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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 2001

HEARINGS

BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES
ONE HUNDRED SIXTH CONGRESS
SECOND SESSION

SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

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JAMES P. MORAN, Virginia
ROBERT E. "BUD" CRAMER, JR., Alabama
MAURICE D. HINCHEY, New York

NOTE: Under Committee Rules, Mr. Young, as Chairman of the Full Committee, and Mr. Obey, as Ranking
Minority Member of the Full Committee, are authorized to sit as Members of all Subcommittees.

DEBORAH WEATHERLY, LORETTA BEAUMONT, JOEL KAPLAN, and CHRISTOPHER TOPIK,
Staff Assistants

PART 4

Justification of the Budget Estimates

	Page
Indian Health Service	1
Navajo and Hopi Indian Relocation	337
Institute of American Indian and Alaska Native	361
Smithsonian Institution	383
National Gallery of Art	615
John F. Kennedy Center	705
Woodrow Wilson International Center	779
National Endowment for the Arts	827
National Endowment for the Humanities	951
IMLS Office of Museum Services	1049
Commission of Fine Arts	1135
Advisory Council on Historic Preservation	1155
National Capital Planning Commission	1205
Holocaust Memorial Council	1257
Presidio Trust	1321

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

FISCAL YEAR
2001

Indian Health Service

*Justification of
Estimates for
Appropriations Committees*

DEPARTMENT OF HEALTH AND HUMAN SERVICES
INDIAN HEALTH SERVICE

TABLE OF CONTENTS

	<u>Page</u>
Total Funding Level Summary.....	1
Detail of Changes.....	3
Breakdown of Operational Level.....	4
FTE Summary	6
Phasing-in of Staffing/Operating Cost.....	8
Federal/Tribal Total Tables.....	9
Inflation/Pay Cost	12
Executive Summary.....	14
 <u>Indian Health Services</u>	
General Statement.....	20
Clinical Services:	
Hospitals & Health Clinics.....	28
Dental Health	42
Mental Health	48
Alcohol & Substance Abuse	54
Contract Health Services	62
HIV/AIDS.....	68
Public and Private Collections.....	72
Preventive Health	
Public Health Nursing	76
Health Education	80
Community Health Representatives.....	84
Immunization AK	88
Urban Health.....	94
Indian Health Professions.....	100
Tribal Management.....	108
Direct Operations.....	110
Self Governance.....	116
Contract Support Costs.....	126
 <u>Advance Transfer Appropriation</u>	
Diabetes.....	129
 <u>Information Technology and Epidemiology Center</u>	
Information Technology.....	135
Epidemiology Center.....	136

Indian Health FacilitiesPAGE

Overview.....	3
Maintenance and Improvement	9
Sanitation Facilities Construction.....	13
Health Care Facilities Construction.....	19
Facilities and Environmental Health Support.....	29
Equipment	49
Personnel Quarters	51

Supplemental Materials

Organizational Chart.....	1
Exhibit D Appropriation Language.....	5
Exhibit E1 and E2 Amount Available for Obligation.....	15
Exhibit F Summary of Change.....	17
Exhibit G Budget Authority by Activity.....	45
Exhibit H Budget Authority by Object.....	46
Exhibit I Salaries and Expenses.....	47
Exhibit J Significant Items.....	49
Exhibit K Authorizing Legislation.....	63
Exhibit L Appropriations History Table.....	64
Exhibit O Detail of Full-Time Equivalent Employment (FTE).....	65
Exhibit P Detail of Position.....	66
Health Facilities Priority Rankings.....	68

Special Requirements:

Self-Determination.....	59
IHS and Tribal Operated Service Unit and Medical Facilities.....	61

Annual Performance Plan (GPRA)

FY 2001 Performance Plan and FY 1999 Performance Report..	3
FY 1999 Performance Summary Table.....	76
Summary of Change for FY 2000 IHS Performance Indicators.	87

Indian Health Service
Program Level Funding Summary Report
(Dollars in Thousands)

2/2/00

FILE: C:\OFM\BUDGET\CONGR\PRESIDENTS BUDGET

Sub-Sub-Activity	FY 1999 Actual	FY 2000 Final Appropriation	FY 2001 Estimate
SERVICES:			
Hospitals & Health Clinics	947,198	1,005,412	1,084,190
Dental Health	71,400	80,062	88,258
Mental Health	41,305	43,245	49,405
Alcohol & Substance Abuse	94,680	96,824	99,636
Contract Health Services	385,801	406,756	447,672
Total, Clinical Services	1,540,384	1,632,299	1,769,161
Public Health Nursing	30,363	34,452	39,772
Health Education	9,430	9,625	11,030
Community Health Reps.	45,960	46,380	51,105
Immunization AK	1,367	1,402	1,457
Total, Preventive Health	87,120	91,859	103,364
Urban Health	26,382	27,813	30,834
Indian Health Professions	29,623	30,491	32,779
Tribal Management	2,390	2,411	2,413
Direct Operation	49,309	50,988	54,119
Self Governance	9,391	9,531	9,604
Contract Support Cost	203,781	228,781	268,781
TOTAL, SERVICES	1,948,380	2,074,173	2,271,055
FACILITIES:			
Maintenance & Improvement	40,625	43,433	45,407
Sanitation Facilities	89,328	92,117	96,651
Health Care Facilities Construction	41,087	50,393	65,237
Facilities & Environmental Health Support	107,682	116,282	129,850
Equipment	13,243	14,330	12,229
TOTAL, FACILITIES	291,965	316,555	349,374
TOTAL, BUDGET AUTHORITY	2,240,345	2,390,728	2,620,429

COLLECTIONS:

Medicare	86,961 1/	88,824 1/	88,824 1/
Medicaid	269,995 1/	275,806 1/	275,806 1/
Private Insurance	36,930	39,960	39,960
Quarters	4,700	4,700	4,700
TOTAL, COLLECTION	398,586	409,290	409,290

ADVANCE TRANSFER APPROPRIATION:

Diabetes 2/	30,000	30,000	30,000
-------------	--------	--------	--------

TOTAL, PROGRAM LEVEL	2,668,931	2,830,018	3,059,719
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1/ Includes \$29,203,000 in Medicaid/Medicare for tribal collection estimates.

2/ The Balanced Budget Act of 1997 transfers \$30,000,000 annually to IHS for diabetes prevention and treatment for FY 1998 through FY 2002.

Indian Health Service
Funding Summary Report by Budget Authority
(Dollars in Thousands)

2/2/00

Sub Sub Activity	FY 2000		Change	
	FY 1999	Final	FY 2001	Estimate
	Actual	1/ Appropriation	Estimate	Over Approp.
<u>SERVICES:</u>				
Hospitals & Health Clinics	\$947,198	\$1,005,412	\$1,084,190	\$78,778
Dental Services	71,400	80,062	88,258	8,196
Mental Health	41,305	43,245	49,405	6,160
Alcohol & Substance Abuse	94,680	96,824	99,636	2,812
Contract Health Services	385,801	406,756	447,672	40,916
Total, Clinical Services	1,540,384	1,632,299	1,769,161	136,862
Public Health Nursing	30,363	34,452	39,772	5,320
Health Education	9,430	9,625	11,030	1,405
Comm. Health Reps	45,960	46,380	51,105	4,725
Immunization AK	1,367	1,402	1,457	55
Total, Prev Hlth	87,120	91,859	103,364	11,505
Urban Health	26,382	27,813	30,834	3,021
Indian Health Professions	29,623	30,491	32,779	2,288
Tribal Management	2,390	2,411	2,413	2
Direct Operation	49,309	50,988	54,119	3,131
Self Governance	9,391	9,531	9,604	73
Contract Support Cost	203,781	228,781	268,781	40,000
Total, Services	1,948,380	2,074,173	2,271,055	196,882
<u>FACILITIES:</u>				
Maint. & Improvement	40,625	43,433	45,407	1,974
Sanitation Facilities	89,328	92,117	96,651	4,534
Construction Facilities	41,087	50,393	65,237	14,844
Facil. & Envir. H. Supp.	107,682	116,282	129,850	13,568
Equipment	13,243	14,330	12,229	(2,101)
Total, Facilities	291,965	316,555	349,374	32,819
TOTAL, Budget Authority	\$2,240,345	\$2,390,728	\$2,620,429	\$229,701

Indian Health Service
FY 2001 Budget Request
Detail of Changes
(Dollars in Thousands)

PROGRAM INCREASES															
CURRENT SERVICES										PROGRAM INCREASES					
FY 2000 Enacted	FY 2000 Collection & Reduction Per HSA	Total Collection & Reduction Per HSA	Non- recurring Construction Funds	Pay Per New Fac.	Staff Costs	Contract Support	Health Facilities	Health Care Costs	Indian Health Care Improvement	Indian Tech & Chr.	Health Disparities	Health Improvement	Maint & Em Hln Support	Field & Support	
SERVICES:															
Hospitals & Health Clinics	1,005,412	0	0	40,045	9,714	0	0	0	8,000	7,000	15,979	3	0	0	1,084,190
Dental Services	80,082	0	0	4,147	792	0	0	0	0	0	3,257	0	0	0	86,258
Mental Health	43,245	0	0	1,924	384	0	0	0	0	0	3,852	0	0	0	49,405
Alcohol & Substance Abuse	96,824	0	0	525	0	0	0	0	0	0	1,863	0	0	0	99,336
Contract Health Services	408,758	0	0	0	0	0	0	0	0	0	4,817	0	0	0	413,575
Contract Health Services	1,632,299	0	0	48,585	7,893	0	0	0	8,000	7,000	67,816	0	0	0	1,755,971
Total Child Care	24,432	0	0	2,659	843	0	0	0	0	0	2,037	0	0	0	27,913
Public Health Nursing	30,491	0	0	262	136	0	0	0	0	0	1,007	0	0	0	32,779
Health Education	9,531	0	0	53	0	0	0	0	0	0	3,339	0	0	0	11,023
Community Health	1,402	0	0	53	0	0	0	0	0	0	2	0	0	0	1,457
Total Prev 100	97,659	0	0	2,662	2,165	0	0	0	0	0	6,375	0	0	0	103,364
Urban Health	27,913	0	0	47	0	0	0	0	0	0	2,974	0	0	0	30,634
Indian Health Professionals	30,491	0	0	120	0	0	0	0	0	0	2,158	0	0	0	32,779
Tribal Management	2,411	0	0	0	0	0	0	0	0	0	2	0	0	0	2,413
Direct Operations	50,988	0	0	3,088	0	0	0	0	0	0	43	0	0	0	54,119
Self Governance	9,531	0	0	53	0	0	0	0	0	0	20	0	0	0	9,604
Contract Support Costs	228,781	0	0	0	0	40,000	0	0	0	0	0	0	0	0	268,781
Total Services	2,074,173	0	0	53,158	10,555	40,000	0	0	8,000	7,000	79,669	0	0	0	2,271,055
FACILITIES:															
Maint. & Improvement	43,433	0	0	0	0	0	0	0	0	0	0	0	1,974	0	45,407
Sanitation Facilities	17,177	0	0	573	0	0	0	0	0	0	3,981	0	0	0	21,630
HSA Care Fac. Const.	50,300	0	(50,300)	0	0	0	0	83,237	21	0	0	0	0	0	65,237
Food & Envir. Hln Supp	118,282	0	0	6,944	1,965	0	0	0	0	0	2,959	41	0	0	129,850
Equipment	14,330	0	(12,101)	51	0	0	0	0	0	0	0	0	0	0	12,279
Total Facilities	315,555	0	(52,494)	7,517	1,965	0	0	83,237	0	0	6,920	1,974	2,000	349,371	
Total, HSA	2,390,728	0	(52,494)	60,675	11,720	40,000	65,237	8,000	7,000	85,593	1,974	2,000	2,620,429		
Collateral:															
Medicare	61,638	6,986	0	0	0	0	0	0	0	0	0	0	0	0	68,624
Medical	253,589	22,217	0	0	0	0	0	0	0	0	0	0	0	0	275,806
Private Insurance	39,960	0	0	0	0	0	0	0	0	0	0	0	0	0	39,960
Outliers	4,700	0	0	0	0	0	0	0	0	0	0	0	0	0	4,700
Total, Collateral	360,087	29,203	0	0	0	0	0	0	0	0	0	0	0	0	409,290
Advance Inflation Adjustment:															
FY 2000 Dollars	30,000	1/	0	0	0	0	0	0	0	0	0	0	0	0	30,000
Total Dollars	30,000		0	0	0	0	0	0	0	0	0	0	0	0	30,000
GRAND TOTAL															
2,800,815	29,203	(52,494)	50,675	11,720	40,000	65,237	8,000	7,000	85,593	1,974	2,000	2,620,429			

1/ The Balanced Budget Act of 1997 requires \$30,000,000 annually for diabetes and HIV. FY 2002.
2/ Includes \$30,715,000 for Ft. Belknap Hospital; \$7,578,000 for Pioneer Health Center; \$12,288,000 for Wallowa Hospital; \$1,400,000 for design of Ft. Belknap Staff Quarters; \$1,745,000 for Pioneer Health Center - design of the health center; \$2,513,000 for small ambulatory practice; and \$1,000,000 for Dental Units.
3/ Includes \$2,088,000 for diabetes; \$970,000 for cancer; \$1,940,000 for elder health; \$1,448,000 for heart disease; \$2,912,000 for maternal and child health; \$1,940,000 for domestic violence; \$1,940,000 for HIV/AIDS; and \$1,940,000 for emergency medical services.
4/ 1997 Prevention.
5/ Reflects a reduction in funding associated with Y2K funding.

Indian Health Service Breakdown of Program Level (Dollars in Thousands)

FY 1999 Actual										FY 2000 Final Appropriation										20/00
Sub Sub Activity		Private				Total				Private		Total								
		Budget	Insurance	Medicare/	Personnel	Budget	Insurance	Medicare/	Personnel	Budget	Insurance	Medicare/	Personnel	Budget	Insurance	Medicare/	Personnel	Program	Level	
		Authority	Collection	Medicaid	Quarters	Authority	Collection	Medicaid	Quarters	Authority	Collection	Medicaid	Quarters	Authority	Collection	Medicaid	Quarters			
SERVICES:																				
Hospitals & Health Clinics	947,198	38,930	355,956	2/	0	1,341,084	0	0	1,341,084	1,005,412	39,960	364,630	2/	0	1,410,002	0	0	0	80,062	
Dental Services	71,400	0	0	0	0	71,400	0	0	71,400	80,062	0	0	0	0	80,062	0	0	0	80,062	
Mental Health	41,305	0	0	0	0	41,305	0	0	41,305	43,245	0	0	0	0	43,245	0	0	0	43,245	
Alcohol & Substance Abuse	94,680	0	0	0	0	94,680	0	0	94,680	96,824	0	0	0	0	96,824	0	0	0	96,824	
Contract Health Services	385,801	0	0	0	0	385,801	0	0	385,801	406,756	0	0	0	0	406,756	0	0	0	406,756	
Total Clinical Svcs	1,540,384	38,930	355,956		0	1,934,270			1,934,270	1,632,289	39,960	364,630		0	2,036,889					
Public Health Nursing	30,363	0	0	0	0	30,363	0	0	30,363	34,452	0	0	0	0	34,452	0	0	0	34,452	
Health Education	9,430	0	0	0	0	9,430	0	0	9,430	9,625	0	0	0	0	9,625	0	0	0	9,625	
Comm. Health Rpts	45,960	0	0	0	0	45,960	0	0	45,960	46,390	0	0	0	0	46,390	0	0	0	46,390	
Immunization AK	1,367	0	0	0	0	1,367	0	0	1,367	1,402	0	0	0	0	1,402	0	0	0	1,402	
Total, Prev Hlth	87,120	0	0	0	0	87,120			87,120	91,869	0	0	0	0	91,869					
Urban Health	26,392	0	0	0	0	26,392	0	0	26,392	27,813	0	0	0	0	27,813	0	0	0	27,813	
Indian Health Professions	29,623	0	0	0	0	29,623	0	0	29,623	30,491	0	0	0	0	30,491	0	0	0	30,491	
Tribal Management	2,390	0	0	0	0	2,390	0	0	2,390	2,411	0	0	0	0	2,411	0	0	0	2,411	
Direct Operation	49,309	0	0	0	0	49,309	0	0	49,309	50,988	0	0	0	0	50,988	0	0	0	50,988	
Self Governance	9,391	0	0	0	0	9,391	0	0	9,391	9,531	0	0	0	0	9,531	0	0	0	9,531	
Contract Support Costs	203,781	0	0	0	0	203,781	0	0	203,781	228,781	0	0	0	0	228,781	0	0	0	228,781	
Total Services	1,948,380	38,930	355,956		0	2,342,266			2,342,266	2,071,173	39,960	364,630		0	2,478,763					
FACILITIES:																				
Maint. & Improvement	40,625	0	0	0	0	40,625	0	0	40,625	43,433	0	0	0	0	43,433	0	0	0	43,433	
Sanitation Facilities	69,328	0	0	0	0	69,328	0	0	69,328	92,117	0	0	0	0	92,117	0	0	0	92,117	
Hlth Care Facs. Constr.	41,087	0	0	0	0	41,087	0	0	41,087	50,393	0	0	0	0	50,393	0	0	0	50,393	
Facil. & Envr. Hlth Supp	107,682	0	0	0	0	107,682	0	0	107,682	116,282	0	0	0	0	116,282	0	0	0	116,282	
Equipment	13,243	0	0	0	0	13,243	0	0	13,243	14,330	0	0	0	0	14,330	0	0	0	14,330	
Total Facilities	281,965	0	0	0	0	281,965	0	0	281,965	316,555	0	0	0	0	316,555	0	0	0	316,555	
Total IHS	2,240,345	38,930	355,956		0	2,624,301			2,624,301	2,390,728	39,960	364,630		0	2,790,018					
Advance Transfer Appropriation:																				
Diabetes 1/	30,000	0	0	0	0	30,000	0	0	30,000	30,000	0	0	0	0	30,000	0	0	0	30,000	
GRAND TOTAL	2,270,345	38,930	355,956		0	2,654,301			2,654,301	2,420,728	39,960	364,630		0	2,830,018					

1/ The Balanced Budget Act of 1997 transfers \$30,000,000 annually to IHS for diabetes prevention and treatment for FY 1998 through FY 2002.
2/ Includes \$28,203,000 in Medicaid/Medicare for tribal collection estimates.

Indian Health Service Breakdown of Program Level (Dollars in Thousands)

FY 2001 Estimate										Increase/Decrease Of FY 2001 Over FY 2000				22/00	
Private										Private				Total	
Sub-Sub Activity		Budget	Insurance	Medicare/	Personnel	Program	Authority	Collections	Medicaid	Quarters	Budget	Insurance	Medicare/	Personnel	Program
															Level
SERVICES:															
Hospitals & Health Clinics		1,084,190	39,980	364,630	2/	0	1,488,780				78,778	0	0	0	78,778
Dental Services		88,258	0	0	0	0	88,258				8,196	0	0	0	8,196
Mental Health		49,405	0	0	0	0	49,405				5,160	0	0	0	5,160
Alcohol & Substance Abuse		99,636	0	0	0	0	99,636				2,812	0	0	0	2,812
Confict Health Services		447,672	0	0	0	0	447,672				40,916	0	0	0	40,916
Total, Clinical Svcs		1,769,161	39,980	364,630		0	2,173,751				135,862	0	0	0	135,862
Public Health Nursing		39,772	0	0	0	0	39,772				5,320	0	0	0	5,320
Health Education		11,030	0	0	0	0	11,030				1,405	0	0	0	1,405
Comm. Health Repts		51,105	0	0	0	0	51,105				4,725	0	0	0	4,725
Immunization AK		1,457	0	0	0	0	1,457				55	0	0	0	55
Total, Prev Hlth		103,364	0	0	0	0	103,364				11,505	0	0	0	11,505
Urban Health		30,834	0	0	0	0	30,834				3,021	0	0	0	3,021
Indian Health Professions		32,779	0	0	0	0	32,779				2,288	0	0	0	2,288
Tribal Management		2,413	0	0	0	0	2,413				2	0	0	0	2
Direct Operation		54,119	0	0	0	0	54,119				3,131	0	0	0	3,131
Self Governance		9,604	0	0	0	0	9,604				73	0	0	0	73
Contract Support Costs		268,781	0	0	0	0	268,781				40,000	0	0	0	40,000
Total, Services		2,271,055	39,980	364,630		0	2,675,645				195,882	0	0	0	195,882
FACILITIES:															
Maint. & Improvement		45,407	0	0	0	4,700	50,107				1,974	0	0	0	1,974
Sanitation Facilities		96,651	0	0	0	0	96,651				4,534	0	0	0	4,534
Hlth Care Facs. Const.		65,237	0	0	0	0	65,237				14,844	0	0	0	14,844
Facil. & Envr. Hlth Supp		128,850	0	0	0	0	128,850				13,968	0	0	0	13,968
Equipment		12,229	0	0	0	0	12,229				(2,101)	0	0	0	(2,101)
Total, Facilities		348,374	0	0	0	4,700	354,074				32,819	0	0	0	32,819
Total, IHS		2,620,429	39,980	364,630		4,700	3,029,719				228,701	0	0	0	228,701
Advance Transfer Appropriation:															
Diabetes 1/		30,000	0	0	0	0	30,000				0	0	0	0	0
GRAND TOTAL		2,650,429	39,980	364,630		4,700	3,059,719				228,701	0	0	0	228,701

1/ The Balanced Budget Act of 1997 transfers \$30,000,000 annually to IHS for diabetes prevention and treatment for FY 1998 through FY 2002.

2/ Includes \$29,203,000 in Medicaid/Medicare for tribal collection estimates.

INDIAN HEALTH SERVICE

FTE Summary

02-Feb-00

FILE: 01/DFM/FTE/FTE FY 1999chr2001REVISED	FY 1999	FY 2000	FY 2001
Sub Sub Activity	Enacted	Estimate	Estimate
SERVICES:			
Hospital & Health Clinics	8,067	8,109	8,187
Dental Services	763	769	787
Mental Health	290	290	304
Alcohol & Substance Abuse	175	175	175
Contract Health Services	0	0	0
Total, Clinical Services	9,295	9,343	9,453
Public Health Nursing	284	290	292
Health Education	37	37	38
Community Health Reps	5	5	5
Immunization, AK	0	0	0
Total, Preventive Hlth	326	332	335
Urban Health	4	4	4
Indian Health Professions	16	16	16
Tribal Management	0	0	0
Direct Operations	729	729	729
Self Governance	8	8	8
Contract Support Costs	0	0	0
Total, Services	10,378	10,432	10,545
FACILITIES:			
Maint. & Improvement	0	0	0
Sanitation Facilities	179	179	179
Hlth Care Facs Construction	0	0	0
Facil. & Envir. Hlth Support:			
Fac. Support	451	463	478
Env. Health Support	543	560	579
OEHE Support	81	85	88
Total, F&EHS	1,075	1,108	1,145
Equipment	0	0	0
Total, Facilities	1,254	1,287	1,324
Total, Services and Facilities	11,632	11,719	11,869
COLLECTIONS:			
Medicare	763	763	763
Medicaid	1,733	1,733	1,733
Private Insurance	420	420	420
Quarters	37	37	37
Total, Collections	2,953	2,953	2,953
Total IHS	14,585	14,672	14,822
Ceiling Exempt	1	1	1
GRAND TOTAL	14,586	14,673	14,823

1/ Includes Externs and Loan Repayment Staff.

INDIAN HEALTH SERVICE
FTE
Detail of Changes

02/02/00

FILE: 0:/DPH/FTE/FTE FY 1999CH20001REVISED

Sub Sub Activity	FY 2000 Estimate	Non-add Staffing of New Facs.	Staffing Of New Facilities	Program Increases	FY 2001 Estimate
SERVICES:					
Hospital & Health Clinics	8,109	60	30	48	8,187
Dental Services	769	7	7	11	787
Mental Health	290	3	2	12	304
Alcohol & Substance Abuse	175	0	0	0	175
Contract Health Services	0	0	0	0	0
Total, Clinical Services	9,343	70	39	71	9,453
Public Health Nursing	290	7	2	0	292
Health Education	37	1	1	0	38
Community Health Reps	5	20	0	0	5
Immunization, AK	0	0	0	0	0
Total, Preventive Hlth	332	28	3	0	335
Urban Health	4	0	0	0	4
Indian Health Professions	16	0	0	0	16
Tribal Management	0	0	0	0	0
Direct Operations	729	0	0	0	729
Self Governance	8	0	0	0	8
Contract Support Costs	0	0	0	0	0
Total, Services	10,432	98	42	71	10,545
FACILITIES:					
Maint. & Improvement	0	0	0	0	0
Sanitation Facilities	179	0	0	0	179
Hlth Care Facs Construction	0	0	0	0	0
Facil. & Envir. Hlth Support:					
Fac. Support	463	5	6	9	478
Env. Health Support	560	3	3	16	579
OEME Support	85	0	0	3	88
Total, F&EHS	1,108	8	9	28	1,145
Equipment	0	0	0		0
Contract Support Costs	0	0	0		0
Total, Facilities	1,287	8	9	28	1,324
Total, Services and Facilities	11,719	106	51	99	11,869
Collections:					
Medicare	763	0	0	0	763
Medicaid	1,733	0	0	0	1,733
Private Insurance	420	0	0	0	420
Quarters	37	0	0	0	37
Total, Collections	2,953	0	0	0	2,953
Total IHS	14,672	106	51	99	14,822
Ceiling Exempt	1	0	0	0	1
GRAND TOTAL	14,673	106	51	99	14,823

INDIAN HEALTH SERVICE
PHASING-IN OF STAFFING/OPERATING COST
FY 2001 Budget Request
(Dollars in Thousands)

O:\FMA\BPBF\FY 2001\Cong\IS\Staffing		COMPLETION OF STAFFING REQUIREMENTS				2/2/00	
Sub Sub Activity		Tahleah, OK		Hopi, AZ		GRAND TOTAL	
		FTE	Amount	FTE	Amount	FTE	Amount
Hospital & Health Clinics		60	\$3,959	30	\$2,755	30	\$6,714
Dental Services		7	387	7	405	7	792
Mental Health		3	226	2	158	2	384
Contract Health Services		0	0	0	0	0	0
Total, Clinical Services		0	4,572	39	3,318	39	7,890
Public Health Nursing		7	495	2	148	2	643
Health Education		1	66	1	70	1	136
Community Hlth Repr.		0	0	20 1/	1,386	0	1,386
Total, Prev Hlth		0	561	3	1,604	3	2,165
Total, Services		0	\$5,133	42	\$4,922	42	\$10,055
Facilities Support		5	561	6	694	6	1,255
Envir. Hlth Support		3	200	3	210	3	410
Total, Facilities		0	\$761	9	\$904	9	\$1,665
Grand Total		0	\$5,894	51	\$5,826	51	\$11,720

1/ Tribal operated. NON-ADD FTE.

