

RAILROAD RETIREMENT BOARD

Relationship of Programs to Account Structure
(in thousands of dollars)

	<u>2013 Estimates</u>	
	<u>Budget Authority</u>	<u>Outlays</u>
60-0111-0-1-601		
Dual Benefits Payments Account.....	45,001	45,001
60-0113-0-1-601		
Federal Payments to the Railroad Retirement Accounts.....	1,101,529	1,101,529
60-8010-0-7-601		
Social Security Equivalent Benefit Account.....	6,837,000	6,812,000
60-8011-0-7-601		
Railroad Retirement Account.....	4,938,000	4,926,000
60-8118-0-7-601		
National Railroad Retirement Investment Trust.....	2,157,000	2,157,000
60-8237-0-7-601		
Limitation on Administration		
Agency Request level	117,719	117,719
OMB Guidance level	103,412	103,412
OMB Reduced level.....	97,969	97,969

RAILROAD RETIREMENT BOARD

Relationship of Programs to Account Structure
(in thousands of dollars)

<u>Summary</u>	<u>2013 Estimates</u>	
	<u>Budget Authority</u>	<u>Outlays</u>
Federal funds (see previous page) ^{1/}	1,146,530	1,146,530
Trust funds (see previous page) ^{2/}	13,932,000	13,895,000
Deductions for offsetting receipts:		
Intrafund transactions (OASDI transfer) ^{3/}	(4,007,500)	(4,007,500)
Intrafund transactions (NRRIT transfers) ^{3/}	(2,075,000)	(2,075,000)
Proprietary receipts from the public ^{4/}	(547,800)	(547,800)
Interfund transactions ^{5/}	<u>(1,101,529)</u>	<u>(1,101,529)</u>
TOTAL	<u>7,346,701</u>	<u>7,309,701</u>

^{1/} Represents budget authority and outlays for the Dual Benefits Payments Account and the Federal Payments to the Railroad Retirement Accounts.

^{2/} Represents budget authority and outlays for the Social Security Equivalent Benefit Account, the Railroad Retirement Account, and the National Railroad Retirement Investment Trust (NRRIT). Excludes the Limitation on Administration.

^{3/} Represents the financial interchange transfer amount of \$4,007,500,000 expected from the Social Security Administration's Old Age and Survivors Insurance and Disability Insurance (OASDI) Funds and a transfer of \$2,075,000,000 from the NRRIT to the Railroad Retirement Account.

^{4/} Estimate of interest and dividends on non-Federal securities earned by the NRRIT.

^{5/} Represents budget authority and outlays for the Federal Payments to the Railroad Retirement Accounts.

RAILROAD RETIREMENT BOARD**Program Evaluation Agenda as of July 2011****Medicare**

- *Contractor evaluation*
RRB's Unemployment & Programs Support Division evaluates operations of the Medicare Part B contractor serving RRB annuitants. The evaluations include measuring the contractor's performance against established criteria and standards for the Medicare program.
Frequency: Series of reviews each year
- *Validation and special studies*
RRB's Policy and Systems (P&S) and Program Evaluation and Management Services (PEMS) components work together to perform various validation and special reviews to provide management assurance that specific processes are operating as designed or to identify problems or identify waste, fraud or abuse.
Frequency: Ad hoc

Retirement and Survivor Benefits

- *Quality assurance analysis*
PEMS develops case and payment accuracy statistics for application processing and post-adjudication processing through reviews of randomly sampled process outputs. These statistics are key indicators of the effectiveness of various processes within the retirement and survivor program and are reported in RRB's Performance and Accountability Report (P&AR).
Frequency: Series of reviews each year
- *Medical vendor reports*
PEMS prepares performance reports on the timeliness of consultative medical examinations and medical opinions provided by contract providers for disability cases. The reports show vendor performance against standards specified in the contract.
Frequency: Monthly
- *Occupational disability reports*
PEMS reports on the volumes of occupational disability decisions completed during the month, and provides breakdowns of the decisions by process, body systems, job types, and costs.
Frequency: Monthly
- *Occupational Advisory Committee Review*
Advisory doctors, representing the rail industry (labor and management) are authorized by law to review agency medical decisions.
Frequency: Periodic

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Program Evaluation Agenda as of July 2011

