



Established by Congress 1923

American Battle Monuments Commission

Fiscal Year 2009 Appropriation Request

Submitted to the
110th Congress of the United States, Second Session
Senate Appropriation Subcommittee on Military Construction and Veterans Affairs
House Appropriation Subcommittee on Military Quality of Life and Veterans Affairs, and
Related Agencies

February 2008

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EXECUTIVE SUMMARY

Total Budget Authority Requested for Fiscal Year 2009

The American Battle Monuments Commission (ABMC) requests \$64,570,000 in total budget authority for fiscal year (FY) 2009. The Commission's total budget request provides funding for both salaries and expenses to perform its mission and funding to recapitalize its Foreign Currency Fluctuation Account. The details of this funding distribution are outlined below.

Salaries and Expenses Request

The Commission's FY 2009 budget request for salaries and expenses of \$47,470,000 fully supports the agency's requirements to provide compensation and benefits, rent, utilities, travel and transportation, printing and supplies, support contracts and service fees, equipment, and capital improvements to perform its mission. This request is \$2,870,000 more than the amount appropriated for FY 2008. Adjustments to the Commission's baseline budget request are shown below:

FY 2008 Appropriated		\$44,600,000
Adjustments:	<u>Notes</u>	
MCL - Salary and Benefits Increases	1	\$735,928
MCL - Rent & Utilities Increases	2	\$214,039
ICASS Increases for FY 2009 from DoS	3	\$120,033
CSCSP Charges for FY 2009 from DoS	4	\$1,000,000
Total Adjustments		<u>\$2,070,000</u>
FY 2009 Adjusted Baseline		\$46,670,000
Initiatives:		
Accounting System Upgrade	5	\$800,000
Total Initiatives		<u>\$800,000</u>
FY 2009 Budget Request		\$47,470,000

Notes:

- 1 Maintaining Current Levels (MCL) increase of 2.9% for Salaries & Benefits per guidance provided by OMB.
- 2 Maintaining Current Levels (MCL) increase of 3.0% for Rent & Utilities.
- 3 Reflects anticipated increase as projected by the Department of State on charges for International Cooperative Administrative Support Services
- 4 Estimate provided by the Department of States for Capital Security Cost-Sharing Program (CSCSP) fees.
- 5 Amount requested reflects cost for second year's level of effort.

Foreign Currency Fluctuation Account Request

The Commission's FY 2009 budget request to replenish its Foreign Currency Fluctuation Account in "such sums" terms is estimated to be \$17,100,000. This is the same amount which the Commission estimates will be required to avoid currency losses in FY 2008.

For budget year FY 2009, the Commission is requesting that Section 2109, Title 36 United States Code, be amended to seek "such sums" vice a predetermined amount for the Commission's Foreign Currency Fluctuation Account in its annual Appropriation. This "such sums" language enables ABMC to update the Appropriations Committees on foreign currency account requirements as foreign currency exchange rates adjust.

Funding Request Summary

(\$ in millions)	FY 2008 Re-estimated	FY 2009 Request	Change
Salaries & Expenses	\$44.6	\$47.5	\$2.9
Foreign Currency	\$17.1	\$17.1	\$0.0
Total	\$61.7	\$64.6	\$2.9
 FTE	 404	 404	 0

NOTE: Foreign Currency re-estimate in FY 2008 based on the change in currency exchange rates from December 2006 to December 2007.

Justification for increases to the Commission's Salaries & Expenses Account and Foreign Currency Fluctuation Account are contained in the remaining sections of this document.

PART 1: INTRODUCTION

Mission

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

The American Battle Monuments Commission – guardian of America's overseas commemorative cemeteries and memorials – honors the service, achievements and sacrifice of United States Armed Forces.

Vision

Our vision statement originates from words spoken by our first Chairman, General of the Armies John J. Pershing, over seventy years ago. It connects the very beginning of the Commission to our vision of the future.

"Time will not dim the glory of their deeds."

Values

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

- Integrity – Doing what's right: legally, morally, and ethically. Our word is our bond.
- Excellence – Everything we do is done to the highest standards. Average is not good enough.
- Respect – We treat people as they want to be treated, and how we'd like to be treated.
- Commitment – We are committed to each other, our mission, and to the constituents whom we serve.