FY 1999 Crosswalk
Budget Authority
Estimated Distribution

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Federal Health Administration										Tribal Health Administration									
Federal Health Administration										Tribal Health Administration									
Sub Activity	Federal Clinical Services	Urban Health	Prev. Health	Indian Prof.	Federal Admin. Gov.	Facilities	Total	Federal Health Administration		Tribal Clinical Services	Tribal Prev. Health	Urban Health	Management Training	Self-Gov. Support	Facilities	Tribal Health Administration	Total	FY 1999 Appropriation	
SERVICES																			
Hospitals & Health Clinics	619,139	0	0	0	0	0	619,139			328,059	0	0	0	0	0	328,059	947,198		
Dental Health	61,327	0	0	0	0	0	61,327			10,073	0	0	0	0	0	10,073	71,400		
Mental Health	28,271	0	0	0	0	0	28,271			13,034	0	0	0	0	0	13,034	41,305		
Alcohol & Substance Abuse	14,518	0	0	0	0	0	14,518			80,162	0	0	0	0	0	80,162	94,680		
Contract Health Services	238,128	0	0	0	0	0	238,128			147,673	0	0	0	0	0	147,673	385,801		
Subtotal (CS)	961,383	0	0	0	0	0	961,383			579,001	0	0	0	0	0	579,001	1,340,384		
Public Health Nursing	0	0	24,270	0	0	0	24,270			0	6,093	0	0	0	0	6,093	30,363		
Health Education	0	0	4,528	0	0	0	4,528			0	4,902	0	0	0	0	4,902	9,430		
Community Hlth Rsr.	0	0	840	0	0	0	840			0	45,120	0	0	0	0	45,120	45,960		
Hep B/Hepatitis	0	0	0	0	0	0	0			0	1,367	0	0	0	0	1,367	1,367		
Influenza Prog Alaska	0	0	29,638	0	0	0	29,638			0	57,482	0	0	0	0	57,482	87,120		
Subtotal (PH)	0	0	29,638	0	0	0	29,638			0	66,993	0	0	0	0	66,993	94,300		
Urban Health Projects	0	200	0	0	0	0	200			0	26,182	0	0	0	0	26,182	26,382		
Indian Hlth Professions	0	0	29,623	0	0	0	29,623			0	0	0	0	0	0	0	29,623		
Tribal Management	0	0	0	0	0	0	0			0	0	2,390	0	0	0	2,390	2,390		
Direct Operations	0	0	0	0	39,007	0	39,007			0	0	0	10,302	0	0	10,302	49,309		
Self Governance	0	0	0	0	0	1,569	1,569			0	0	0	0	5,822	0	5,822	9,391		
Contract Support Costs	0	0	0	0	0	0	0			0	0	0	0	0	0	0	203,781		
Total Services	961,383	200	29,638	29,623	39,007	1,569	1,063,420			579,001	57,482	26,182	12,692	5,822	203,781	884,960	1,948,380		
FACILITIES																			
Maintenance & Improvement	0	0	0	0	0	0	0			0	0	0	0	0	7,309	7,309	40,625		
Sanitation Facilities:	0	0	0	0	0	0	0			0	0	0	0	0	89,328	89,328	89,328		
Hlth Care Facs. Constr.	0	0	0	0	0	25,000	25,000			0	0	0	0	0	16,087	16,087	41,087		
Facs. & Env. Hlth Sup	0	0	0	0	0	95,943	95,943			0	0	0	0	0	11,739	11,739	107,682		
Equipment	0	0	0	0	0	8,993	8,993			0	0	0	0	0	4,450	4,450	13,243		
Total Facilities	0	0	0	0	0	163,052	163,052			0	0	0	0	0	128,913	128,913	291,965		
TOTAL IHS	961,383	200	29,638	29,623	39,007	1,569	1,226,472			579,001	57,482	26,182	12,692	5,822	203,781	1,013,873	2,240,345		

FY 2000 Crosswalk
Budget Authority
Estimated Distribution
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Sub Activity	Federal Health Administration						Tribal Health Administration						FY 2000 Final Appropriation	
	Federal Clinical Services	Urban Health	Prev. Health	Indian Health Prof.	Federal Admini- stration Gov.	Faci- lities	Total Federal Health Admini- stration	Tribal Clinical Services	Tribal Prev. Health	Urban Health	Manage- ment Training	Self- Gov. Support		Total Tribal Health Admini- stration
SERVICES														
Hospitals & Health Clinics	649,887	0	0	0	0	0	649,887	355,525	0	0	0	0	355,525	1,005,412
Dental Health	69,606	0	0	0	0	0	69,606	10,456	0	0	0	0	10,456	80,062
Mental Health	28,716	0	0	0	0	0	28,716	13,529	0	0	0	0	13,529	43,245
Alcohol & Substance Abuse	13,616	0	0	0	0	0	13,616	83,208	0	0	0	0	83,208	96,824
Contract Health Services	253,471	0	0	0	0	0	253,471	153,285	0	0	0	0	153,285	406,756
Subtotal (CS)	1,016,296	0	0	0	0	0	1,016,296	616,003	0	0	0	0	616,003	1,632,296
Public Health Nursing	0	0	28,127	0	0	0	28,127	0	8,325	0	0	0	8,325	34,452
Health Education	0	0	4,537	0	0	0	4,537	0	5,088	0	0	0	5,088	9,625
Community Hlth Repr.	0	0	848	0	0	0	848	0	45,532	0	0	0	45,532	46,380
Hep B/Hepatitis	0	0	0	0	0	0	0	0	1,402	0	0	0	1,402	1,402
Influenza Prog Alaska	0	0	33,512	0	0	0	33,512	0	56,347	0	0	0	56,347	91,859
Subtotal (PH)	0	208	33,512	0	0	0	33,512	0	68,347	0	0	0	68,347	101,605
Urban Health Projects	0	0	0	0	0	0	0	0	27,605	0	0	0	27,605	27,813
Indian Hlth Professions	0	0	30,491	0	0	0	30,491	0	0	0	0	0	0	30,491
Tribal Management	0	0	0	0	0	0	0	0	0	2,411	0	0	2,411	2,411
Direct Operations	0	0	0	0	40,295	0	40,295	0	0	0	10,693	0	10,693	50,988
Self Governance	0	0	0	0	3,705	0	3,705	0	0	0	5,826	0	5,826	9,531
Contract Support Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Services	1,016,296	208	33,512	30,491	40,295	3,705	1,124,507	616,003	68,347	27,605	13,104	5,826	949,666	2,074,173
FACILITIES														
Maintenance & Improvement	0	0	0	0	0	35,846	35,846	0	0	0	0	0	7,587	43,433
Sanitation Facilities:	0	0	0	0	0	0	0	0	0	0	0	0	92,117	92,117
Hlth Care Facs. Constr.	0	0	0	0	0	37,919	37,919	0	0	0	0	0	12,474	50,393
Facs. & Env. Hlth Sup	0	0	0	0	0	104,097	104,097	0	0	0	0	0	12,185	116,282
Equipment	0	0	0	0	0	9,711	9,711	0	0	0	0	0	4,619	14,330
Total Facilities	0	0	0	0	0	187,573	187,573	0	0	0	0	0	128,992	316,555
TOTAL IHS	1,016,296	208	33,512	30,491	40,295	187,573	1,312,080	616,003	68,347	27,605	13,104	5,826	1,078,648	2,390,728

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FY 2001 Crosswalk
Budget Authority
Estimated Distribution
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		Tribal Health Administration									
		Federal Health Administration					Tribal Health Administration				
Sub Activity		Federal Clinical Services	Urban Health	Prev. Health	Indian Health Prof.	Federal Admini- stration	Self- Gov.	Faci- lities	Total	Tribal Health Admini- stration	FY 2001 Request
SERVICES											
Hospitals & Health Clinics		702,300	0	0	0	0	0	0	702,300	381,890	1,084,190
Dental Health		77,394	0	0	0	0	0	0	77,394	10,864	88,258
Mental Health		35,346	0	0	0	0	0	0	35,346	14,057	49,403
Alcohol & Substance Abuse		13,183	0	0	0	0	0	0	13,183	86,453	99,636
Contract Health Services		288,409	0	0	0	0	0	0	288,409	159,263	447,672
Subtotal (CS)		1,116,634	0	0	0	0	0	0	1,116,634	652,527	1,769,161
Public Health Nursing											
Health Education		0	0	33,200	0	0	0	0	33,200	0	33,200
Community Hlth Repr.		0	0	5,744	0	0	0	0	5,744	0	5,744
Hep B/Haemophilus		0	0	934	0	0	0	0	934	0	934
Influenza Prog Alaska		0	0	0	0	0	0	0	0	0	0
Subtotal (PH)		0	0	39,878	0	0	0	0	39,878	0	39,878
Urban Health Projects											
Indian Hlth Professions		0	216	0	0	0	0	0	216	0	216
Tribal Management		0	0	0	32,779	0	0	0	32,779	0	32,779
Direct Operations		0	0	0	0	43,009	0	0	43,009	2,413	2,413
Self Governance		0	0	0	0	0	3,849	0	3,849	11,110	54,119
Contract Support Costs		0	0	0	0	0	0	0	0	5,755	5,755
Total Services		1,116,634	216	39,878	32,779	43,009	3,849	0	1,236,355	652,527	2,271,055
FACILITIES											
Maintenance & Improvement		0	0	0	0	0	0	0	0	0	0
Sanitation Facilities:		0	0	0	0	0	0	0	0	0	0
Hlth Care Facs. Constr.		0	0	0	0	0	0	0	0	0	0
Facs. & Enw. Hlth Sup		0	0	0	0	0	0	0	0	0	0
Equipment		0	0	0	0	0	0	0	0	0	0
Total Facilities		0	0	0	0	0	0	0	0	0	0
TOTAL HHS		1,116,634	216	39,878	32,779	43,009	3,849	0	1,236,355	652,527	2,271,055

IHS-11

**Inflation/Pay Costs 1/
FY 1993 - FY 2001
(Dollars in Thousands)**

	FY 1993 2/		FY 1994 3/		FY 1995 5/		FY 1996 6/		FY 1997 7/		FY 1998 8/		FY 1999 9/		FY 2000 10/		FY 2001 11/	
	Need	Approp.	Need	Approp.	Need	Approp.	Need	Approp.	Need	Approp.	Need	Approp.	Need	Approp.	Need	Approp.	Need	Approp.
Pay Costs	\$28,744	\$14,372	\$29,406	\$15,663	\$23,166	\$11,583	\$25,824	\$25,000	\$33,299	\$17,499	\$22,418	\$21,062	\$35,971	\$35,971	\$40,673	\$39,652	\$60,675	\$0
Inflation	53,113	53,113	83,308	49,593	56,323	28,162	65,109	0	64,548	0	71,029	0	53,589	23,959	52,230	21,532	52,048	0
	\$81,857	\$67,485	\$112,714	\$65,256	\$79,489	\$39,745	\$90,933	\$25,000	\$97,847	\$17,499	\$103,447	\$21,062	\$89,560	\$59,930	\$92,903	\$61,184	\$112,723	\$0
Non-Medical Deflator	3.3%		2.4%		2.8%		3.0%		2.2%		2.6%		2.2%		2.1%		2.3%	
Medical Deflator	5.2%		5.1%		5.2%		5.3%		5.2%		4.2%		3.9%		3.8%		3.9%	
Pay Raise Rate	3.7%		2.2%		2.0%		2.4%		3.0%		2.3%		3.6%		4.4%		3.7%	
			12.8% -J/P Care 4/															
			5.6% -O/P Care 4/															

Difference between

Need/Appropriation

(14,372)

(47,458)

82.4%

(39,745)

50.0%

(65,913)

27.5%

(80,348)

17.9%

(82,385)

20.4%

(29,630)

66.9%

(31,719)

65.9%

1/ The Indian Self-Determination Fund has been excluded from the inflation category for all years.

2/ Congress provided 50% of total pay costs requested.

3/ Extruded from FY 1994 budget submission to Department of HHS. Breakout of pay costs vs inflation not available in Congressional Justification.

4/ The current service increase for CMS is \$30.5M using the 12.8% inflation rate for inpatient care and the 5.4% inflation rate for outpatient care. The inpatient care rate

was based upon a three year average of the inpatient costs that are paid by the Fiscal Intermediary.

5/ Congress provided 50% of inflationary and pay costs.

6/ Extruded from FY 1996 Congressional Justification.

7/ Extruded from FY 1997 Congressional Justification.

8/ Congress provided 20.4% of total pay costs requested.

9/ Congress provided 75% of fixed costs except for Congress Support Cost.

10/ Congress provided 65.9% of fixed costs.

11/ Reported in the FY 2001 Congressional Justification.

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EXECUTIVE SUMMARY

GENERAL STATEMENT

The Indian Health Service (IHS) has the responsibility for the delivery of health services to Federally-recognized American Indians and Alaska Natives (AI/AN) through a system of IHS, tribal, and urban (I/T/U) operated facilities and programs based on treaties, judicial determinations, and Acts of Congress. The Mission of the agency is to raise the physical, mental, social, and spiritual health of AI/AN to the highest level, in partnership with the population served. The agency Goal is to assure that comprehensive, culturally acceptable personal and public health services are available and accessible to the service population. The mission and goal are addressed through four Strategic Objectives, which are: 1) Improve health status; 2) Provide health services; 3) Assure partnerships and consultation with I/T/U; and 4) Perform core functions and advocacy.

OVERVIEW OF THE BUDGET

This budget request and performance plan represents the next incremental step necessary to eliminate the health disparities that prevail in the AI/AN population. It is consistent with the Agency's mission, the Department's strategic plan, and the HHS Initiative to Eliminate Racial and Ethnic Disparities in Health.

The Indian Health Service proposes an increase of \$229.7 million and 99 FTE in FY 2001 above the FY 2000 appropriation. This budget would provide an additional \$125.1 million to restore access to basic health care, including current services, contract support costs, and health care facilities construction, \$93.7 million in program increases for Services, and \$10.9 million in program increases for the Facilities program. These investments will: 1) to restore the I/T/U capacity and infrastructure to provide access to high quality primary and secondary medical services, and basic preventive services, and 2) halt the recent declines in certain health status indicators.

POLICY BASIS AND FORMULATION PROCESS FOR FY 2001 BUDGET REQUEST

The Federal Commitment is to Raise AI/AN Health Status in Partnership with Tribal Governments.

From a policy perspective, this budget request is perhaps the most strongly supported proposal in the Agency's history; it is based on both new and longstanding Federal policy and commitment for improving health status by assuring the availability of basic health care services for members of federally recognized Indian tribes. The request supports the following three policy initiatives:

- the President's Race Initiative, specifically the HHS Initiative to Eliminate Racial and Ethnic Disparities in Health,
- the proposed Healthy People 2010 and its goal of achieving equivalent and improved health status for all Americans over the next decade,
- the DHHS Strategic Plan:

- Goal 1 - Reduce major threats to health and productivity of all Americans.
- Goal 2 - Improve the economic and social well being of individuals and families, and communities in the United States.
- Goal 3 - Improve accesses to health services and ensures the integrity of the Nation's health entitlement and safety net program.
- Goal 4 - Improve the quality of health care and human services.
- Goal 5 - Improve public health systems.

In addition, the Indian Health Care Improvement Act also reflects the reaffirmation of the U.S. government's commitment to Indian tribes to improve the health of their people. The Act states "The Congress hereby declares that it is the policy of this Nation, in fulfillment of its special responsibilities and legal obligations to the American Indian people to assure the highest possible health status for Indians and urban Indians and to provide all the resources necessary to affect that policy."

Furthermore, the President of the United States reaffirmed the significance of the "government to government" relationship between tribes and the federal government in his Executive memorandum of April 1994, concerning consultation with AI/AN tribal leadership.

BUDGET PRIORITIES AND STRATEGIES

The primary policy basis for this budget request is eliminating health disparities between the AI/AN population and the general U.S. population. This budget request supports this intent by restoring access to the basic health services, including assuring that there are adequate facilities and equipment for the provision of health services, providing adequate contract support services to the tribal health delivery system, and holding the line against further loss of declines in health status.

This budget is intended to enhance the integration of clinical expertise from medical, behavioral health, and community health staff in order to address the top health problems identified by the I/T/U. The community-based public health model is strengthened by emphasizing prevention strategies throughout the clinical service activities as well as expanding the community health programs and supporting partnerships with community resources such as public safety programs, schools, and other community based organizations.

Restoring Access to Basic Health Care - \$125 million

The first priority in the budget proposal is to restore access to basic health services. The IHS has demonstrated the ability to effectively utilize available resources to provide effective services and improve the health status of the AI/AN people. However, this record of achievement has eroded in recent years to redress the declining access to essential individual and community health services, the Area I/T/Us identified funding current services items as their first priority for budget increases for FY 2001. The requested funds provide the next investment required to enhance the I/T/U public health system to a level that can reduce health disparities by providing access to high quality medical and preventive services.

An essential component of supporting access to services and improving health status in the long run is to assure that there are adequate facilities and equipment for the provision of health services. The average age of IHS facilities is 32 years. The age of facilities make the efficient, safe, and pleasant provision of services difficult at many locations.

Also critical is the provision of adequate contract support services to the tribal health delivery system. These requested funds are necessary for tribal communities to assure that there are utilities, training, clerical staff, administrative and financial services needed to operate health programs. Without this funding, the supports are either not available, or these services must be funded from resources that would otherwise fund health service activities. This investment is consistent with the Administration's commitment to expanding tribal participation in the management of the programs and the principles of the Indian Self-Determination Act.

Reducing the Gap in Health Disparities - \$105 million

The proposals mentioned above will keep the program. The next proposals are intended to move forward towards health improvements. The request addresses the multiple health issues affecting the AI/AN population and is the beginning of a long-term plan for continuing improvements in the health of the AI/AN population. The proposal targets the health problems identified as highest priority by the I/T/U and responsible for much of the disparity in health status for the AI/AN population. These include alcoholism and substance abuse, diabetes, cancer, mental health, elder health, heart disease, injuries, dental health, maternal and child health, domestic violence, infectious diseases, and sanitation. The support for public health infrastructure is also fundamental to these initiatives. These investments will support surveillance, prevention and treatment services and are based on "best practices" defined in health literature. This is consistent with the Presidential Executive Order directing Federal entities to employ such industry standards. These targeted efforts will be monitored in the performance plan.

Another need is water and sewer systems for new and existing homes at the community level. The AI/AN homes are seven times more likely to be without clean water than homes in the broader U.S. This construction need must be addressed if further progress is to be made in preventing infectious diseases and improving the quality of life.

Conclusion

In summary this budget request and performance plan will redress declining access to individual and community health services. The request provides the next increment required enhancing the I/T/U public health system so that it can again continue to make significant improvements in the health status of AI/AN people.

**FY 2001 Budget Request Summary
(Services and Facilities)**

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase Or Decrease
Budget Authority.....	\$2,240,345,000	\$2,390,728,000	\$2,620,429,000	+\$229,701,000
Program Level-1/	\$2,668,931,000	\$2,830,018,000	\$3,059,719,000	+\$229,701,000
FTE.....	14,586	14,673	14,823	+150

1/ The Balanced Budget Act of 1997 included an increase of \$30,000,000 for the prevention and treatment of diabetes. This amount will be available each year through FY 2002.

The request of \$2,620,429,000 and 14,823 is a net increase of \$229,701,000 and 150 FTE over the FY 2000 appropriation of \$2,390,728,000 and 14,673 FTE. The formulation process included tribal and urban consultation and participation throughout. The following summarizes the IHS Budget Request:

RESTORING ACCESS - FY 2001 Current Services: +\$177,632,000 and 51 FTE

The IHS is requesting an increase of \$177,632,000 for Current Services which includes funding for pay raises, inflation, Contract Support Costs, new staffing and related operating costs for new facilities, and health care facilities replacement construction projects. All current service funding pays for annual costs that are attributable to the rapidly expanding AI/AN population and required to maintain the current level of health care provided. The current services increase of \$177,632,000 includes the following:

- \$60,675,000 for Pay Costs.
- \$11,720,000 and 51 FTE for Phasing-In of Staffing and Operating Costs for new facilities.
- \$65,237,000 for the following health care facilities construction projects: Ft Defiance, AZ Hospital and design of staff quarters (\$40,115,000); Winnebago, NE Hospital (\$12,286,000); Parker, AZ Health Center (\$7,578,000); Pawnee, OK Health Center design (\$1,745,000); Small Ambulatory Grant Program (\$2,513,000); Dental Units (\$1,000,000).
- \$40,000,000 for Contract Support Costs.

Program Increases: +\$104,563,000 and +99 FTE

\$8,000,000 for the Indian Health Care Improvement Fund.

\$7,000,000 for Information Technology and Epidemiology Centers.

\$85,589,000 and 99 FTE for Health Disparities.

\$1,983,000 to address Alcohol and Substance Abuse.

\$3,880,000 to address Diabetes.

\$970,000 to address Cancer.
 \$3,952,000 to address Mental Health.
 \$1,940,000 to address Elder Health.
 \$1,455,000 to address Heart Disease.
 \$2,959,000 to address Injuries.
 \$3,257,000 to address Dental Health.
 \$2,912,000 to address Maternal and Child Health.
 \$1,940,000 to address Domestic/Community Violence.
 \$970,000 to address Infectious Diseases.
 \$2,912,000 for Emergency Medical Services.
 \$40,916,000 for Contract Health Services.
 \$2,027,000 for Public Health Nursing.
 \$1,007,000 for Health Education.
 \$3,339,000 for Community Health Representatives.
 \$2,000 for the Alaska Immunization Program.
 \$2,974,000 for Urban Indian Health.
 \$2,168,000 for Indian Health Professions.
 \$2,000 for Tribal Management.
 \$43,000 for Direct Operations.
 \$20,000 for Self-Governance.
 \$3,961,000 for Sanitation Facilities Construction.
 \$1,974,000 for Maintenance and Improvement.
 \$2,000,000 for Facilities and Environmental Health Support
Program Decreases: -\$52,494,000
 -\$50,393,000 for Non-recurring Health Care Facilities Construction Funds
 -\$2,101,000 for Equipment.

GENERAL STATEMENT

	FY 1999 Actual	FY 2000 Final Appropriation	FY 2001 Estimate	Increase Or Decrease
Health Services	\$1,948,380,000	\$2,074,173,000	\$2,271,055,000	+\$196,882,000
Facilities	<u>291,965,000</u>	<u>316,555,000</u>	<u>349,374,000</u>	<u>+\$32,819,000</u>
Total, Budget Authority	\$2,240,345,000	\$2,390,728,000	\$2,620,429,000	+\$229,701,000
Reimbursement	\$339,586,000	\$409,290,000	\$409,290,000	---
Diabetes 1/	<u>30,000,000</u>	<u>30,000,000</u>	<u>30,000,000</u>	<u>---</u>
Total, Program Level	\$2,668,931,000	\$2,830,018,000	\$3,059,719,000	+\$229,701,000

1/ The Balanced Budget Act of 1997 transfers \$30,000,000 annually to IHS for diabetes prevention and treatment from FY 1998 through FY 2002.

NOTE: Y2K funds appropriated to Treasury in FY 1999.

United States Government and Indian Nations

The provision of Federal health services to American Indians and Alaska Natives (AI/AN) is based on a special relationship between Indian tribes and the United States provided by Article I, Clause 8, of the United States Constitution. Numerous treaties, statutes, and court decisions first expounded in the 1830's by the U.S. Supreme Court under Chief Justice John Marshall have reconfirmed this relationship. Principal among these is the Snyder Act (25 U.S.C.) of 1921 which provides the basic authority for most health services provided by the Federal Government to AI/AN.

President Clinton acknowledged the special government-to-government relationship at the historic meeting at the White House with American Indian and Alaska Native tribal leaders in April 1994. President Clinton pledged to fulfill the trust obligations of the federal government and vowed to honor and respect tribal sovereignty. President Clinton said, "I don't want there to be any mistake about our commitment to a stronger partnership between our people," and he showed that by signing a government directive. The directive requires every executive department and agency of government to remove all barriers that prevent the government from working directly with tribal governments and to make certain that any action affecting tribal trust resources have tribal government consultation before a decision is made.

In carrying out the Executive Order for a stronger partnership between the government and tribal governments, the Department of Health and Human Services, the Office of the Secretary and IHS have conducted regional meetings with tribes on an annual basis since 1995. The meetings continued the national dialogue begun in 1994 on health care reform by facilitating federal, state, and tribal discussions about state and region-specific reform activities. The meetings fostered new partnerships between the government, state, and tribes to meet the health needs of Indian people. In Fiscal Year 1999, the Deputy Secretary of Department of Health & Human

Services and the Director of Indian Health Service initiated a series of listening conferences with tribal government leaders on critical health and human service issues.

The Indian Health Service and Its Partnership with Tribes

For more than 120 years, the responsibility of AI/AN health care passed among different government branches. In 1955, the responsibility for providing health care to AI/AN was officially transferred to the Public Health Service (PHS).

In the 1970's, federal Indian policy was re-evaluated by the Nixon Administration, and the Indian self-determination policy was adopted. This policy emphasizes tribal administration of Federal Indian programs, including health care. Self-Determination does not lessen any federal treaty obligation, but provides an opportunity for tribes to assume the responsibility of providing health care for their members.

The Indian Self-Determination and Education Assistance Act of 1975, as amended, and the Indian Health Care Improvement Act of 1976, as amended, gave new opportunities and responsibilities to the IHS and tribes in delivering care. These included specific authorizations for providing health care services to Indian urban populations, an Indian health professions program, and the ability to collect from Medicare/Medicaid and other third party insurers. Under the Indian Self-Determination Act, many tribes have assumed the administrative and program direction roles that were previously carried out by the federal government. Tribes through Self-Determination contracts or Self-Governance compacts administer over one-third of IHS resources. The remaining resources are utilized by IHS facilities and providers for the direct provision of services to AI/AN where tribes have elected not to contract or compact their health program at this time, and to purchase care from private health care providers and facilities.

With participation from the Indian people, the IHS has explored ways to improve essential health programs and administrative support to Indian communities. In January 1995, the Director convened 29 representatives of the primary stakeholders in Indian health care to establish the Indian Health Design Team (IHDT). The IHDT, which included 22 tribal and 7 IHS representatives, submitted a report recommending changes in the organization and operation of the IHS. Following their guidance many of the recommendations relating to IHS headquarters were implemented.

To continue strengthening the federal-tribal partnership, IHS implemented a new budget formulation procedure for FY 1999 integrating the Government Performance and Results Act (GPRA), Public Law 93-638 consultation, and annual budget formulation requirements into an iterative process which gives local I/T/U more opportunities for annual budget policy input and review. This process was continued in developing the FY 2001 budget request. Work sessions in all 12 Areas initiated the FY 2001 formulation process and established the health priorities with associated budget priorities on which the FY 2001 budget is based. This new process will continue to be used and refined on a collaborative basis with Indian tribes and urban Indian health programs in FY 2002 and future fiscal years. The IHS Tribal Consultation policy incorporates this new approach to budget policy development reflecting President Clinton's commitment to honoring

and upholding the government to government relationship and Indian self determination.

The Mission, Goal, and Vision

The mission of the agency is to raise the physical, mental, social, and spiritual health of AI/AN to the highest level, in partnership with the population served.

In November 1994, the Director of the IHS articulated his vision for the Agency. His vision is for the IHS to continue to be the best primary care, rural health system in the world. A system that, with tribes, continues its goal of assuring that comprehensive, culturally acceptable personal and public health services are available and accessible to the service population. To reach its goal, the clinical program is made up of many separate activities including maternal and child health; fetal alcohol syndrome; diabetes; alcoholism; mental health; emergency medical services; community health representatives; hepatitis B; dental services; and many others. These programs possess curative and preventive components to a degree unparalleled in any similar program. In addition to these clinically based programs, the Agency also encourages a community based environmental health program, sanitation facilities construction program and health facilities construction program.

The IHS program is delivered to more than 1.3 million AI/AN users through 151 Service Units composed of 554 direct health care delivery facilities, including 49 hospitals, 218 health centers, 7 school health centers, and 280 health stations, satellite clinics, and Alaska village clinics. Within this system, Indian tribes deliver IHS funded services to their own communities with over 42 percent of the IHS budget in 13 hospitals, 160 health centers, 3 school health centers, and 236 health stations and Alaska village clinics. Tribes who have elected to retain the federal administration of their health services, or to defer tribal assumption of the IHS program until a later time receive services with about 58 percent of the IHS budget in 36 hospitals, 58 health centers, 4 school health centers, and 44 health stations. The range of services includes traditional inpatient and ambulatory care, and extensive preventive care, including focused efforts toward health promotion and disease prevention activities.

In addition, various health care and referral services are provided to Indian people in off-reservation settings through 34 urban programs. Another integral part of the program is the purchase of services from non-IHS providers to support, or in some cases in lieu of, direct care facilities. This Contract Health Services program represents about 20 percent of the IHS Budget. The IHS Fiscal Intermediary in FY 1998 processed claims at a total billed amount of \$378.4 million. The total paid amount after contract and alternate resource savings was \$173.9 million.