- *Occupational Disability Quality Assurance Reviews*
Consulting physicians under contract with the agency perform a quality review of documentation of disability determinations to ensure adequate support for the medical decisions.
Frequency: Quarterly
- *Disability Program and Data Analysis*
A Disability Program and Data Analysis Officer was hired in 2010 to conduct ongoing data reviews to proactively seek out and identify potential program vulnerabilities.
- *Reconsideration reversal of disability determinations*
Operations reports on the number of, and reasons for, reversals of initial disability determinations at the first step of the appeals process and tracks trends over time.
Frequency: Annual

Unemployment and Sickness Insurance Benefits

- *Review of claims processing*
PEMS conducts an end-of-line review of randomly selected unemployment and sickness insurance claims to determine whether they were correctly adjudicated. Reports provide statistics of case and payment accuracy used in RRB's P&AR.
Frequency: Annual

Railroad Retirement/Survivor and Unemployment/Sickness Insurance Benefits

- *Debt reports*
PEMS prepares comparisons of Railroad Retirement Act (RRA) and Railroad Unemployment Insurance Act (RUIA) entitlement debt from year to year.
 - RRA reports include categories of debt, number of debts established, dollar amounts of debts established, the number of debts related to cases in pay status, and ratios for the number of debts to cases in pay status and the amount of debt to dollars of RRA benefits paid.
 - RUIA reports include categories of debt, number of debts established, dollar amount of debts established, amount of benefits paid, number of claims received, and ratios for the number of debts to claims and the amount of debt to the amount of RUIA benefits paid.
 Frequency: Annual
- *Validation and special studies*

RAILROAD RETIREMENT BOARD**Program Evaluation Agenda as of July 2011**

PEMS performs various validation and special reviews to provide management assurance that specific processes are operating as designed or to identify problems or identify waste, fraud or abuse.

Frequency: Ad hoc

➤ *Program integrity*

PEMS prepares a report of the volumes, dollars, and time spent on all program integrity activities conducted throughout the agency. The report provides a benefit/cost ratio for overall program integrity activities which is included in the P&AR.

Frequency: Annual

➤ *Customer service*

PEMS consolidates agency customer service data and reports actual performance in meeting published customer service timeliness standards.

Frequency: Semi-annual

➤ *American Customer Service Index (ACSI)*

PEMS coordinates surveys of various customer segments with the Federal Consultant Group and their affiliates from the University of Michigan. This may include telephone surveys of core benefit groups such as retirement, survivor, disability or unemployment/sickness beneficiaries, and year-long, on-line surveys of visitors to the agency website.

Frequency: Periodic (as funding allows)

➤ *Annual Federal Managers' Financial Integrity Act (FMFIA) certifications*

Responsible officials throughout the agency perform annual certifications under the FMFIA of various programs and processes. The purpose of the review is to ensure that there are effective internal controls in place.

Frequency: Series of reviews each year

➤ *Improper payments*

PEMS develops estimates of improper benefit payments as required by the Improper Payments Information Act and defined by OMB guidance. The results of this analysis are included in the agency's P&AR.

Frequency: Annual for the Railroad Retirement Act program; Periodic for the Railroad Unemployment Insurance Act program (based on a waiver of reporting authorized by OMB in fiscal year 2009).

RAILROAD RETIREMENT BOARD

Schedule of Program Evaluation Resources
(in thousands of dollars)

<u>ORGANIZATIONAL AREA</u>	2011			2012			2013		
	BA	O	FTE	BA	O	FTE	BA	O	FTE
<u>Operations</u>									
In-house costs: FTE	319	319	3	319	319	3	325	325	3
Other	<u>14</u>	<u>14</u>	<u>n/a</u>	<u>25</u>	<u>25</u>	<u>n/a</u>	<u>26</u>	<u>26</u>	<u>n/a</u>
Subtotal	333	333	3	344	344	3	351	351	3
 <u>Program Evaluation and Management Services</u>									
In-house costs: FTE	1,691	1,691	14	1,691	1,691	14	1,724	1,724	14
Other	<u>41</u>	<u>41</u>	<u>n/a</u>	<u>82</u>	<u>82</u>	<u>n/a</u>	<u>41</u>	<u>41</u>	<u>n/a</u>
Subtotal	1,732	1,732	14	1,773	1,773	14	1,765	1,765	14
 <u>Agency totals</u>									
In-house costs: FTE	2,010	2,010	17	2,010	2,010	17	2,049	2,049	17
Other	<u>55</u>	<u>55</u>	<u>n/a</u>	<u>107</u>	<u>107</u>	<u>n/a</u>	<u>67</u>	<u>67</u>	<u>n/a</u>
Subtotal	2,065	2,065	17	2,117	2,117	17	2,116	2,116	17