History and Background

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

The American Battle Monuments Commission is an independent agency of the Executive Branch of the U.S. federal government. It is responsible for commemorating the service, achievements, and sacrifice of American armed forces where they have served since April 6, 1917 (the date of U.S. entry into World War I)

through the erection of suitable memorial shrines; for designing, constructing, operating, and maintaining permanent American military burial grounds in foreign countries; for controlling the design and construction of U.S. military monuments and markers in foreign countries by other U.S. citizens and organizations, both public and private; and for encouraging the maintenance of such monuments and markers by their sponsors. In performing these functions, the Commission administers, operates and maintains 24 permanent American military burial grounds and 22 separate monuments and markers on foreign soil, and 3 memorials in the United States.

As of September 30, 2007, over 131,000 U.S. war dead are interred in these cemeteries, about 31,000 from World War I; over 93,000 from World War II; and 750 from the Mexican War. Additionally, over 6,164 American veterans and others are interred in the Mexico City and Corozal American cemeteries. Commemorated individually by name on stone tablets at the World War I and II cemeteries and three memorials on U.S. soil are over 94,000 U.S. servicemen and women who are missing in action or lost or buried at sea in their general regions during the World Wars and the Korean and Vietnam Wars.

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

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

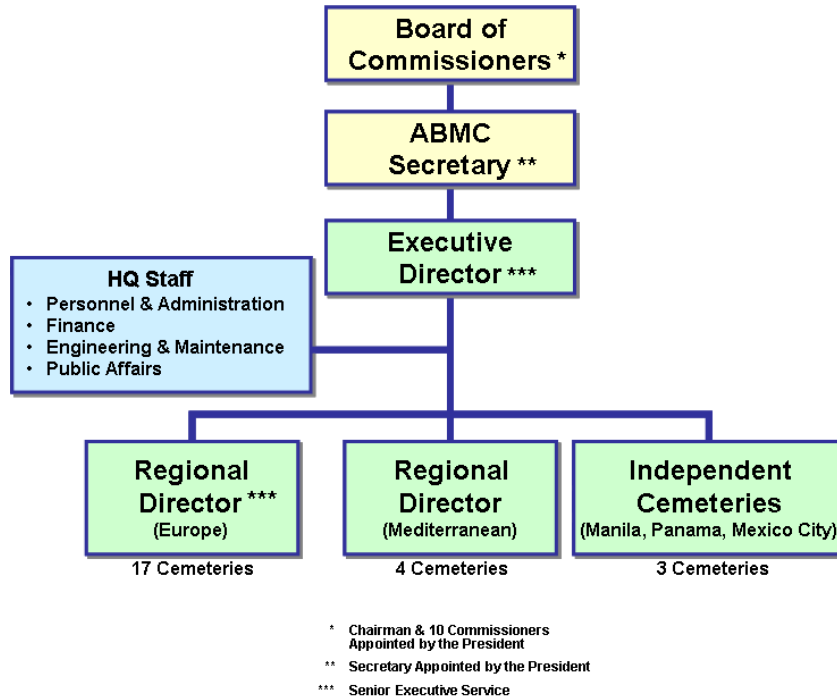
Most of the Commission's facilities range in age from 47 to 93 years old with the Mexico City National Cemetery being over 150 years old. The permanent structures and plantings, which make the Commission's facilities among the most beautiful memorials in the world, are aging and require increased funding levels to maintain them. Accordingly, the Commission prioritizes the use of its maintenance and engineering funds carefully to ensure the most effective and efficient utilization of its available resources. All of the plantings, including the lawns and to some extent the meadows, must be cut and 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.

The Commission also administers a trust fund to (1) build memorials authorized by Congress, but financed primarily from private contributions, commemorative coin proceeds, or investment earnings; (2) decorate grave sites with flowers from private

contributions; and (3) maintain and repair nonfederal war memorials with private contributions.

Organizational Structure

The Commission’s organizational structure is presented below.



