



UNITED STATES OF AMERICA
RAILROAD RETIREMENT BOARD
844 NORTH RUSH STREET
CHICAGO, ILLINOIS 60611-2092

BOARD MEMBERS:

MICHAEL S. SCHWARTZ, CHAIRMAN
WALTER A. BARROWS, LABOR MEMBER
JEROME F. KEVER, MANAGEMENT MEMBER

The Honorable John A. Boehner
Speaker of the House of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

In compliance with the Office of Management and Budget (OMB) Circular No. A-11, enclosed is our Congressional Justification of Budget Estimates for Fiscal Year 2013, which includes our Performance Plan for the year. This budget complies with OMB guidance and is in accordance with the President's proposals. The President's proposed budget provides for \$112,415,000 for the Railroad Retirement Board's (RRB) administrative expenses in fiscal year 2013.

The Railroad Retirement Board is an independent agency in the executive branch of the Federal Government. The RRB's primary function is to administer comprehensive retirement/survivor and unemployment/sickness insurance benefit programs for the nation's railroad workers and their families under the Railroad Retirement and Railroad Unemployment Insurance Acts. In connection with the retirement program, the RRB has administrative responsibilities under the Social Security Act for certain benefit payments and railroad workers' Medicare coverage. It also assists in the administration of the Internal Revenue Code.

We estimate that the proposed funding will provide for a staffing level of 885 full-time equivalent staff years (FTEs). The proposed budget would also provide \$3,562,000 for migration of our financial management system to a shared service provider, and \$1,175,710 for other information technology investments.

In addition to the requests for administrative expenses, the President's budget includes \$45 million to fund the continuing phase-out costs for vested dual benefits. An additional amount, not to exceed \$900,000, would also become

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available if projected dual benefit payments for the year exceed the amount available for payments.

Also, presented in the budget is a request for \$150,000 for interest related to uncashed railroad retirement checks. The \$150,000 is being requested for a 2-year period, and would be available through September 30, 2014. All of the amounts presented in this letter exclude funding for the RRB's Office of Inspector General, which submits separate budget and performance information.

Thank you for your support of this proposed budget.

Sincerely,

Original Signed
Michael S. Schwartz
Walter A. Barrows
Jerome F. Kever

February 13, 2012

Enclosure

cc: The Honorable, Jeffrey D. Zients, Acting Director
Office of Management and Budget