RAILROAD RETIREMENT BOARD

Financial Management

Vision Statement

The Railroad Retirement Board (RRB) is committed to integrated and automated financial management systems that focus on the agency's mission and accountability. RRB strives to maintain an environment in which program and financial managers work in partnership to ensure the integrity of financial information and use that information to make decisions, measure performance, and monitor outcomes. In this environment, we envision integrated financial management systems with appropriate internal review and controls that provide agency managers with timely, accurate, and easily accessible information. We expect managers throughout the agency to use that information to achieve program objectives in a cost-effective manner and to ensure accountability.

RRB's Financial Management System

Accomplishment of this vision requires an accurate, timely, reliable, and flexible source for all financial and management information within the framework of requirements established by legislative mandates, the Government Accountability Office, the Office of Management and Budget (OMB), and the Department of the Treasury (Treasury).

RRB's strategy is to upgrade its financial system structure by migrating to a designated financial system shared service provider (SSP) in order to meet evolving standards and requirements. Core financial management functions are currently centralized in a legacy mainframe-based system (the Federal Financial System – FFS) which continues to be under a maintenance contract between RRB and CGI. Although FFS met the Core Financial System Requirements that were established by the former Joint Financial Management Improvement Program (subsequently known as the Financial Systems Integration Office (FSIO)), including support of the U.S. Government Standard General Ledger and prompt payment legislation requirements, the 2010 FFS Assessment and Study showed that it no longer meets all the requirements. The study also concluded that maintenance of the system will be placed at increasingly high risk due to loss of experienced staff and difficulty in replacing the skill sets needed to support the legacy software.

FFS, in its current configuration, supports budget formulation and execution, general ledger and trust fund accounting, procurement and accounts payable, and inventory control. (A separate Program Accounts Receivable (PAR) system originally developed using an accounts receivable component of FFS, supports management of receivables arising from benefit payment programs, and complies with debt collection legislation.) In order to successfully migrate its core financial system requirements to a shared service provider, RRB has retained the services of a contractor to assist in preparing an OMB Exhibit 300 (Capital Asset Plan and Business Case Summary) for submission with its fiscal year 2013 budget request to secure the Development/ Modernization/ Enhancement (DME) funding required for migration. In addition, the fiscal year 2011 budget was re-aligned to maintain a sensitive schedule for migration by funding contractual services for pre-migration activities, chiefly the preparation of a statement of work (SOW) which will contain a

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Financial Management

complete description of the financial management requirements of the RRB that covers the complete range of focus that the new SSP system must address. The RRB's current plan calls for fiscal year 2012 pre-migration activities led by a Board-approved FFS Migration Integrated Project Team, migration during fiscal year 2013, and production in the SSP's hosted environment by fiscal year 2014.

RRB currently utilizes shared service providers for several E-Government functions. RRB uses the travel management services of the Bureau of the Public Debt for change-of-station, and has contracted with Carlson Wagonlit Government Travel (CWGT) to host its electronic travel authorization and vouchering functions under the guidance of the General Services Administration (GSA) Program Management Office (PMO) which provides oversight for E-Government travel. RRB implemented an E-Government travel system with CWGT on September 30, 2006, in compliance with PMO's prescribed completion date for all agencies.

RRB payroll and human resources system support was transferred to GSA in June 2004, as part of the initiative to consolidate Federal Government payroll operations. Data files containing payroll expenses, transit benefit deductions and labor distribution costs are telecommunicated from GSA and support RRB's financial accounting, transit benefit, and cost accounting systems, respectively.

RRB Enterprise-Wide Technical Architecture is providing ever-increasing inter-connectivity between RRB's headquarters mainframe, networks, and intranet (Boardwalk); improved environmental security; enhanced network reconfiguration capabilities; and scalable bandwidth to support imaging, the intranet, and future needs. This enables RRB staff to operate more efficiently and effectively while performing fiscal administrative tasks, including collection and dissemination of financial management information and guidance.

A virtual private network extends the efficiency and effectiveness of these systems to RRB field staff by providing full access to all RRB internal systems from remote locations through a secure platform.

Goals and Plans

To guide RRB in continually upgrading and improving its financial systems structure, the Chief Financial Officer has established broad financial management planning goals and implementing plans to fully realize the overall financial management objectives. The goals and the plans, in priority order, are as follows:

- A. COMPLIANCE.** Ensure that financial operations continued to comply with applicable laws, regulations, standards, and guidelines and conform to financial systems, management controls, and information resources management requirements and standards.

