

AMERICAN BATTLE MONUMENTS COMMISSION

Appropriation Request for Fiscal Year 2006

First Session, 109th Congress of the United States

Submitted to the Appropriations Subcommittees on
Veterans Affairs, Housing and Urban Development and
Independent Agencies

February 2005

**American Battle Monuments Commission
Fiscal Year 2006 Appropriation Request**

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**American Battle Monuments Commission
Fiscal Year 2006 Appropriation Request**

PROPOSED APPROPRIATION LANGUAGE

General and Special Funds:

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

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase [(one for replacement only)] (one for one replacement only) and hire of passenger motor vehicles; not to exceed \$7,500 for official reception and representation expenses; and insurance of official motor vehicles in foreign countries, when required by law of such countries, [\$41,100,000] \$35,250,000, to remain available until expended. (Consolidated Appropriations Act, 2005)

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

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, [\$12,000,000] \$15,250,000, to remain available until expended, for purposes authorized by 36 U.S.C. 2109. (Consolidated Appropriations Act, 2005)

American Battle Monuments Commission Fiscal Year 2006 Appropriation Request

GENERAL STATEMENT

Since 1923, the principal functions of the American Battle Monuments Commission have been: (1) to commemorate the achievements and sacrifices of United States Armed Forces where they have served since April 6, 1917, through the erection and maintenance of suitable memorial shrines; (2) to design, construct, operate and maintain permanent American military burial grounds in foreign countries; (3) to control the design and construction on foreign soil of U.S. military monuments and markers by other U.S. citizens and organizations both public and private; and (4) to encourage U.S. governmental agencies and private individuals and organizations to adequately maintain the monuments and markers erected by them on foreign soils. Our FY 2006 budget request reflects our continued commitment to our worldwide mission and responsibilities.

In performance of its functions, ABMC administers, operates and maintains twenty-four permanent American military cemeteries, twenty-five monuments, memorials, markers, and three offices in fifteen countries around the world, the U.S. Commonwealth of the Northern Mariana Islands and the British dependency of Gibraltar. These cemeteries and memorials are among the most beautiful and meticulously maintained shrines of their nature in the world. Interred in the cemeteries are 124,917 U.S. War Dead - 30,922 of World War I, 93,245 of World War II, and 750 of the Mexican American War. Additionally, 6,114 American Veterans and others are interred in the Mexico City and Corozal Cemeteries. The World Wars and Mexico City Cemeteries are closed to future burials except for the remains of U.S. War Dead found from time to time in the World War I and II battle areas.

In addition to burials, the World War I and II cemeteries, together with three memorials on U.S. soil, commemorate by name on Walls of the Missing the 94,132 U.S. servicemen and women who were Missing in Action or lost or buried at sea in their general region during the World Wars, and the Korean and Vietnam Wars.

The care of these shrines to our War Dead requires a formidable annual program of maintenance and repair of facilities, equipment, and grounds maintenance. This care includes upkeep of 131,000 graves and headstones; 73 memorial structures; 41 quarters, utilities, and maintenance facilities; 67 miles of roads and paths; 911 acres of flowering plants, fine lawns and meadows; 3,000,000 square feet of shrubs and hedges and 11,000 ornamental trees.

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Our facilities range in age from 86 to 45 years old with our Mexico City Cemetery being over 100 years old. The permanent structures and plantings which make our facilities among the most beautiful memorials in the world are aging and require significant funding to maintain them at the current standards. Accordingly, we are prioritizing our maintenance and engineering funds very carefully to ensure the most effective utilization of our available resources. All of the plantings, including the lawns and to some extent the meadows, must be cut and/or shaped, fed and treated with insecticides and fungicides at regular intervals during the growing season. The plantings also must be replaced when their useful lives are exhausted or they receive major storm damage. Some of the maintenance and care is performed by casual labor.

Based upon our estimates of foreign currency rates, ABMC's total FY 2006 request for \$50,500,000 includes \$35,250,000 to fund salaries and expenses and \$15,250,000 to fund the Foreign Currency Fluctuation Account to offset currency fluctuation losses in our European and Mediterranean regions.