The Board of Commissioners constitutes the policy-making body of the Commission and consists of eleven members, who are appointed by the President of the United States for an indefinite term and serve without pay. They meet with the professional staff of the Commission twice annually. The Commissioners establish policy and ensure proper staff functioning for the Commission to carry out its mission. During inspections, they observe, inquire, comment upon, and make recommendations on any and all aspects of the Commission’s operations. The Commission’s daily operations are directed by an Executive Level Secretary, appointed by the President, who is assisted by an Executive Director, a member of the Senior Executive Service. The European Regional Director is also a member of the Senior Executive Service.

The Commission is staffed by 404 full-time civilian employees. Seventy of the full-time civilian employees are U.S. citizens; all but 18 are located at the Commission’s facilities overseas. The remaining 334 civilian employees are Foreign Service National personnel hired from the countries where the Commission’s facilities are located. Two regional offices, one in Paris, France, and one in Rome, Italy, oversee operations in Europe and the Mediterranean. The superintendents of the cemeteries in Mexico City, Corozal, and Manila report directly to the Executive Director at the

Commission's Headquarters in Arlington, Virginia. All superintendents are selected for their administrative ability; knowledge of horticulture, vehicles, equipment, structures maintenance and construction; and their ability to employ compassion and tact in serving the public.

Operations Management

The Commission's FY 2009 funding request focuses on providing the appropriate amount of funding for personnel costs, service fees, scheduled maintenance and repairs, supplies, materials, spare parts, replacement of uneconomically repairable equipment, and capital improvements for the Commission to perform its mission.

The shrines to America's war dead entrusted to the Commission's care require a formidable annual program of maintenance and repair of facilities, equipment, and grounds. This care includes upkeep of more than 131,000 graves and headstones and 73 memorial structures (within and external to the cemeteries) on approximately 1,650 acres of land. Additionally, the Commission maintains 65 quarters for assigned personnel; 67 miles of roads and paths; 911 acres of flowering plants, fine lawns, and meadows; 3 million square feet of shrubs and hedges; and 11,000 ornamental trees.

Care and maintenance of these resources requires exceptionally intensive labor at the Commission's cemeteries and memorials. Personnel costs account for approximately 52 percent of the Commission's FY 2009 request while the remaining 48 percent of the cost of operations supports engineering, maintenance, logistics, services, supplies and other administrative operational funding critical to the Commission's operations.

Over the past 10 years, funding has been appropriated to modernize ABMC's cemetery infrastructure and to reduce the backlog of deferred maintenance, repair, and replacement projects. To date, the Infrastructure Modernization Program has been based on surveys conducted by professional engineering firms applying current industry standards, regulations, and technological advances. Those surveys assessed the Commission's electrical, structural, and water systems. The projects identified through those surveys are 50% complete and the remaining projects should be completed over the next 7 years.

More recently, the Commission has initiated top-to-bottom reviews of cemeteries. These reviews assess the engineering, horticultural, and equipment requirements of each cemetery and validate the requirements identified in earlier engineering surveys. The results of these reviews will be used to update the Commission's long-term plans.

Strategic Plan

The Commission's strategic plan complies with the provisions of the Commission's enabling legislation (36 U.S.C. Chapter 21) and applicable public laws, and focuses

on the President's Management Agenda principles of performance and results. Most important, the plan ensures that the Commission's commemorative cemeteries and memorials continue to be shrines to this great nation's core values and the United States image as a beacon for liberty and freedom throughout the world.

Strategic Goals

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

- To develop, operate, maintain, and improve ABMC facilities as the world's best commemorative sites.
- To value and invest in each employee.
- To have ABMC commemorative sites recognized worldwide as inspirational and educational visitor destinations.
- To make AMBC business and resource management the best in government.

Together, our mission, vision, values and strategic goals inspire our workforce to honor the service, achievements, and sacrifice of America's armed forces, who gave so much so that others could enjoy freedom from tyranny.

PART 2: FY 2009 BUDGET REQUEST

Overview of FY 2009 Request

To support its operations in FY 2009, the Commission requests \$64,570,000 in total budget authority. The Commission's total budget request provides funding for both salaries and expenses to perform its mission and funding to recapitalize its Foreign Currency Fluctuation Account. The details of this funding by account are outlined below.

