVE LEADERSHIP, PROGRAM OVERSIGHT AND ADMINISTRATION**

## **Workload Summary**

The Executive Leadership, Program Oversight and Administration budget activity will continue to carry out functions that include: (a) human capital management programs to build, sustain, and effectively deploy the skilled, knowledgeable, diverse, and high-performing workforce needed to meet current and emerging needs; (b) development of strategic training goals and delivery mechanisms that meet both programmatic and individual needs; (c) development of long term and annual performance plans and reports; (d) development and implementation of the Agency Continuity of Operations Planning for continuation of critical agency operations in the event of a major disruption; (e) formulation, execution and evaluation of the Agency budget; and (f) overall facilities management plan including space, telecommunications, mail, and printing management.

**EXECUTIVE LEADERSHIP, PROGRAM OVERSIGHT AND  
ADMINISTRATION**

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
<b>(Dollars in Thousands)</b>					
		<b>FY 2012 Revised Enacted</b>	<b>FY 2013 Full Year C.R.</b>	<b>FY 2014 Request</b>	<b>Diff. FY14 Request / FY 12 Rev. Enacted</b>
11.1	Full-time permanent	3,225	3,255	3,250	25
11.3	Other than full-time permanent	117	117	117	0
11.5	Other personnel compensation	99	99	99	0
11.9	<b>Total personnel compensation</b>	<b>3,441</b>	<b>3,471</b>	<b>3,466</b>	<b>25</b>
12.1	Civilian personnel benefits	911	922	920	9
21.0	Travel and transportation of persons	48	48	48	0
22.0	Transportation of things	3	3	3	0
23.1	Rental payments to GSA	452	452	456	4
23.3	Communications, utilities, and miscellaneous charges	117	117	117	0
24.0	Printing and reproduction	75	75	75	0
25.2	Other services from non-Federal sources	241	241	241	0
25.3	Other goods and services from Federal sources 1/	427	427	427	0
25.7	Operation and maintenance of equipment	869	869	869	0
26.0	Supplies and materials	62	62	62	0
31.0	Equipment	59	59	59	0
	<b>Total</b>	<b>6,705</b>	<b>6,746</b>	<b>6,743</b>	<b>38</b>
	1/Other goods and services from Federal sources				
	Working Capital Fund	400	400	400	0
	DHS Services	27	27	27	0



# EXECUTIVE LEADERSHIP, PROGRAM OVERSIGHT AND ADMINISTRATION

## CHANGES IN FY 2014

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Costs of pay adjustments		\$25
Personnel benefits		9
One day more of pay		0
Federal Employees' Compensation Act (FECA)		0
Travel and transportation of persons		0
Transportation of things		0
Rental payments to GSA		4
Communications, utilities, and miscellaneous charges		0
Printing and reproduction		0
Other services from non-Federal sources		0
Working Capital Fund		0
Other Federal sources (DHS Charges)		0
Operation and maintenance of equipment		0
Supplies and materials		0
Equipment		0

**Built-Ins Subtotal** **\$38**

**Net Program** **\$0**

**Direct FTE** **0**

	Estimate	FTE
<b>Base</b>	<b>\$6,743</b>	<b>26</b>

NOTE: Base reflects actual FY 2012 FTE.