Program Costs:

ABMC's request for salaries and expenses of \$50,500,000 provides \$32,150,000 to defray personnel costs and other expenses, including service fees, scheduled maintenance and repairs, supplies, materials, spare parts, replacement of uneconomically repairable equipment, and capital improvements and \$3,100,000 to complete the design and construction of the Normandy Interpretive Center.

As part of its FY 2006 request, the ABMC includes \$2.0 million to perform periodic maintenance and correct individual deficiencies. Our facilities, constructed following WW I and WW II, have aged to 86 and 45 years respectively. Over time, deterioration accelerates and the costs of materials, labor and utilities continue to increase around the world. The ABMC also faces increasingly stringent environmental requirements in host countries. We must continue to improve our access for the disabled, particularly to accommodate visits by the aging next-of-kin and WW II populations. All of these factors translate to increased requirements. The \$2.0 million funding requested will be for high-priority engineering projects specifically directed toward protecting the American people's investment in the cemeteries, memorials, and monuments for which we are responsible.

Within our request, the ABMC is targeting \$2.0 million to continue our Infrastructure Modernization Program. As previously noted, our cemeteries and their infrastructure range in age from 86 to 45 years. With the help of Congress and the Office of Management and Budget over the last eight years, we have eliminated our backlog of deferred maintenance and engineering projects. We must now continue our efforts to replace and/or upgrade outdated and deteriorating systems.

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The Infrastructure Modernization Program enables us to take a systemic look at our infrastructure and address areas that will: (1) reduce the growth of operational and routine maintenance costs; and (2) promote more effective long-term planning and budgeting. The first phase of this program, conducted during FY 2000 and FY 2001, established a baseline assessment of our installations by utilizing in-depth technical surveys. These surveys assessed electrical and structural systems and were accomplished by professional engineers who applied current industry standards, regulations, and technological advances to determine what needed to be accomplished to our facilities. A subsequent study, conducted in FY 2002, examined our diverse water systems at each facility. The second phase addressing corrective actions in electrical and structural began in FY 2002 and will continue through FY 2006.

ABMC plans to complete the Normandy Interpretive Center in January 2007. As part of our request, we have included in our request an increase in our staffing levels from 390 Full-Time Equivalent (FTE) positions to 391 FTE to allow us to hire a Normandy Interpretive Center Director (1 FTE) to oversee the final stages the construction of the Normandy Interpretive Center, lead our effort to open the new facility to the public, and participate in identifying the resources needed to operate and support the center once construction is complete.

Additionally, our FY 2006 request includes \$15,250,000 to fund ABMC's Foreign Currency Fluctuation Account. This request is driven by the overall increase in costs due to foreign currency fluctuation, particularly the exchange rate between the U.S. Dollar and the European Euro, so that ABMC maintains the same buying power for its operational costs. These funds will defray losses in buying power expected in the European and Mediterranean Regions (where 77.1% of ABMC's funding expenditures are subject to exchange rate losses between the U.S. Dollar and the Euro), as well as to offset losses in buying power on construction costs incurred for the Normandy Interpretive Center in FY 2006.

ABMC has recast its budget in FY 2006 using a budget and disbursement rate of \$1USD = 0.72 Euros. Previously, ABMC tied its budget rate to Department of Defense Foreign Currency Fluctuation decisions. This strategy failed to account for the amount of risk that ABMC could withstand when foreign currency disbursement rates were unfavorable. By tying the budget rate to analysis of near-term current rates and to projections for future trends, ABMC anticipates greater stability in its ability to project foreign currency offset funding requirements.

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GENERAL STATEMENT

Supporting the President's Management Agenda

ABMC is making significant progress in the implementation of each item within the President's Management Agenda.

Strategic Management of Human Capital

Managing our human capital demands that ABMC has the right person with the right skills in every position. In FY 2002 we began a worldwide manpower study which would outline our manpower requirements, position descriptions, workloads and manpower distribution to ensure we deploy our workforce properly. ABMC expects to receive the final report in the second quarter, FY 2005. Throughout the remainder of the year and into FY 2006, ABMC will review the study recommendations.

