

**Transportation Administrative Service Center  
Statement of Financial Position  
As of September 30, 1999  
(Dollars in Thousands)**

<u>ASSETS</u>		<u>FY 1999</u>
Cash		19,102
Accounts Receivable		18,946
Travel Advances		
Other Advances		50
Other Assets:		
Prepayments		3,775
Fixed Assets:		
Equipment - Personal Property	25,954	
Less: Accumulated Depreciation	<u>(19,268)</u>	6,686
Automated Data Processing Software	1,551	
Less: Accumulated Depreciation	<u>(753)</u>	798
Leasehold Improvements	787	
Less: Accumulated Depreciation	<u>(717)</u>	70
Total Assets		<u><u>49,427</u></u>
 <u>LIABILITIES</u>		
Accounts Payable:		
Government Agencies		5,530
Commercial Vendors		16,508
Accrued Liabilities:		
Advances from Others		651
Advances from Others - WCF Operations		4,995
Other Accrued Liabilities – Unclassified		1,828
Salaries and Wages		1,835
Annual Leave		1,576
Actuarial Liability		<u>467</u>
Total Liabilities		<u>33,390</u>
 <u>CAPITAL</u>		
Total Equity (See Equity Statement)		16,037
Total Liabilities and Capital		<u><u>49,427</u></u>

**Transportation Administrative Service Center  
Statement of Equity  
As of September 30, 1999  
(Dollars in Thousands)**

**FY 1999**

<b>EQUITY INVESTED</b>	7,594
<b>EQUITY AVAILABLE FOR REINVESTMENT</b>	10,538
<b>CAPITAL INVESTMENTS - UNFILLED ORDERS</b>	1,841
<b>CUMULATIVE RESULTS FROM OPERATIONS</b>	(3,469)
<b>FUTURE FUNDING REQUIREMENTS</b>	(467)
<b>TOTAL EQUITY</b>	<b>16,037</b>

**Transportation Administrative Service Center  
Statement of Revenue and Expenses  
As of September 30, 1999  
(Dollars in Thousands)**

<b>REVENUE:</b>	<b>FY 1999</b>
OST	9,886
USCG	21,112
FAA	44,059
FRA	1,819
NHTSA	7,700
FTA	5,495
SLSDC	189
RSPA	2,709
MARAD	2,790
OIG	1,584
FHWA	20,013
Others <u>1/</u>	62,786
 <b>REVENUE FROM BILLINGS</b>	 <b>180,142</b>
 Employee Parking Fees	 781
Coin Operated Copiers	27
TASC Fitness Center Fees	188
 <b>TOTAL REVENUE</b>	 <b>181,138</b>
 <b>LESS: ACTUAL EXPENSES :</b>	
Director - TASC	568
Customer Service Revenue	12
Customer Service Reps	402
TASC Wide Representation	39
Disability Plan Project	82
Drug Awareness/Testing	(11)
Disability Resource Center	215
Drug and Alcohol Program	2,889
Departmental Program	546
Personnel Operations	1,702
DOT Connection	828
Unemployment Compensation	878
Consolidated Federal Funds Report	60
Single Audit Clearinghouse	146
Federal Laboratory Consortium	29
Deferred Billing	40
WCIS	43
White House Safety Council	482
FEMA Coop Facility	161

**Transportation Administrative Service Center  
Statement of Revenue and Expenses  
As of September 30, 1999  
(Dollars in Thousands)**

TASC Business Support	1,692
Payroll Operations	159
Accounting & Billing Operation	965
Fixed Fee Overhead	(3,610)
Telecommunications - Other	550
FTS	(737)
IDN	341
Multipurpose Brief Room	104
Voice Mail	71
Voice Mail - NHTSA	10
Custom Routing Services	3,680
Telecommunication- Administration	9,535
Telecommunications - Maintenance	188
Telecommunications - USCG	81
Telecommunications - Miscellaneous Expense	24
Telecommunications - Special Services	153
TCC Services	10,983
TCC Y2K	3,649
ITO Marketing Service Development	9
Information Technology Operating Administration	11
Year 2000 Service Bureau	22,266
Security Service Bureau	16
Security Service Y2K	22
ITO Administration Y2K	577
Departmental E Mail	80
Departmental Internet/Intranet	(80)
Local Area Network	300
Custom Services	10
Hardware/Software Supply	2,261
Office Automation Administration	1,303
Office Automation - OST E Mail	(74)
Office Automation - OST Internet	(12)
TASC Fitness Center	295
Motor Pool	673
Mail	1,786
Postage	2,699
Equipment Accounting Section	182
Transit Benefits	3,701
Parking Management	133
Transit Fare Media	684
Special Transit Service	2,417
Employee Parking Fees	781
Shuttle Bus	221
Special Shuttle Service	24