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Plan: Integrate financial system automation requirements into RRB's *Strategic Information Resources Management Plan* and into the guiding principles, information requirements, and environmental trends of RRB's Enterprise Architecture.

Continue utilizing system administration and IT staff to make targeted upgrades to the current financial system in order to comply with all applicable laws, regulations, and Board Orders. Migrate the current core financial system to a shared service provider (SSP) as recommended by the "FFS Assessment and Reporting Study," which is a comprehensive evaluation of RRB's core financial system (FFS) completed in 2010. The assessment considered FSIO requirements, audit and statutory requirements, the agency's financial management system, and its business architecture.

Implement recommendations of RRB's Inspector General arising from annual audits of the financial statements and other reviews of the financial operations of RRB.

Provide for ongoing review of financial management controls in conjunction with the Management Control Review Program.

Status: This goal is being met.

B. PERFORMANCE. Pursue strategies to increase the use of performance information to generate and support systematic performance measurement.

Plan: Tie management and policy purposes to performance reporting in order to tell how much service is provided, but also how well and efficiently. (Integrate purpose and output.)

Identify operating strengths and weaknesses, target areas for improvement, and recognize improvements when they occur (management activity).

Gauge the quality of services through the extent to which program objectives are being achieved (outcome).

Include performance plan requirements in migration to an SSP to generate information that reveals the program's past performance and reflects performance expectations for the future.

Status: This goal is being met.

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C. EFFICIENCY. Reduce redundant data entry, storage, and processing, and minimize human intervention.

Plan: Analyze additional automated interfaces among the benefit program payment systems and, as recommended by the “FFS Assessment and Reporting Study,” determine data conversion requirements for migration to a shared service provider.

Implement paperless dissemination of financial management information and guidance and paperless collection of financial information wherever appropriate and practical.

Implement paperless drafting, editing, reviewing, and finalizing of written products.

Keep current with Treasury’s “paperless” financial systems initiative by expanding on-line links to Treasury, the Internal Revenue Service, and RRB’s financial depositories. These links are replacing paper forms and reports and computer tapes as the primary method of exchanging financial information.

Status: Implementation of automated downloads of data to the quarterly financial statements eliminated all manual data entry from trial balance reports to the financial statements.

Automation of interfaces between the benefit payments systems, PAR, and FFS has been recommended. Due to limitations of the legacy benefit payment systems, automation has been limited to providing a common point of control for entry of recoveries into the PAR system.

Paperless collection and dissemination of financial information is progressing well. Financial statements, justification of budget requests, Congressional testimony on budget and management issues, and actuarial reports are available to the public on RRB’s website (.rrb).

Budget preparation, management control, Prompt Payment Act, and transit benefit program guidance is available to all RRB staff on Boardwalk.

GSA’s personnel and payroll systems allow RRB employees to view and update selected information in their records.

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Paperless methods of drafting, editing, reviewing, and finalizing written materials are being used for various products.

RRB is current with Treasury's paperless initiatives.

D. ACCESS. Improve and facilitate user access to financial information.

Plan: Use existing off-the-shelf management information software products that can supplement the existing core financial systems by retrieving information from the mainframe software in end-user specified formats or office suite formats, with the intent of meeting user requirements.

Status: Data retrieval software products currently give users the ability to extract data from FFS and other mainframe databases in a wide variety of formats, including text reports, spreadsheets, and database tables without involving technical staff.

Consumable supplies are procured on-line through the Internet website of a competitively selected vendor.

We will perform a full requirements analysis to determine the complete user access requirements to financial information as recommended by the assessment of RRB's core financial system completed in 2010.

E. SUPPORT. Identify requirements for financial systems support to ensure timely and complete accomplishment of current, expanded, and new activities.

Plan: Maintain adequate levels of internal system analyst staffing, and provide training to all staff as appropriate.

Define system and application needs that are essential in performing current, expanded, and new activities.

Integrate new and revised financial system automation requirements into RRB's *Strategic Information Resources Management Plan* and into the guiding principles, information requirements, and environmental trends of RRB's Enterprise Architecture.

Status: This goal is being met.

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F. SECURITY, CONTROL, AND DISASTER RECOVERY. Improve security, control, and disaster recovery capability for information processed and stored on mainframe, local area network, and PC systems.