Competitive Sourcing

We have used competitive sourcing initiatives in a number of ways to improve performance and save costs. This budget contains \$1,400,000 for upgrades, hosting, and 24-hour support of our financial management system. These funds allow us to outsource support to contractors experienced in providing such services and enable us to avoid doubling the size of our financial management staff in order to support our worldwide operations. The resources devoted to our Infrastructure Modernization Program and Engineering Program largely support competitive sourcing of our infrastructure improvement efforts allowing our government employees to focus on our daily mission of maintaining our cemeteries while implementing complex systems and upgrading our physical plant. Most construction and engineering projects at ABMC are contracted out, since these projects are usually unique and beyond the capability of our limited staff.

Improved Financial Performance

Since 1998, ABMC has been required to produce full financial statements. In addition, the Comptroller General independently audits these financial statements. Each year, ABMC has earned an unqualified opinion from the Government Accountability Office (GAO) on our financial audits. We recognize that improved financial performance is more than achieving an unqualified audit opinion. It is about putting useful and timely information in the hands of leaders with which they can make decisions. This budget not only supports daily accounting operations and proper internal controls, it also allows us to identify additional management needs and develop reports so that we can provide the best financial information available with which leaders can make more informed decisions.

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GENERAL STATEMENT

Expanded E-Government

Over the last several years, ABMC has expanded access to valuable information through the use of on-line tools. We maintain a Web site which allows visitors to gather information on our organization, cemeteries, memorials and their locations. This budget continues our efforts for citizens to make contributions to our Flower Funds electronically through the use of credit cards. This will allow greater ability for citizens to arrange for flowers to memorialize the memory of loved ones who have made the ultimate sacrifice for our nation.

We also support the Administration's efforts to reduce the number of payroll providers with the federal government. This budget provides for General Service Administration (GSA) payroll service. This service includes on-line Leave and Earnings Statements and other key pay and benefits information.

Budget and Performance Integration

A key element in linking budget and performance is having timely and reliable financial data. We have achieved that with our integrated financial system. Another key element is the process by which ABMC ties performance within the organization to the budget formulation process. ABMC began implementing a Cemetery Evaluation Review System in FY 2005 that uses existing policies and standards to assess and prioritize both requirements and resources. Evaluations and reviews conducted during FY 2005 will form the basis for budgeting requirements for the FY 2007 Budget Year.

We are pressing forward in the budget process to ensure that our funding requests support the objectives of the agency and the President's Management Agenda. Our budget clearly ties to our Strategic and Annual Performance Plans.

ABMC demonstrated its budget and performance integration through the success it achieved in designing, constructing and dedicating the World War II Memorial. On May 25, 1993, Public Law 103-32 authorized the American Battle Monuments Commission to establish a World War II Memorial in Washington, D.C. or its environs. This memorial was the first national memorial dedicated to all who served during the war, and recognizes the commitment and achievement of the entire nation. Private donations funded the memorial. The first public solicitation for the capital campaign began in January 1997. In addition to ensuring that the memorial and its components were designed for maximum service life and for effective maintainability, ABMC also contracted for repair work to the adjacent Reflecting Pool as an added protection against, and prevention of, water seepage into the memorial.

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ABMC sponsored a highly successful dedication ceremony on May 29, 2004, attended by hundreds of thousands of World War II veterans and their families. The President also attended the dedication ceremony and accepted the memorial on behalf of the American people. Formal transfer of the memorial to the National Park Service occurred on November 1, 2004.

The World War II Memorial project was completed on time and within budget. As a result, the Office of Management and Budget (OMB) rated the program as "Effective" using the Program Assessment Rating Tool (PART) evaluation. The effectiveness of this project was largely due to ABMC's insistence on using clearly defined deliverables and managing the project with appropriate cost and schedule goals. In collaboration with GSA, ABMC directed a fixed-price construction contract with performance based award fees based upon quality, schedule, and budget goals. The result was that the project experienced no significant deviation from the original schedule or budget. (See Section V for further details.)

This appropriation request is submitted pursuant to the Act of March 4, 1923, 42 Stat. 1509, as amended (36 U.S.C. 2101-2113).