Service Units

Service Units, local administrative units, serve a defined geographic area and are usually centered around a single federal reservation in the continental United States, or a population concentration in Alaska. Within these 151 administrative units, health care is delivered through 218 health

centers, 7 school health centers, 120 health stations, 160 Alaska village clinics, and 49 hospitals by tribally and federally operated Indian health programs.

Area Offices

Twelve Area Offices provide resource distribution, program monitoring and evaluation activities, and technical support to all operations whether IHS direct or tribally operated. They serve to support the Service Units and their points of service delivery.

Headquarters

The Headquarters operations are determined by statutes and administrative requirements set forth by the Department of Health and Human Services, the Administration, the Congress, and field operations (Area Offices and Service Units). Headquarters is involved with the Department in formulating and implementing national health care priorities, goals, and objectives. It is involved with the Administration through the Department by providing advocacy for Indian health programs in budget formulation and legislative initiatives, responding to congressional inquiries, and appropriate interaction with other governmental entities. It provides Area Offices and Service Units with general program oversight and direction, policy formulation, and resource distribution. It provides expert technical expertise, maintains national statistics, and project trends and needs for the future.

ACCOMPLISHMENTS

Since its inception in 1955, the IHS has demonstrated the ability to effectively utilize available resources to improve the health status of the AI/AN people. With the funding appropriated between 1972 and 1993, dramatic improvements in mortality rates were realized including:

- infant mortality reduced 54 percent
- Years of Potential Life Lost decreased 54 percent
- overall mortality reduced 42 percent
- maternal mortality reduced 65 percent
- gastrointestinal disease mortality reduced 75 percent
- TB mortality rate reduced 80 percent

It is indeed discouraging that recent mortality data (FY 1994) available from the National Center for Health Statistics show a small upward trend in the deaths of AI/AN people since FY 1992 from cancer, diabetes, heart disease, suicide, alcohol, drugs, HIV/AIDS and tuberculosis.

During the past 5 years major strides have been made in reducing traumatic injury among American Indians through the implementation of a broad array of public health measures. These measures include injury surveillance; extensive training for community health practitioners, board-based community coalitions and implementation targeted interventions. A recent analysis of injury deaths indicates a significant downward trend in unintentional injury mortality. For instance, the Navajo Nation motor vehicle deaths have been reduced by almost 40 percent. The IHS Injury Prevention Program Plan describes the necessity of building basic tribal

capacity in order to institutionalize change. The IHS Director has identified Injury Prevention as one of the Agency's key health initiatives.

Since 1997, IHS has fostered the development of tribal injury prevention programs toward identifying community-specific injury patterns and in implementing targeted injury intervention projects. Annually, more than 300 tribal health and IHS personnel are trained in injury prevention practitioner skills. These people are working in their communities to reduce the incidence of severe injury and death. Although significant progress has been made, much needs to be done to reduce the major burden on the health and well being of Indian communities. Even today, many reservations experience injury death and disability at rates 2-5 times higher than other Americans do. The right programs are in place and new resources will enable the agency to expand its successful model to other tribes.

In fulfillment of the federal policy to afford Indian tribes the right to control the health care programs serving AI/AN, IHS and Indian tribes negotiated 48 self-governance compacts and 59 annual funding agreements, which will transfer approximately \$569 million to 213 tribes in Alaska and 41 tribal governments in the lower 48 States under the Self-Governance Demonstration Project in FY 2000.

A Memorandum of Agreement (MOA) with the Health Care Financing Administration was implemented in 1997 for the purpose of extending the 100 percent Federal Medical Assistance Payment (FMAP) to States for services provided to AI/AN in tribal facilities. Previously, the States were only eligible to receive the 100 percent FMAP for services provided in IHS direct facilities. Overall, the MOA has been successful by simplifying the billing process and reducing administrative time spent negotiating tribal leases.

In addition, the IHS, through a sub-contract, completed an evaluation of four tribal demonstration programs. These sites were authorized under the Indian Health Care Improvement Act to directly bill and collect for Medicaid and Medicare services. Because of the high degree of success, a legislative proposal to allow all tribal programs the authority for direct billing and collection is currently being considered by Congress.

In FY 2000, approximately \$2.5 million was awarded in continuation grants for community-based prevention, intervention, and treatment initiatives that will lead to decreased rates of child abuse and domestic violence, and improved health of women and elders. Seventy tribal, urban and non-profit organization proposals were received for the Indian Child Protection and Child Abuse Prevention Demonstration Grant Program totaling approximately \$10.5 million, of which six 5-year grants were funded. The Women's Health Grant Program received 46 proposals, of which 9 were funded. In its first year, the Elder Health Care Initiative Grant Program received 81 grant applications. All the approved grants are continued in FY 2000.

Special Concerns

Within the vast IHS program, there are certain categories of health conditions that are of special concern in FY 2001. Program increases are proposed for specific disease entities identified as priority areas by the I/T/Us and responsible for much of the health disparities in health status for AI/AN population. These include dental diseases, injuries, mental

health, alcoholism, and cancers. Investments in public health infrastructure and information systems are also included in the request. In addition, the Balanced Budget Act of 1997 provided \$150 million over a 5-year period to address diabetes in Indian country. Diabetes is epidemic among AI/AN and has been identified as a top health problem in all Areas of the IHS. The Director supports priority activities designed to increase the capacity to address these health concerns and serve the needs of the most vulnerable segments of the AI/AN population including: children, women and elders.

Health care and related facilities construction are another priority essential to assuring further progress in preventing infectious diseases and improving the quality of life.

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Service - 75-0390-0-1-551
 Clinical Services

Program Authorization:

Program authorized by 25 U.S.C. 13, Snyder Act, and P.L. 83-568, Transfer Act 42 U.S.C. 2001.

	FY 1999 <u>Enacted</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase or Decrease
Budget Authority	\$1,540,384,000	\$1,632,299,000	\$1,769,161,000	+\$136,862,000
HIV/AIDS	(\$2,366,000)	(\$2,462,000)	(\$2,575,000)	(\$0)
FTE	9,295	9,343	9,453	+110
HIV/AIDS	(14)	(14)	(14)	(14)

Total Request Level -- The Total Request of \$1,769,161,000 and 9,453 FTE is an increase of \$136,862,000 and 110 FTE over the FY 2000 appropriation of \$1,632,299,000 and 9,343 FTE. The explanation of the request is described in the activities that follow.

HOSPITALS AND HEALTH CLINICS

Indian Health Service		FY 2000		Increase
	FY 1999	Final	FY 2001	or
<u>Clinical Services</u>	<u>Enacted</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Decrease</u>
<u>Hospitals & Health Clinics</u>				
A. Budget Authority	\$947,198,000	\$1,005,412,000	\$1,084,190,000	+\$78,778,000
B. (HIV/AIDS)	(\$2,366,000)	(\$2,462,000)	(\$2,575,000)	(\$0)
C. FTE	8,067	8,109	8,187	78
D. (HIV/AIDS)	(14)	(14)	(14)	(0)
E. Activity:				
Inpatient:				
# of Days	275,000	274,700	273,000	-1,700
Outpatient:				
# of Visits:				
Hospitals	3,650,000	3,750,000	3,832,500	+82,500
Free-Standing				
Clinica Visits	<u>3,650,000</u>	<u>3,840,000</u>	<u>3,924,500</u>	<u>+84,500</u>
Total, Visits	7,275,000	7,590,000	7,757,000	+\$167,000

PURPOSE AND METHOD OF OPERATIONMission Driven Program

The Hospitals and Health Clinics budget provides funding for health care essential to American Indians and Alaska Natives (AI/AN) and critical to the IHS mission. The mission of the agency is to elevate the health status of its service population to the highest possible level and eliminate disparities in health between AI/ANs and the general U.S. population. This element of the budget supports a full range of clinical, preventive, and rehabilitative services and is pivotal to realizing improved health for AI/ANs.

Scope of Services in Isolated Communities is Comprehensive

The Hospitals and Health Clinics budget supports essential services including inpatient care, routine and emergency ambulatory care, and support services including laboratory, pharmacy, nutrition, health education, medical records, physical therapy, nursing, etc. These services are generally unavailable from any other sources in the communities served through IHS. In addition, the program includes initiatives targeting special health conditions that affect AI/ANs such as specialized programs for diabetes, maternal and child health, youth services, communicable diseases, including AIDS, tuberculosis, and others, and a continuing emphasis on women's and elder health and epidemiology.

Other clinical services, e.g., dentistry and community services along with a number of health programs operated by the tribes, such as women, infants, and children's programs, and behavioral health services, are often housed in the same facilities. This co-location of services in the hospital and clinic increases access and fosters a truly comprehensive community-oriented program.

Achieve Quality and Customer Satisfaction

The Hospitals and Health Clinics budget provides annual operating expenses for over 500 health care facilities providing inpatient care, routine and emergency ambulatory care and support services. The commitment of the IHS and tribal staff to the delivery of the highest quality of care possible is reflected in the continuing success in achieving and maintaining IHS and tribal-operated facility accreditation by the Joint Commission on the Accreditation of Healthcare Organizations (JCAHO). The JCAHO and the Health Care Financing Administration (HCFA) regularly and periodically conduct in-depth reviews of the quality of care provided. They also review the status and safety of the facilities, adequacy and competency of staffing, and management of the service delivery components of the IHS.

These reviews are based upon the concept of continuous quality improvement in clinical programs. The IHS and the tribes fully embrace this concept and services are provided using the industry benchmarks for customer satisfaction. The average IHS and tribal hospital accreditation grid score has consistently been at or above the average score for all U.S. hospitals.

Performance Measures Demonstrate Effectiveness

This review process requires that the staffs of the health facility establish performance indicators and demonstrate routine monitoring, analysis, and intervention where the desired outcome is not achieved. The facility is granted accreditation based on the appropriateness of objectives established and met. The types of outcome measures monitored by the clinical facilities include the effectiveness of clinical programs, such as obstetrics and childcare.

The appropriateness of the services is measured a variety of ways: live births successfully managed; the Apgar scores of the infants (an objective measure of the infant's health at the end of labor and delivery); morbidity measures in the mother, such as preventable vaginal lacerations, etc.; and the hospital course of the mother and child as measured by morbidity and treatments utilized during the hospital stay. These measurements have demonstrated that the IHS operates a high quality program of services in its facilities. This is documented in the consistently high scores achieved by the IHS and tribal facilities undergoing JCAHO review. In fact when compared to HMO performance in the broader population, the IHS-funded programs are at the very top in most measures.

Other outcome measures are utilized to assess the effectiveness of the outreach and prevention programs associated with the clinical services of the Agency, within are not normally measured by private industry. For example, demonstration that the outreach activities are effective and the clinical services are accessible found in the very low rate of out-of-hospital births among pregnant women served by the IHS despite the fact that the population in many locations is highly dispersed in remote locations. There are many other outcome measures associated with maternal and child health, such as, the number of low birth weight deliveries which is very low in the IHS service population. Also, the immunization status of children in the service population in which the IHS service population is the only identified ethnic population with an immunization rate at or near the Healthy People 2000 target of 90 percent, the decline in deaths due to unintentional injury among children, etc. Many of these indicators

are documented annually by the Agency publications, Trends in Indian Health, and the Regional Differences in Indian Health.

Training Crucial

This commitment requires regular and specialized training. Thus, the Hospitals and Health Clinics budget activity supports continuing medical education for a wide variety of the health professionals employed by the IHS and tribes. This includes specialized training in quality assurance and case management as well as discipline-specific training. The FY 1998 budget provided some advanced and specialized training for nurses in intensive care unit and operating room skills, nursing management, and the upgrading of Indian individuals from licensed practical nursing to registered nursing. The budget enabled IHS to support quality assurance training through JCAHO; residency training for IHS physicians; and continuing education of mid-level providers including physician assistants and nurse and pharmacy practitioners.

Managed Care at Work

The cost effectiveness of the Hospitals and Health Clinics activities is enhanced through an organized process of managed care. This approach to care is predicated on strategies of cost recovery and cost avoidance to provide the highest volume of services within a fixed budget. The success of this approach demonstrated by the increasing volume of third party recovery by IHS and tribal facilities (cost recovery).

Community Oriented Primary Care Attacks Changing Disease

The IHS program continues to focus on increasing access to preventive and curative services for the underserved in Indian communities. This is ordinarily dealt with by utilizing the concept of incrementally meeting the needs for clinical, preventive, and restorative care. In recent years the diseases manifest among AI/AN have changed such that there is less disease burden in the population from acute illness and more from chronic diseases with significant behavioral determinants.

Of particular concern are disease patterns that reflect disruptions in family and community strengths. This includes accidents, suicides, homicides, family violence and chemical dependency. Prevention of these chronic diseases requires a different set of precepts and disciplines since they are less susceptible to interventions of the traditional medical model.

New developments include community-based wellness centers, school and community based-adolescent clinics and community-based health screening services. In one case, published data suggests that the use of the community wellness center reduces the dependence on medication and that participants require fewer medical visits than those who do not have access to wellness centers.

This emphasis on community oriented primary care is particularly well suited to the unique health needs of AI/AN people. The impressive accomplishments of the IHS have resulted from the broad community approach employing Public Health Nurses (PHNs), alcoholism workers, mental health workers, sanitarians, etc. These skills more directly address the effects

of higher unemployment, lower socioeconomic status, and the complications of poor nutrition, sanitation, and housing found in many AI/AN communities.

Maintaining progress made

The overall strategy has paid dividends in the types of health and performance measures described above.

For example, although the number of pediatric visits has steadily increased, the number of well child visits has declined by 25 percent since 1993. This is critical since many of the prevention services that are essential in early life are not being provided. This includes not only immunizations, but nutritional counseling, parenting education and support and other preventive services that directly address diabetes, chemical abuse, and the issues of childhood and juvenile injuries and suicides. Similar declines in prevention services are documented in adult well care, well woman care (including cancer screening), and oral health. In addition, needed specialty medical services are being postponed or eliminated as demonstrated by the dramatic increase in deferred and disallowed contract health services for secondary and tertiary services.

These changes are unacceptable to the patients, the communities, and the professional staff. Therefore, the IHS budget request directly reflects the commitment to redressing these declines as a first priority.

ACCOMPLISHMENTS

Health Services

The accomplishment of the Hospitals and Clinics budget can be described in terms of both health services and health outcomes. In the area of health services, accomplishments can generally be characterized in terms of the provision of millions of basic primary care inpatient and outpatient medical services to more than 1.3 million AI/AN active users. An active user is an AI/AN who has received a medical service in an IHS or tribal facility during the last 3 years. Primary care is defined by the Institute of Medicine as the provision of integrated, accessible health care services by clinicians who are accountable for addressing a large portion of personal health care needs, developing a sustained partnership with patients, and practicing in the context of family and community. The provision of these services is critical to the prevention and amelioration of disease. It also engages patients in controlling their own health.

In the most recent year in which full year data are available, the IHS and tribal general hospitals admitted about 68,000 patients while an additional 21,000 patients were admitted to private hospitals under contract. There has been a gradual decline in admissions that is consistent with the declining inpatient admission rates experienced generally in the U.S. over the last decade in favor of other treatment modalities. It also reflects the IHS commitment to cost containment through expanded use of proven outpatient care disease management protocols rather than more costly hospitalizations.

The IHS and tribal hospital outpatient department and health clinics provided over 6 million outpatient services, a growth of 35 percent since 1990. The outpatient services were provided by a broad range of providers and illustrate efficient and effective mix of manpower. The hospitals and

clinics budget also funds other types of patient and community services including health education, nutrition, and an array of health promotion and disease prevention programs that complement inpatient and outpatient services.

Performance Measures

The following performance indicators are included in the IHS FY 2001 Annual Performance Plan and are primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 1: To support planning for the treatment and prevention of diabetes during FY 2001, maintain Area age-specific diabetes prevalence rates and identify trends in the age-specific prevalence of diabetes (as a surrogate marker for diabetes incidence) for the AI/AN population.

Indicator 2: Reduce diabetic complications by demonstrating a continued trend in improved glycemic control in the proportion of I/T/U clients with diagnosed diabetes in FY 2001.

Indicator 3: Reduce diabetic complications by demonstrating a continued trend in improved blood pressure control in the proportion of I/T/U clients with diagnosed diabetes and hypertension who have achieved blood pressure control standards in FY 2001.

Indicator 4: Reduce diabetic complications by demonstrating a continued trend of improvement in assessing the proportion of I/T/U clients with diagnosed diabetes for dyslipidemia (i. e., cholesterol and triglyceride) in FY 2001.

Indicator 5: Reduce diabetic complications by demonstrating a continued trend of improvement in the proportion of I/T/U clients with diagnosed diabetes who have been assessed for nephropathy in FY 2001.

Indicator 6: Reduce cervical cancer mortality and morbidity by increasing the proportion of women in FY 2001 who have had a Pap screen in the previous year by 3 percent over the FY 2000 level.

Indicator 7: Reduce breast cancer mortality and morbidity by increasing the number of the AI/AN female population 40-69 years of age during FY 2001 who have had screening mammography in the previous two years by 3 percent over the FY 2000 levels.

Indicator 8: Improve child and family health by increasing the proportion of AI/AN children served by IHS receiving a minimum of four well child visits by 27 months of age during FY 2001 by 3 percent over the FY 2000 level.

Indicator 10: Reduce the incidence of Fetal Alcohol Syndrome by increasing the proportion of I/T/U prenatal clinics utilizing a recognized screening and case management protocol(s) for pregnant substance abusing women by 10 percent over the FY 2000 level.

Indicator 17: To assure high quality health care, maintain 100 percent accreditation of all IHS hospitals and outpatient clinics during FY 2001.

Indicator 18: By the end of FY 2001, improve IHS-wide consumer satisfaction by 5 percent over the FY 2000 baseline level.

Indicator 20: Reduce the incidence of preventable diseases by increasing the proportion of AI/AN children who have completed all recommended immunizations for ages 0-27 months (as recommended by Advisory Committee on Immunization Practices) during FY 2001 by 2 percent over the FY 2000 rate.

Indicator 21: Reduce the incidence of preventable diseases, by increasing pneumococcal and influenza vaccination levels among adult diabetics and adults aged 65 years and older by 2 percent over the FY 2000 rates.

Indicator 22: Reduce injury-related hospitalizations for AI/AN people to no more than 70 per 10,000 people for FY 2001.

Indicator 25: Reduce childhood obesity rates by maintaining ongoing body mass index (BMI) assessments in AI/AN children 3-5 years old and/or 8-10 years old, for both intervention pilot sites and non-intervention comparison sites, as part of an overall assessment of the ongoing childhood obesity prevention project's effectiveness.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$854,478,000	8,078
1997	\$891,824,000	7,991
1998	\$906,801,000	8,020
1999	\$949,140,000	8,067
2000	\$1,005,412,000	8,109

RATIONALE FOR BUDGET REQUEST

Total Request -- The request of \$1,084,190,000 and 8,187 FTE is an increase of \$78,778,000 and 78 FTE over the FY 2000 Appropriation of \$1,005,412,000 and 8,109 FTE. The increase includes the following:

Current Services - Built-in Increases: +\$40,085,000

The request of \$40,085,000 is for current personnel related costs. These requests will partially fund the built-in increases associated with on-going operations. Included are funds for mandated increases such as pay raises, within grade increases and increasing benefits costs (e.g. Health Insurance). These funds will be shared with Title I and Title III tribes, as well as Federal programs.

It is extremely critical that the IHS maintain the FY 2000 level of service to prevent any further decline in primary health services. The IHS patient population continues to receive less access to health care than the general U.S. population. Maintaining the current I/T/U health system is necessary in eliminating disparities in health status between AI/ANs and the rest of the U.S. population.

Phasing-In of Staff for New Facilities: +\$6,714,000 and +30 FTE

The request of \$6,714,000 and 30 FTE provides for the phasing-in of staff and related costs for new facilities. The staffing of new facilities also contributes to the recruitment and retention of medical staff and promotes self-determination activities. The following table displays the requested increase.

<u>Facilities:</u>	<u>Dollars</u>	<u>FTE</u>
Talihina, OK Hospital	\$3,959,000	60 1/
Hopi, AZ Health Center	<u>2,755,000</u>	<u>30</u>
Total	\$6,714,000	30

1/ Non-add - Tribally operated program.

Indian Health Care Improvement Fund: +\$8,000,000

In FY 1999 the IHS developed a new model to estimate the full costs associated with providing health care for Indian people. The model uses an actuarial cost calculation to estimate the per capita cost to provide Indian people a health benefits package that is comparable to a mainstream employer sponsored benefits plan. In addition the model also estimates the costs of those public health services not provided by a typical employer sponsored benefits plan. This request will be used to begin to address those disparities that exist among tribes in the current distribution of the IHS budget.

Information Technology and Epi Centers - +7,000,000

See Tab.

Health Disparities - +\$16,979,000 and 48 FTEDiabetes: +\$3,880,000

Diabetes was the most frequently identified health problem in the IHS Area I/T/U budget formulation workshops for FY 2001. Type 2 diabetes occurs at dramatically higher rates among AI/AN adults who are almost 3 times more likely to have diabetes than the general U.S. population. A recent alarming trend is the increase in prevalence of type 2 diabetes in young AI/AN's. Over a seven years period from 1991-1997, the prevalence of diabetes rose about 33% in children and adolescent AI/AN. Complications of diabetes lead too much higher incidence rates of blindness, vascular insufficiency leading to amputation, and End Stage Renal Disease (ESRD) than in the general U.S. population. Most recent data show that diabetes mortality is 4.3 times higher in the AI/AN population than in the U.S. population. There has been a 24 percent increase in the American Indian age-adjusted death rate since 1991-1993.

The Balanced Budget Act of 1997 created a \$30 million grant program for the prevention and treatment of diabetes in AI/ANs. More than 300 new and innovative programs have been implemented as a result of these grant funds. Additional diabetes program funds would be used to implement successful "lessons learned" from these new programs in other Indian communities.

Although IHS has had an active clinical diabetes program for 20 years, the incidence of various complications has continued to increase. While

progress has been made in reducing the rate of increase of blindness and amputations, these complications continue to occur at unacceptably high levels, and ESRD is escalating at a rapid rate. Increased primary prevention and expanded secondary prevention efforts are needed in addition to the existing clinic-based programs. Based on preliminary information from international and domestic literature reports, there are promising community-based primary and well documented secondary prevention efforts that have been inadequately utilized and evaluated in the U.S. and among AI/AN populations.

Currently I/T/U programs provide secondary and limited tertiary inpatient and outpatient treatment services to Indian beneficiaries with diabetes. In addition, some programs offer limited primary prevention services to those who are at high risk for acquiring diabetes. The IHS diabetes care services are consistent with services recommended by the American Diabetes Association and follow what is classified as current "best practices".

Ultimately, the anticipated outcome of this funding is a reduction in the mortality and morbidity of diabetes. In the short term, additional resources would be used to expand access to both ambulatory and inpatient diabetes services through a multidisciplinary approach. Ultimate use of the funds will be in accordance with local priorities, consistent with those developed during the budget formulation process.

Activities may include increased access to retinopathy, dialysis, nutrition, weight-loss, and foot-care programs. Promotion of the implementation of diabetes practice guidelines in I/T/U settings would be a major emphasis.

Funds may also be used to enhance data collection and tracking of diabetic patients as well as to continue "Diabetes Data" surveillance projects. Critical support for the RPMS/PCC to automate clinical feedback and data collection on diabetes will also be a top priority.

In addition, the funds may be used to provide training specific to diabetes prevention, expand the I/T drug formularies to include appropriate new diabetes drugs, increase diabetes teaching curricula and materials, ensure the availability of essential equipment such as HgA1C machines for tribes without the capability of on-site testing or other monitoring activities.

Recommended funding increases will support expanded prevention and treatment activities aimed at reducing complications of diabetes, reducing the prevalence of the disease, and increasing the educational and lifestyle tools, such as nutrition and physical fitness. Significant funding amounts are expected to support health promotion and disease prevention (HP/DP) community-based activities.

Cancer: +\$970,000

Cancer was one of the top 10 most frequently identified health problems at the IHS I/T/U budget formulation workshops in FY 2001. Lung, breast, cervical, and other cancers are the leading causes of cancer mortality among AI/AN. We predict that lung cancer deaths among the heavily smoking tribes will rise too much higher levels within the next two decades. Five-year survival rates among American Indians and Alaska Natives with cancer are the poorest of all ethnic groups, due primarily to problems with late diagnosis and access to care.

The I/T/U health care system is heavily impacted by the treatment requirements associated with cancer. For example, in Aberdeen Area, malignant neoplasm's are the 14th leading cause for direct inpatient admissions, the 11th leading cause for contract health inpatient admissions, 19th leading cause for direct outpatient visits, and the 10th leading cause for contract health outpatient referrals. Neoplasm's rank as the 19th leading cause for CHS inpatient referrals for tribal programs.

The AI/AN cancer mortality rates have been increasing, while national rates are on the decline. Of special concern are the high rates of cervical, lung, and gastric cancer, and rising rates of breast and colorectal cancer. Fourteen Tribes now receive grants from the Centers for Disease Control and Prevention (CDC) for breast and cervical cancer screening, and others receive screening services from States through their CDC grants, but there are still many Tribes that do not have access to screening and treatment services.

This incremental request would provide comprehensive screening for early detection and treatment of disease, including breast, cervical and uterine cancers. Early identification, screening, and treatment compliance will be major priorities.

Ultimately, the anticipated outcome of additional funding is a reduction in the mortality rates for cancer. In the short term, expansion of ambulatory, inpatient, diagnostic services and improving care and screening by a coordinated system to provide logistic support for referrals, track individual patients, and educate providers are the anticipated outcomes.

Elder Health: +\$1,240,000

Elder care was identified by 8 of the 12 IHS Areas and the Urban Health Programs as a top health problem during the FY 2001 budget process. There is a demonstrated need to improve health care for approximately 100,000 elder American Indians and Alaska Natives population. The substantial growth of this population within the last decade has increased the need for more geriatric health services. The treatment and medication management unique to the elder patient population requires the development of specialized geriatric capacity within the I/T/U health care system. Increased health promotion and disease prevention initiatives are greatly needed for the care of American Indian/Alaska Native elders for they are the repositories of our cultural knowledge and wisdom to strengthen our families and communities.

Elder care accounts for 21 percent of ambulatory visits and 36 percent of hospital inpatient days. The growing number of the elder population thereby increases the need for inpatient and outpatient clinical services. The recommended funding would be used to increase access to basic primary and secondary tertiary care for the elderly and support training on the special health care needs of AI/AN elders.

Heart Disease: +\$1,455,000

Heart Disease was identified by 8 of the 12 IHS Areas and the Urban Health Program as a top health problem in the FY 2001 budget process. Heart disease is the leading cause of mortality overall for American Indians and Alaska Natives. Despite the significant decline of over 50 percent in

cardiovascular disease in the general US population since 1968, cardiovascular disease incidence appears to be significantly increasing in the American Indian/Alaska Native population. The recently published STRONG Heart Study data has revealed an incidence in the AI/AN population tested at almost two times the incidence in the general US population. In fact, between 1994 and 1996, about 22 percent of all deaths in the IHS service area were caused by diseases of the heart. In 1995, diseases of the heart caused about 32 percent of all deaths in the United States. The age-adjusted diseases of the heart death rate for the IHS service area population were 156.0. This is the rate adjusted for miscoding of Indian race on death certificates. The Indian rate is about 13 percent higher than the U.S. All Races rate of 138.3 in 1995. For ages 45 and older, the leading cause of death is diseases of the heart.

The I/T/U programs provide basic primary care and very few specialists are available. IHS nationwide currently employs only six cardiologists. Facilities for cardiac catheterization and surgery, or advanced diagnostic capability are not available within the IHS system. Consequently, the vast majority of advanced heart disease must be referred to specialists outside the IHS system, at considerable expense and, importantly, often without coordinated secondary and tertiary cardiology prevention activities for these individuals. Most IHS beneficiaries live in rural areas, which makes access to specialty treatment difficult and adds to costs.

Currently the programs in all IHS Areas provide screening and basic treatment services for cardiovascular disease such as blood pressure monitoring, cholesterol screening, nutritional counseling for weight control, and medications for high blood pressure and cholesterol counts.