(\$ in millions)	FY 2007 Appropriated	FY 2008 Re-estimated	FY 2009 Request	Change
Salaries & Expenses	\$37.2	\$44.6	\$47.5	\$2.9
Foreign Currency	\$5.0	\$17.1	\$17.1	\$0.0
Total	\$42.2	\$61.7	\$64.6	\$2.9
FTE	404	404	404	0

NOTE: Foreign Currency re-estimate in FY 2008 based on the change in currency exchange rates from December 2006 to December 2007.

Salaries and Expenses

The Commission's FY 2009 budget request for salaries and expenses of \$47,470,000 fully supports the agency's requirements to provide compensation and benefits, rent, utilities, travel and transportation, printing and supplies, support contracts and service fees, equipment, and capital improvements to perform its mission. This request is \$2,870,000 more than the FY 2008 Appropriation.

FY 2008 Appropriated	\$44,600,000
Adjustments:	
MCL - Salary and Benefits Increases	\$735,928
MCL - Rent & Utilities Increases	\$214,039
ICASS Increases for FY 2009 from DoS	\$120,033
CSCSP Charges for FY 2009 from DoS	\$1,000,000
Total Adjustments	\$2,070,000
FY 2009 Adjusted Baseline	\$46,670,000
Initiatives:	
Accounting System Upgrade	\$800,000
Total Initiatives	\$800,000
FY 2009 Budget Request	\$47,470,000

Adjustments to the Baseline Budget

Maintaining Current Levels – Salaries & Benefits (+ \$735,928)

The Office of Management and Budget's (OMB) FY 2009 budget formulation guidance identified a 2.9% increase allowance so that agencies could maintain current levels for Salaries & Benefits funding lines over the previous year. For the Commission, \$735,928 is required to support FY 2009 funding requirements.

Maintaining Current Levels – Rent & Utility Increases (+ \$214,039)

The OMB's FY 2009 budget formulation guidance identified a 3.0% increase allowance so that agencies could maintain current levels for Non-Salary (Rent and Utilities) funding lines over the previous year. For the Commission, \$214,039 is required to support FY 2009 funding requirements.

ICASS (+ \$120,033)

Overseas, the Commission derives administrative support beyond its capabilities from the State Department's Interagency Cooperative Administrative Support Services (ICASS) program. The increase ICASS costs to the Commission in FY 2009 is \$120,033.

CSCSP (+ \$1,000,000)

In FY 2008, the Commission began contributing to the State Department's Capital Security Cost Sharing Program (CSCSP), a funding program to replace 150 embassies and consulates that do not meet current security standards over the next decade. Prior to FY 2008 the Commission received an exemption from participating in the CSCSP by Congress. FY 2009 is the first year the Commission has requested such funding; the projected cost to the Commission in FY 2009 is \$1,000,000.

FY 2009 Initiatives

Accounting System Upgrade (+ \$800,000)

As the Commission's accounting software becomes older and increasingly more costly to maintain or adapt, the Commission continues to refine its efforts in budget development, account processing, and financial reporting to better enable workers and managers at all levels of the organization to use the financial management system. This re-engineering effort enables the Commission to modify its accounting software system to meet management and performance objectives. The Commission received \$400,000 in FY 2008 to initiate the cost for this upgrade. The FY 2009 request seeks the remaining \$800,000 to complete the effort.

Foreign Currency Fluctuation Account

The Commission's FY 2009 Budget Request to replenish its Foreign Currency Fluctuation Account (FCFA) in "such sums" terms is estimated to be \$17,100,000. This is the same amount which the Commission estimates will be required to avoid currency losses in FY 2008.

The Commission has re-estimated the amount of FCFA funding necessary in FY 2008 due to exchange differences between the U.S. Dollar and the European Euro. The exchange rate used to formulate the FY 2008 budget (\$1USD = 0.80 Euro) has dropped to 0.68, thus driving this re-estimate. With approximately 80% of the Salaries and Expenses funding that is affected by foreign currency fluctuation, any significant drop in the value of the U.S. Dollar places the agency's mission at risk. The re-estimate is \$6,000,000 more than appropriated so far for the Commission. This difference from the current fiscal year's appropriation will require the Commission to cut back on funding for operations and maintenance programs at the 24 military cemeteries and 25 memorials.