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LEAD OFF TABULAR STATEMENT
PROGRAM COSTS

(\$ in Thousands)

	<u>AMOUNT</u>	<u>FULL-TIME EQUIVALENT POSITIONS AUTHORIZATION</u>	<u>AVERAGE EMPLOYMENT</u>
1. FY 2004 Appropriation [Treasury Account ID: 74-0100-0]	41,300	390	390
Rescission	-243		
Transferred to Foreign Currency Fluctuation Account	656		
Transferred from Foreign Currency Fluctuation Account to Offset Losses	4,747		
Unobligated balance End of Year	...		
Budget Authority	46,460		
Unobligated balance transferred to Foreign Currency Fluctuation Account	...		
Total Obligations	46,460		
2. FY 2005 Appropriation [Treasury Account ID: 74-0100-0 & 74-0101-0] (See Note 1)	53,100	390	390
Rescission	-425		
Unobligated Balance from Prior Year	...		
Budget Authority	52,675		
Total Obligations	52,675		
3. FY 2006 Appropriation [Treasury Account ID: 74-0100-0 & 74-0101-0] (See Note 2)	50,500	391	391
Budget Authority	50,500		
Total Obligations	50,500		

- Notes:
1. In 1988, 36 U.S.C. 2109 established ABMCs Foreign Currency Fluctuation Account (FCFA). This account is used to offset foreign currency costs when the dollar is less favorable than the budgeted rate, and to collect gains when the dollar is in a more favorable position. For FY 2006, ABMC reset its budget rate to 0.72 Euros to the U.S. Dollar based on analysis of near-term foreign currency exchange rates and projections for future trends.
 2. FY 2006 Appropriation request includes an increase for 1 Full-Time Equivalent position for the Normandy Interpretive Center.

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MONTHLY COMMITMENT OF FOREIGN CURRENCY

Monthly Commitment of Foreign Currency Fluctuation Account Funds Based on Obligations (See Note 1)

Month	FY 2004		FY 2005		FY 2006	
	Average Exchange Rate (1USD=__Euro)	Gain / Loss (Actual)	Average Exchange Rate (1USD=__Euro)	Gain / Loss (See Note 2)	Average Exchange Rate (1USD=__Euro)	Gain / Loss (See Note 3)
October	0.85	-910,670	0.80	-567,347	0.72	-1,270,833
November	0.85	-700,504	0.77	-865,464	0.72	-1,270,833
December	0.81	-715,088	0.74	-933,003	0.72	-1,270,833
January	0.79	-699,867	0.72	-1,219,910	0.72	-1,270,833
February	0.79	-772,621	0.72	-1,219,910	0.72	-1,270,833
March	0.81	-670,336	0.72	-1,219,910	0.72	-1,270,833
April	0.83	-589,524	0.72	-1,219,910	0.72	-1,270,833
May	0.83	-591,577	0.72	-1,219,910	0.72	-1,270,833
June	0.82	-751,963	0.72	-1,219,910	0.72	-1,270,833
July	0.81	-579,530	0.72	-1,219,910	0.72	-1,270,833
August	0.82	-591,645	0.72	-1,219,910	0.72	-1,270,833
September	0.81	-557,687	0.72	-1,219,910	0.72	-1,270,833
Total		-8,131,012		-13,345,004		-15,249,996

- Notes:
1. Reconciliation of disbursements lags behind obligations
 2. For FY 2005: October thru December are actual data; the remainder of FY 2005 is estimated
 3. For FY 2006: Data are estimates

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STATEMENT OF PERSONNEL

	<u>2004 Actual</u>	<u>2005 Estimate</u>	<u>2006 Estimate</u>
Total Number of Full-Time Permanent Positions	390	390	391
Total Compensable Work Years (FTE)	390	390	391
Full-Time Equivalent (FTE) of Overtime and Holiday Pay	4	4	4
Average GS Grade/Step	12/4	12/4	12/4
Average GS Salary	68,039	70,557	72,180
Average Salary of FSN Positions	26,831	27,000	27,621

Note: FY 2006 Appropriation request includes an increase for 1 Full-Time Equivalent position for the Normandy Interpretive Center.