**Transportation Administrative Service Center**  
**Statement of Revenue and Expenses**  
**As of September 30, 1999**  
**(Dollars in Thousands)**

Warehouse	825
Facilities Service- NASSIF	2,528
Overtime Utilities	187
Contract Labor Support	200
Special Building Service	24
Building Delegation	3,304
Satellite Copiers	1,147
Coin Operated Copiers	80
In-House Plant	1,787
Y2K Publications Distribution Services	4
Printing - Contracted	6,446
Contract Administration	789
Copy Centers	1,471
Photography	250
Initial Distribution	1,309
Subsequent Distribution	1,660
Library Services	3,521
Y2K Library	6
Special Library Services	12
Library Research Services	6
Graphics	1,413
Procurement Operations	556
ITOP	2,660
ITOP - Non-DOT Contract	34,105
Procurement - Non-DOT	2,476
Y2K Procurement Operations	20
Multi Media Services	590
Sign Language Interpretation	279
Space Management	1,210
TASC Rent	11
Security & Investigations - OST	397
OST Transportation	104
Passports & Visas	127
Building Security - NASSIF	1,336
Building Security - FOB10A	1,075
Building Security - Transpoint	955
Other Security & Investigations	1,517
FOB 10B Startup	35
Personnel Security	221
Adjudicative Service	188
Computer Center Training	277
Training & Organizational Development	560
DAFIS Production/Maintenance	3,949
DAFIS Evolution	7,445
DAFIS Production	472
DAFIS Maintenance	74
DAFIS Services	354

**Transportation Administrative Service Center  
Statement of Revenue and Expenses  
As of September 30, 1999  
(Dollars in Thousands)**

Docket Management System Operation	2,005
Procurement Streamline	208
IPPS Operations	6,228
HRMS NON DOT	242
Applications - Pool Services	1,068
Applications – Dedicated	3,332
Applications - Non-DOT	1,360
Technology Group	239
Docket Management Development	250
CPMIS	688
Program & Production Management Staff	10
Requirements & Technology Staff	32
Aeronautical Information Branch	6
Aeronautical Chart Automation Branch	161
Reproduction Division	453
Headquarters	
Distribution Division	14
<b>TOTAL EXPENSES</b>	<b>181,492</b>
<b>FY 1999 NET RESULTS FROM OPERATIONS</b>	<b>(354)</b>
<b>FY 1998 CUMULATIVE RESULTS</b>	<b>(3,115)</b>
<b>CUMULATIVE RESULTS FROM OPERATIONS</b>	<b>(3,469)</b>

1/ Represents the net of billings to Non-DOT customers



**FEDERAL AVIATION ADMINISTRATION (FAA)  
ADMINISTRATIVE SERVICES FRANCHISE FUND**

**BACKGROUND/FUND ESTABLISHMENT**

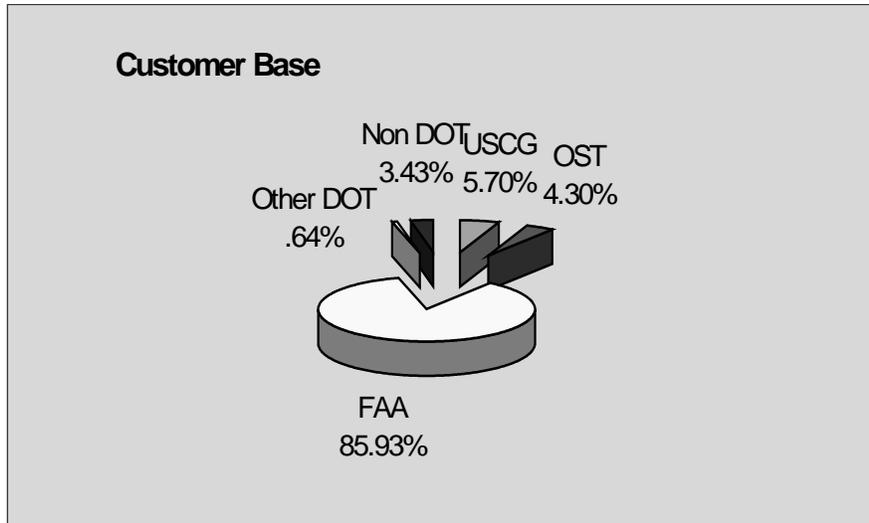
The franchise concept is designed to create competition within the public sector for the performance of a variety of support services. This allows for the establishment of an environment to maximize the use of internal resources through the consolidation and joint-use of like functions and to gain the efficiencies and economies of scale associated with the competitive offering of services to other Government agencies.