The estimated amount requested is based on an exchange rate for the U.S. Dollar vs. the European Euro at \$1USD = 0.68 Euros. The approach used by the Commission for estimating the amount required to replenish the Commission's FCFA has been endorsed by OMB and the Government Accountability Office (Report Number GAO-06-50R, dated October 20, 2005).

Appropriations Language Request

In 1988, the Congress established a Foreign Currency Fluctuation Account (codified in 36 U.S.C. 2109) for the Commission to use to offset foreign currency losses when the dollar is less favorable than the budgeted rate. Statutory language enables the Commission to transfer funds into or out of its Salaries and Expenses account, as required, based on the prevailing exchange rate. Transfers are made, as needed, to meet disbursement requirements in excess of funds otherwise available for obligation adjustment. Net gains resulting from favorable exchange rates are returned to the FCFA and remain available for subsequent transfer.

Since the summer of 2006, the U.S. Dollar has fallen steadily against the European Euro. The Commission and OMB have been closely monitoring the situation. When the Commission submitted its FY 2008 budget request in February 2007, it estimated that it would need \$11.0M to replenish its FCFA and to preserve the purchasing power of its Salaries & Expenses Account appropriation. Since that date the exchange rate has worsened. The Commission now projects that it would need at least \$17M in FY 2008 to replenish its FCFA account for its operational outlays based on the current trend of the U.S. Dollar to the European Euro.

Since approximately 80% of its Salaries and Expenses funding is affected by foreign currency fluctuation – principally, the European Euro – the Commission is proposing

to change its statutory language for FCFA to authorize an indefinite appropriation. The Commission is requesting budget authority similar to the authority granted several other federal agencies that manage highly fluctuating accounts.

For budget year FY 2009, the Commission is requesting that Section 2109, Title 36 United States Code, be amended to seek "such sums" vice a predetermined amount for the Commission's Foreign Currency Fluctuation Account in its annual Appropriation. This proposed language enables ABMC to update the Appropriations Committees on foreign currency account requirements as foreign currency exchange rates adjust.

By revising the statute, the Commission would still be required to estimate and report its projected FCFA requirements as part of its annual budget request. However, if FCFA requirements exceed those projections, the Commission could utilize "such sums as may be necessary" language as the authority to request additional funding from Congress both as a hedge against uncertainty and as a means to preserve the Commission's purchasing power of its Salaries & Expenses Account.

The proposal to change the statute language to "such sums as may be necessary" does not reduce Congressional oversight. Rather, it affords greater management flexibility over the Commission's funding requirements. During periods where the U.S. Dollar is stable and FCFA requirements meet expectations, the Commission may not need as much as it estimates. However, when the U.S. Dollar becomes weaker than estimated, the Commission needs a way to withdraw additional funds from the Treasury to preserve equivalency in its Salaries & Expenses account -- and would do so by seeking Congressional approval outside the normal appropriation cycle.

Without a change in the statute, the Commission must "guess right" more than one year before funding is needed. If the Commission "guesses wrong" and the FCFA amount needed is higher than the amount appropriated, the Commission must either reduce the amount it spends on Salaries & Expenses programs or try to seek additional funds through emergency supplemental appropriations.

Proposed Appropriations Language¹

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-one replacement basis only) and hire of passenger motor vehicles; not to exceed \$7,500 for official reception and representation expenses; and insurance of official motor vehicles in foreign countries, when required by law of such countries, \$47,470,000[44,600,000], to remain available until expended. (Military Construction and Veterans Affairs and Related Agencies Appropriations Act, 2008.)

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

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, [\$11,000,000,] *such sums as may be necessary*, to remain available until expended, for purposes authorized by section 2109 of title 36, United States Code, *as amended herein*.

"Section 2109 of Title 36, United States Code, is amended as follows:

(1) in subsection (c), by -

a. deleting paragraph (3), and

b. in paragraph (2), by revising the matter preceding subparagraph (A) to read as follows: "(2) Amounts transferred from the Account shall be transferred back to the Account, and immediately cancelled-";

(2) by revising subsection (e) to read:

"(e) Unobligated balances. To the extent favorable fluctuations in currency exchange rates of foreign countries result in an unobligated balance of an appropriation for salaries and expenses, that amounts shall be transferred to the Account promptly and immediately cancelled."