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STATEMENT OF
INCREASES AND DECREASES BY ACTIVITY
(In Thousands)

	<u>Administration and U.S. Memorials</u>	<u>European Cemeteries and Memorials</u>	<u>Mediterranean Cemeteries and Memorials</u>	<u>Asian Cemeteries and Memorials</u>	<u>Latin Cemeteries and Memorials</u>	<u>Totals</u>
FY 2004 Obligations (Actual)						
Salaries and Expenses	7,737	27,823	3,541	1,444	511	41,056
Foreign Currency Fluctuation Account	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Program	7,737	27,823	3,541	1,444	511	41,056
FY 2005 Obligations (Est.)						
Salaries and Expenses	6,107	28,035	4,423	1,588	618	40,771
Foreign Currency Fluctuation Account	<u>0</u>	<u>10,168</u>	<u>1,736</u>	<u>0</u>	<u>0</u>	<u>11,904</u>
Total Program	6,107	38,203	6,159	1,588	618	52,675
Change from FY 2004	-1,630	10,380	2,618	144	107	11,619
FY 2006 Obligations (Est.)						
Salaries and Expenses	6,232	22,179	5,012	1,259	568	35,250
Foreign Currency Fluctuation Account	<u>0</u>	<u>13,350</u>	<u>1,900</u>	<u>0</u>	<u>0</u>	<u>15,250</u>
Total Program	6,232	35,529	6,912	1,259	568	50,500
Change from FY 2005	125	-2,674	753	-329	-50	-2,175

**American Battle Monuments Commission
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STATEMENT OF
INCREASES AND DECREASES BY OBJECT CLASSIFICATION
(In Thousands)

Object Classes:	<u>11</u>	<u>12</u>	<u>13</u>	<u>21</u>	<u>22</u>	<u>23</u>	<u>24</u>	<u>25</u>	<u>26</u>	<u>31</u>	<u>32</u>	<u>42</u>	<u>Total</u>
FY 2004 Obligations (Actual)													
Salaries and Expenses	13,019	5,123	127	578	212	1,136	127	4,795	1,580	2,364	11,953	42	41,056
Foreign Currency Fluctuation Account	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		
Total	13,019	5,123	127	578	212	1,136	127	4,795	1,580	2,364	11,953	42	41,056
FY 2005 Obligations (Est.)													
Salaries and Expenses	13,230	5,302	151	427	184	1,791	168	1,704	2,080	3,186	12,543	5	40,771
Foreign Currency Fluctuation Account	<u>3,863</u>	<u>1,548</u>	<u>43</u>	<u>125</u>	<u>54</u>	<u>523</u>	<u>49</u>	<u>498</u>	<u>607</u>	<u>930</u>	<u>3,663</u>	<u>1</u>	<u>11,904</u>
Total	17,093	6,850	194	552	238	2,314	217	2,202	2,687	4,116	16,206	6	52,675
Changes from 2004	4,074	1,727	67	-26	26	1,178	90	-2,593	1,107	1,752	4,253	-36	11,619
FY 2006 Obligations (Est.)													
Salaries and Expenses	13,607	5,852	135	465	160	2,165	167	1,748	1,886	2,598	6,462	5	35,250
Foreign Currency Fluctuation Account	<u>5,880</u>	<u>2,530</u>	<u>60</u>	<u>201</u>	<u>69</u>	<u>940</u>	<u>72</u>	<u>762</u>	<u>815</u>	<u>1,125</u>	<u>2,794</u>	<u>2</u>	<u>15,250</u>
Total	19,487	8,382	195	666	229	3,105	239	2,510	2,701	3,723	9,256	7	50,500
Changes from 2005	2,394	1,532	1	114	-9	791	22	308	13	-393	-6,950	1	-2,175

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CHANGES BY OBJECT CLASSIFICATION

This appropriation request provides \$50,500,000 for salaries and expenses and foreign currency fluctuation account funds for administration, operation, maintenance, and supervision for 24 burial grounds and 28 separate monuments, memorials, markers and offices around the world, plus funding to complete construction of the Normandy American Cemetery Interpretive Center.