Plan: In accordance with agency-wide guidance, develop, test, and maintain a disaster recovery plan for financial systems.

Enhance system controls by providing continuous monitoring of changes to hardware, software, firmware, or the operational environment.

Status: This goal is being met within the agency-wide disaster recovery plan. We have made necessary updates to security plans, assessment reports, and the charts of controls.

Audit of Financial Statements

RRB complies with OMB Circular A-136 regarding the independent audit of financial statements. The RRB's Office of Inspector General (OIG) funded fixed price contracts for fiscal years 1993 through 1996 to audit the financial statements. The OIG audited RRB's financial statements for fiscal years 1997 through 2010. The purpose of the audits is to determine whether the financial statements present fairly the financial position and the results of financial operations in conformity with generally accepted accounting principles.

The *Auditor's Report* on page 100 of RRB's Financial Statements for Fiscal Year 2010 concludes that the financial statements, including the accompanying notes, present fairly, in all material respects, in conformity with U.S. generally accepted accounting principles, the financial position of the RRB, its consolidated net cost of operations and changes in net position, and combined budgetary resources as of and for the fiscal years ended September 30, 2010 and 2009; and financial condition of the railroad retirement program as of January 1, 2010, 2009, 2008, 2007, and 2006.

The *Auditor's Report – Emphasis of Matters* on page 101 of RRB's Financial Statements for Fiscal Year 2010 states:

NRRIT

Pursuant to the Railroad Retirement and Survivors' Improvement Act of 2001, the NRRIT is authorized to invest railroad retirement assets in a diversified investment portfolio. As of September 30, 2010, the reported value of the net assets of the NRRIT was approximately \$442 million higher than reported at September 30, 2009. The RRB discusses its relationship with the NRRIT in Note 2 and Note 5 to the financial statements,

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and describes the impact of changes in the social insurance fund balance on actuarial projections in Note 15.

Financial Interchange

The RRB discloses transactions with related parties in Note 2 to the financial statements. The RRB, Social Security Administration and Centers for Medicare and Medicaid Services are parties to a financing arrangement described as a financial interchange. Under this arrangement, transfers-in from the Social Security Administration's Old-Age and Survivors Insurance and Disability Insurance trust funds and transfers-out to the Federal Health Insurance trust fund represented approximately \$4 billion (net), or about 35% of the financing sources reported on the RRB's statement of changes in net position for FY 2010 before considering the change in the reported value of NRRIT net assets. For FY 2009, financial interchange transfers of \$4 billion (net) represented about 37% of the financing sources reported before considering the reduction in the reported value of NRRIT assets.

The *Auditor's Report – Compliance with Laws and Regulations* on page 103 of RRB's Financial Statements for Fiscal Year 2010 states as follows:

Our tests of the RRB's compliance with selected provisions of laws and regulations for FY 2010 disclosed no instances of non-compliance that are reportable under U.S. generally accepted government auditing standards or OMB guidance. However, the objective of our audit was not to provide an opinion on overall compliance with laws and regulations. Accordingly, we do not express such an opinion.

The OIG identified two material weaknesses in its *Consideration of Internal Control*, from which excerpts follow.

Material Weaknesses

Information Security

During FY 2010 the OIG evaluated the RRB's information security program pursuant to the provisions of the Federal Information Security Management Act of 2002 (FISMA). OIG auditors concluded that although the agency addressed the significant deficiency in access controls, some weaknesses continue to exist. However, weaknesses regarding the certification and accreditation process remain unresolved. Although a more detailed review process is being performed by the agency, changes in the agency's certification and accreditation control process are not yet sufficient.

RRB managers are working to address this weakness.

RAILROAD RETIREMENT BOARD**Financial Management****Internal Control Over Non-integrated Sub-Systems**

The RRB's financial reporting control structure is not comprehensive with respect to the reconciliation of the general ledger to non-integrated subsystems. The OIG previously reported this issue as a result of its audits of the agency's financial statements performed during FYs 2000, 2001, 2008 and 2009.

During the fourth quarter of FY 2010, the agency created an inventory of the various non-integrated systems that support financial accounting. Although this shows that progress is being made to address this material weakness, the agency has not yet implemented a comprehensive reconciliation process with adequate separation of duties.

RRB managers are working to address this weakness.