(3) by revising subsection (g) to read:

"(g) Beginning in fiscal year 2009 and thereafter, there are appropriated to the Account such sums as may be necessary to carry out subsection (a) of this section." (Military Construction and Veterans Affairs and Related Agencies Appropriations Act, 2008.)

¹ These appropriation requests are submitted pursuant to the Act of March 4, 1923, 42 Stat. 1509, as amended (36 U.S.C. 2101-2113).

Statement of Personnel

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

	<u>2007 Actual</u>	<u>2008 Estimate</u>	<u>2009 Request</u>
Total Number of Full-Time Permanent Positions	404	404	404
Total Compensable Work Years (FTE)	404	404	404
Full-Time Equivalent (FTE) of Overtime and Holiday Pay	4	4	4
Average GS Grade/Step (GS Base Rate plus Locality Pay)	12/3	12/5	12/6
Average GS Salary	69,996	72,445	74,546
Average Salary of FSN Positions	35,896	37,152	38,229

Fiscal Year 2009 Appropriation Request
American Battle Monuments Commission

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 American Cemeteries and Memorials</u>	<u>Totals</u>
FY 2007 Obligations (Actual)						
Salaries and Expenses	5,482	22,104	4,512	1,326	713	34,137
FCFA	0	13,058	306	89	0	13,453
FY 2007 Total Program	5,482	35,162	4,818	1,415	713	47,590
FY 2008 Obligations (Est.)						
Salaries and Expenses	7,295	28,905	5,393	1,970	1,037	44,600
FCFA	0	14,411	2,689	0	0	17,100
FY 2008 Total Program	7,295	43,316	8,082	1,970	1,037	61,700
S&E Changes from FY 2007	1,813	6,801	881	644	324	10,463
FCFA Changes from FY 2007	0	1,353	2,383	-89	0	3,647
Total Change from FY 2007	1,813	8,154	3,264	555	324	14,110
FY 2009 Obligations (Request)						
Salaries and Expenses	8,088	30,215	5,851	2,251	1,065	47,470
FCFA	0	14,411	2,689	0	0	17,100
FY 2009 Total Program	8,088	44,626	8,540	2,251	1,065	64,570
S&E Changes from FY 2008	793	1,310	458	281	28	2,870
FCFA Changes from FY 2008	0	0	0	0	0	0
Total Change from FY 2008	793	1,310	458	281	28	2,870

Changes by Activity

General

The FY 2009 appropriation request of \$47,470,000 supports the Commission's requirements for salaries and expenses for administration, operation, maintenance, and supervision for 24 memorial cemeteries, 25 separate Federal monuments, memorials, markers and offices around the world. This amount represents an increase of \$2,870,00 from the FY 2008 enacted amount.

The Commission's FY 2009 Budget Request to replenish its Foreign Currency Fluctuation Account in "such sums" terms is estimated to be \$17,100,000. The request represents the amount of additional funds needed to retain the Commission's buying power primarily against the European Euro. The Commission used an estimated exchange rate of 1 U.S. Dollar equals 0.68 Euros in calculating its requirements.

The amount listed under each activity reflects the Commission's funding requirements before making adjustments for foreign currency fluctuations.

Administration and U.S. Memorials

The Commission requests \$8,088,000 to support operations at its Headquarters office in Arlington, VA – an increase of \$793,600 from the FY 2008 enacted amount. This request enables the Headquarters to administer operations worldwide and to supervise directly three cemeteries located in Panama, Mexico, and the Philippines. Also under its operational management are 8 monuments and memorials: 3 in the United States, 1 in the Northern Marianas, 1 in the Philippines, 1 in the Solomon Islands, 1 in New Guinea, and 1 in Cuba. The FY 2009 request includes funding to complete the accounting system upgrade. Funding is also included - \$7,500 (not to exceed) - for official reception and representation expenses.