The Government Management Reform Act (GMRA) of 1994, Public Law 103-356, provided for the establishment of six franchise fund pilot programs. The six pilots were authorized by the President’s Chief Financial Officers (CFO) Council prior to submission of the FAA Franchise Fund proposal. However, the CFO Council’s Franchise Fund Working Group strongly endorsed the FAA proposal, and recommended submission to Congress as a franchise-like operation. This endorsement resulted in Congressional approval, and the Administrative Services Franchise Fund was established in FY 1997.

**SERVICES**

The Administrative Services Fund offers a wide variety of services. These include international training, accounting, payroll, travel, duplicating, multi media, information technology, and management training.

The customer base for Franchise fund services includes DOT and non-DOT government agencies. The FY99 revenue percentages by customer are identified in the following pie chart.



## BENEFITS/ACCOMPLISHMENTS

Benefits from the franchise environment occur incrementally over time through efficiencies and economies of scale associated with development of partnerships and consolidation of like functions plus the addition of new customers. During the first three years of operation, activities within the Administrative Services Franchise Fund have identified a number of advantages, benefits, and results from participation in the fund.

The general impacts/benefits are:

- A more business-like orientation
- Customer driven decisions
- Emphasis on the cost of doing business and the full recovery of costs
- Reduction in the delivery price of some products/services
- Flexibility of the revolving fund environment including reduction of year end crunch
- Use of retained earnings to build a base for equipment upgrades, improved services, etc.
- Renewed employee enthusiasm and the sense of challenge
- Development and refinement of specific measurement processes
- Identification of partnering/consolidation opportunities

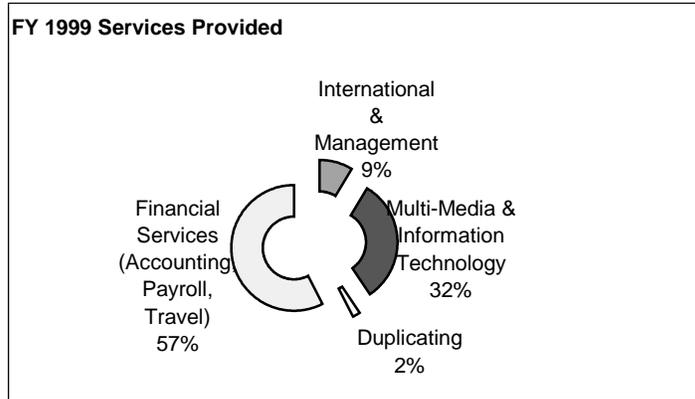
Specific accomplishments include:

- Centralized/consolidated the international training activities at the FAA Academy at no additional cost.
- Increased FAA influence on global aviation system and improvement of overall safety through advancement of the international training program.
- Absorbed a reduction in the printing budget allocation with no commensurate reduction in service level.
- Consolidated two services (multi media and printing) into one division with a single manager (instead of two) resulting in ability to shift resources to the working level.
- Purchased equipment upgrades in printing and multi media to improve technology, increase capability, and replace worn-out units through use of the retained earnings provisions of the revolving fund. This resulted in improved service delivery and would not have been possible using the annual appropriation cycle alone.
- A cost avoidance of approximately \$2.8 million annually due to significantly lower prices than local quick print competitors (\$0.025 versus \$0.07 per impression).
- Reduced cost per impression from \$0.025 to \$0.023 (8 percent) in FY 1999 resulting from efficiencies gained through new technology and economies of scale associated with new customers and increased product output.
- Centralized permanent change of station (PCS) processing within the agency.
- Negotiated an agreement with one new customer for collections processing, one new customer for PCS processing, and one new customer for accounting services.

## FY 1999 FUND ACTIVITY

The fund provided services totaling \$17,362 thousand in FY 1999. The following is a graphic presentation of the distribution of customer reimbursement by service activity for FY 1999.

In addition, collections of 769K were made during FY 1999 for services to be performed in FY 2000. The breakdown of this 769K deferred revenue is: 67K deferred revenue collected by International & Management Training; 244K deferred revenue collected by Multimedia & Information Technology; 15K deferred revenue collected Printing & Distribution; and 443K deferred revenue collected by Financial Services.