Ultimately, the anticipated outcome of additional funding is a reduction in the mortality rates for cardiovascular and cerebrovascular disease. In the short term, improved screening by the further development of a coordinated system to provide logistic support for referrals, track individual patients, and educate providers are the anticipated outcomes. New non-invasive and invasive cardiology services (at IHS as well as collaborating private/academic facilities) and medication costs will be supported.

Maternal and Child Health: +\$2,912,000

Maternal and Child Health (MCH) was identified as a top health concern by 5 Areas in FY 2001 budget process. MCH services generate a large portion of the ambulatory workload in both our Federal and tribal facilities. The leading causes of direct and contract hospitalization for ages 15-44 is obstetrical deliveries and complications from pregnancy. In 1994-1996, the birth rate in the IHS service area was 24.1 per 1,000 versus 14.8 per 1,000 for U.S. All Races. Respiratory diseases are the leading cause of hospitalization for children ages 5 to 14.

In the IHS service areas, 4.5 percent AI/AN of all mothers drank alcohol during pregnancy versus 1.5 percent of U.S. mothers 20.4 percent smoked during pregnancy versus 13.9 percent of U.S. mothers. In the IHS service areas, 45.4 AI/AN births per 1,000 are to diabetic mothers versus 25.2 births per 1,000 in the U.S. all races. The overall AI/AN infant mortality rate continues to be higher than in the general population (9.3 per 1,000 versus 7.6 per 1,000). Postneonatal mortality rates in IHS service areas are 4.8 per 1,000 versus 2.7 per 1,000 for U.S. all races.

Currently the I/T/U programs provide services related to women's health, infant, well child, adolescent, and other pediatric services, such as immunizations, prenatal care, nutrition services, etc. MCH services are needed to maintain and enhance opportunities for AI/AN children and youth to live healthier and happier lives. Indian youth have at a greater risk for serious mental health and substance abuse problems, suicide, increased gang activity, teen pregnancy, abuse and neglect, and developing chronic conditions due to physical inactivity, poor nutrition, and obesity than other youth in America.

To assure future good health and well being of Native American families and communities, a commitment to maternal and child health will involve the expansion of primary care services in the prevention, screening and treatment of childhood illnesses and those chronic diseases, which have their origins in the behaviors of children and mothers.

Domestic and Community Violence/Abuse: +\$1,940,000

Domestic and Community Violence/Abuse was identified by 4 of the Areas and the Urban Indian Health Program as a top health problem during the FY 2001 budget process. Violence against women has been determined to be a major national health crisis by the American Medical Association, the Office for Victims of Crime, the Department of Justice, and the Centers for Disease Control and Prevention. The incidence and prevalence rates for child maltreatment and family violence have been difficult to determine for Indian Country, but according to a survey conducted by the National Indian Justice Center (1994), both IHS and BIA estimated that 34.4 percent of Indian children were at-risk of becoming victims of child abuse/neglect.

Consistent with the IHS Director's Initiative on Domestic Violence and Child Abuse, the IHS will continue to collaborate with other federal and national agencies to institute and expand intervention and prevention programs to address the prevalence of violence in AI/AN communities. In collaboration with the Family Violence Prevention Fund's 10 statewide training efforts, at least 20-30 IHS teams from hospitals and clinics have been trained on Improving the Health Care Response to Domestic Violence.

Every year, domestic violence results in almost 100,000 days of hospitalization, almost 30,000 ER visits, and almost 40,000 visits to a physician. Annual health care costs for treatment of injuries due to domestic violence are estimated to be between \$5 billion and \$10 billion. About 30-50 percent of all calls for law enforcement response and emergency room visits is related to domestic violence.

The increased in funding will establish baseline for need of community awareness activities aimed at domestic violence and decrease incidence and prevalence of domestic/community violence. Training will be expanded for all health care providers to improve the surveillance, reporting, intervention and treatment of victims of domestic and community violence and abuse.

Infectious Disease: +\$970,000

Infectious Diseases, including Tuberculosis (TB), HIV, Sexually Transmitted Diseases (STD) and Hepatitis, were identified by four Areas and the Urban Indian Health Programs as a top health problem during the FY 2001 budget process. In addition, the Annual Performance Plan includes three

performance indicators on preventing and monitoring infectious diseases, including childhood and adult immunizations (indicators 20 and 21), and HIV/AIDS (indicator 25).

Newly emerging infectious diseases, such as Hantavirus Pulmonary Syndrome and antimicrobial-resistant bacteria, disproportionately affect American Indians and Alaska Natives. In the past few months an alarming increase in antimicrobial resistant infections has been identified in multiple IHS Areas. Particularly worrisome, many of the patients involved have acquired infections in the community instead of in hospitals or nursing homes, the typical locations where these diseases are acquired. Clearly this is a problem which must be addressed rapidly and efficiently before we find ourselves unwittingly returned to the pre-antibiotic era where an infected scratch could lead to death.

Previous successes in the elimination of TB may be in danger of being lost. Mortality due to TB among AI/ANs remains almost 200 percent higher than non-Indians. While most of the country has experienced declines in TB, the incidence of tuberculosis in Indians has risen in the past few years, primarily in tandem with the epidemic of diabetes. Patients with diabetes are much more likely to develop active TB which sustains the continuing cycle of TB transmission from generation to generation. Given the ever-increasing numbers of patients with diabetes, TB could re-emerge as a serious public health threat if left unchecked.

A comparison of the 1992-1994 Indian (IHS service area) age-adjusted death rates with U.S. all races population in 1993 reveals the disease burden on the AI/ANs associated with pneumonia and influenza to be 61 percent greater than among non-Indians. For example, in Navajo Area, upper respiratory ailments account for the largest proportion of ambulatory care visits and, pneumonia and influenza remain a significant cause of death since the mid-1970s, at twice the national rate. Other IHS areas report similar data on the impact of infectious diseases on the I/T health delivery system.

In the face of increasing sexually transmitted diseases among AI/ANs, there is a tremendous need to develop surveillance on the incidence and prevalence of HIV/AIDS infection rates to assure that prevention and treatment resource efforts are where needed, both on and off reservation. Access to appropriate levels of treatment is complicated for tribal members who are HIV positive by the limited scope of services available in the I/T/U health care system.

Although Hepatitis B screening and detection are improving, evidence suggests that Hepatitis C may be increasing among some groups of AI/ANs. A recent cluster of patients who died of Hepatitis B infections led to us finding a number of patients infected with Hepatitis C. In addition, although more accurate numbers are being gathered, the number of patients infected with Hepatitis C appears to be almost twice that of white populations in the U.S. A proportion of these patients will need expensive treatment as their infections progress.

Certain Indian tribes and Tribal Epidemiology Centers have established collaborative projects with IHS, State governments, and the Centers for Disease Control and Prevention (CDC) to develop infectious disease surveillance and control programs. For example, the Navajo Nation is a recipient of a CDC grant to evaluate the importance of infectious diseases to tribal members, as well as to develop some community-oriented infectious

disease control projects. The Northwest Portland Area Epi Center has been an active collaborator with IHS in a major sexually transmitted disease control program aimed at preventing chlamydia infections.

Initial diagnosis of most infectious diseases is made in I/T/U facilities, or in contract medical laboratories. The screening, testing, and treatment of these diseases is expensive. Funding would allow staffing to screen for and detect these diseases before they reach advanced stages in order to stop the progression of the disease. In addition, funds will be used to support and improve state and tribal-based surveillance and disease control programs needed to address many of these communicable diseases. Some funds specifically aimed at implementing surveillance of HIV/AIDS will involve establishing a team of IHS and CDC epidemiologists at the national Epidemiology Program to provide technical assistance to American Indian and Alaska Native communities throughout the U.S.

Emergency Medical Services: +\$2,912,000

This request for emergency medical services will increase access to effective Emergency Medical Services (EMS) for Indian people by improving the capacity of IHS and tribal programs to provide hospital and pre-hospital EMS. The requested funds would be available to all Areas and would be used to expand the capacity of the existing 70 EMS programs which now serve Indian people. This includes the training of new emergency medical personnel as well as enhancing the skills of existing personnel and upgrading equipment. Funds will also be used to develop EMS capacity for 1 to 3 tribes that currently are without adequate EMS services. Presently an estimated 25 tribes have the need to develop EMS systems. This request directly supports the universal enhancement of tribal EMS programs from Basic Life Support to Advanced Life Support capabilities.

DENTAL HEALTH

Indian Health Service <u>Clinical Services</u>	FY 1999 <u>Enacted</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase or <u>Decrease</u>
<u>Dental Health</u>				
A. Budget Authority	\$71,400,000	\$80,062,000	\$88,258,000	+\$8,196,000
B. FTE	763	769	787	+18
C. Total Patients Treated	300,000	319,000	327,000	+8,000
D. Total Services Provided	2,400,000	2,458,000	2,485,000	+27,000

PURPOSE AND METHOD OF OPERATIONProgram Mission and Responsibilities

The IHS Dental Program is committed to raising the oral health status of the AI/AN population to the highest possible level through the provision of high quality preventive and treatment services at the community and clinic level. Despite a history of documented improvements in oral health status, the oral health of Indian people still lags well behind that of the overall population and this disparity may be increasing. For the past two years oral health problems have been identified by consumers participating in budget formulation activities among the top priorities for funding enhancement. As a result, oral health has been identified as one of the IHS Director's initiatives for FY 2001, and this budget request addresses the critical issues relative assuring access to dental services and restoring the dental public health infrastructure that underpins this access.

Between the early 1970s and the early 1990s, a period of overall dental program expansion, the IHS Dental Program made significant strides in improving the oral health of the AI/AN population. Results of the IHS-wide Oral Health Status and Treatment Needs Survey of over 25,000 dental patients completed in 1991 revealed several important findings. When compared with results from earlier monitoring surveys, a general decline in tooth decay among children and adults was detected. This encouraging trend can be attributed mainly to the extensive commitment that the IHS and local communities have made to water fluoridation during the past decade and the expanded use of dental sealant. However, AI/ANs continue to have substantially higher rates of dental caries and periodontal disease than the U.S. population at large, and since the early 1990s have had reduced access to dental services.

In addition to the very large backlog of needed dental care, two problems of particular concern are the extremely high prevalence of baby bottle tooth decay among preschool age children and the prevalence and severity of periodontal disease and subsequent tooth loss among adult diabetics. The survey data better define the magnitude of these and other oral health problems and will guide resource planning at the local, regional and

national program levels. A follow-up oral health survey is in process for FY 1999 to determine the current oral health status and continued or emerging problems that must be addressed. Preliminary results of this survey should be available by the end of FY 1999.

The IHS has been traditionally oriented toward preventive and basic care. More complex, rehabilitative care, although a legitimate need, is often deferred so the basic services may be provided to more persons. Within the Schedule of Services, a service priority hierarchy used by the Dental Program, over 90 percent of services provided are basic and emergency care. Estimates of treatment needs remain high; however, a continuing emphasis on community health promotion/disease prevention is essential to long-term improvement in the oral health of AI/ANs.

In 1992, the IHS added a full-time national coordinator for dental health promotion/disease prevention to provide technical assistance to IHS and tribal programs. Because of the significant loss of support of dental health promotion/disease prevention available at the Area level, the national coordinator has attempted to develop alternative networks including local I/T/U dental staff to carry on essential dental health promotion and disease prevention activities. Despite these efforts, prevention activities appear to have declined since the early 1990s.

Tribal programs continue to exert a growing influence in the management of oral health programs. The number of tribally managed programs continues to grow steadily. Staff employed by or providing care in tribal programs produce over a third of the total direct dental services. To responsibly manage a health program requires data that supports an assessment of the health needs of the population. To meet this need, tribal programs were well represented in the IHS 1991 Oral Health Survey of Indian patients and are participating in the 1999 survey. Data gathered by these surveys provides tribes information from which to make rational decisions regarding their dental programs.

Tribal programs also participate in the IHS Dental Quality Assurance Program in which clinical care, program management and community activities are appraised. In general, tribal programs meet standards for clinical care. When deficiencies are found, tribal employees are encouraged to participate in IHS continuing education courses or to pursue local training to improve their programs. The tribal program role in community health promotion/disease prevention, need for efficient use of available resources, and the value of timely and accurate services data are themes that continue to be stressed during consultation.

Best Practices/Industry Benchmarks

The IHS Dental Program has a long and distinguished history of serving as a benchmark of dental public health excellence. Beginning in the 1960s, the IHS Dental Program was a pioneer in developing dental resource planning methods, and, in the early 1970's, published some of the first and most compelling findings regarding the efficiency and effectiveness of using expanded duty dental assistants in the provision of dental restorations. Later in the 1970s, the IHS published what still remains as one of the most comprehensive and recognized approaches to quality assurance for dental care. In the 1980s and 1990s, the IHS Dental Program was recognized by winning three U.S. Public Health Service J.D. Lane research competitions for community based research/education projects as well as three American

Dental Association awards for health promotion/disease prevention. The program's Baby Bottle Tooth Decay Prevention Project, which won two of these awards, has been cited internationally as a model of community empowerment and program effectiveness. As part of these activities the IHS Dental Program collaborated with the World Health Organization, the Centers for Disease Control, the National Institutes of Health, the Head Start Bureau, and several acclaimed universities.

But, undoubtedly, the ultimate benchmark of success for the public health organizations is what it accomplishes in term of positive outcomes for the people it serves. Based on analyses comparing findings from the most recent (1991) oral health survey completed in 1994, the results show:

A 42 percent increase in the number of children 5-19 years with no decay.

A 35 percent decrease in the number of children 5-19 years with high decay rates (7 or more cavities).

An 800 percent increase in the number of protective dental sealant placed in children's molar teeth.

A 17 percent increase in the number of adults 35-44 years with 20 or more teeth remaining; a 29 percent increase for those 45-54 years; and a 40 percent increase for those 55 years and older.

In addition, the Baby Bottle Tooth Decay Prevention project documented an overall reduction in the prevalence of the condition of 32 percent over the five years of the study across all 12 sites with the largest site achieving a 78 percent reduction.

ACCOMPLISHMENTS

Since 1992, the IHS dental program has downsized the Area Offices and Headquarters dental public health professional staff from a total of 42 to 6 FTE (i.e., an 85 percent reduction) in an attempt to maximize resources available to support clinical care. Providing clinical care is the dental program's highest priority but in recent years both the percentage of the population seen annually and the total number of services provided have declined. However, the positions that were eliminated predominately supported core public health infrastructure and administrative functions. Thus, assuring the capability to support such functions as staff development, efficient and effective dental clinic and data management, and implementing effective oral health promotion/disease prevention activities with a reduced public health infrastructure has become a dental program priority. To achieve this goal, self-directed workgroups have been formed composed of remaining dental staff from Headquarters and Area Offices, along with local dental program staff and are accomplishing many of the essential functions.

Specific accomplishments include:

- A workgroup has developed and is promoting clinical and community-based strategies to reduce the prevalence of early childhood decay. The strategies include: providing a dental screening or exam by age one by medical and dental providers; teaching parents to brush their child's

teeth and looking for early lesions which can be reversed with fluorides; and educating families about the disease process, diet and the importance of various fluorides.

- To reduce the prevalence of the dental decay, and increase access to care, a work group has developed a medical model of care that addresses dental decay as an infectious disease. Some of the key concepts are the importance of diagnosis of caries, assessing the risk of disease and applying the most appropriate preventive regimens and recall frequencies based on the individual patients needs and demands.
- The IHS Dental Program has served an active role in the development of the Surgeon General's Report on Oral Health including drafting sections and reviewing the process and products of the effort.
- The IHS Dental Program began data collection in the periodic survey of American Indian and Alaska Native Oral Health Status and Treatment Needs in early FY 1999 with preliminary findings to be available in early FY 2000.
- The IHS, National Institutes of Dental and Craniofacial Research, and State University of New York at Buffalo continue to collaborate on the treatment of periodontal disease in persons with diabetes. The initial clinical trial conducted in the Phoenix Area demonstrated the effectiveness of a non-surgical treatment regimen. The project is currently being replicated in the Albuquerque Area. Three 5-year grants were awarded in FY 1998 to help IHS, tribal, and urban programs incorporate these procedures into their dental programs.
- The IHS and the Health Resources and Services Administration (HRSA) entered into an Intra-Agency Agreement to increase access to care for the unmet oral health needs of under served populations, including American Indian/Alaska Natives. An IHS officer is detailed part-time to HRSA to serve on the oral health initiative team.

PERFORMANCE MEASURES

The following performance indicators are included in the IHS FY 2001 Annual Performance Plan and are primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 11: Reduce dental decay rates by improving water fluoridation compliance in FY 2001 by 10 percent over FY 2000 levels for Areas participating in IHS/CDC Fluoridation Surveillance Demonstration Project.

Indicator 12: Improve oral health status by assuring that at least 25 percent of the AI/AN population obtain access to dental services during FY 2001.

Indicator 13: Reduce children's dental decay by assuring that the percentage of AI/AN children 6-8 and 14-15 years who have received protective dental sealants on permanent molar teeth in FY 2001 is increased by 3 percent over the FY 2000 level.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$62,783,000	861
1997	\$65,517,000	861
1998	\$65,517,000	818
1999	\$71,400,000	763
2000	\$80,062,000	769

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$88,258,000 and 787 FTE is an increase of \$8,196,000 and 18 FTE over the FY 2000 Appropriation of \$80,062,000 and 769 FTE. The increases are as follows:

Current Services - Built-in Increases: +4,147,000

The request of \$4,147,000 for personnel related costs will partially fund the built-in increases associated with on-going operations. Included is the FY 2001 pay raise and within grade increases. These funds will be shared with Title I and Title III tribes, as well as Federal programs.

It is extremely critical that the IHS maintains the FY 2000 level of service to prevent any further decline in primary health services. The IHS patient population continues to receive less access to health care than the general U.S. population. Maintaining the current I/T/U health system is necessary in eliminating disparities in health status between AI/ANs and the rest of the U.S. population.

Phasing-In of Staff for New Facilities: +\$792,000 and 7 FTE

The request of \$792,000 and 7 FTE provides for the phasing-in of staff and related costs for new facilities. The staffing of new facilities also contributes to the recruitment and retention of medical staff and promotes self-determination activities. The following table displays the requested increase.

<u>Facilities</u>	<u>Dollars</u>	<u>FTE</u>
Talihina, OK Hospital	\$387,000	7 1/
Hopi, AZ Health Center	<u>405,000</u>	<u>7</u>
Total	\$792,000	7

1/ Non-add - Tribally operated program.

Health Disparities - +\$3,257,000 and 11 FTE

The requested \$3,257,000 and 11 FTE increase for the IHS dental line item represents an incremental step in eliminating the disparity in oral health that AI/AN people experience by the year 2010 as prescribed in the President's Race Initiative.

It also supports the Secretary's FY 2001 Health Promotion/ Disease Prevention Initiative as a means to addressing this disparity with a focus of applying the emerging dental public health guidance from the developing Surgeon General's Report on Oral Health. The requested enhancements are focused on developing increased access to essential treatment and preventive services by developing and supporting the capability to deliver them in the most cost-effective manner possible and include:

- \$1,000,000 will be used to hire approximately 11 FTE, which will extend basic dental services to about 5,000 additional people.
- \$750,000 will be used to develop 3 new clinical and preventive services support centers, provide training and technical assistance to local I/T/U dental programs, improve clinical and preventive efficiency and effectiveness through improved clinic management and the implementation of new treatment technologies.
- \$222,000 will be used for Advance General Practice Residency Training and Dental Specialist Training to develop greater treatment capability of dentists at local I/T/U dental clinics.
- \$485,000 for dental data management including software upgrades to integrate "point and click" technology to increase data entry and performance monitoring efficiency and accuracy.
- \$500,000 to expand the community water fluoridation support initiative to 3-5 new sites and thus increase access to an estimated 15,000-25,000 people to this effective public health intervention.
- \$300,000 will be used for 3 additional diabetic periodontal disease treatment projects. These projects will support the exportation of the diabetic periodontal disease treatment protocol developed with the National Institute of Dental and Craniofacial Research and State University of New York at Buffalo. These projects will increase access to an effective non-surgical alternative to the treatment of periodontal disease in diabetic patients.

The IHS and its stakeholders believe these investments will build the needed capacity in human capital for the future and be the most effective use of resources to address the growing AI/AN population.

MENTAL HEALTH SERVICES

Indian Health Service		FY 2000		Increase
	FY 1999	Final	FY 2001	or
<u>Clinical Services</u>	<u>Enacted</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Decrease</u>
<u>Mental Health</u>				
A. Budget Authority	\$41,305,000	\$43,245,000	\$49,405,000	+\$6,160,000
B. FTE	290	290	304	+14
C. Total Client Contacts	208,000	214,000	233,000	+19,000

PURPOSE AND METHOD OF OPERATIONPROGRAM MISSION AND RESPONSIBILITIES

The IHS Mental Health and Social Services (MH&SS) program is a community oriented clinical and preventive service program these activities are part of a Behavioral Health Team (including Alcohol and Health Education) working collaboratively to address 4 of the top 10 health issues identified as priority by the I/T/U. While tribal communities possess much traditional strength, the level of psychosocial and emotional distress is high.

The improvements in physical health status for Indian populations have not been paralleled in the mental health and social services area. The workloads reported by field staff reflect serious mental and social problems in many AI/AN communities on reservations and in urban settings.

- Studies indicate that mental health and social problems are associated with more than one-third of the demands made on health facilities for services. Depression, anxiety and post traumatic stress disorder are emotional problems that are reported frequently in workload data.
- The suicide rate of about 2.4 times the national rate for AI/AN males' aged 15-34 is one indicator of the severity of mental health problems in Indian country.
- The rate of homicide, and accidental death in young Native American males is about twice the national rate.
- The homicide mortality rate for American Indian females 25 to 34 years is about 1.5 times that for U.S. All Races females in this age group.
- Problems of alcohol abuse, depression and anxiety frequently underlie and complicate treatment for physical disorders and traumatic accidents, requiring considerable attention from caregivers.

The most common MH/SS program model is a crises-oriented outpatient service, which is staffed by one or more mental health professional. On-

call emergency mental health services are also provided outside of usual clinic or hospital hours. Medical and clinical social work are usually provided by one or more social workers to assist with discharge planning and provide family intervention for child abuse, suicide, domestic violence, parenting skills, and marital counseling. Specialized mental health services for populations such as children and the elderly are often minimal because of limited resources and difficulties in recruitment of trained specialists. BIA, state or local community agencies may also provide supportive services to Native American persons with emotional problems. Since virtually no partial hospitalization, transitional living, or child residential mental health programs exist in IHS or tribal operations, these services must be obtained from local, or state resources, when available. Inpatient services are provided under contract with local general hospitals psychiatric units or private psychiatric hospitals. Often, emergency and long duration hospitalizations are provided by state mental hospitals.

Prevention and early intervention, although legitimate needs, are often deferred so that crisis intervention may be provided to more clients. Continuing emphasis is made on community wide intervention and prevention strategies in collaboration with tribes for long-term improvement of child and family based problems.

Native healers are utilized in most Indian communities. At the option of individual tribes, traditional medicine is coordinated with other health and mental health services. Traditional healing practices are important health resources in Native American communities.

Services available to Indian communities for serious mental health and social problems continue to be very limited. Most service units and tribal programs are operated with little backup because of the rural and isolated nature of their practice. Professional turnover and burnout also affect the availability of services.

Many critical components of mental health, child abuse and social service programs, such as day programs, suicide prevention, and child abuse victim treatment are not available to Indian communities.

The IHS Mental Health/Social Services have established major initiatives designed to address and prevent AI/AN family violence and child abuse. Resources for more services have been described in the IHS Child Abuse Plan and authorized in P.L. 101-630 as amended and in a plan for support of additional suicide prevention program, which was submitted in FY 1996 by IHS to Congress. Major partnerships currently exist with Bureau of Indian Affairs (BIA), Substance Abuse and Mental Health Service Administration (SAMHSA), Center for Disease Control (CDC), Department of Justice (DOJ) and Administration for Children and Families (ACF) for the following initiatives:

- Continued implementation of suicide prevention strategies by supporting development of a tribally based national suicide prevention network/center funded jointly with the CDC and by providing funds to develop two additional suicide prevention projects in South Dakota and Arizona.

- Provision of grants to tribal child abuse and family violence prevention programs and day treatment for mentally ill persons. Other support for child abuse prevention includes provision of training to IHS and tribal providers in cooperation with the University of Oklahoma and the University of New Mexico. Joint efforts with the BIA on conducting background checks for tribal, IHS and BIA programs, and joint collaborations with the Department of Justice and tribes on developing community-based initiatives for adolescent sexual abuse perpetrators.
- Implementation with SAMSHA of a \$2.4 million Indian child mental health initiative. The IHS MH/SS received Vice President Gore's Hammer Award for this first Indian initiative with SAMSHA.
- Joint efforts with the Head Start Bureau which provide health and mental health consultation and training to 152 AI/AN Head Start and Early Head Start programs including family violence prevention and intervention.
- Collaboration with the BIA, DOJ, CDC and other national, state and local agencies in providing training and consultation to I/T/U providers on domestic violence, child abuse and elder abuse. Also, an IHS system wide identification and intervention for victims of domestic violence will continue in the I/T/U health facilities.
- Expansion of the MH/SS system in the I/T/U facilities for data collection on suicide, child abuses domestic violence in addition to other clinical information. Data for baseline morbidity are essential to fully support the I/T/U planning and management of health programs.
- Provision of training on needs of high risk children and youth includes; the detection and intervention for emotionally disturbed youth and child abuse victims in BIA boarding schools, residential treatment centers (RTC's), tribal detention centers, and the Juvenile First Offender Diversion Program training in Indian communities with the Office of Juvenile Justice and Delinquency Prevention (OJJDP).

ACCOMPLISHMENTS

The accomplishments of the Mental Health/Social Services Program include the following:

- Provided training and program consultation for four adolescent Regional Treatment Centers, including addressing issues of safety during the planning and construction phases of the three new facilities.
- Participated in a number of interagency activities, such as meetings and workgroups with the Substance Abuse and Mental Health Services Administration (SAMHSA), the Office of Justice Juvenile Detention Program, and the National Center for Child Abuse and Neglect, which have positively impacted services for AI/AN communities.
- Development of two new agreements with the Dept. of Justice that will result in the addition of new resources to both IHS and AI/AN communities.

- Renewed several interagency agreements that have resulted in increased resources for AI/AN communities. These include agreements with: (a) the Office of Victims of Crime to provide funds to IHS for Child Protection Team Training for the Billings and Oklahoma Areas; (b) SAMHSA to support an AI/AN Technical Assistance Center for the nine AI/AN grantees selected for the Circles of Care Children's Mental Health Initiative and to the three AI/AN Children's Mental Health Service grantees; and, (c) the Office of Child Abuse and Neglect to continue support of Project Making Medicine at the University of Oklahoma which provides training in child abuse treatment to IHS and Tribal mental health, social service, and substance abuse providers and training and technical assistance to their communities. This project also provides training and technical assistance to the American Indian Program Branch/Headstart grantees.
- Obtained funding from the Bureau of Indian Affairs (BIA) to allow for the continuation of the Indian Children's Program at full funding for another year. The American Indian Program Branch at Headstart has agreed to replace the BIA portion of the funding for the new contract year when BIA withdraws from this project. This will provide a stronger focus on early identification and intervention with disabled children and their families.
- Development of community-based skills training in child therapy for 12 tribal and IHS providers in cooperation with the University of New Mexico. This is a pilot project to bring training opportunities to service providers in rural, isolated areas who otherwise cannot leave their jobs or families to attend University-based training.
- Funded eight 5-year child abuse grants to tribes.
- Implemented Version II of the MH/SS Reporting System that will enhance clinically oriented direct data entry for providers and secured a contract for continued technical support for this software.
- Continued the Social Work Fellowship Program with the University of New Mexico that provides child-specific training for Indian professionals.
- Collaborated with Albuquerque Area and State of New Mexico regarding the impact of Welfare Reform and the Children's Health Insurance Program on Indian families.