Electronic Funds Transfer/Vendor Express

Electronic funds transfer (EFT)

The Debt Collection Improvement Act of 1996 requires that most Federal payments, with the exception of tax refunds, be made by electronic funds transfer (EFT), also known as Direct Deposit. This includes monthly railroad retirement, survivor and disability benefits, as well as biweekly unemployment and sickness insurance benefits.

Treasury recently amended its regulations to require recipients of Federal nontax payments to receive payment by EFT, effective May 1, 2011. The effective date is delayed until March 1, 2013, for individuals who were receiving Federal payments by check on May 1, 2011, and for individuals who filed claims for Federal benefits before May 1, 2011, and requested check payments when they filed. Individuals who do not choose Direct Deposit of their payments to an account at a financial institution, would be enrolled in the Direct Express[®] Debit MasterCard[®] card program, a prepaid card program established pursuant to terms and conditions approved by Treasury. The EFT requirement is waived for recipients born prior to May 1, 1921, who are receiving payments by paper check on March 1, 2013; for payments not eligible for deposit to a Direct Express[®] prepaid card account; and for recipients whose Direct Express[®] card has been suspended or cancelled. In addition, this rule establishes the criteria under which a payment recipient may request a waiver if the EFT requirement creates a hardship due to his or her mental impairment or remote geographic location.

RRB has traditionally had strong participation in the Direct Deposit program, and the percentage of payments and dollars made by EFT continues to increase among retirement, survivor and disability beneficiaries.

RRB began offering Direct Express[®] to Railroad Retirement Act (RRA) beneficiaries in March 2011. As of July 1, 2011, there are 503 beneficiaries enrolled in the program. Additionally, RRB began offering International Direct Deposit (IDD) in April 2011 to RRA beneficiaries who reside in foreign countries. As of July 1, 2011, there are 561 beneficiaries enrolled in the IDD program.

RRB is currently working with Treasury on program changes that will allow child support payments, that are withheld from RRB benefits and paid to State agencies, to be made by EFT. The target date for completion of the changes is calendar year 2011.

The chart on the following page shows a comparison of EFT payments with non-EFT payments during fiscal year 2011 (through June).

Electronic Funds Transfer/Vendor Express

<u>Payment Type</u>	<u>Direct Deposit</u>	<u>Treasury Check</u>
<u>RRA</u> ^{1/}		
Number of payments	4,786,177	481,694
Percent of payments	90.9%	9.1%
Amount of payments	\$7,962,853,237	\$616,556,523
Percent of RRA payment amount	92.8%	7.2%
<u>RUIA</u> ^{2/}		
Number of payments	143,719	15,186
Percent of payments	90.4%	9.6%
Amount of payments	\$88,660,835	\$8,222,745
Percent of RUIA payment amount	91.5%	8.5%

^{1/} In June 2010, 89.8 percent of RRA payments were through EFT; in June 2011, 90.9 percent of RRA payments were through EFT.

^{2/} In June 2010, 91.2 percent of RUIA payments were through EFT; in June 2011, 90.4 percent of RUIA payments were through EFT.

Vendor Express

Vendor Express is the payment system used to make EFT payments to RRB vendors. Vendor Express payments during fiscal year (through June) compare with payments made by Treasury check as follows:

	<u>Vendor Express</u>	<u>Treasury Check</u>
Number of payments (invoices)	10,124	874 ^{a/}
Percent of payments	92.1%	7.9%
Amount of payments	\$9,550,936	\$2,353,471
Percent of payment amount	80.2%	19.8%

^{a/} In some cases, multiple invoices were paid with a single check. The total number of checks prepared was 787.

Space Budget Justification

I.	Agency:	Railroad Retirement Board
	Bureau:	Railroad Retirement Board
	GSA Bureau Code:	6000
	Date:	September 8, 2011

Railroad Retirement Board

(obligations in thousands of dollars)

		PY		CY		BY		BY+1	
		SQ FT	\$						
OMB approved inflation factor:			1.70%		1.70%		1.70%		1.70%
PART 1: RENTAL PAYMENTS TO GSA									
II.	GSA rent estimate	402,867	\$7,998	402,867	\$7,128	402,867	\$7,211	402,867	\$7,334
III.	<u>From Worksheet TAB</u> Agency adjustments to the bill:								
	Corrections PY								
	Chargebacks:	0	\$0	0	\$0	0	\$0	0	\$0
	Other adjustments (Trust Fund)	0	(\$4,498)	0	(\$3,428)	0	(\$3,411)	0	(\$3,469)
	Statutorily imposed rent caps	0	\$0	0	\$0	0	\$0	0	\$0
III.	<u>Planned changes to inventory:</u>								
	PY	0	\$0	0	\$0	0	\$0	0	\$0
	CY			0	\$0	0	\$0	0	\$0
	BY					0	\$0	0	\$0
	BY+1							0	\$0
IV.	<u>Requested program changes:</u>								
	PY								
	CY			0	\$0				
	BY					0	\$0		
	BY+1							0	\$0
Total, net rental payments to GSA		402,867	\$3,500	402,867	\$3,700	402,867	\$3,800	402,867	\$3,865