Object Class 11 – Personnel Compensation. \$19,487,000 is requested for salaries and expenses for of 67 U.S. civilian and 324 foreign national employees indigenous to the foreign countries where our installations are located. Included in the request are in-grade increases, promotions, and cost of living increases for all employees. Also included in the FY 2006 Appropriation request is an increase for 1 Full-Time Equivalent position for the Normandy Interpretive Center.

Object Class 12 – Personnel Benefits. \$8,382,046 is requested for personnel benefits. These benefits or allowances are authorized by U.S. Federal law, the laws of the countries where our installations are located, and the treaty agreements between host countries and the U.S. Federal Government. They include U.S. and foreign national (FN) social security; GS Medicare taxes; GS and FN life insurance; GS education allowances; GS and FN retirement; GS quarters allowances; GS post allowances; GS and FN health insurance; GS temporary lodging allowances; GS thrift savings programs; bonuses; and FN family allowances.

Object Class 13 – Benefits for Former Personnel. \$195,300 is requested for severance pay of FN and GS employees.

Object Class 21 – Travel and Transportation of Persons. \$665,898 is requested for the travel and transportation of ABMC's U.S. and FN employees for operational purposes, its U.S. employees and dependents traveling on permanent change of station, its U.S. student dependents traveling to or from school, and its Commissioners appointed by the President, charged with oversight of ABMC operations.

Object Class 22 – Transportation of Things. \$228,860 is requested for transportation of supplies, materials, spare parts, vehicles and equipment utilized in the operation, maintenance, and repair of ABMC facilities and for the transportation of household goods in connection with permanent change of station.

Object Class 23 – Rent, Communications, and Utilities. \$3,105,412 is requested for rental of quarters, storage and garage space; postal, telephone, and fax services; water, gas and electricity; and Department of State International Cooperative Administrative Support Service (ICASS) - \$374,000 more than our FY 04 budget. This increase is attributable to increases in utility charges and ICASS costs.

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CHANGES BY OBJECT CLASSIFICATION

Object Class 24 – Printing and Reproduction. \$238,775 is requested for printing and reproduction of reports, photographs, general information pamphlets, cemetery booklets, lithographs of the cemetery memorials for presentation to the members of the families interred in them or commemorated by name on The Tablets of the Missing.

Object Class 25 – Other Services. \$2,509,637 is requested for contractual maintenance and repairs and vehicular insurance in those countries that require such coverage by law. Including in the requested amount is \$7,500 (not to exceed) for official reception and representation expenses.

Object Class 26 – Supplies and Materials. \$2,701,000 is requested to replenish stockades of plantings and seeds; horticultural, repair and utility, custodial and office supplies; petroleum, oils and lubricants; tires and tubes; and spare replacement parts for vehicles and equipment.

Object Class 31 – Equipment. \$3,723,004 is requested for the replacement of worn-out and uneconomically repairable vehicles, equipment and furniture. Included in this request is \$400,000 for our Productivity Program.

Object Class 32 – Lands and Structures. \$9,256,038 is requested for capital improvements. This request includes \$3,100,000 for the completion of the Normandy Interpretive Center.

Object Class 42 – Claims and Reserves. \$7,030 is requested to cover claims against the Government.

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CHANGES BY ACTIVITY

General. This request provides \$50,500,000 for salaries and expenses and for foreign currency fluctuation account funding for administration, operation, maintenance, and supervision of 24 cemeteries and 28 monuments, memorials, markers, and offices around the world, including \$3.1 million for the completion of the Normandy American Cemetery Interpretive Center. Allocation of this request is as shown below:

Administration and U.S. Memorials. \$6,231,797 is requested for the ABMC Headquarters office to administer operations worldwide and directly supervise three cemeteries in Panama, Mexico, and the Philippines. Also eight monuments and memorials are under the direct supervision of the Headquarters office: three in the United States, one in the Northern Marianas, one in the Philippines, one in the Solomon Islands, one in New Guinea, and one in Cuba. Funding includes \$7,500 (not to exceed) for official reception and representation expenses.