PERFORMANCE PLAN

The following performance indicators are included in the IHS FY 2001 Annual Performance Plan and are primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 14: Reduce the incidence and consequences of family violence, abuse, and neglect by assuring that in FY 2001 at least 80 percent of I/T/U medical facilities with Urgent Care or Emergency departments or services will have written policies and procedures for routinely identifying, treating and/or referring victims of family violence, abuse or neglect (i.e., child, spouse, and/or elderly).

Indicator 15: To improve mental health planning and evaluation, increase the number of I/T/U programs utilizing the Mental Health/Social Services (MH/SS) data reporting system during FY 2001 by 10 percent over the FY 2000 rate.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$37,200,000	311
1997	\$38,341,000	311
1998	\$39,379,000	308
1999	\$41,305,000	290
2000	\$43,245,000	290

RATIONALE FOR BUDGET REQUEST

Total Request -- The request of \$49,405,000 and 304 FTE is an increase of \$6,160,000 and 14 FTE over the FY 2000 Appropriation of \$43,245,000 and 290 FTE. The increases are as follows:

Current Services - Built-in Increases: +1,824,000

The request of \$1,824,000 for personnel related costs will partially fund the built-in increases associated with on-going operations. Included is the FY 2001 pay raise and within grade increases. These funds will be shared with Title I and Title III tribes, as well as Federal programs.

It is extremely critical that the IHS maintains the FY 2000 level of service to prevent any further decline in primary health. The IHS patient population continues to receive less access to health care than the general U.S. population. Maintaining the current I/T/U health system is necessary in eliminating disparities in health status between AI/ANs and the rest of the U.S. population.

Phasing-In of Staff for New Facilities: +\$384,000 and 2 FTE

The request of \$384,000 and 2 FTE provides for the phasing-in of staff and related costs for new facilities. The staffing of new facilities also contributes to the recruitment and retention of medical staff and promotes self-determination activities. The following table displays the requested increase.

<u>Facilities</u>	<u>Dollars</u>	<u>FTE</u>
Talihina, OK Hospital	\$226,000	3 1/
Hopi, AZ Health Center	<u>158,000</u>	<u>2</u>
Total	\$384,000	2

1/ Non-add - Tribally operated program.

Health Disparities - +\$3,952,000 and 12 FTE

Mental health was identified as top health problem by 10 of the 12 IHS Areas and the Urban Indian Health Programs in FY 2001. The AI/AN people are committed to promoting the lifetime wellness of tribal members through prevention, identification and treatment of not only physical disease but

mental disease as well. Noting depression is the most widely reported psychiatric problem amongst its population, AI/AN people have elected to focus their attention on bringing this significant health problem under control in their communities.

The national suicide rate for AI/ANs has consistently been about twice the US national rate for all races and even higher for young Indian males. For example, the Alaska Area had 116 suicide related deaths between 1994 and 1996; mental disorders were the 5th leading cause of hospitalization and anti-depressants are among the highest category of prescribed drugs in terms of cost. Needs in the behavioral health area continue to grow and will assume greater weight as illness burden shifts from acute to chronic conditions.

Currently, the mental health programs promote the mental health of individuals, families and communities by providing appropriate and culturally responsive intervention, treatment and prevention services. The increased funding will support staffing and related costs targeted at increasing access to mental health services. In the long term, the intent is to provide mental health services in a more timely and efficient manner consistent with current and emerging health problems.

Funds would also be used to implement routine screening for mental health diseases. Implementation of comprehensive community based mental health care systems that are culturally appropriate for AI/AN families and communities will be a top priority.

Specific prevention and intervention approaches to suicide, child abuse & neglect, elder abuse and other forms of domestic violence developed by tribal communities will be supported with these funds.

ALCOHOL & SUBSTANCE ABUSE

Indian Health Service	FY 1999	FY 2000		Increase
<u>Clinical Services</u>	<u>Enacted</u>	<u>Final Appropriation</u>	<u>FY 2001 Estimate</u>	<u>or Decrease</u>
<u>Alcohol & Substance Abuse</u>				
Budget Authority	\$94,680,000	\$96,824,000	\$99,636,000	+\$2,812,000
Total FTE	175	175	175	0
A. Services Provided:				
Outpatient Visits	590,000	593,000	604,000	+11,000
Inpatient Days	285,000	286,000	290,000	+4,000
Regional Trt Center:				
Admissions	3,700	4,000	4,120	+120
Aftercare Referrals	8,700	9,100	9,400	+300
Emergency Placements	390	400	410	+10

PURPOSE AND METHOD OF OPERATIONProgram Mission/Responsibilities

The Alcoholism and Substance Abuse Program (ASAP) strives to eliminate the disease of alcoholism and other drug dependencies and the associated pain it brings to individuals of all ages, families, villages, communities, and tribes. The ASAP primary goal is to reduce the prevalence and incidence of alcoholism and other drug dependencies. The ASAP provides support and resources in the efforts of AI/AN communities toward achieving excellence in holistic alcoholism and other drug dependency treatment, rehabilitation, and prevention services for individuals and their families. In addition to the development of curative, preventative and rehabilitative services, the ASAP activities include the following:

- Data development and coordination for measuring the substance abuse and underage alcohol problems among AI/AN;
 - Programmatic evaluation and research toward developing effective prevention and treatment services;
 - National leadership that focuses on youth treatment, community education, and prevention services for high-risk youth; and
 - Services for developmentally disabled.
- The ASAP continues to primarily contract with tribal entities/consortia, including tribes that have compacted under Self-Governance, and Indian-managed urban boards of directors since the passage of the Indian Health Care Improvement Act, P.L. 94-437. Presently, the IHS funds approximately 300 AI/AN ASAP that provide a multitude of treatment and prevention services to rural and urban communities.

Best Practices/Industry benchmarks

It is estimated that 95 percent of the approximately 1,800 employees in IHS funded programs are tribal staff. The credentialing, training, and hiring of 1,200 counselors have been a major initiative to address counselor competency. The counselor certification and professional licensure rates continue at approximately 85 percent of the program staff.

There are three adolescent regional treatment centers accredited by the Joint Commission of Accreditation of Healthcare Organizations (JCAHO) and three others that are accredited by Commission on Accreditation Rehabilitation Facilities (CARF). The remaining three treatment programs are preparing for JCAHO and/or CARF accreditation.

The tribal alcohol programs are state licensed and/or certified. The majority of the tribal alcohol programs follow the Indian Health Manual, Part III, Chapter 18, ASAP Standards which is modeled after JCAHO and CARF Standards.

Additional resources are needed to determine the priority of need and the correction of identified deficiencies in residential and non-residential facilities to improve the functioning of alcoholism and substance abuse programs. For example, an evaluation of the effectiveness of IHS sponsored aftercare/continuing care services is underway.

Findings Influencing FY 2001 Request

While alcoholism mortality had shown a dramatic decrease from 59 per 100,000 in 1980 to 37.9 per 100,000 in 1991, the latest data indicates that alcoholism mortality rates have been worsening since 1992. The rate has increased to 48.7 per 100,000, which is 7.3 times that of the overall U.S. population. An evaluation study of the Adolescent Regional Treatment Centers indicates program completion rates of 53 percent in comparison with 61 percent in the general population. The severity and intensity of the problems in AI/AN youth appear to be more treatment intensive than in the general U.S. population. The comprehensive care requirements include staff who are dually trained in mental health disorders and alcohol and substance abuse in order to effectively and safely respond to the treatment needs of young people with dual diagnosis.

The first two phases of the four-phase evaluation of women and children treatment needs has been completed. Preliminary findings indicate that high rates of abuse as children and adults and motivation to be better parents are the primary conditions of and reasons for AI/AN seeking treatment. The findings also indicate a need for treatment programs that provide cultural, spiritual, and childcare activities, and the importance of completion of individual and group therapy and participation in support groups.

ACCOMPLISHMENTS

Accomplishments of the IHS Alcoholism and Substance Abuse Program include:

- Local, community based training workshops and events called "Gathering of Native Americans," are being widely adapted throughout Indian Country. These workshops and events have been designed, tested, and evaluated in American Indian communities with the help of Indian

education, social services and health professionals supported by both the IHS and the Center for Substance Abuse Prevention. As a result, there has been a revitalization of community planning interest and capability to address alcoholism and substance abuse.

- Coordination with the Centers for Disease Control and Prevention to fund an injury management control officer and a tobacco education and training officer.
- Continued primary care provider training workshops to enhance professional skills in addiction, prevention, intervention, and treatment skills. A special module has been developed for public health nurses. Activities include the development of a lending library (video and slide materials) designed to improve provider in service capability and community presentations. Between 40 and 60 primary care providers receive this training each year.
- The Chemical Dependency Management Information System (CDMIS) is now fully on line. All Areas using CDMIS and those Areas that will be reporting CDMIS from other data systems have received training. A users friendly version of CDMIS was released during FY 1996. An integrated version of which incorporates both commercial and RPMS data conducive to a behavioral health model of treatment is currently being tested in the Billings Area. The ASAP is supporting two software enhancement projects which further integrate and coordinate assessment, treatment planning, and case management utilizing the ASAM Patient Placement criteria and the CSAT Alcohol Severity Index (ASI) are being tested with 10 youth RTCs and the Billings area.
- In the Aberdeen Area, numerous clinics and hospitals are now using the Prenatal Health Assessment, which is a screening instrument for pregnant substance abusing women developed with the Centers for Disease Control and Prevention, and these protocols are being piloted in two new Areas in FY 1999.
- At the University of Washington, Fetal Alcohol and Drug Unit mini-internships continue to be provided for I/T/U providers.
- Leadership is being provided for the prevention of secondary disabilities in FAS individuals. A training manual for providers and parents/caregivers of FAS children and adolescents was prepared in conjunction with the Jamestown S'Klallam Tribe. Pamphlets to assist family and community members in advocating for services and preventing secondary disabilities were developed in FY 1998.
- The counselor certification and professional licensure rates continue at approximately 85 percent of the program staff.
- Clinical supervision training will continue to be supported as in the previous three fiscal years to enhance the competency of counseling efforts.
- The IHS is in the midst of an ongoing effort to evaluate treatment for women. The first two phases of the four-phase evaluation have been completed. The final report of the first two phases described the conditions of and reasons for seeking treatment by AI/AN women who use

IHS funded treatment services. Among other things, these included high rates of abuse as children and adults and women's motivation to become better parents. The final report also emphasized need for treatment programs that provide cultural, spiritual and child care activities, and the importance of completion of individual and group therapy and participation in support groups. Information from the final report of the first two phases has been presented throughout Indian country, and at professional meetings in the U.S. and Canada. Phase III and IV of this evaluation will conclude in 1999. The purpose of Phases III and IV are to assess and measure the treatment outcomes achieved by the women receiving treatment at facilities supported by the Indian Health Service. In addition, the evaluation study will attempt to relate treatment outcomes to the treatment services provided. It will also describe the organization and provision of substance abuse treatment and aftercare services available for adult AI/AN women, identifying common strengths, problems, and recommendations for improvement.

- As part of the IHS response to the results of an evaluation of the adolescent regional treatment centers, an RTC Outcomes Tracking Protocol Project began in FY 1998. The purpose of this protocol is to provide a quantitative means for validly and reliably documenting client progress, program outputs, program and policy outcomes and program and policy efficiency.

Interagency Activities

The focus of FY 2000 collaborative efforts is with Substance Abuse and Mental Health Services Administration (SAMHSA), Centers for Disease Control and Prevention, National Institutes of Health (NIAAA) and the Department of Justice (DOJ).

Future Directions

The IHS has actively cooperated with the DHHS in Demand Reduction activities, policy development, development of research agendas, and development of data monitoring (NIDA:UFDS). The IHS is committed to the national agenda to reduce alcohol and drug abuse by using strategies that include:

- Research and evaluation: collaborative efforts with the Robert Wood Johnson Foundation, aftercare evaluation, and completion of the first two phases of the women's treatment evaluation
- Continued development toward a comprehensive continuum of care encompassing prevention, education, treatment and rehabilitation. Workshops on American Society of Addiction Medicine Patient Placement Criteria were sponsored as part of the Clinical and Preventive Health Leadership Series
- Initiative to support treatment and prevention for women and for men
- Supporting inhalant abuse prevention and treatment initiative as a gateway drug in children, including Headstart, and young adolescents
- Injury control projects, e.g., None for the Road Campaigns for the Healthy People 2000 objectives

- Continued efforts in enhancement of counselor skills
- Tobacco cessation
- Continued implementation of CDMIS with a planned integration of RPMS and standardized commercial behavioral health software to enhance quality of care, evaluation, and third party reimbursement capacity
- Expansion of primary prevention efforts via collaboration with the Center for Substance Abuse Prevention on the Rural and Remote Culturally Distinct population project and training
- Expansion of traditional healing efforts and
- Continued enhancement of RTC development and effectiveness.

PERFORMANCE PLAN

The following performance indicators are included in the IHS FY 2001 Annual Performance Plan and are primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 9: To reduce drug and/or alcohol use relapse of youths discharged from Regional Treatment Centers (RTC) during FY 2001:

- a. follow-up will be equal to or greater than the FY 2000 level
- b. At least 30 percent will have documented 6 months of less alcohol and drug use than before treatment.

Indicator 10: Reduce the incidence of Fetal Alcohol Syndrome by increasing the proportion of I/T/U prenatal clinics utilizing a recognized screening and case management protocol(s) for pregnant substance abusing women by 10 percent over the FY 2000 level.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$91,352,000	173
1997	\$91,482,000	184
1998	\$91,782,000	186
1999	\$94,680,000	175
2000	\$96,824,000	175

RATIONALE FOR BUDGET REQUEST

Total Request -- The request of \$99,636,000 and 175 FTE is an increase of \$2,812,000 over the FY 2000 Appropriation of \$96,824,000 and 175 FTE. The increase includes the following:

Current Services - Built-in Increases: +\$829,000

The request of \$829,000 for personnel related costs funds the built-in increases associated with on-going operations. Included is the FY 2001 pay raise and within grade increases. These funds will be shared with Title I and Title III tribes, as well as Federal programs.

It is extremely critical that the IHS maintains the FY 2000 level of service to prevent any further decline in primary health. The IHS patient population continues to receive less access to health care than the general U.S. population. Maintaining the current I/T/U health system is necessary in eliminating disparities in health status between AI/ANs and the rest of the U.S. population.

Health Disparities - +\$1,983,000

Alcohol and substance abuse was identified as a top health problem by 11 of the 12 IHS Areas and the Urban Indian Health Programs in FY 2001. Alcohol-related automobile injuries and deaths constitute a major burden on the health of the IHS service population. For many years, the I/T/U has identified alcohol and substance abuse as its chief health problem priority. The 1994-1996 age-adjusted mortality rate for alcoholism was 627 percent greater for AI/ANs than those for the United States all races population. Chronic liver disease and cirrhosis is a common complication of alcohol and drug abuse, and is the 5th leading cause of death in the IHS nationwide.

Alcohol and substance abuse have had a tremendous negative impact on the health status of American Indians. The use of these substances often complicates other chronic diseases such as diabetes and hypertension. Additive use of alcohol and other substances contributes to domestic violence, homicide and suicide. Involvement of alcohol in child abuse and neglect, and intentional injuries has been clearly demonstrated.

Drug use, other than alcohol, especially intravenous drugs and methamphetamine, is on the rise in all Indian communities, with related dramatic increases in treatment costs. Methamphetamine is the primary drug used by Native American Women requiring drug treatment in the Billings Area. In 1997, 9 percent of clients treated for chemical dependency reported methamphetamine use, with reported use as high as 40 percent at some sites. The psychiatric co-morbidity of methamphetamine users has resulted in an increased since detoxification and treatment is longer than for other drugs.

Currently the alcohol and substance abuse programs provide services to a small portion of the service population. Programs are primarily focused to select groups of the population as needs become apparent. Service in this manner is dictated by crisis and does not address true alcohol and substance abuse program management of patients. None of the programs are funded well enough to address all of the conventional components of alcohol and substance abuse treatment, including outpatient, aftercare, inpatient, crisis intervention, or prevention, etc. Treatment is less expensive than incarceration with an increased potential for cure, especially if family support and interventions are also available. Access to new treatment modalities and alternative medicine is limited.

The proposed funding is an incremental amount towards providing the full continuum of treatment for alcohol and substance abuse as well as supporting a comprehensive approach for preventing these problems. The additional resources will be used to enable the programs to address multiple services simultaneously, for training of counselors on the assessment and treatment of patients with multiple diagnosis, and for enhancing/establishing aftercare programs to reduce recidivism rates in persons undergoing treatment.

Programs targeted to certain high risk groups and specialized services will also be supported. The I/T/U programs identified various needs for these types of programs, including:

- transitional or sober living programs since many of the adults cannot return to their communities following in-patient treatment
- halfway houses and group homes
- community peer support/leadership and mentor programs that are integrated into drug free recreational activities
- inhalant abuse programs
- high risk prenatal clinics to screen and identify women who are abusing alcohol and other substances to follow them throughout their pregnancy as a way to diminish Fetal Alcohol Syndrome
- Specialty Teams within each IHS Area to perform psychological autopsies on all completed suicides to diminish the total number of completed suicides among AI/AN youth. Most completed suicides are highly correlated with alcohol abuse.
- Youth Regional Treatment Centers.

ALCOHOLISM AND SUBSTANCE ABUSE PREVENTION/TREATMENT PROGRAM AUTHORIZED UNDER P.L. 103-572
(DOLLARS IN THOUSANDS)

Amount of Funds	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Request
Adult Treatment.....	\$42,813	\$47,232	\$49,566	\$51,693	\$51,693	\$51,766	\$51,936	\$53,576	\$54,789	\$55,249
Regional Treatment Centers	11,801	12,407	14,040	14,013	14,013	14,033	14,079	14,523	14,852	15,727
Community Education & Training.....	2,467	2,594	2,726	2,860	2,860	2,884	2,894	2,965	3,053	3,578
Community Rehabilitation/Aftercare.....	11,398	11,860	13,593	15,088	15,088	15,109	15,159	15,638	15,992	16,878
Gila River.....			135	135	135	135	136	140	143	144
Contract Health Service.....	5,631	5,920	6,221	6,209	6,209	6,218	6,238	6,435	6,581	6,636
Navajo Rehab. Program.....	225	237	249	239	239	239	240	248	253	255
Urban Clinical Services.....	406	450	473	509	509	510	511	528	539	544
Wellness Beyond Absentee.....	556	565	614	586	586	587	589	607	621	626
Total.....	\$75,295	\$81,305	\$87,617	\$91,352	\$91,352	\$91,482	\$91,782	\$94,660	\$96,624	\$99,636

IHS-61

URBAN HEALTH PROGRAM 1/

Amount of Funds	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Request
Expand Urban Programs.....	2,711	2,828	2,872	3,044	3,045	3,045	3,048	3,180	3,239	3,242

INDIAN HEALTH FACILITIES 2/

Amount of Funds	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Appropriation	Request
Construction.....	0	7,929	2,780	0	0	0	0	0	0	0
Alcohol/Substance Abuse	\$75,295	\$81,305	\$87,617	\$91,352	\$91,352	\$91,482	\$91,782	\$94,680	\$96,624	\$99,636
Urban Health Program	2,711	2,828	2,872	3,044	3,045	3,045	3,048	3,180	3,239	3,242
Facilities Construction	0	7,929	2,780	0	0	0	0	0	0	0
GRAND TOTAL.....	\$78,006	\$92,062	\$93,368	\$94,396	\$94,397	\$94,527	\$94,830	\$97,860	\$100,063	\$102,878

1/ The Urban Program was funded under P.L. 100-680, and now is funded under P.L. 103-572.

2/ These funds included in the Outpatient Sub-activity.

CONTRACT HEALTH SERVICES

Indian Health Service <u>Clinical Services</u>	FY 1999 <u>Enacted</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase or <u>Decrease</u>
Contract Health Services				
A. Budget Authority	\$385,801,000	\$406,756,000	\$447,672,000	+\$40,916,000
B. FTE	0	0	0	0
C. Gen. Med & Surg. Hospitalization: ADPL	245	248	252	+4
D. Ambulatory Care: Outpatient Visits	482,600	490,700	541,600	+50,900
E. Patient & Escort Travel: One Way Trips	35,200	35,900	39,600	+3,700
F. Dental Services	59,800	60,600	66,900	+6,300

PURPOSE AND METHOD OF OPERATIONProgram Mission and Responsibilities

The IHS Contract Health Services (CHS) program supplements the health care resources available to eligible American Indian and Alaska Native (AI/AN) people with the purchase of medical care and services that are not available within the IHS direct care system. The IHS purchases both basic and specialty health care services from local and community health care providers, including hospital care, physician services, outpatient care, laboratory, dental, radiology, pharmacy, and transportation services such as ground and air ambulance. The CHS program also supports the provision of care in IHS and tribally operated facilities, such as specialty clinics, e.g., orthopedics and neurology, and referrals to specialists for diagnostic services.

The CHS program is administered through 12 IHS Area Offices that consist of 66 IHS-operated Service Units and 84 tribally operated health programs. Although the IHS facilities include three major medical centers, most of the IHS and tribally operated facilities are small rural community hospitals and health centers with limited services. In addition, not all tribes have access to IHS or tribally operated facilities. Therefore, the smaller facilities and those Areas with few or no direct care facilities have a higher reliance on the CHS program to provide the needed health care.

The CHS budget also includes a Catastrophic Health Emergency Fund (CHEF) of \$18,000,000 in FY 2001, which is intended to protect limited local CHS operating budgets from overwhelming expenditures for certain high cost cases. In FY 1999, the CHEF threshold was \$19,500 based on the annual

change in the consumer price index as mandated by congressional legislation. The \$12 million CHEF budget funded in FY 1999 710 high cost cases in amounts ranging from \$5,000 to \$558,000. At least 521 cases totaling over \$10 million could not be funded in FY 1999.

Best Practices/Industry Benchmarks

Because of high patient demand, the IHS relies on the strict adherence to specific CHS guidelines to ensure that the most effective use of CHS dollars are attained. As much as possible, the IHS pursues negotiated rate agreements with private health care providers to obtain health care at reduced rates, including managed care arrangements. In addition to the CHS requirement for eligibility, the IHS utilizes a medical priority system and considers it self to be the payer of last resort. This means that all patients must exhaust all other health care if eligible, before the IHS can pay. Tribal contractors provide services under the same CHS regulations as the IHS.

In addition, the IHS fiscal intermediary (FI) with Blue Cross/Blue Shield of New Mexico provides a mechanism that provides payment for services in the private sector through a contract. The FI ensures that payments are made accurately and timely according to contractual requirements where applicable, and maintains a centralized medical and dental claims reimbursement system. The FI process functions within the IHS payment policy and meets the standards of the medical industry. Aside to providing payments to vendors, the FI provides program support services that collect, compiles, organizes workload, and financial data, and generates statistical reports to the IHS that support the administration of CHS programs.

Findings Influencing FY 2001 Request

Inflation:

- The medical inflation rate experienced by the IHS in making CHS payments is significantly higher than in the private sector.
- According to the Bureau of Labor Statistics, the Consumer Price Index for Medical Care increased 3.2 percent between 1997 and 1998, whereas for professional care services the IHS FI reported an inflation rate of 9.34 percent for 1998.

Services:

- From FY 1994 to FY 1997, CHS admissions declined by 18 percent, while billed costs per admission increased 19.8 percent.
- From FY 1994 to FY 1997, CHS-purchased professional services declined by 5.5 percent, while billed costs per visit increased 27.2 percent.

Denials:

- From FY 1994 to FY 1997, CHS denials increased 64.6 percent.

Deferred Services:

- The number of reported deferred services increased 42 percent from FY 1994 to FY 1998.

CHEF:

- In FY 1999, CHEF claims exceeded the available \$12 million budget by \$10 million.
- There were 521 claims for which funds were not available in FY 1999.
- Once the CHEF budget is exhausted, Areas Offices cease to report high cost cases.

ACCOMPLISHMENTS

IHS patients have been able to receive more health care services than the amount of CHS expenditures indicate. This is accomplished through a variety of mechanisms such as alternate resource requirements, and provider discounts/contracts.

Alternate resource (AR) means other third party payers must pay before the IHS will pay. To accomplish this patients are required to inform the Service what type of AR they have and must apply if they are potentially eligible for an AR. Examples of an AR include private insurance companies, Medicare, and Medicaid.

Provider discounts/contracts are agreements to reimburse health care providers at an amount below billed charges. Types of provider reimbursement contracts at a discount include, payment using Medicare methodology, a percent of Medicare methodology, per diem rates, and percent of billed charges (if less than Medicare).

Because of the procedures described above, the CHS program has been able to purchase health care services that total more than twice the amount of the CHS expenditures. The actual amount of billed charges purchased through these arrangements cannot be completely documented because the IHS only has records for payments actually made. For example, payments by Medicaid are considered payment in full in accordance with Federal regulation. Therefore, when a patient is eligible for Medicaid and Medicaid pays the bill there are no charges to be paid by the Service or the patient.

During FY 1998 the total billed charges were \$378.4 million. However, the FI paid \$173.9 million for this care. The difference resulted from contractual discounts of \$125 million, and alternate resource savings of \$79.6 million. These figures do not include the additional care paid for through the Medicaid program. Because the Self-Determination Tribes operate independently from the IHS, we do not have statistics on their savings.

PERFORMANCE PLAN

The following performance indicators are included in the IHS FY 2001 Annual Performance Plan and are primary dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representatives of some of the more significant health problems affecting AI/AN.

IHS-64

Indicator 2 : Reduce diabetic complications by demonstrating a continued trend in improved glycemic control in the proportion of I/T/U clients with diagnosed diabetes in FY 2001.

Indicator 3: Reduce diabetic complications by demonstrating a continued trend in improved blood pressure control in the proportion of I/T/U clients with diagnosed diabetes and hypertension who have achieved blood pressure control standards in FY 2001.

Indicator 4 : Reduce diabetic complications by demonstrating a continued trend of improvement in assessing the proportion of I/T/U clients with diagnosed diabetes for dyslipidemia (i. e., cholesterol and triglyceride) in FY 2001.

Indicator 5: Reduce diabetic complications by demonstrating a continued trend of improvement in the proportion of I/T/U clients with diagnosed diabetes who have been assessed for nephropathy in FY 2001.

Indicator 6: Reduce cervical cancer mortality and morbidity by increasing the proportion of women in FY 2001 who have had a Pap screen in the previous year by 3 percent over the FY 2000 level.

Indicator 7: Reduce breast cancer mortality and morbidity by increasing the number of the AI/AN female population 40-69 years of age during FY 2001 who have had screening mammography in the previous two years by 3 percent over the FY 2000 levels.

Indicator 8: Improve child and family health by increasing the proportion of AI/AN children served by IHS receiving a minimum of four well child visits by 27 months of age during FY 2001 by 3 percent over the FY 2000 level.

Indicator 12: Improve oral health status by assuring that at least 25 percent of the AI/AN population obtain access to dental services during FY 2001.

Indicator 13: Reduce children's dental decay by assuring that the percentage of AI/AN children 6-8 and 14-15 years who have received protective dental sealants on permanent molar teeth in FY 2001 is increased by 3 percent over the FY 2000 level.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$362,564,000	15
1997	\$368,325,000	15
1998	\$373,375,000	2
1999	\$385,801,000	0
2000	\$406,756,000	0

RATIONALE FOR BUDGET REQUEST

Total Request -- The request of \$447,672,000 is an increase of \$40,916,000 over the FY 2000 Appropriation of \$406,756,000. The increase is as follows:

Health Disparities - +\$40,916,000

The additional requests will be used for the following:

\$33,916,000 - New tribes and Health Disparities
 \$ 6,000,000 - Catastrophic Health Emergency Fund
 \$ 1,000,000 - Dental Health Program
 \$40,916,000 Total

Of the increase, \$33,916,000 will be used to address health status inequities, equitable delivery of health care services, and funding for newly recognized tribes. The AI/AN populations have a long history of disproportionate health problems as compared to the general U.S. population as well as disparities in funding. This increase will address those priority health problems identified by the I/T/Us for FY 2001, including a portion of inpatient services and outpatient services deferred and denied under the IHS medical priority system. In FY 1999 the IHS deferred payment authorization for 84,085 recommended cases and denied 15,844 determined not to be within medical priorities. Services and treatment for diabetes, cancer, heart disease, injuries, mental health, domestic/community/family abuse/violence, maternal and child health, elder care, refraction's, ultrasound examinations, physical therapy, dental hygiene, and elective orthopedic services are some examples of cases that are either deferred or denied.