Space Budget Justification

I.	Agency:	Railroad Retirement Board
	Bureau:	Railroad Retirement Board
	GSA Bureau Code:	6000
	Date:	September 8, 2011

Railroad Retirement Board

(obligations in thousands of dollars)

	PY		CY		BY		BY+1	
	SQ FT	\$	SQ FT	\$	SQ FT	\$	SQ FT	\$
OMB approved inflation factor:		1.70%		1.70%		1.70%		1.70%
PART 1.A: FUNDING SOURCES FOR RENTAL PAYMENTS to GSA								
<u>Funded by direct appropriations:</u>								
Account title and ID code:								
Acct. 1	Limitation on Administration (60-8237-o-7-601)	\$3,500		\$3,700		\$3,800		\$3,865
Acct. 2		\$0		\$0		\$0		\$0
Acct. 3		\$0		\$0		\$0		\$0
Acct. 4		\$0		\$0		\$0		\$0
Acct. 5		\$0		\$0		\$0		\$0
Acct. 6		\$0		\$0		\$0		\$0
Acct. 7		\$0		\$0		\$0		\$0
Acct. 8		\$0		\$0		\$0		\$0
Subtotal, direct appropriations		\$3,500		\$3,700		\$3,800		\$3,865
<u>Funded by other sources:</u>								
Account title and ID Code:								
Acct. 1		\$0		\$0		\$0		\$0
Acct. 2		\$0		\$0		\$0		\$0
Acct. 3		\$0		\$0		\$0		\$0
Acct. 4		\$0		\$0		\$0		\$0
Acct. 5		\$0		\$0		\$0		\$0
Acct. 6		\$0		\$0		\$0		\$0
Subtotal, other funding sources		\$0		\$0		\$0		\$0
Total funding sources (object class 23.1)		\$3,500		\$3,700		\$3,800		\$3,865
Control difference		\$0		\$0		\$0		\$0
PART 2: RENTAL PAYMENTS TO OTHERS								
<u>Non-Federal sources (object class 23.2)</u>								
<u>Federal sources (object class 25.3)</u>								
Total rental payments to others		0		0		0		0

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Employee Relocation Costs

Budget Object Code	2011 Budgeted	2012 Planned	2013 Proposed	2013 OMB Guidance	2013 OMB Reduced
126. Change-of-station	\$ 130,000	\$ 180,000	\$ 180,000	\$ 120,000	\$ 120,000
210. Travel	2,400	3,000	3,000	2,000	2,000
220. Transportation of things	24,000	36,000	36,000	24,000	24,000
252. Government contracts	26,250	40,000	40,000	40,000	40,000
255. Storage of household goods	15,000	22,500	22,500	15,000	15,000
Total	\$ 197,650	\$ 281,500	\$ 281,500	\$ 201,000	\$ 201,000

RAILROAD RETIREMENT BOARD

Wellness Initiatives

The Railroad Retirement Board in Chicago, Illinois has an in-house Employee Health Service (EHS), staffed by a Registered Professional Nurse who provides employees with opportunities for health promotion activities and preventative health services. Examples of these are various types of screenings, health education sessions, flu immunizations, yoga and body recall exercise classes, a smoking cessation program and a weight loss (Weight Watchers) program. These programs are offered at the worksite and are open to all interested headquarters employees. Some of the programs are also offered to employees in the agency's field offices. Administrative leave is granted to the headquarters employees who participate in the screenings, immunizations and education sessions. Listed below is a summary of the programs and services that have been made available to employees.

Exercise classes are offered on an ongoing basis once a week during lunch time. The RRB has been providing the funding for yoga classes since March 2010. In fiscal year 2011, body recall exercise classes were also offered once a week during lunch time. The classes focused on strengthening, stretching and flexibility exercises.