European Cemeteries and Memorials

The Commission requests \$30,215,000 for operations in its European Region – an increase of \$1,309,600 from the FY 2008 enacted amount. The increase reflects the funding required for maintaining current levels and for prioritized engineering projects and equipment purchases. This request enables the Commission's European Regional Office to administer, supervise, operate, and maintain 17 cemeteries and 14 separate monuments, memorials, markers, at its dispersed locations in France, England, Belgium, Luxembourg, and The Netherlands.

Mediterranean Cemeteries and Memorials

The Commission requests \$5,851,000 for its operations in its Mediterranean Region – an increase of \$457,900 over the FY 2008 enacted amount. The increase reflects the funding required for maintaining current levels and for prioritized engineering projects and equipment purchases. This request enables the Commission's Mediterranean Regional Office to administer, supervise, operate, and maintain 4 cemeteries and 2 monuments/markers located in southern France, Italy, Tunisia, Gibraltar, and Morocco.

Asian Cemetery and Memorials

The Commission requests \$2,251,000 for its operations in its Manila American Cemetery – an increase of \$280,900 over the FY 2008 enacted amount. The increase reflects the funding required for maintaining current levels and for prioritized engineering projects and equipment purchases. This request enables the Manila American Cemetery to administer, operate, and maintain 1 cemetery and 4 separate memorials, located at Cabanatuan, Philippines; Guadalcanal, Solomon Islands; Saipan, Northern Mariana Islands; and in Papua, New Guinea.

Latin American Cemeteries and Memorials

The Commission requests \$1,065,000 to administer, operate, and maintain its operations in two Latin American cemeteries located in Corozal, Panama and Mexico City, Mexico – an increase of \$28,000 over the FY 2008 enacted amount. The increase reflects the funding required for maintaining current levels and for prioritized engineering projects and equipment purchases.

Fiscal Year 2009 Appropriation Request
American Battle Monuments Commission

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 2007 Obligations (Actual)													
Salaries and Expenses	16,944	7,522	98	477	251	2,224	26	3,583	1,793	1,217	0	2	34,137
FCFA	2,722	1,057	0	51	81	186	2	1,551	392	226	7,183	2	13,453
FY 2005 Total	19,666	8,579	98	528	332	2,410	28	5,134	2,185	1,443	7,183	4	47,590
FY 2008 Obligations (Est.)													
Salaries and Expenses	16,157	7,500	242	689	247	2,889	322	11,818	2,198	2,508	0	30	44,600
FCFA	6,194	2,875	93	264	95	1,108	123	4,531	841	962	0	15	17,100
FY 2006 Total	22,351	10,375	335	953	342	3,997	445	16,349	3,039	3,470	0	45	61,700
S&E Change from 2007	-787	-22	144	212	-4	665	296	8,235	405	1,291	0	28	10,463
FCFA Change from 2007	3,472	1,818	93	213	14	922	121	2,980	449	736	-7,183	13	3,647
Total Change from 2007	2,685	1,796	237	425	10	1,587	417	11,215	854	2,027	-7,183	41	14,110
FY 2009 Obligations (Request)													
Salaries and Expenses	16,578	7,749	203	684	252	3,963	331	12,540	2,292	2,848	0	30	47,470
FCFA	6,194	2,875	93	264	95	1,108	123	4,531	841	962	0	15	17,100
FY 2007 Total	22,772	10,624	296	948	347	5,071	454	17,071	3,133	3,810	0	45	64,570
S&E Change from 2008	421	249	-39	-5	5	1,074	9	722	94	340	0	0	2,870
FCFA Change from 2008	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Change from 2008	421	249	-39	-5	5	1,074	9	722	94	340	0	0	2,870

Changes by Object Classification

General

The FY 2009 appropriation request of \$47,470,000 supports the Commission's requirements for salaries and expenses for administration, operation, maintenance, and supervision for 24 burial grounds and 25 separate federal monuments, memorials, markers and offices around the world, plus funding to initiate operations of the Normandy Visitor Center. This amount represents an increase of \$2,870,000 from the FY 2008 enacted amount.