**Additional Supplemental Information**

**Deferred Maintenance:**

(Dollars in Thousands)

<u>DOT Entity</u>	<u>Major Class of Asset</u>	<u>Method of Measurement</u>	<u>Asset Condition*</u>	<u>Cost to Return to Acceptable Condition**</u>
FAA	Buildings	Condition Assessment Survey	4 & 5	\$ 17,539
	Other Structures and Facilities	Condition Assessment Survey	4 & 5	37,442
MARAD	Vessels, Ready Reserve Force	Condition Assessment Survey	3	26,300
	Real Property, Anchorage	Condition Assessment Survey	4	9,989
	Real Property, Buildings	Condition Assessment Survey	5	12,515
USCG	Aircraft	Management Analysis	Variable	17,000
	Vessels	Management Analysis	Variable	12,000
	Shore Facilities	Management Analysis	Variable	10,000
	Electronics Systems	Management Analysis	Variable	<u>4,000</u>
Total				<u>\$ 146,785</u>

**Deferred Maintenance:**

**\*\*Acceptable Condition is:**

FAA Buildings	3 - Fair
FAA Other Structures and Facilities	3 - Fair
MARAD Vessels, Ready Reserve Force	1 - Excellent - Ships are seaworthy and ready for mission assignments within prescribed time limits.
MARAD, Real Property, Anchorage	3 - Fair - Adequate water depth, shore power, and mooring capabilities.
MARAD, Real Property, Buildings	3 - Fair - Buildings are safe and inhabitable.
USCG Aircraft	1 - Excellent
USCG Vessels	2 - Good
USCG Shore Facilities	3 - Fair
USCG Electronic Systems	1 - Excellent

**Other Information:** Deferred Maintenance is maintenance that was not performed when it should have been or was scheduled to be performed and delayed until a future period. Maintenance is keeping fixed assets in acceptable condition, and includes preventative maintenance, normal repairs, replacement of parts and structural components, and other activities needed to preserve assets in a condition to provide acceptable service and to achieve expected useful lives.

USCG has used the management analysis method of measuring deferred maintenance. Since detailed maintenance assessments of USCG operating assets have not been completed, USCG has estimated deferred maintenance based on inflation-adjusted reductions in maintenance funding since FY 1992. FY 1992 is a base year in which reliable data suggests assets were maintained at a level that would support full operational capability throughout the asset's expected useful life.

No material maintenance was deferred on FAA land, aircraft, National Airspace Equipment, or general purpose equipment. MARAD reports no material deferred maintenance for other vessels or equipment.

**Intragovernmental Balances by Trading Partner:**

A. Intragovernmental Assets by Trading Partner:

(Dollars in Thousands)

	<u>Fund Balance with Treasury</u>	<u>Investments</u>	<u>Accounts Receivable</u>	<u>Other Assets</u>
Agency:				
(1) Department of the Treasury	\$14,200,212	\$43,024,251	\$ 2,285	\$ 162,105
(2) Department of Defense	-	-	346,181	121,788
(3) General Services Administration	-	-	4,073	-
(4) Securities and Exchange Comm	-	-	1,624	-
(5) Department of Energy	-	-	1,533	-
(6) U.S. Capitol Police	-	-	1,263	-
(7) Department of Interior	-	-	993	-
(8) Environmental Protection Agency	-	-	800	-
(9) Department of Commerce	-	-	605	-
(10) Department of Justice	-	-	578	-
(11) Natl. Aero. and Space Admin.	-	-	452	-
(12) US Trade & Develop. Agency	-	-	247	-
(13) Fed. Emerg. Mgmt. Admin.	-	-	221	-
(14) Department of Agriculture	-	-	93	-
(15) Other Miscellaneous Agencies	<u>-</u>	<u>-</u>	<u>62,154</u>	<u>57,247</u>
 Total	 <u>\$14,200,212</u>	 <u>\$43,024,251</u>	 <u>\$ 423,102</u>	 <u>\$ 341,140</u>
 Total Intragovernmental Assets	 <u>\$57,988,705</u>			

B. Intragovernmental Liabilities by Trading Partner:

	<u>Accounts Payable</u>	<u>Environmental and Disposal Liabilities</u>	<u>Debt</u>	<u>Other Liabilities</u>
Agency:				
(1) Department of the Treasury	\$ 5,184	\$ -	\$ 432,671	\$ 60,094
(2) Department of Defense	111,633	-	-	310,901
(3) Department of Labor	-	-	-	215,112
(4) Federal Financing Bank	-	-	3,689	10
(5) Office of Personnel Management	-	-	-	1,034
(6) Other Miscellaneous Agencies	<u>81,630</u>	<u>328,992</u>	<u>-</u>	<u>170,291</u>
 Total	 <u>\$ 198,447</u>	 <u>\$ 328,992</u>	 <u>\$ 436,360</u>	 <u>\$ 757,442</u>
 Total Intragovernmental Liabilities	 <u>\$ 1,721,241</u>			