The goal of the **Cardiovascular Disease, Risks and Prevention Program** is to lower the risk of developing cardiovascular disease by providing education, screenings, fitness opportunities, and referral services to employees.

In conjunction with American Heart Month in February, a Cholesterol and Hypertension Screening Program is offered to employees at no cost. The cholesterol screening consists of a lipoprotein profile, which provides information about the various significant components of cholesterol. The agency's nurse meets with each employee and reviews the results, counsels the employee on diet/lifestyle changes, answers questions and makes appropriate referrals. The employees also have their blood pressure checked with this program. Any individual with abnormal cholesterol and/or blood pressure results is referred to their physician for further evaluation and is encouraged to return to EHS on a regular basis to have their blood pressure checked.

In addition, a follow-up informational session is offered. Each time this program has been presented, the session has focused on a different topic. Examples are: developing a physically active lifestyle, presented by an exercise physiologist; information on hypertension and stroke, presented by a physician; and a session about heart disease, also presented by a physician.

The **Cholesterol and Hypertension Screening Program** is offered on an annual basis so that employees can evaluate the effectiveness of lifestyle changes they have made.

In conjunction with **National Nutrition Month** in March, programs have been offered on low fat diets, vitamins, fad dieting and how to incorporate dietary lifestyle changes. These sessions have been presented by licensed dietitians.

RAILROAD RETIREMENT BOARD

Wellness Initiatives

A **Smoking Cessation Program** is offered to employees on an annual basis if there is sufficient interest. The program consists of at least six, one-hour sessions designed to address all the aspects of quitting, and includes information on the risks of various cancers, stroke, heart disease, lung disease and the dangers of second-hand smoke. Funding is also available for any agency employee who wants to participate in a smoking cessation program and use the various aids to help them quit.

Fasting Blood Glucose Screening for diabetes is offered to interested employees on an annual basis. Diabetes is not only a chronic medical problem that requires monitoring of blood sugar levels, it is frequently accompanied by cardiovascular, kidney, eye and neurological complications. An informational session focusing on diagnosis, symptoms, complications and treatment is presented by a physician specializing in internal medicine and diabetes. Appropriate referrals are made to any employee who has an abnormal result. Free blood sugar monitors are provided to employees who attend.

The Railroad Retirement Board has also established an in-house **Employee Assistance Program** (EAP), which provides short-term counseling and referral for RRB employees and their family members. The EAP provides counseling for a variety of personal problems and job concerns which can adversely affect the employee's work performance and conduct. Problems may include alcoholism, substance abuse, financial, marital and family distress, mental or emotional illness, job stress and legal matters. As required, the EAP counselor refers employees to appropriate external sources for treatment, rehabilitation, information or other support. Where necessary, the EAP counselor monitors the employee's progress through treatment and rehabilitation.

The EAP counselor and the agency's nurse have collaborated on programs for employees dealing with depression, drug and alcohol abuse awareness, and stress management, utilizing the expertise of well-known facilities such as Hazelden Substance and Alcohol Abuse Treatment Center and The National Depressive and Manic Depressive Association.

AIDS Education. Employees have been provided with a comprehensive AIDS/HIV education session which all agency employees attended. The agency's nurse provides up-to-date information to employees as needed, as well as numerous confidential referral services. Publicity for the annual "World AIDS Day" is distributed throughout the agency.

Cancer Programs, focusing on early detection, treatment and recommended screening schedules, are presented by organizations such as the American Cancer Society and the Breast Cancer Network of Strength.

RAILROAD RETIREMENT BOARD

Wellness Initiatives

First Aid Education has been offered to employees by the American Red Cross, and the RRB maintains an in-house training program for cardiopulmonary resuscitation (CPR) and automated external defibrillator (AED) use. The Heartsaver AED classes, which are offered to all headquarters employees, are taught by other agency employees who volunteer their time and have successfully completed the Basic Life Support Instructor Training course taught by an instructor/trainer from Rush Presbyterian St. Luke's Medical Community Training Center (CTC). The Rush CTC follows the CPR guidelines of the American Heart Association. The RRB has six AED units which are placed strategically throughout the building.

Influenza immunizations are provided every year to all interested headquarters employees. In fiscal year 2011, a total of 365 employees were immunized for seasonal flu which also included the H1N1 influenza vaccine.

In December 2010, the RRB opened the **Employee Fitness Facility** in the headquarters building. Employees have access to three different types of cardio machines, as well as stretching, strengthening and balancing equipment and they can use the facility before work, during lunch time or after work.