European Cemeteries and Memorials. \$35,529,073 is requested for the European Region to administer, supervise operate, and maintain 17 cemeteries and 14 separate monuments, memorials, markers, and one office, in France, England, Belgium, Luxembourg and The Netherlands. This request includes \$3,100,000 funding to complete the Normandy Interpretive Center. This request also includes an increase for 1 Full-Time Equivalent position for the Normandy Interpretive Center.

Mediterranean Cemeteries and Memorials. \$6,912,158 is requested for the Mediterranean Region to administer, supervise, operate, and maintain four cemeteries, two monuments/markers, and one office. These installations are located in Southern France, Italy, North Africa, and Gibraltar.

Asian Cemeteries and Memorials. \$1,258,554 is requested for the Manila American Cemetery and Memorial to administer, operate, and maintain one cemetery and one separate memorial.

Latin Cemeteries and Memorials. \$568,418 is requested for the operation and maintenance of two cemeteries in Panama and Mexico.

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FY 2004 VISITORS TO ABMC CEMETERIES

EUROPEAN CEMETERIES:	TOTAL: 2,775,352	MEDITERRANEAN CEMETERIES:	TOTAL: 197,296
Aisne-Marne American Cemetery	39,428	Florence American Cemetery	32,557
Ardennes American Cemetery	26,749	North Africa American Cemetery	104,000
Brittany American Cemetery	82,666	Rhone American Cemetery	22,688
Brookwood American Cemetery	6,917	Sicily-Rome American Cemetery	38,051
Cambridge American Cemetery	118,950		
Epinal American Cemetery	50,230	ASIAN CEMETERIES:	TOTAL: 111,569
Flanders Field American Cemetery	7,013	Manila American Cemetery	111,569
Henri-Chapelle American Cemetery	89,824		
Lorraine American Cemetery	115,561	LATIN AMERICAN CEMETERIES:	TOTAL: 3,269
Luxembourg American Cemetery	79,601	Corozal American Cemetery	2,126
Meuse-Argonne American Cemetery	91,666	Mexico City American Cemetery	1,143
Netherlands American Cemetery	278,344		
Normandy American Cemetery	1,762,484		
Oise-Aisne American Cemetery	12,824		
Saint Mihiel American Cemetery	5,047		
Somme American Cemetery	7,122		
Suresnes American Cemetery	926		
		TOTAL FY 2004 VISITORS:	3,087,486

- Note: 1. Total Number of visitors estimated
2. Visitor counts at memorials and monuments are not included in this estimate

American Battle Monuments Commission Fiscal Year 2006 Appropriation Request

WORLD WAR II MEMORIAL PROJECT

I. BACKGROUND

Public Law 103-32 signed on May 25, 1993, authorized the American Battle Monuments Commission (ABMC) to establish a World War II Memorial in Washington D.C., or its environs. The legislation directed ABMC to obtain funds to construct the memorial from private donations.

II. SITE, DESIGN, AND CONSTRUCTION

Public Law 103-422 (October 1994) authorized siting the memorial in the prime area of the capital that includes the National Mall. The Commission of Fine Arts (CFA) and National Capital Planning Commission (NCPC) approved selection of a 7.4-acre area between the Lincoln Memorial and Washington Monument. The site was dedicated by President Clinton on Veterans Day 1995. The CFA and NCPC approved the memorial design concept in 1998, the preliminary design in 1999, the final architectural design and ancillary structures in 2000, granite selections in 2001, and sculpture and inscriptions in 2002 and 2003. A ceremonial groundbreaking was held on Veterans Day 2000. Construction began in September 2001. The World War II Memorial opened to the public in April 2004 and was dedicated by President George W. Bush on May 29, 2004.

Construction proceeded on time and also within budget, resulting in the project being rated as "Effective" by the Program Analysis and Review Technique (PART) evaluation overseen by the Office of Management and Budget (OMB). The success of this project was due largely to ABMC's comprehensive management, to include effective planning, scheduling, coordination and control of resources available. The General Services Administration (GSA) provided contracting support for the project and, together with ABMC, developed and issued a fixed-price construction contract with an award fee based primarily upon quality, schedule, and budget performance. In addition to ensuring that the memorial and its components were designed for maximum service life and for effective maintainability, ABMC also contracted for repair work to the adjacent Reflecting Pool as an added protection against, and prevention of, water seepage into the memorial. This effort was accomplished within the existing budget, was fully coordinated with the National Park Service, and received concurrence from the OMB.