Of the increase, \$6,000,000 will be used to supplement the Catastrophic Health Emergency Fund (CHEF) programs. These will increase the CHEF program from \$12 million to \$18 million. The CHEF budget has remained at \$12 million since FY 1990, in the mean time inflationary costs for medicine and health care has grown substantially as well as the tribal Indian population. The CHEF program continues to enhance the IHS and tribal programs by providing a significant and complementary resource that supports limited local operating budgets from the over-whelming effects of high cost cases.

Because of funding limitations, not all high cost cases that have a potential for CHEF can be funded. Since FY 1995 the amount of unfunded cases has increased from \$8.0 million to \$10.0 million in FY 1999. Annually, the Fund is depleted before the end of the fiscal year. Once the CHEF budget is depleted Areas and tribal programs cease to report cases for consideration. The estimated unreported cases are over \$15 million making the total need to be more than \$25 million. With no additional funds for high cost cases CHS programs have no alternative but to absorb these additional costs from their own resources.

In addition, \$1,000,000 will be used to provide services for the dental program to purchase basic and emergency dental services for over 2,000 AI/AN people who do not otherwise have access to dental care from I/T/U

clinics. The historic funding level for comprehensive dental services has been insufficient to meet the needs of the Indian population.

HIV/AIDS

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase or Decrease
INDIAN HEALTH SERVICE				
Total Program Level....	\$3,649,000	\$3,770,000	\$3,930,000	+\$160
(FTE).....	(15)	(15)	(15)	0

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>
Risk Assessment & Prevention Surveillance			
1. HIV Surveys.....	\$947,000	\$985,000	\$1,030,000
Information & Education/Preventive Services			
1. High Risk or Infected Persons			
a. Hlth. Educ./Risk Reduction ..	535,000	535,000	535,000
b. Counseling, Testing & Partner Notification.....	<u>213,000</u>	<u>222,000</u>	<u>232,000</u>
Subtotal, High Risk or Infected Persons.....	748,000	757,000	767,000
2. Special Minority Initiatives....	748,000	773,000	820,000
3. School and College Aged Youth			
a. Program Devel. & Training. .	213,000	222,000	232,000
4. General Public & Special Prog.			
a. Regional, State, & Local.....	781,000	812,000	850,000
5. Health Care Workers & Providers			
a. Other Types of Training.....	213,000	222,000	232,000
Subtotal, Info. & Educ./ Preventive Services.....	<u>2,703,000</u>	<u>2,785,000</u>	<u>2,900,000</u>
Total.....	<u>\$3,649,000</u>	<u>\$3,770,000</u>	<u>\$3,930,000</u>

PURPOSE AND METHOD OF OPERATION

The Public Health Service (PHS) mission for addressing Acquired Immune Deficiency Syndrome (AIDS) and the Human Immunodeficiency Virus (HIV) epidemic is to prevent further spread of infection; to provide effective therapies for those already infected; to enhance the capacity of the Nation's public and private organizations at the national, state, and local levels to deliver effective prevention, treatment, and related health care programs to all citizens. To achieve the PHS HIV/AIDS mission, the IHS has implemented programs that include components of risk assessment, education, and prevention to health care workers and Indian communities, and treatment of HIV infected persons.

ACCOMPLISHMENTS

Surveillance

As of June 1999, the IHS has reported 2,722 AIDS/AIDS cases in AI/ANs. New HIV infection cases average 120 per year. The surveys of prenatal, sexually transmitted diseases (STD), and alcohol and drug abuse treatment programs have proved the presence of the virus in remote Indian communities. The CDC blinded seroprevalence survey in prenatal clinics revealed rates of 4/10,000.

Each Area Office has one HIV/AIDS Coordinator that networks with their respective State epidemiologist regarding HIV/AIDS in AI/ANs. All programs must meet State reporting requirements. Information is shared with the States and the Centers for Disease Control and Prevention.

IHS has one National AIDS Coordinator in Headquarters. Each Area Office has appointed permanent full-time Area AIDS/HIV Coordinator to enhance surveillance, prevention and treatment efforts.

High Risk or Infected Persons

More than 2,000 health care workers in IHS and tribal programs are trained as HIV counselors. This includes substance abuse counselors and mental health program staff.

Risk assessment behavior screening is continuing among women seen in prenatal and other clinics. Similar screening is being done on STD and tuberculosis patients.

With the increased public awareness of the AIDS/HIV virus, more individuals are seeking counseling and requesting HIV testing. IHS is providing 5,000 voluntary confidential tests annually.

Prevention Services

The IHS AIDS Program is focusing prevention activities in special groups, such as women, tribal leaders, school age youth, community leaders at specific community events such as feasts, pow-wows, schools, health fairs, and rodeos.

Special Initiatives - Urban Prevention Program

The Urban Indian Health programs received a special appropriation of \$646,000 in FY 1993 for AIDS education and prevention services. Urban Indian programs now provide testing for high risk individuals. Some continue to participate in the IHS surveillance.

The programs have developed culturally appropriate HIV/AIDS Prevention materials, and have identified available resources for care. Initially, the 34 urban Indian programs limited their activities to public awareness campaigns, but are now involved in part-time AIDS/HIV outreach, intervention, and referral activities for high risk persons.

School and College Age Youth

Limited data suggest that Indian youth continue to engage in unprotected sex at an early age. Surrogate data such as teen pregnancy and STD rates support this position. IHS provides AIDS Prevention/Risk Reduction services to all reservation based schools, school boards, and educators, as well as Teen Clinics, Youth Substance Abuse Treatment Centers, and other youth organizations. Regular training sessions are offered to the Bureau of Indian Affairs school administrators, teachers, and school board members. IHS personnel are participating in school health programs and curriculum development.

Local Programs - Community Awareness

The IHS has provided AIDS Prevention/Risk Reduction services to all Indian communities. Nearly all of the IHS service population has heard or seen an AIDS education message. Communities have established local task forces to encourage greater community involvement and to assist lifestyle changes.

Health Care Workers

The IHS AIDS Activities offices have distributed copies of the Behavior Modification Plan and Case Management Plan, a collection of current preventive and treatment AIDS information for IHS providers.

The local service units maintain continuing medical education programs on AIDS/HIV prevention for all health care workers. The IHS also provides training on universal precautions and implementation of 076 protocols for prevention of vertical transmission of infected mothers to uninfected newborn.

ACTIVITY/MECHANISMS BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Services - 75-0390-0-1-551
 Public and Private Collections

Program Authorization:

Program authorized by Economy Act of 31 U.S.C. 686 Section 301-P.L. 94-437,
 Title IV of Indian Health Care Improvement Act.

	FY 1999	FY 2000	FY 2001	Increase Or Decrease
<u>Collections</u>	<u>Enacted</u>	<u>Appropriation</u>	<u>Estimate</u>	
Medicare	\$79,975,000	\$81,838,000	\$ 81,838,000	0
Tribal Medicare	6,986,000	6,986,000	6,986,000	0
Medicaid	247,778,000	253,589,000	253,589,000	0
Tribal Medicaid	<u>22,217,000</u>	<u>22,217,000</u>	<u>22,217,000</u>	<u>0</u>
Total	\$356,956,000	\$364,630,000	\$364,630,000	0
Private				
Insurance	<u>36,930,000</u>	<u>39,960,000</u>	<u>39,960,000</u>	<u>0</u>
Total	\$393,886,000	\$404,590,000	\$404,590,000	0
FTE	2,953	2,953	2,953	0

	FY 1999	FY 2000	FY 2001	Increase Or Decrease
<u>Reimbursable Obligation:</u>	<u>Enacted</u>	<u>Appropriation</u>	<u>Estimate</u>	
Personnel Benefits & Compensation	\$174,667,000	\$184,881,000	\$198,609,000	+\$13,728,000
Travel & Trans.	2,999,000	2,835,000	2,835,000	0
Trans. Of Things	871,000	814,000	8,140,000	0
Comm./Util./Rents	2,549,000	2,238,000	2,238,000	0
Printing & Repro.	115,000	117,000	117,000	0
Other Contractual Services	19,636,000	18,452,000	18,452,000	0
Supplies	49,800,000	44,115,000	44,115,000	0
Equipment	12,039,000	10,569,000	10,569,000	0
Land & Structures	58,589,000	49,638,000	49,638,000	0
Grants	72,563,000	90,881,000	77,153,000	-13,728,000
Insur./Indemnities	17,000	15,000	15,000	0
Interest/Dividends	<u>41,000</u>	<u>35,000</u>	<u>35,000</u>	<u>0</u>
Total	\$393,886,000	\$404,590,000	\$404,590,000	\$0

PURPOSE AND METHOD OF OPERATION

MEDICARE/MEDICAID

The FY 2000 and FY 2001 Medicare/Medicaid (M/M) estimates reflect the rate increases incorporated in the FY 2000 President's Budget Request. For FY 2001, the IHS Medicare and Medicaid collections are estimated to remain at the FY 2000 level of \$335,426,000. The IHS is making an estimate of tribal collections for the first time this year, we can only estimate tribal collections because there is no reporting requirement for them. This estimate is based on HCFA data.

The FY 2001 President's Budget assumes that the current 1999 rates will continue into FY 2000 and that any future IHS rate adjustments will be made based on the results of a complete analysis of current Medicare hospital cost reports.

For FY 2000, the IHS Medicare and Medicaid collections are estimated to total \$335,426,000, a net increase of \$7,673,000 over the FY 1999 actual collections. The FY 2000 increase represents a small increase of 2.3 percent. This increase can be achieved through the IHS business management initiative. To achieve the business management increase, IHS will place the highest priority on improving its business management operation and increasing third party collections.

During FY 1999 and FY 2000, a major effort was initiated to improve each hospital's capability to identify patients who are eligible or may become eligible for third party reimbursement. A major part of this initiative includes the identification of all children who may be eligible for participation in the Children's Health Insurance Program (CHIP). The IHS has been working with HCFA and the State Medicaid Offices to help ensure the success of this effort. Also, other business management initiatives, including staff training and automating State Medicaid billings and collections, will assist IHS in its efforts to increase collections. Through these business management improvement initiatives, the IHS estimates that Medicare and Medicaid collections, including CHIP, will increase by \$7,673,000 during FY 2000.

The IHS will continue to place the highest priority on maintaining JCAHO accreditation standards for its health facilities. The use of the M/M reimbursements will be in accordance with approved JCAHO/HCFA survey plans of correction and with identified deficiencies. Specific Service Unit plans will be developed to respond to these deficiencies. These include the very large backlog of essential maintenance and repair which affects JCAHO/HCFA standards, including health and safety.

PRIVATE THIRD PARTY COLLECTIONS

In FY 2001, the IHS estimates private insurance collections of \$39,960,000, the same level as FY 2000 and an increase of \$3,030,000. During FY 2000 and FY 2001, IHS will continue to its efforts to improve each health facility's capability to identify patients who have private insurance coverage and increase private insurance billings and collections. Funds collected will be used by the local Service Units to improve services, including the purchase of medical supplies and equipment, and to improve local service unit's business management practices.

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Service - 75-0390-0-1-551
 Preventive Health

Program Authorization: Program authorized by 25 U.S.C. 13, Snyder Act and P.L. 83-568, Transfer Act 42 U.S.C. 2001.

	FY 1999 <u>Enacted</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase or <u>Decrease</u>
Budget Authority	\$87,120,000	\$91,859,000	\$103,364,000	+\$11,505,000
HIV/AIDS	(\$535)	(\$535)	(\$535)	(\$0)
FTE	326	332	335	3
HIV/AIDS	(1)	(1)	(1)	(0)

Total Request Level -- The total request of \$103,364,000 and 335 FTE is an increase of \$11,505,000 and 3 FTE over the FY 2000 Appropriation of \$91,859,000 and 332 FTE. The explanation of the request is described in the activities that follow.

PUBLIC HEALTH NURSING

	FY 1999 Enacted	FY 2000 Final Appropriation	FY 2001 Estimate	Increase or Decrease
<u>Indian Health Service</u>				
<u>Preventive Health</u>				
<u>Public Health Nursing</u>				
A. Budget Authority	\$30,363,000	\$34,452,000	\$39,772,000	+\$5,320,000
B. FTE	284	290	292	+2
C. Total # of Patient Visits	340,000	359,575	392,075	+32,500
Total # of PHN Home Visits Provided	119,000	119,900	128,900	+9,000

PURPOSE AND METHOD OF OPERATIONProgram Mission/Responsibilities

Public Health Nursing (PHN) is the integration of nursing practice and public health practice applied to the prevention of disease and the promotion and preservation of the health of the Indian population. The nature of this practice is continuous and comprehensive, including all program areas and diagnostic groups. The PHN is directed to individuals, families and groups and intrinsically relates and contributes to the health of a total community.

PHN services are based on the assessed needs of individuals, families, groups and communities. It is one of the most visible and well known to the Indian tribes because it is entirely community based. The PHN role is predominantly one of advocacy, strengthening relationships within the Indian community and providing the framework for broadly based community efforts. This includes therapy, counseling, education, and referral activities often carried out in conjunction with other members of the health care team such as the community health representative. Other significant PHN activities include coordination and case management activities.

Best Practices/Industry Benchmarks

The PHN program is an integral component in the Indian Health Service/Tribal/Urban (ITU) health programs. The tribes operate approximately one third of the PHN program. Outreach activities includes: home visitation, well-child examinations, immunizations, prenatal care, and health fairs and follow-up visit on missed clinic appointments. Referrals for follow-up care in the home remain a traditional PHN activity in the IHS. Home visits continue to be a mainstay of the PHN activities along with case finding which together accounts for over 50 percent of the PHNs time. All IHS PHNs practice case management. Another 25 percent of the PHN's time are spent in activities for children under the age of 5 years. The PHNs work collaboratively with the Maternal and Child Health (MCH) team, Community Health Representatives, and etc. The AIDS counseling, Fetal Alcohol Syndrome Program team members, and Sexually Transmitted Diseases (STD) follow-up constitute other important activities and contacts that PHNs are involved with in providing community oriented care. Continuous identification of those education programs aimed at

meeting the health awareness needs of the community constitute other important PHN activities. Further collaboration with State and county agencies to plan appropriate programs to meet the needs of the Indian community often requires input from the IHS PHNs.

Findings Influencing FY 2001 Request

While IHS services related to preventive care have increased 88 percent since 1980, many preventive services directly influenced by PHN home visits such as prenatal care, high immunization rates, follow-up care for missed appointments and post-hospitalization home visits are challenged by several factors facing the PHN Program.

To address a serious problem in recruitment and retention, the IHS implemented a Special Salary Rate (SSR) to make nursing salaries competitive with the private sector. In recent years, the increases in funds received for the PHN program have been utilized to restore some of the lapsed positions and provide for increases.

The IHS service population is increasing at a rate of about 2 percent per year. The health needs of the growing elder population are consuming more PHN time. In 1995, 18 percent of the PHN home visits were to elders 64 years and older. There are increasing needs to address alcohol related health problems such as fetal alcohol syndrome, chronic liver disease, child abuse, domestic violence, etc. The number of AIDS/HIV, tuberculosis, asthma, diabetes are increasing and requiring closer follow-up for PHNs.

The PHN programs have successfully been accredited by the National League for Nursing; however, in recent years because of limited funding many programs have chosen not to continue this accreditation process. The ability to fund PHN programs for accreditation is critical so that our programs continue to meet national standards.

The PHN program has historically provided funding for the PHN Intern program which provides PHN training. In recent years the number of interns have been reduced from 21 to 7. The program provides the ability to train Native American nurses who provide culturally sensitive care and are vested in the communities, thus providing a consistent, stable PHN workforce.

ACCOMPLISHMENTS

The PHN program has been challenged by vacancies that are not filled or kept open for long periods of time. Despite these shortages, the PHN program funded four PHN interns, Alpha and Beta tested the PHN PCC form that will generate more specific data, and provided PHN Update Training for Indian country wide.

PERFORMANCE PLAN

The following performance indicators are included in the IHS FY 2001 Annual Performance Plan and are primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 2: Reduce diabetic complications by demonstrating a continued trend in improved glycemic control in the proportion of I/T/U clients with diagnosed diabetes in FY 2001.

Indicator 3: Reduce diabetic complications by demonstrating a continued trend in improved blood pressure control in the proportion of I/T/U clients with diagnosed diabetes and hypertension who have achieved blood pressure control standards in FY 2001.

Indicator 8: Improve child and family health by increasing the proportion of AI/AN children served by IHS receiving a minimum of four well: child visits by 27 months of age during FY 2001 by 3 percent over the FY 2000 level.

Indicator 19: Improve the health status of American Indian and Alaska Native people by assuring that during FY 2001, the total number of public health nursing services (primary and secondary treatment and preventive services) provided to individuals in all settings and the total number of home visits are increased by 9 percent over the FY 2000 workload levels.

Indicator 20: Reduce the incidence of preventable diseases by increasing the proportion of AI/AN children who have completed all recommended immunizations for ages 0-27 months (as recommended by Advisory Committee on Immunization Practices) during FY 2001 by 2 percent over the FY 2000 rate.

Indicator 21: Reduce the incidence of preventable diseases, by increasing pneumococcal and influenza vaccination levels among adult diabetics and adults aged 65 years and older by 2 percent over the FY 2000 rates.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$24,150,000	297
1997	\$26,676,000	289
1998	\$28,198,000	289
1999	\$30,363,000	284
2000	\$34,556,000	290

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$39,772,000 and 292 FTE is an increase of \$5,320,000 and 2 FTE over the FY 2000 Appropriation of \$34,452,000 and 290 FTE. The increases include the following:

Current Services - Built-in Increases: +\$2,650,000

The request of \$2,650,000 for personnel related costs would partially fund the built-in increases associated with on-going operations. Included is the FY 2001 pay raise and within grade increases. These funds will be shared with Title I and Title III tribes, as well as Federal programs.

The IHS patient population continues to receive less access to health care than the general U.S. population. Maintaining the current I/T/U health system is necessary in eliminating disparities in health status between AI/ANS and the rest of the U.S. population.

Phasing-In of Staff for New Facilities: +\$643,000 and 2 FTE

The request of \$643,000 and 2 FTE provides for the phasing-in of staff and related costs for new facilities. The staffing of new facilities also contributes to the recruitment and retention of medical staff and promotes self-determination activities. The following table displays the requested increase.

<u>Facilities:</u>	<u>Dollars</u>	<u>FTE</u>
Talihina, OK Hospital	\$495,000	7 1/2
Hopi, AZ Health Center	<u>148,000</u>	2
Total	\$643,000	2

1/ Non-add - Tribally operated program.

Health Disparities - +\$2,027,000

The additional funds will provide greater access to PHN services to address the priority health problems identified by the I/T/Us for FY 2001. PHNs provide home care, case management services, and treatment interventions, as well as a range of preventive and maintenance services, such as education and screening for early detection, nutritional and medication counseling for maintenance of health, and follow up services after surgery and chemotherapy, etc. These services are essential to reducing the gap in health disparities that exists between the AI/AN population and the rest of the U.S. Funds will also address training and continuing education needs of PHNs.

Ultimate use of the funds will be determined by local priorities, consistent with the needs identified during the budget formulation process.

HEALTH EDUCATION

Indian Health Service <u>Preventive Health</u>	FY 1999 <u>Enacted</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase or <u>Decrease</u>
<u>Health Education:</u>				
A. Budget Authority	\$9,430,000	\$9,625,000	\$11,030,000	+\$1,405,000
B. HIV/AIDS	(\$535)	(\$535)	(\$535)	(\$0)
C. FTE	37	37	38	+1
(HIV/AIDS FTE)	(1)	(1)	(1)	(0)
F. Total Hlth. Educ. Services Provided	600,000	610,000	614,000	+4,000

PURPOSE AND METHOD OF OPERATIONProgram Mission and Responsibilities

The IHS Health Education Program is committed to raising the health status of American Indians and Alaska Native (AI/AN) to the highest possible level. This is accomplished through advocacy leadership and promoting community capacity building that nurtures healthy lifestyles and appropriate use of health services. In addition, the Health Education Program fosters participation of AI/AN communities in developing and managing programs to meet their health needs. The Health Education Program envisions strong, highly functional families that support raising healthy Indian children. The Health Education Program has identified these priorities that encompass the core practices of public health education - community health, school health, employee health promotion, and patient education:

To provide leadership in advocating and developing safe and healthy Indian communities;

To develop and strengthen a standardized, nationwide patient education program;

To enhance capacity of Indian schools (Bureau of Indian Affairs) to respond to threats to health;

To support the IHS Director's Youth Initiative; and
to promote adolescent health and wellness.

To accomplish these goals, partnerships and networking with tribes, schools, communities, educational institutions, public and private foundations, health and education agencies will continue and be enhanced. The IHS will assist our partners to engage in community-based prevention initiatives, such as HIV/AIDS risk behavior, violence prevention, child abuse, physical inactivity, alcohol and substance abuse.

The emphasis of the IHS Health Education strategic plan is to improve and strengthen the practice of public health education, and to take an active role in community health planning, as determined by sound epidemiological data and

the availability of proven intervention strategies which are driven by community-based needs identified by local communities. The Health Education Program has been active in putting the plan into practice with efforts such as developing a Web site that includes Health Education recruitment information, the IHS Patient Education Protocols/Codes, the "Circle of Life" which is a newly developed Native American HIV/AIDS curriculum for K-6, and a directory of all I/T/U health education programs. In addition, the Program has designed and implemented a new aspect to the Health Education Resource Management System (HERMS) that automatically translates raw monthly HERMS data into more user friendly forms, such as charts, graphs, etc.

Best Practices/Industry Benchmarks

The IHS Health Education Program has a long history of serving as a benchmark and Federal model of health education services. It is one of the few health education programs nationally that serves such diverse health education needs working with over 550 tribal entities. Most recently, the program has embarked on a model "Patient Education Project" that allows outcome measurements to be obtained for health education services to meet the new JCAHO standards for health/patient education.

Findings Influencing the FY 2001 Request

Based on preliminary analyses of FY 1998, health education workload data, approximately, 40 percent of the eligible AI/AN population had access to health education services. Thus, this request is directed at restoring lost capacity to provide health education services whether it is direct or tribal health education services.

ACCOMPLISHMENTS

- The National Patient Education Project has been successfully implemented in all 12 IHS Areas. The objective of this project is to standardize patient education for I/T/Us. The ultimate goal is to institutionalize this in all areas over the next two years. Eventually ORYX indicators will be used to evaluate health education and patient education efforts.
- The Health Education Resource Data Management System (HERMS) has been updated and is being implemented nation-wide. Complete implementation is slated for FY 2000.
- The Health Education Chapter 12 Update has been completed and awaits approval for inclusion in the Indian Health Manual. The chapter has been revised to reflect the Tribal compacting and contracting activities.
- Health Education program is in the final stages of completing an IHS Health Education web site.

PERFORMANCE PLAN

The following performance indicators are included in the IHS FY 2001 Annual Performance Plan and are primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 2: Reduce diabetic complications by demonstrating a continued trend in improved glycemic control in the proportion of I/T/U clients with diagnosed diabetes in FY 2001.

Indicator 3: Reduce diabetic complications by demonstrating a continued trend in improved blood pressure control in the proportion of I/T/U clients with diagnosed diabetes and hypertension who have achieved blood pressure control standards in FY 2001.

Indicator 6: Reduce cervical cancer mortality and morbidity by increasing the proportion of women in FY 2001 who have had a Pap screen in the previous year by 3 percent over the FY 2000 level.

Indicator 7: Reduce breast cancer mortality and morbidity by increasing the number of the AI/AN female population 40-69 years of age during FY 2001 who have had screening mammography in the previous two years by 3 percent over the FY 2000 levels.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$8,313,000	49
1997	\$8,632,000	45
1998	\$8,932,000	43
1999	\$9,430,000	37
2000	\$9,625,000	37

RATIONALE FOR BUDGET REQUEST

Total Request -- The request of \$11,030,000 and 38 FTE is an increase \$1,405,000 and 1 FTE over the FY 2000 Appropriation of \$9,625,000 and 37 FTE. The increase includes the following:

Current Services - Built-in Increases: +\$262,000

The request of \$262,000 for personnel related costs would partially fund the built-in increases associated with on-going operations. Included is the FY 2001 pay raise and within grade increases. These funds will be shared with Title I and Title III tribes, as well as Federal programs.

The IHS patient population continues to receive less access to health care than the general U.S. population. Maintaining the current I/T/U health system is necessary in eliminating disparities in health status between AI/ANs and the rest of the U.S. population.

Phasing-In of Staff for New Facilities: +\$136,000 and 1 FTE

The request of \$136,000 and 1 FTE provides for the phasing-in of staff and related costs for new facilities. The staffing of new facilities also contributes to the recruitment and retention of medical staff and promotes self-determination activities.

The following table displays the requested increase.

<u>Facilities:</u>	<u>Dollars</u>	<u>FTE</u>
Talihina, OK Hospital	\$66,000	1 1/
Hopi,AZ Health Center	<u>70,000</u>	<u>1</u>
Total	\$136,000	1

1/ Non-add - Tribally operated program

Health Disparities - +\$1,007,000

The additional funding will support health promotion and disease prevention (HP/DP) community-based activities focused on the priority health problems identified by the I/T/Us for FY 2001. The health education departments' capacity to provide culturally appropriated education and prevention programs will be enhanced with these funds. Education activities targeting the youngest members of AI/AN population through school based and community based, culturally sensitive programs designed to promote healthy behaviors at an early age will be a high priority. Ultimate use of the funds will be determined by local priorities, consistent with the needs identified during the budget formulation process.

COMMUNITY HEALTH REPRESENTATIVES (CHR)

Indian Health Service Preventive Health	FY 1999 Enacted	FY 2000 Final Appropriation	FY 2001 Estimate	Increase or Decrease
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Community Health Representatives:

A. Budget Authority	\$45,960,000	\$46,380,000	\$51,105,000	+\$4,725,000
B. Number of CHRs	1,612			
C. # of Tribally Operated Services Provided	2,200,000	2,000,000	2,320,000	+320,000
D. FTE	5	5	5	5

PURPOSE AND METHOD OF OPERATIONProgram Mission/Responsibilities

The CHR program is a tribally administered program, based on the concept that American Indian/Alaska Native (AI/AN) community members, trained in the basic skills of health care provision, disease control, and prevention, can successfully effect change in community acceptance and utilization of health care resources.

The CHR Program plays an important role in the successful implementation of IHS/Tribal health promotion/disease prevention initiatives. The CHR is well positioned, within their communities, to provide the needed educational and related services that can result in healthier lifestyles among their people. The CHR are considered effective outreach health care providers and have established an efficient network system through which health promotion/disease prevention initiatives can be delivered to the AI/AN people.

ACCOMPLISHMENTS

The IHS uses the Community Health Representative Information System (CHRIS) II to record the services provided by CHRs. In 1997, CHRs made approximately 3.0 million client-patient contacts. A total of 1.5 million service hours were spent on health education, case management, patient care, case finding, monitoring, and transporting patients in the health areas of diabetes, hypertension, health promotion/disease prevention, alcohol/substance abuse, cancer, communicable diseases.

The CHR Program provided 3 sessions of 3-Week CHR Basic training in which 99 CHRs successfully completed the training. There were also 3 CHR Refresher training sessions provided and 64 CHRs completed the one-week training.

The CHR Program also revised the 3-Week Basic training manual as well as developed a CHR Refresher training manual. The manuals will be distributed to all 215 CHR tribal programs.

The decrease in client-patient contacts and decrease in the number of CHR's successfully completing the CHR 3-Week Basic training is due to the increase in the number of tribes taking their tribal shares under the CHR program line item.