The FY 2009 Budget Request to replenish its Foreign Currency Fluctuation Account in "such sums" terms is estimated to be \$17,100,000. The request represents the

amount of additional funds needed to retain the Commission's buying power primarily against the European Euro. The Commission used an estimated exchange rate of 1 U.S. Dollar equals 0.68 Euros in calculating its requirements.

The amount listed under each object class reflects the Commission's funding requirements before making adjustments for foreign currency fluctuations.

Object Class 11 – Personnel Compensation

The Commission requests \$16,578,000 – an increase of \$421,620 over the FY 2008 enacted amount. This increase supports 404 Full-Time Equivalent (FTE) positions (70 U.S. civilian and 334 Foreign National employees) – the same employment level as in FY 2008. This increase enables the Commission to fund the estimated pay raise in January 2009, within-grade increases, promotions, and cost of living increases for all employees.

Object Class 12 – Personnel Benefits

The Commission requests \$7,749,000 – an increase of \$248,520 over the FY 2008 enacted amount. This increase supports benefits for employees worldwide, including the amount authorized by law to fund the federal government paid portion of health insurance, social security, and other allowances authorized for the Commission's U.S. workers and for its Foreign National workforce.

Object Class 13 – Benefits for Former Personnel

The Commission requests \$203,000 to fund payments for unemployment compensation and severance pay for its U.S. and Foreign National workforce – a decrease of \$38,925 over the FY 2008 enacted amount.

Object Class 21 – Travel and Transportation of Persons

The Commission requests \$683,500 to support travel and transportation requirements for U.S. and Foreign National workers for operational purposes – a decrease of \$5,625 over the FY 2008 enacted amount. This request supports U.S. employees and dependents traveling on permanent change of station, U.S. student dependents traveling to or from school, and travel by the Commissioners appointed by the President who are charged with oversight of the Commission's operations.

Object Class 22 – Transportation of Things

The Commission requests \$252,500 for transportation of supplies, materials, spare parts, vehicles and equipment utilized in the operation, maintenance, and repair of the Commission's facilities and for the transportation of household goods in connection with permanent change of station – an increase of \$5,065 over the FY 2008 enacted amount.

Object Class 23 – Rent, Communications, and Utilities

The Commission requests \$3,963,000 for rent, storage and garage space; postal, telephone, and fax services; water, gas and electricity – an increase of \$1,074,100 over the FY 2008 enacted amount. This estimate includes \$1,194,845 for Department of State International Cooperative Administrative Support Service (ICASS) and \$1,000,000 to fund the Commission's share of the State Department Capital Security Cost Share Program (CSCSP) fees. The funding needed to support ICASS reflects an increase of \$120,033 over the FY 2008 estimate, while the \$1,000,000 requested for CSCSP represents a new requirement from the State Department that the Commission must now fund.

Object Class 24 – Printing and Reproduction

The Commission requests \$331,000 for printing and reproduction of reports, photographs, general information pamphlets, cemetery booklets, and lithographs of the cemetery memorials presented to members of the families of those interred in them or commemorated by name on the Tablets of the Missing. This request reflects an increase of \$8,525 over the FY 2008 enacted amount.

Object Class 25 – Other Services

The Commission requests \$12,540,000 for contractual services which consist of engineering and technical services; professional support services; operation, maintenance, and repair of equipment; information technology consulting services; interagency service agreements; maintenance and repairs of vehicles; and vehicle insurance in those countries that require such coverage by law. These funds also support the Commission's continuing infrastructure modernization efforts. This request reflects an increase of \$721,805 over the FY 2008 enacted amount. In addition, \$7,500 (not to exceed) is requested for official reception and representation expenses.

Object Class 26 – Supplies and Materials

The Commission requests \$2,292,000 to replenish its stock 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. This request reflects an increase of \$94,265 over the FY 2008 enacted amount.

Object Class 31 – Equipment

The Commission requests \$2,848,000 to replace worn-out and uneconomically repairable vehicles, equipment, and furniture. These funds also support the Commission's continuing infrastructure modernization efforts. This request reflects an increase of \$340,290 over the FY 2008 enacted amount.

Object Class 42 – Claims and Reserves

The Commission requests \$30,000 to cover potential claims against the Government
– the same amount requested in the FY 2008 enacted amount.