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III. FUNDING

As noted above, the memorial gained its funding primarily through private contributions. As of the end of FY 2004, the memorial received total income of \$197.2M from the following sources: \$165.8M from the public fund-raising campaign; \$15.6 million in earned interest; \$4.8M from the sale of World War II 50th Anniversary Commemorative Coins; \$5.0M transferred from the Department of Defense (DoD) World War II 50th Anniversary Commemoration account; and \$6.0M from DoD's sale of titanium. The public fund-raising campaign was led by former Senator Bob Dole and FedEx Corporation CEO Frederick W. Smith with actor Tom Hanks serving as the national spokesman. The \$165.8M in private contributions was received from corporations, foundations, civic, professional and fraternal groups, states, veterans' organizations, schools, and individual Americans. Included in this total are gifts from more than 600,000 individuals contributed in response to direct mail solicitations, through our toll free telephone number, or through ABMC's web site for the World War II Memorial.

IV. LEGISLATION

During 1999, Congress approved several legislative items that supported the memorial fund-raising efforts. Public Law 106-58, signed Sept. 29, 1999, made the ABMC and World War II Memorial Advisory Board eligible to use nonprofit standard mail rates with respect to official mail sent in furtherance of soliciting funds and support for the creation of the memorial. In addition, Public Law 106-117, signed Nov. 30, 1999, extended the authorization for initiation of memorial construction to Dec. 31, 2005; granted ABMC permanent authority to solicit and receive funds and preserves any such funds in ABMC controlled interest bearing Treasury Accounts, and increased ABMC's authority to accept volunteer services and to use intellectual property interests. Finally, Public Law 107-11, signed on Memorial Day 2001, directed that the memorial be constructed expeditiously at the dedicated Rainbow Pool site. On the basis of this legislation, a pending lawsuit that had delayed construction was dismissed and a construction contract was awarded in June 2001.

**American Battle Monuments Commission
Fiscal Year 2006 Appropriation Request**

WORLD WAR II MEMORIAL CAMPAIGN (WWIIMC)
BUDGETARY/OBLIGATION BASIS--INCOME and EXPENSE FORECAST
FISCAL YEARS 1993 to 2004
(\$ in Thousands)

	Actual FY93-98	Actual FY99	Actual FY00	Actual FY01	Actual FY02	Actual FY03	Actual FY04	Totals
REVENUE								
Coin Sale, DOD Transfer, & Titanium	9,797	0	0	6,000	0	0	0	15,797
Investment Earnings/Other	1,626	663	2,361	4,468	3,969	1,835	637	15,559
WWIIMC	24,781	41,502	66,479	17,887	7,286	4,781	3,107	165,823
Total Revenue	36,204	42,165	68,840	28,355	11,255	6,616	3,744	197,179
EXPENSES								
Project Cost (Design & Construction)	2,102	3,399	4,955	93,209	4,014	0	1,285	108,964
Other Services	11,152	7,400	4,970	2,393	2,227	2,533	5,108	35,783
Payroll	3,596	2,404	2,535	1,676	678	877	975	12,741
Travel & Transportation	647	171	360	112	18	30	20	1,358
Equipment	172	134	22	10	5	9	2	354
Office Expense	374	854	1,135	516	200	188	332	3,599
Ground Breaking/ Ded. Ceremony	0	0	741	492	0	4,500	14,297	20,030
Total Expenses	18,043	14,362	14,718	98,408	7,142	8,137	22,019	182,829
NET RESULTS (Annual)	18,161	27,803	54,122	-70,053	4,113	-1,521	-18,275	14,350
Transfer to ABMC Trust Fund							-14,350	-14,350
CUMULATIVE BALANCE	18,161	45,964	100,086	30,033	34,146	32,625	0	0

Note: The World War II Memorial project closed out in Fiscal Year 2004. As required by 36 U.S.C. 2113, the ABMC is now responsible to administer the Memorial Fund to address future expenses, other than routine maintenance, with respect to the World War II Memorial.