PERFORMANCE PLAN

The following performance indicators are included in the IHS FY 2001 Annual Performance Plan and are primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 8: Improve child and family health by increasing the proportion of AI/AN children served by IHS receiving a minimum of four well child visits by 27 months of age during FY 2001 by 3 percent over the FY 2000 level.

Indicator 20: Reduce the incidence of preventable diseases by increasing the proportion of AI/AN children who have completed all recommended immunizations for ages 0-27 months (as recommended by Advisory Committee on Immunization Practices) during FY 2001 by 2 percent over the FY 2000 rate.

Indicator 21: Reduce the incidence of preventable diseases, by increasing pneumococcal and influenza vaccination levels among adult diabetics and adults aged 65 years and older by 2 percent over the FY 2000 rates.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$43,955,000	0
1997	\$44,973,000	12
1998	\$44,312,000	13
1999	\$45,960,000	5
2000	\$46,380,000	5

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$51,105,000 is an increase of \$4,725,000 over the FY 2000 Appropriation of \$46,380,000. The increase includes the following:

Phasing-In of Staff for New Facilities: +\$1,386,000

The request of \$1,386,000 provides for the phasing-in of staff and related costs for new facilities. The staffing of new facilities also contributes to the recruitment and retention of medical staff and promotes self-determination activities. The following table displays the requested increase.

<u>Facilities:</u>	<u>Dollars</u>	<u>FTE</u>
Hopi, AZ Health Center	1,386,000	20 1/
Total	\$1,386,000	

1/ Non-add - Tribally operated program

Health Disparities - +\$3,339,000

These funds would be used to increase access to community based health promotion and disease prevention services to address the priority health problems identified by the I/T/Us for FY 2001. The CHR's are often the front line health care providers to meet the needs of the AI/AN population within the communities. Funds will also be used to provide quality training needed to upgrade the skills and knowledge for the CHR's in order for them to become a more integrated part of a multidisciplinary community health network. Ultimate use of the funds will be determined by local priorities consistent with the needs identified during the budget formulation process.

HEPATITIS B AND HEMOPHILUS IMMUNIZATION PROGRAMS (ALASKA)

Indian Health Service Preventive Health	FY 1999 Enacted	FY 2000 Final Appropriation	FY 2001 Estimate	Increase Or Decrease
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Hepatitis & Hemophilus
Influenza Immunization Program (Alaska)

A. Budget Authority	\$1,367,000	\$1,402,000	\$1,457,000	+\$55,000
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B. Services ProvidedIHS Operated:

* # hepatitis patients given clinical care	2,500	2,900	2,900	0
# chronic carriers				
Surveyed.....	1,482	1,492	1,492	0
# patients immunized:				
Hepatitis A/B.....	6,900	8,400	8,400	0
** Hemophilus				
Influenza (Hib)...	900	1,000	1,000	0
# Hepatitis C				
patients followed	650	800	800	0

Evaluate need for

Hepatitis Booster Doses:

Infants/Children	1,482	1,982	1,982	0
Adults.....	2,800	3,000	3,000	0

Immunization Records

Audited:	2,000	3,000	3,000	0
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***Purchase of vac.(\$):

PedvaxHIB.....	\$0	\$0	\$0	\$0
Hepatitis A (adult).	\$50,000	\$50,000	\$50,000	\$0
Hepatitis B (adult).	\$50,000	\$50,000	\$50,000	\$0

*These patients have diagnostic exams and procedures performed by hepatitis program staff at rural field clinics and at Alaska Native Medical Center.

**These figures represent patients immunized in hepatitis A/B studies, and adult vaccination with program-purchased vaccine. Changes in figures represent hepatitis A vaccination of adults with chronic hepatitis C infection.

***These figures represent the purchase of PedvaxHIB in FY 1997 (see narrative below), and a renewed purchase of adult Hepatitis A and B vaccines agreed upon in the Alaska compacting tribes funding agreement with IHS. Hepatitis B vaccine is offered to any susceptible Alaska Native adult. Hepatitis A vaccine is offered to non-immune adults in high-risk groups determined by the Advisory Committee on Immunization Practice (ACIP).

PURPOSE AND METHOD OF OPERATION

The Viral Hepatitis Program (Hepatitis B Program) and the Immunization (Hib) Program are distinct programs of the Alaska Native Tribal Health Consortium (ANTHC).

Tribal Contracts:

Bristol Bay Health Corp.	133,000
Yukon Kuskokwim Health Corp.	228,500

Tribal Shares: The 2001 budget is 100 percent tribal shares in the Alaska Tribal Health Compact, and restricted by Annual Funding Agreement to support the activities and personnel described below:

Hib Immunization	295,000
Hepatitis	840,400

TOTAL	1,497,000

Viral Hepatitis Program

The objective of the Viral Hepatitis Program is to deliver comprehensive hepatitis A, B and C control services to Alaska Natives. The Hepatitis B Program began in 1982 to stop the spread of hepatitis B in Alaska Natives by mass immunization, and to prevent premature death in chronically infected persons by early liver cancer detection. Since 1990 the Program has expanded to include control of hepatitis A infection, detection and control of hepatitis C infection, and identification and research into non-A, B, C, hepatitis infection.

Current activities of the Viral Hepatitis Program include:

- provision of hepatitis B vaccine for susceptible Alaska Native adults, and new Alaska IHS employees,
- continuation of four long-term immunogenicity and efficacy studies to determine when booster hepatitis B vaccine doses are planned,
- surveillance of 1,500 chronic hepatitis B carriers twice-yearly for early liver cancer detection,
- studies on the long-term immunogenicity of hepatitis A vaccine in infants and children and adults,
- Hepatitis A vaccination of high risks Alaska Native adults including those with chronic liver disease and injectable drug users.
- provision of hepatitis A vaccine to 2 to 18 year old children using vaccine provided by the State of Alaska,
- development and administration of a Statewide tracking system to track persons chronically infected with hepatitis C,
- development of anti-viral strategies for hepatitis C infections, including initiating study on 500 adults chronically infected with hepatitis C to determine natural history and develop preventive and treatment strategies including the use of anti-viral medications,
- collaboration with other agencies to identify additional hepatitis viruses and develop prevention and treatment strategies,

- provision of hepatitis field clinics in rural areas, and education to health providers and patients,
- studies using new antiviral drugs to treat hepatitis C, and
- Development and implementation of a strategy to screen persons at high risk for exposure to hepatitis C who had a history of receiving blood products or have used injectable drugs in the past.

Hib Immunization Program

The objective of the Haemophilus influenza Type B (Hib) Immunization Program is to provide resources, advocacy, training, immunization tracking and coordination of immunization delivery services among Alaska Native tribal programs in order to achieve and maintain high levels of on-time immunization, thus eliminating Hib and other vaccine-preventable diseases in Alaska Natives.

Before the advent of Hib vaccines in the late 1980s, Alaska Natives had record rates of Hib meningitis, 6 - 10 times those of other U.S. populations, with a preponderance of disease in young infants. The Program was implemented to prevent Hib disease in Alaska Native infants, initially with passive immunization, and following licensure of infant Hib vaccines, using Hib conjugate vaccines. In 1992 the Program objective was expanded include achieving high on-time immunization levels for all recommended childhood vaccines, at 2, 4, 6, 12, and 24 months of age.

The current strategies utilized by the Program are:

Assessment. The Program conducts regular immunization audits with tribal contractors to monitor progress toward achieving immunization goals and identify problems in vaccine delivery.

Training and Feedback. The Program provides annual training for regional immunization coordinators; periodic vaccine updates to clinical directors, pharmacists, and health providers; and regular training of Community Health Aides. The Program develops and updates vaccine-training materials for Community Health Aides and other health providers, and disseminates national and State training materials.

Computerized Immunization Registry. The Program served as principal consultant to revise the current computerized IHS immunization software package, which was released IHS-wide in December 1999. In December we trained regional coordinators on the use of the software package, and are conducting e-mail, phone, and on-site consultations and training both in Alaska and IHS-wide. The Program was asked to serve as IHS immunization consultant for the IHS to the Government Computerized Patient Record (GCPR) project.

Advocacy/Coordination with the State. The Program meets regularly with the State of Alaska Immunization Program to advocate for vaccine policies that optimize disease prevention in Alaska Natives. We have started promotion of the new pneumococcal conjugate vaccine for infants expected to be licensed in the February 2000 with the State Immunization Program and Alaska Native health providers. We collaborate with the State Division of Epidemiology in disease outbreak control (e.g., measles in 1998).

Vaccine Promotion. The Program develops vaccine promotional materials and coordinates regional efforts to promote timely vaccination, and participates in the States' Immunization Initiative.

Vaccine Purchase. Periodically, the Program purchases vaccines not supplied by the State of Alaska Immunization Program (e.g., MMR for 2nd dose in 1992-1996, Influenza to cover shortfall of State vaccine), and PedvaxHIB in 1996-7 to replace the State-provided vaccine shown to be less effective in young Alaska Native infants).

Respiratory syncytial virus (RSV) Prophylaxis Project. The RSV surveillance study demonstrated the highest reported RSV hospitalization in an Alaska Native population. The program is monitoring the impact of using RSV monoclonal antibody to prevent RSV hospitalizations in high-risk infants. Also, the Program is collaborating with the Arctic Investigation Program (AIP-CDC), YK Health Corporation and the University of Washington in a cohort study evaluating the effect of early RSV hospitalization on development of chronic lung disease and asthma in childhood.

Disease Surveillance and Analysis. The Program analysis of AIP-CDC surveillance data on vaccine-preventable diseases has enabled us to detect and respond to changes in disease patterns. Through AIP-CDC we have had disease surveillance for Strep pneumonia, and have developed projects to monitor the impact of infant vaccination on disease and nasopharyngeal carriage.

ACCOMPLISHMENTS

The Viral Hepatitis Program has been recognized as the national and international leader in the prevention and control of viral hepatitis, and communicable disease experts worldwide are monitoring its performance. Since its beginnings, in 1982, the Viral Hepatitis Program has reached all the high-risk villages in Alaska and has the potential for eradicating hepatitis B. By 1988 the majority of Alaska Natives were immunized against hepatitis B, if not previously infected. More than 96 percent of Alaska Native newborns receive a dose of hepatitis B vaccine before hospital discharge. The annual incidence of acute symptomatic hepatitis B infection has decreased from 215 per 100,000 prior to 1982, to 5 per 100,000. The 1-year case-fatality rate for primary liver cancer has decreased from 100 percent to 50 percent.

Since 1989 the Program has conducted studies on the immunogenicity, safety and efficacy of hepatitis A vaccine in infants and adults. In 1993 the program, in collaboration with the State of Alaska and four regional Native health corporations, conducted a project that demonstrated that one dose of hepatitis A vaccine could halt a large outbreak of hepatitis A. The Program is now conducting studies of the effectiveness of hepatitis A vaccine in infants. Other recent accomplishments include initiation of studies on hepatitis B boosting and long-term immunogenicity of hepatitis A vaccines, and the development of a cancer detection program for persons chronically infected with hepatitis C. The latter has involved development of a registry of persons with hepatitis C, currently approaching 700 Alaska Natives, and the development of a plan to screen Alaska Natives at high risk for hepatitis C (persons who received blood transfusions or had cardiac surgery prior to 1992).

The Hib Immunization program conducts or reviews audits in 12 Alaska Native regions which have documented an increase in 2-year old immunization rates in Alaska Natives from 49-73 percent in 1990, to 76-98 percent in 1998-9, with more than 90 percent fully immunized against Hib disease. Through expanded immunization tracking in Anchorage the 2-year old immunization rate in Anchorage Alaska Natives increased from 81 percent in 1996 to 89 percent in 1999, while the age-appropriate immunization rate in 3-27 month olds increased from 76 percent to 89 percent. The Program provided the clinical development, testing and training of the new IHS Immunization software package for the computerized Registration and Patient Management System (RPMS). This package, which provides expanded opportunities for immunization tracking and recall, was completed and released IHS-wide in December 1999.

The Program has successfully collaborated with the State in a immunization initiative resulting in a state-wide increase in 2-year-old immunization rates according to the National Immunization Survey from 69 percent in 1996 to 81 percent in 1998 (the Alaska Native immunization rate was 87 percent in 1998). The Program assisted with a recently finalized American Academy of Pediatrics (AAP) statement on Immunizations for American Indians and Alaska Natives.

An emphasis on adult immunizations has resulted in influenza vaccination of >60 percent and pneumococcal vaccination of >80 of elders in at least 1 region.

Although Hib disease has decreased over 90 percent in Alaska Natives, the active Hib surveillance at AIP-CDC picked up an increase in Hib cases in 1996 following a change in the State-purchased Hib vaccine. The Program collaborated with CDC in studies that justified to the State of Alaska the need for a sequential Hib vaccination schedule using PedvaxHib for the first dose. Since instituting this schedule the number of Hib infections has decreased with most cases occurring in under-immunized infants.

In 1999, the Program published the results of a 3-year RSV study, and developed a protocol to evaluate the effect of early RSV hospitalization on development of childhood lung disease and asthma.

PERFORMANCE PLAN

The following performance indicators are included in the IHS FY 2001 Annual Performance Plan and are primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 20: Reduce the incidence of preventable diseases by increasing the proportion of AI/AN children who have completed all recommended immunizations for ages 0-27 months (as recommended by Advisory Committee on Immunization Practices) during FY 2001 by 2 percent over the FY 2000 rate.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$1,328,000	0
1997	\$1,328,000	0
1998	\$1,328,000	0
1999	\$1,367,000	0
2000	\$1,402,000	0

RATIONALE FOR BUDGET REQUEST

Total Request -- The request of \$1,457,000 is an increase of \$55,000 over the FY 2000 Appropriation of \$1,402,000. The increase includes the following:

Current Services - Built-in Increases: +\$53,000

The request \$53,000 for personnel related costs will partially fund the built-in increases associated with on-going operations. Included is the FY 2001 pay raise and within grade increases.

The IHS patient population continues to receive less access to health care than the general U.S. population. Maintaining the current I/T/U health system is necessary in eliminating disparities in health status between AI/ANs and the rest of the U.S. population.

Health Disparities - +\$2,000

The requested funds will provide additional support to the Viral Hepatitis and Hib Immunization Programs.

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Service - 75-0390-0-1-551
 URBAN HEALTH PROGRAMS

Program Authorization:

Program authorized by Title V, P.L. 94-437, Indian Health Care Improvement Act, as amended.

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase Or <u>Decrease</u>
Budget Activity (HIV/AIDS)	\$26,382,000 (\$748,000)	\$27,813,000 (\$773,000)	\$30,834,000 (\$820,000)	+\$3,021,000 (+\$47,000)
FTE	4	4	4	0

Program

Output Data:

Svc Provided:				
Medical	262,500	263,000	265,000	+2,000
Dental	53,400	54,000	55,000	+1,000
Outreach/ Com. Svcs	218,600	219,000	221,000	+2,000
Other	<u>184,500</u>	<u>185,000</u>	<u>186,000</u>	<u>+1,000</u>
Total	719,000	721,000	727,000	+6,000

PURPOSE AND METHOD OF OPERATION

The IHS Urban Indian Health Program supports contracts and grants to 34 urban health programs funded under Title V of the Indian Health Care Improvement Act. Approximately 100,000 American Indians use 23 Title V Urban Indian health programs and are not able to access hospitals, health clinics, or contract health services administered by IHS and tribal health programs because they either do not meet IHS eligibility criteria or reside outside of IHS and tribal service areas. Another 49,000 AI/AN use 11 Title V programs in cities that are located in IHS or tribal service delivery areas.

Recent studies on the urban AI/AN population documented poor health and revealed that the lack of adequate health care was a serious problem for most families. Since 1972, the IHS has gradually increased its support for health related activities in off-reservation settings aimed at assisting AI/AN populations to gain access to available health services, and also to develop direct health services when necessary.

In its 1992 amendments to the Indian Health Care Improvement Act, the Congress specifically declared the policy of the Nation "in fulfillment of its special responsibilities and legal obligations to the American Indian

people to assure the highest possible health status for Indians and urban Indians and to provide all resources necessary to affect that policy."

The IHS addresses this responsibility by funding 34 urban Indian health organizations operating at 41 sites located in cities throughout the United States. Primary care clinics and outreach programs provide culturally acceptable, accessible, affordable, accountable, and available health services to an underserved urban off-reservation population.

The 34 programs engage in a variety of activities, ranging from the provision of outreach and referral services to the delivery of comprehensive ambulatory health care. Services currently include medical services, dental services, community services, alcohol and drug abuse prevention, education and treatment, AIDS and sexually transmitted disease education and prevention services, mental health services, nutrition education and counseling services, pharmacy services, health education, optometry services, social services, and home health care. Fourteen of the programs are designated as Federally Qualified Health Centers (FQHC) and provide services to Indians and non-Indians.

Ambulatory medical care services are provided throughout the off-reservation Indian health programs, including: pre-and postnatal care; women's health; immunizations for both children and adults; pediatrics; chronic disease (geriatric health and diabetes) clinics; adult health; maintenance; acute medical care, infectious disease treatment and control (tuberculosis, sexually transmitted disease); and referral to specialized providers when needed.

Dental care services are provided by many programs, including direct patient care - preventive and restorative. Dental education and screening for both children and adults are provided in both the clinic and community settings. When needed, referrals are made to specialists for orthodontics, periodontics, selected restorative procedures, and oral surgery.

Community outreach services are provided throughout the urban (off-reservation) health programs, including: patient and community education; patient advocacy; outreach and referral; and transportation. The outreach worker serves an important function as a liaison between the off-reservation health program and the community, and works to make health services more available and accessible to those community members who need them.

Alcohol and substance abuse prevention, education, treatment, and rehabilitation services are provided through program and community based services. Included as prevention and education programs are as follows: community education conferences, seminars, and workshops targeting adolescents; identification of high-risk clients in the clinic and community; and appropriate referral for those at risk. Included in the treatment and rehabilitation programs are assessments for alcohol and drug abuse, appropriate intervention, outpatient and treatment programs, and aftercare and follow-up services.

Alcohol treatment services are provided at 10 off-reservation Indian sites that were originally funded by the National Institute of Alcohol Abuse and Alcoholism. Funds were transferred into the Urban Indian Health Program in FY 1993 to continue these Urban treatment centers under Title V of the

Indian Health Care Improvement Act. At least 28 additional NIAAA programs are in the process of being transferred.

The AIDS and sexually transmitted disease (STD) information is provided at conferences, seminars, workshops, and community meetings at all of the IHS Title V funded off-reservation Indian health programs. These education and prevention services include culturally sensitive information provided to a variety of audiences through the use of posters, pamphlets, presentations, and community education. Additional AIDS services include HIV testing, pre- and post-test counseling, family support groups, and referral for additional treatment for AIDS if needed.

Mental health and social services include individual family and group counseling and support groups to address the problems of abuse, self-esteem, depression, and other emotional problems and conditions. Additional services available at various off-reservation Indian health programs include primary and secondary prevention activities, i.e., diabetes, maternal and child health, women's health, men's health, nutrition education and counseling for prenatal care and chronic health conditions, social services, community health nursing and home health care, and other health promotion and disease prevention activities.

ACCOMPLISHMENTS

Some of the accomplishments of the urban Indian health program (UIHP) include: continued substantial programmatic involvement with the national urban Indian health organization through a cooperative agreement, continued participation in the IHS budget formulation process, participation in the reauthorization of the Indian Health Care Improvement Act (P.L. 94-437), facilitation of urban Indian health program board of director training, and planning for urban information technology and data collection.

The national urban Indian organization is the National Council of Urban Indian Health (NCUIH). The Council focuses on its' policy concerns and communications among the nation's urban Indian health programs.

The urban Indian health program was involved in and participated in the FY 2000 and FY 2001 budget formulation processes. The purpose is to formulate a budget that reflects the priorities of the Indian Health Service; Tribal health programs and urban Indian health programs.

The urban Indian health programs and NCUIH participated in the reauthorization process of the Indian Health Care Improvement Act from the regional conferences to the National Consultation Meeting in Washington D.C. The results will assist the IHS and local tribes and urban health officials define the many issues involved in the pending reauthorization; changes in the health care environment affecting Indian health today; and an analysis of the opportunities presented through the passage of comprehensive health care legislation.

The urban Indian health program provided board of director training to urban Indian health programs throughout the nation. The training addresses the roles and responsibilities of a board of directors, as well as its relationship to its executive directors. An outcome of the training is the development of a specific plan of action for each participating board of directors.

The urban Indian health program is continuing to refine its present stand alone data collection system known as the Urban Common Reporting Requirements (UCRR). The Urban Indian Health program is supporting the continuing implementation of a project for improved processes that provide data to the IHS Data Center.

Performance Plan

The following performance indicators are included in the IHS FY 2001 Annual Performance Plan and are primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 16: By the end of FY 2001, at least 30 percent of the Urban Indian health care programs will have implemented mutually compatible automated information systems which capture health status and patient care data.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$23,768,000	7
1997	\$24,768,000	9
1998	\$25,288,000	5
1999	\$26,382,000	4
2000	\$27,813,000	4

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$30,834,000 and 4 FTE is an increase of \$3,021,000 over the FY 2000 Appropriation of \$27,813,000 and 4 FTE. The increase includes the following:

Current Services - Built-in Increases - +\$47,000

The request of \$47,000 for personnel related cost will partially fund the increased cost of providing health services to IHS beneficiaries by providing for the FY 2001 pay raise and within grade increases.

Urban Health - +\$2,974,000

These funds would support the implementation/delivery of a variety of individual/community-based prevention, intervention and treatment services that include urban Indian program infrastructure, development of centers of excellence, and expand the urban programs' communication and computing capabilities. These programs will lead to access to services and improved health of urban American Indian/Alaska Natives. The urban programs will continue to form partnerships and networks with schools, community service organizations, institutions, public and private foundations; to engage in community-based prevention initiatives; to include but not limited to; HIV/AIDS risk behavior, violence prevention, child/spousal/elder abuse, alcohol and substance abuse, health promotion/disease prevention, mental health, immunizations, infectious

diseases, diabetes, cancer, heart disease, dental health, respiratory disease, obesity, and other programs.

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Services - 75-0390-0-1-551
 INDIAN HEALTH PROFESSIONS

Program Authorization:

Program is authorized by Public Law (P.L.) 94-437, the Indian Health Care Improvement Act (IHCIA), as amended, Title I, Indian Health Manpower.

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase OR Decrease
Budget Authority	\$29,623,000	\$30,491,000	\$32,779,000	+\$2,288,000
FTE	16	16	16	-0-

PURPOSE AND METHOD OF OPERATION

The Indian Health Care Improvement Act (IHCIA), Public Law (P.L.) 94-437, as amended, cites as national policy the elevation of the health status of American Indians and Alaska Natives (AI/AN) to the highest possible level. A critical element of this policy is Title I, Indian Health Professions. Title I and Title II provide three interdependent objectives: (1) enable AI/AN to enter the health care professions through a carefully designed system of preparatory, professional, and continuing educational assistance programs; (2) serve as a catalyst to the development of Indian communities by providing educational opportunities and enabling AI/AN health care professionals to further Indian self-determination in the delivery of health care; and (3) develop and maintain American Indian psychology career recruitment programs as a means of encouraging Indians to enter the mental health field. The IHS has implemented sections 102, 103, 104, 105, 108, 110, 112, 114, 120, and 217 of the IHCIA as funding has been appropriated. The Indian Health Professions sections of Title I and Section 217 (Title II) of the IHCIA provide authorizations to support scholarship recipients; loan repayment; temporary employment during nonacademic periods; tribal recruitment and retention and matching scholarship programs; and health professions recruitment programs, including programs that recruit for medicine, nursing, and psychology. The training of AI/AN people serves as a catalyst to the development of Indian communities, with the resultant increase in the general health status of AI/AN people.

The IHS is experiencing critical shortages of physicians, nurses, dentists, pharmacists, and optometrists and a growing concern in other professions essential to staffing the Indian health program, e.g., laboratorians, x-ray personnel, mid-level providers, mental health professionals, etc. The IHS has been able to compete in the open health professions market by using a complex system of special pays, bonuses and allowances. The scholarship and loan repayment programs are critical components of this effort, as well.

The latter offers health professionals a substantial benefit, the repayment of professional loans, in exchange for their professional skills serving in the IHS, with a tribal program funded under P.L. 93-638 (the Indian Self

IHS-100

Determination Act), in an Urban Program funded under Title V of P.L. 94-437, or in a "Buy Indian" Act (25 U.S.C. 47) contracted health program.

The Indian Health Professions recruitment and retention activities continue to be essential to enabling the IHS to effectively staff and manage its comprehensive health care delivery system. Competition for health care professionals will continue to increase in FY 2001, with vacancy rates and turnover rates expected to increase. This will place an ever-increasing burden on the IHS Indian Health Professions recruitment and retention programs.

Section 102 authorizes grants to public or nonprofit private health or educational entities, Indian tribes, or tribal organizations to identify AI/AN and recruit AI/AN into the health professions. The grantees provide nurturing and cultural support for AI/AN students as they move from reservation settings to the world of academia. In FY 1999, awards were made to the Lac Courte Oreilles Tribe; the Chippewa Cree Tribe; and the Northwest Portland Area Indian Health Board. These grants are for a project period ending July 31, 2002.

During FY 1999, the programs funded under the authority of Section 102 provided career information and counseling to more than 1,500 AI/AN students. These programs also provided scholarship and career information to more than 80 percent of their new applicants for other programs in public health as well as expanding their recruitment roles to include all health professions. The students recruited by these consortia and tribes are AI/AN individuals who have expressed interest in returning to their Indian communities to practice their health profession.

Section 103 authorizes two scholarship programs, the Health Professions Preparatory Compensatory Preprofessional Scholarship and the Health Professions Preparatory Pregraduate Scholarship. The Health Professions Preparatory Compensatory Preprofessional Scholarship provides funding to AI/AN students for up to 2 years for preprofessional education leading to enrollment in a health professions curriculum and support for compensatory education required for acceptance into a health professions curriculum.

The Health Professions Preparatory Pregraduate scholarship authorized under Section 103 provides funding for up to 4 years to AI/AN students who are in premedicine or predentistry.

Section 104 authorizes scholarships to AI/AN students who are enrolled or accepted for matriculation in the health professions, leading to graduation and service in the IHS and other Indian Health Programs. Scholarships supported by this program require the recipient to work from the health profession curriculum for which funding was received.

Upon graduation in the health professions curriculum, these students are obligated to serve from two to four years, providing professional services to AI/AN people by working in the IHS, tribal health programs funded under P.L. 93-638 (the Indian Self Determination Act), Urban programs funded under Title V of P.L. 94-437, or in private practice in a health professions shortage area serving a substantial number of Indians as determined by the Secretary, DHHS.

Section 105 authorizes the IHS Extern Program. This program provides Health Professions Scholarship recipients and other health and allied

health profession students the opportunity to gain practical experience during non-academic periods of the school year by working in the IHS. The Extern Program provides for one round trip to the work site from school and provides the funding for the individual's salary while they are in the externship. All Section 104 scholarship recipients are entitled to an externship during any non-academic period of the year. Other students are eligible to participate in the Extern program during any non-academic period provided funds are available after the Health Professions students are funded. As many as 240 externs have participated in the program in any given fiscal year.

Section 108 authorizes the repayment of loans incurred by health professionals during their education in exchange for a minimum service obligation of 2 years in the IHS, tribal programs funded under P.L. 93-638 or Buy Indian contractors funded pursuant to 25 U.S.C. 47, or Title V (P.L. 94-437) urban Indian programs. In FY 1999, 226 contracts were awarded to participants in the IHS Loan Repayment Program.

Section 110 authorizes the IHS to fund on a competitive basis Indian tribes and tribal and Indian organizations to recruit, place, and retain health professionals to meet the staffing needs of Indian health programs: IHS, tribal programs funded under P.L. 93-638 or Buy Indian contractors funded pursuant to 25 U.S.C. 47, or Title V (P.L. 94-437) urban Indian programs. In FY 1999, Section 110 grants were made to the Northwest Portland Area Indian Health Board; the Dallas Inter-Tribal Center; the Fallon Paiute-Shoshone Tribe; the Greenville Rancheria Tribal Health Program; the Houlton Band of Maliseet Indians; the Nisqually Indian Tribe; and the Tanana Chiefs Conference, Inc. The project period for these grants ends July 31, 2002.

Section 112 authorizes the IHS to provide competitive grants to public or private schools of nursing, tribally controlled community colleges and tribally controlled post secondary vocational institutions (as defined in Section 390(2) of the Tribally Controlled Vocational Institutions Support Act of 1990 (20 U.S.C. 2397(h)(2)), and nurse midwife programs, and nurse practitioner programs that are provided by any public or private institutions. In FY 1999, awards were made to the Arizona State University; the Salish Kootenai College; the University of North Dakota at Grand Forks; the University of Wisconsin at Eau Claire; the University of Oklahoma; the Sisseton-Wahpeton College, and the University of South Florida.

Section 114 authorizes IHS to provide competitive grants to colleges and universities for the purpose of maintaining and expanding Native American health careers programs known as the Indians into Medicine Program (INMED). The IHS in FY 1998 funded INMED programs at the University of North Dakota at Grand Forks and the University of Minnesota at Duluth. The University of Minnesota grant will expire in FY 2001 and be re-competed.

Section 120 authorizes up to 5 percent of funds from Section 104 to be used for competitive grants to tribes and tribal organizations to assist them in educating Indians to serve as health professionals in Indian communities. In FY 1999, Section 120 grants were made to the Chippewa Cree Tribe; the Ketchikan Indian Corporation; the Shingle Springs Rancheria; and the Southcentral Foundation. The Eastern Band of Cherokee is currently under review. These grants will be re-competed in 1999.

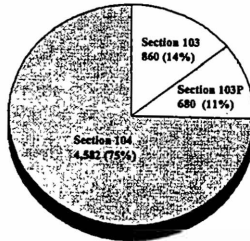
Section 120 authorizes up to 5 percent of funds from Section 104 to be used for competitive grants to tribes and tribal organizations to assist them in educating Indians to serve as health professionals in Indian communities. In FY 1999, Section 120 grants were made to the Chippewa Cree Tribe; the Ketchikan Indian Corporation; the Shingle Springs Rancheria; and the Southcentral Foundation. The Eastern Band of Cherokee is currently under review. These grants will be re-competed in 1999.

Section 217 authorizes the IHS to provide competitive grants to colleges and universities for the purpose of developing and maintaining American Indian psychology career recruitment programs as a means of encouraging AI/AN to enter the mental health field. In FY 1996, the University of North Dakota American Indians into Psychology Program was named in the authority and awarded a grant. Additional funds have been appropriated in the amount of \$600,000 for FY 1999. Of this amount, the Congress earmarked \$200,000 for the University of Montana and through the competitive grant process Oklahoma State University was awarded a grant. The project period for these grants ends July 31, 2000.

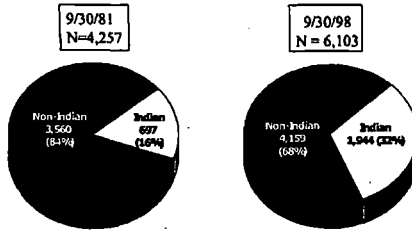
ACCOMPLISHMENTS

The following graphs illustrate the extent of the scholarship and loan repayment programs over their years of existence.

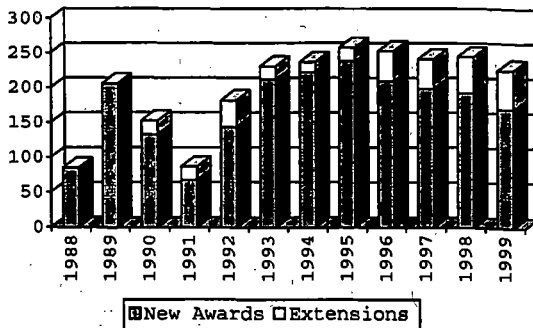
Indian Health Service Scholarship Awards
FY 1975 - FY 1999
BY P.L. 94-437 Section
Total Number = 6,122



Indian Health Service
Health Professional Staff
9/30/91 vs 9/30/98



Indian Health Service Loan
Repayment Program
Award History - New and
Extension Awards
Fiscal Years 1988 - 1999



As the graphs show, over the period of its existence, the IHS Scholarship Program has made more than 6,000 awards, 75 percent of which were to students in their professional studies (Section 104). From 9/30/81 to 9/30/98, total professional staff has grown by 43 percent while Indian professional staff has grown by 179 percent. The

staff that is Indian has increased by 100 percent over that same period. It is certain that the vast majority of these Indian professionals were scholarship recipients.

The Loan Repayment Program's (LRP) contribution to IHS staffing has been as both a recruitment and a retention tool. Professionals are attracted to the IHS because of the LRP, stay beyond the required two-year period, as evidenced by the increasing number of extensions over the years, and remain in Indian health programs after their obligations are completed.

It is important to note that the data presented above do not include scholarship recipients who are employed outside the IHS. This information is not available to us at this time. If this information were available, the numbers of Indian professionals working in Indian health programs would surely be much larger.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$23,768,000	33
1997	\$28,270,000	50
1998	\$28,720,000	16
1999	\$29,623,000	16
2000	\$30,491,000	16

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$32,779,000 and 16 FTE is an increase of \$2,288,000,000 over the FY 2000 Appropriation of \$30,491,000 and 16 FTE.

Current Services - Built-in Increases - +\$120,000

The request of \$120,000 for personnel related costs will fund the increased cost of providing health services to IHS beneficiaries and other built-in increases associated with on-going operations. Included are increases such as the FY 2001 pay raise and within grade increases.

The IHS patient population continues to receive less access to health care than the general U.S. population.

Health Disparities - +\$2,168,000

Increased funding in this area will support an additional Indians into Psychology Program, an increased number of health professions scholarships, and an increased number of loan repayment awards. These increases will help the IHS to address the disparities between the health of AI/AN people and the general population by helping to increase both the number of AI/AN professionals who provide services to the AI/AN population and the total numbers of health care providers who are working to meet the needs of the population.

Although AI/AN comprise just over one percent of the American population, they represent only a fraction of one percent (.0023 percent) of doctorates awarded in clinical psychology in the past decade. A study conducted by the University of North Dakota Indians Into Psychology Program (McDonald,

1996) showed that only 0.5 percent of all students enrolled in American Psychological Association accredited doctoral clinical psychology programs in 1995 were of AI/AN descent.

During the consultation process that resulted in the recently introduced bill to reauthorize the Indian Health Care Improvement Act (H.R. 3397), the tribes, urban Indian health organizations, and IHS identified increased mental health services as a priority for the coming years. The Health Professions Scholarships and Health Professions Preparatory Scholarships Programs will fund additional awards for pre-social work, medical and clinical social work, chemical dependency counseling, and clinical psychology to enable more AI/ANs to be recruited into these health professions as a means of addressing these needs.

A substantial portion of the funds requested will be used to support additional loan repayment for dentists. Coupled with the implementation of new pay options, this should help to reduce the dental officer vacancy rate considerably from the current 23 percent. The improved level of staffing that would result from this reduction in vacancies would increase access to dental services to an estimated 15,000 additional people.

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Services - 75-0390-0-1-551
TRIBAL MANAGEMENT

Program Authorization:

Program authorized by Indian Self Determination and Education Assistance Act, P. L. 93-638, as amended, Sections 103(b)(2) and 103(e) P. L. 100-472, P. L. 100-472 and P. L. 103-413.

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2000 <u>Estimate</u>	Increase Or <u>Decrease</u>
Budget Authority	\$2,390,000	\$2,411,000	\$2,413,000	\$2,000

PURPOSE AND METHOD OF OPERATION

Public Law 93-638, the Indian Self-Determination Act of 1976, authorized funding to develop the capacity of tribes to manage health care programs. In October 1988, congress passed P.L. 100-472, the Indian Self-Determination Act Amendments to facilitate and simplify the process by which tribes and tribal organizations may assume management responsibility of IHS programs. In October 1994, congress passed P.L. 103-413, Indian Self-Determination Act Amendments, reaffirming maximum participation of Indian Tribes in programs, services, functions, and activities conducted by the Federal Government for Indians. The Amendments set forth a non-contracting "model agreement" to encourage and support the right of Indian Tribes to control and operate their own health programs.

Since FY 1988, these funds have been distributed through the Tribal Management Program for American Indians and Alaska Natives. This national grant program competitively awards tribal management funds to tribes and tribal organizations for 1) planning and the 2) development or improvement of tribal health management structure such as strengthening weaknesses in tribal management systems, and developing effective health strategies for tribal programs, and tribal staff.

ACCOMPLISHMENTS

Over the last 25 years, tribal operation of health programs have steadily increased and now represent over \$600 million of the IHS budget. In FY 1988, fifty tribes and tribal organizations received tribal management grants; since then, the IHS has steadily increased participation in the grant program to an additional 233 tribes and 63 Alaska Native villages. In FY 1997, Indian tribes operated 42 percent of the IHS service budget. The enactment of P. L. 103-413, the Indian Self Determination Act Amendments of 1994 offers tribes and tribal organizations attractive new opportunities in the assumption of the IHS programs. In FY 1999, 22 new grants and 6 continuation grants were awarded to tribes and tribal organizations.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>
1996	\$2,348,000
1997	\$2,348,000
1998	\$2,348,000
1999	\$2,390,000
2000	\$2,411,000

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$2,413,000 is increase of \$2,000 over the FY 2000 Appropriation of \$2,411,000.

Health Disparities - +\$2,000

The request includes a \$2,000 increase for costs associated with providing grants to tribes and tribal organizations. The requested funds will assist tribes that wish to develop administrative capacity and thereby, provide greater opportunities to tribes in the development and enhancement of their management infrastructures. The building of these management systems will allow tribes and tribal organizations to effectively address the health disparities that exist

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Services - 75-0390-0-1-551
 DIRECT OPERATION

Program Authorization:

Program authorized by U.S.C. 13, Snyder Act, and P.L. 83-568, Transfer Acts, 42 U.S.C. 2001.

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase Or <u>Decrease</u>
Budget Authority	\$49,309,000	\$50,988,000	\$54,119,000	+\$3,131,000
FTE	729	729	729	0

PURPOSE AND METHOD OF OPERATION

Executive direction, program management and administrative support constitute critical elements in the delivery of health care to AI/AN. No unit of health service is delivered without substantial program management and administrative support from different disciplines, i.e., health assessment, policy development, finance, procurement, program evaluation, supply management, personnel, equipment, training, etc.

The many unusual circumstances relating to the direct delivery of health services to AI/AN require the adoption of special executive direction, management principles and accompanying organizational structure. Recently, the IHS has expanded its tribal consultation activities with additional contracting and compacting with tribes. This requires an additional dimension of administrative and program management expertise not ordinarily encountered in other Federal programs. An understanding of the way that the IHS provides, directly and indirectly through Tribal and Urban Indian health programs, a vast array of services to the diverse and dispersed AI/AN populations is important in order to understand the management, oversight, and tribal consultation requirements and their direct influence on budget formulation and execution activities.

In response to these requirements, the IHS has structured its organization, delegated the necessary authorities and assigned the appropriate management responsibilities in three principal levels: (1) national (Headquarters); (2) regional (Area Office); and (3) local (Service Unit or facility). This structure allows effective programmatic oversight, local management, and tribal consultation at any level, while capitalizing on the economies of scale made possible by collaborative or aggregate activities. The functions of each level are unique, interrelated and complementary to assure an uninterrupted execution of program and administrative management. To the greatest extent practicable and feasible, the delegation of authorities at the community level has and will enable timely decisions in patient care.

Headquarters

The Headquarters provides essential integration at the national level, assuring consistency of policy and practice across the many diverse locations served by IHS. For example, without this integration, it would be impossible to address the issue of equity and ensure the integrity at a national comprehensive healthcare delivery system. Headquarters carries out national functions, including the responsibilities of a Federal Agency such as establishment, implementation, and oversight of program and administrative policy, strategic and operational planning, budget formulation and execution, administrative control of funds, Federal Managers Financial Integrity Act (FMFIA), procurement, facilities construction planning, and many related functions in compliance with applicable laws and regulations.

Headquarters staff, through two principal offices of management support and public health, advise and support the Director on programmatic and administrative needs, barriers, and weaknesses and prepare responses to the many and diverse requests placed upon the agency. Headquarters personnel also monitor, coordinate, and evaluate Area and local activities and programs to ensure conformance with congressional and other directives. They manage certain Nation wide support functions such as catastrophic health emergency fund, diabetes, health facilities construction and the scholarship and loan repayment programs. Additionally, Headquarters personnel provide information and reports to the Congress and the Executive Branch, technical assistance to tribes and Areas, and act in an advocacy and leadership role with other Federal agencies, professional associations, and other entities that may contribute to fulfilling the IHS mission.

Area Offices

Area Offices are responsible for carrying out a dual function: (1) to participate in and establish goals and objectives implementing IHS policies, and determine action of priorities within the framework of IHS policy. As such, Area Offices coordinate their respective activities and resources internally and externally with those of other governmental and non-governmental programs to promote optimum utilization of all available health resources. The full responsibility of negotiating, consulting, and participating with the approximately 500 sovereign Indian nations rests primarily with the Area Offices which must advocate for the Indian nations while remaining agents of the federal government. And, (2) ensure the delivery of quality health care through their respective service units and participate in the development and demonstration of alternative means and techniques of health services management and delivery to provide Indian tribes and other Indian community groups with optimal ways of participating in Indian health programs. As an integral part of this dual function, the Area Offices are principally responsible for assuring the development of individual and tribal capabilities to participate in the operation of the IHS program as deemed appropriate by the tribes.

ACCOMPLISHMENTS

Self Governance Negotiations

In FY 1993 and 1994, the Indian Health Service implemented a demonstration program in Tribal Self-Governance. An Office of Self-Governance was established to manage IHS-wide negotiations with tribes to establish annual funding agreements and compacts. New policies and definitions of federal

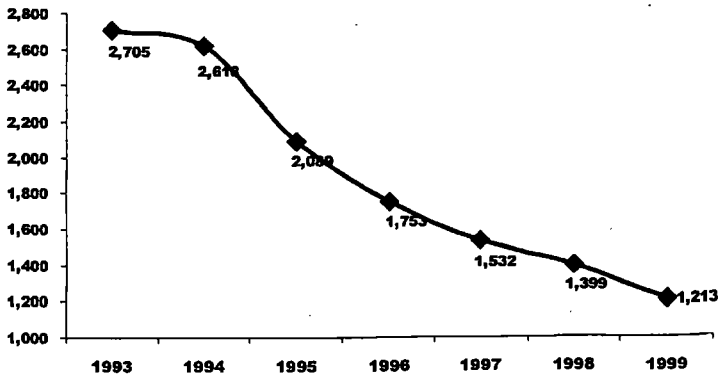
and tribal operations are evolving and the complex set of financial allocations was required to provide negotiated funding levels. In FY 1994, the IHS negotiated and signed its first 14 compacts and annual funding agreements. Currently, 42 compacts and 59 annual funding agreements are in place for FY 1999. In FY 2000, the IHS anticipates it will have 48 compacts and 63 annual funding agreements. This effort will continue in FY 2001.

Indian Health Design Team (IHDT)

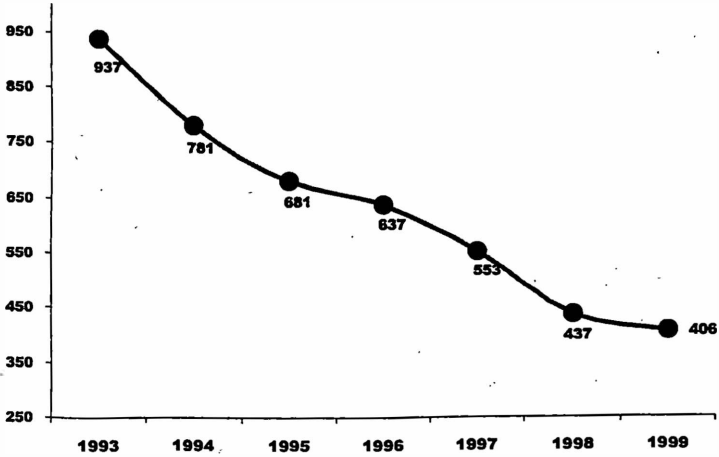
The Indian Health Service has completed the reorganization proposed by the IHDT. In FY 1998 and 1999, the Agency continued downsizing of its headquarters and area offices administrative components. The following charts illustrate the cumulative downsizing.

Indian Health Service Employment: 1993 - 1999

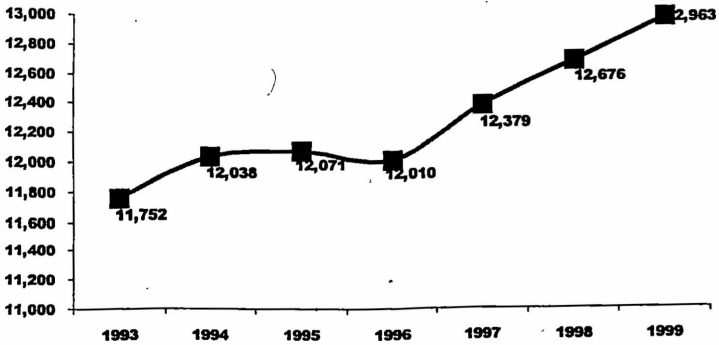
Area Offices Declined by 1,492 FTE (-55%)



Indian Health Service Employment: 1993 - 1999
Headquarters decreased by 531 FTE (-57%)



Indian Health Service Employment: 1993 - 1999
Service Units increased by 1,211 FTE (+10%)



IHS Business Plan

Concurrent with organizational changes, the IHS is shifting to a more corporate-oriented way of conducting business. IHS has developed, together with Indian leaders, a business plan to adopt more business-like planning and practices in key segments of IHS operations. There are 4 key parts to the plan: ways to increase revenues through third party collections; ways to control cost increases and maintain financial solvency; ways to manage increasing transfers of IHS components and resources to tribes; and ways to bring other business-like approaches to internal management and operations. The plan ranks the necessary changes in priority order and identifies a timetable to accomplish recommended changes over a 2-3 year period.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$47,709,000	510
1997	\$48,709,000	465
1998	\$47,386,000	398
1999	\$49,309,000	729
2000	\$50,988,000	729

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$54,119,000 and 729 FTE is an increase of \$3,131,000 over the FY 2000 Appropriation of \$50,988,000 and 729 FTE.

Current Services - Built-in Increases - +\$3,088,000

The request of \$3,088,000 for personnel related cost will fund the increased cost of providing health services to IHS beneficiaries by providing the FY 2000 pay raise, within grade increases. These funds will be shared with Title I and Title III tribes, as well as Federal programs.

Health Disparities - +\$43,000

These funds will help defray the administrative costs of administering the new money for programs and Health Disparities.

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Services - 75-0390-0-1-551
SELF GOVERNANCE

Program Authorization:

Program Authorized by Title III, Self-Governance Demonstration Program, P.L. 93-638, Indian Self Determination Act, as amended.

	FY 1999	FY 2000	FY 2001	Increase Or Decrease
	<u>Actual</u>	<u>Final Appropriation</u>	<u>Estimate</u>	
Budget Authority	\$9,391,000	\$9,531,000	\$9,604,000	\$73,000
FTE	7	7	7	0

PURPOSE AND METHOD OF OPERATION

In FY 1992, IHS was instructed by Congress to initiate planning activities with tribal governments with approved Department of Interior self-governance compacts for the development of a Self-Governance Demonstration Project as authorized by P.L. 100-472. Through enactment of P.L. 102-573, the Indian Health Care Amendments of 1992, authority to fund the tribal self-governance demonstration projects (SGDP) was extended to IHS and the Office of Tribal Self-Governance was established. Since 1993, the IHS, in conjunction with Tribal representatives, has been engaged in a process to develop methodologies for identification of Tribal shares for all Tribes. Tribal shares are those funds historically held at the Headquarters and Area organizational levels of the IHS but to which the Tribes have rightful access under Self-Governance. In FY 2000 approximately \$564 million will be transferred to support 45 compacts. In FY 2001, approximately \$644 million will be transferred to support 60 compacts.

Tribes participating in the Self-Governance Demonstration Project (SGDP) report that the project has had a significant positive impact on the health and well being of their constituents. The SGDP puts the administration and management of the health programs in the hands of tribal governments and provides them the flexibility to tailor their health programs to meet the diverse and unique needs of their constituents. Significant improvements have been made in the administration of Tribal health programs and in the quality, quantity and accessibility of services provided the service population. Thus federal funds are more effectively and efficiently used in addressing the local health needs of American Indians and Alaska Natives. The SGDP also promotes improved program and fiscal accountability in that tribal governments and health administrators are held directly accountable by and to their service population. A study conducted by the National Indian Health Board confirmed the significant positive impact that Self-Governance has had on Tribal health programs and their constituents.

The following are examples of the SGDP's positive impact enjoyed by self-governance tribes. It is not an all-inclusive list but rather an example of what can be accomplished through the SGDP.

- Several Self-Governance Tribes have developed goals for its health program and met them in the following manner:
 - **To Increase The Accessibility Of Health Services**
 - The construction of the new addition to the existing health center facility of about 14,000 square feet was started during the fiscal year with the completion of the ambulatory clinic anticipated during January, 2000. The new clinic wing for behavioral health, dental, eye care, and audiology services will be completed during the second quarter of fiscal year 2000.
 - Pharmacy services have increased from 110-120 prescriptions per clinic day to 190-210 per clinic day at end of FY 99.
 - During the fiscal year operation 2,324 new patient charts were created and 14,581 PCC visits were recorded.
 - Audiology services at the clinic increased during fiscal year with the examination of 134 patients and 29 new hearing aids provided.
 - Eye care services were expanded during the operating year with a total of 119 examinations and the purchase of 170 eyeglasses and contact lenses.
 - The optometry clinic, laboratory, and registration area in Tishomingo Health Center was remodeled with expansion including additional exam rooms and new physical therapy services.
 - Establishment of a fully operational radiology department. By implementing the radiology department costs have been reduced and better service is being provided to the patients.
 - **To Improve Health Status through Patient Awareness and the Promotion of Well-ness.**
 - The community health department focused its efforts on increasing community services. This effort included day care and early head start, monthly screening for elders, head lice follow-up, home visits for assessments and follow-up, flu shots and other immunizations.
 - Nutrition services were increased and focused towards patients with diabetes, hypercholesterolemia, obesity and prenatals. Patients are becoming more accountable and compliant with regard to their diet.

- The diabetic patient has received a total new program focus which includes the provision of flu vaccine, auditing of all diabetic patient charts, diabetic supplies to 245 identified patients, development of "Blood Sugar Log Books" with tribal seal, development of diabetic referral form and special diabetic handouts for counseling, and staff training for the development of an organized foot clinic to begin in FY 2000.
- The WIC program as a part of the Nation's effort related to accident control distributed 600 infant car seats.
- The quality of health care and health services provided by Tribal governments has been recognized by other Agencies and professional organizations:
 - For example, the Mississippi Band of Choctaw Indians (MBCI) Health Center was awarded the Hammer Award. MBCI developed an outreach project to the non-english-speaking Choctaw Indian population of central Mississippi. Two field offices and the state DDS joined forces with Choctaw Health Center to provide an onsite disability clinic.
 - The Harvard Project on American Indian Economic Development stated in January that it was taking applications for "Honoring Contributions in the Governance of American Indian Nations" and that the applications were sent out across Indian Country. In June 1999 the Mississippi Band of Choctaw Indians Health Center was notified that it was chosen as finalist for the inaugural year of Honoring Contributions in the Governance of American Indians Nations (Honoring Nations).
- The current design of another SGDP tribe the Health Services Program serves is:
 - To provide a comprehensive health care and delivery system that emphasizes preventive care
 - To help diminish the economic distress suffered by the Tribal members and their families due to health care needs
 - To address the social and cultural needs of the Indian Community by providing health education and care
 - A SGDP tribe has implemented a program to provide medical transportation service and pharmacy delivery for elders and individuals who do not have a method of transportation.
 - Funds have been provided to support traditional healers in working with their communities to determine the community specific health needs.
- To provide for the physical, mental and spiritual well-being of another SGDP Tribal Community:

- A Quality Assurance program was initiated
- Talking/healing circles were instituted and ceremonies were incorporated in inter-department program events
- A staff team was developed to provide holistic services
- A dental hygienist was available once a week
- The following are the accomplishments of the Health Program served by another SGDP tribe:
 - Establishment of a fully operational radiology department. By implementing the radiology department costs have been reduced and better service is being provided to the patients.
 - Establishment of a radiologist contract that significantly reduces cost the reading of x-rays. Under this agreement a local radiologist comes to the clinic weekly and reads all films for a flat fee. This allows the clinic to provide better service. Further, it allows the clinic to globally bill for radiology services.
 - Establishment of a cost effective mammography contract which has reduced costs by 30 percent. Under this agreement a mobile mammography service comes to the clinic every 6 weeks and patients receive this important women's health service under the supervision of a radiologist.
 - Implementation of a patient satisfaction program to identify positive and negative trends in health care delivery. To date over 73 percent of the patients have rated the service received from the health program Good to Excellent.
- The Grand Traverse Band has met one its objectives to successfully fill the position of Self-Governance Health Planner. The new Health Planner is working on meeting the second objective of developing and executing a long term Health Care Delivery System (HCDS). The system will be shared with other Michigan Tribes and will assist the tribes to better analyze and assess the HCDS to produce a final strategic plan for health service delivery issues:
- On August 30, 1999, a new Diabetes Management Center was opened and staffed with a physician, diabetes nurse specialist, nutritionist, behavioral specialist, and community education specialists to serve as a "One Stop Shop" for all diabetes patients. The goal of the Center is to significantly reduce the complications among tribal members with diabetes and to delay or prevent the development of diabetes in tribal members. Effort and resources extended toward this goal has reduced the amputation rate by 50 percent since 1994.
- A tribe receives 1 of 16 "High Honors" awards from the Harvard Law School's "Honoring Nations" project awarded for 1999 for the advancement in self-governance.

- With funding received from HUD, a tribe was able to add and remodel the construction of two wings to their Health Complex, which is at 85 percent complete. The remodeled north wing is open for primary medical, behavioral health, pharmacy, public health nurse/community health, hearing, and laboratory services. The addition of a second wing to be completed in May, 2000 will offer X-ray, dental, and optometry services.
- One tribe has received HUD funds for a Wellness Center with emphasis on health promotion/disease prevention, which will be built to compliment their clinic facility. Expected completion date for the Wellness Center is fall 2001.
- On March 15, 1999 a tribe opened its doors to a state-of-the-art Ambulatory Health Care Center and Behavioral Health Facility for medical, dental, nursing, pharmacy, nutrition, radiology, podiatry, laboratory, medical records, contract health care, social services, mental health, community health services and substance abuse services to be provided.
- A tribe has established a comprehensive Case Management Program that ensures all patients referred to the private sector receive quality health care that is medically appropriate and necessary.
- On December 21, 1999, a tribe is able to complete construction and open a comprehensive "All Nations Fitness and Wellness Center". The Center was designed to serve as the focal point for the prevention of illnesses and diseases, especially diabetes and heart disease, and has state-of-the-art exercise and weight equipment designed for all ages to improve the physical well being of the patient population.

Fiscal Year 2000. Compacts as Funded

FY 2000 IHS Self-Governance Compacts									
FY 2000 Compact Amounts									
Compacts by State	IHS			Contract			Contract		
	Self-Governance	Direct	Indirect	Self-Governance	Direct	Indirect	Self-Governance	Direct	Indirect
Alaska	\$246,199,000	\$12,755,000	\$14,180,000	\$42,119,000	\$315,423,000				
Alaska Native Tribal Health Consortium	\$64,162,000	\$10,559,000	\$1,434,000	\$3,656,000	\$79,811,000				
Alutian/Pribilof Islands Association, Inc.	\$1,723,000	\$18,000	\$183,000	\$479,000	\$2,403,000				
Arctic Slope Native Association	\$5,543,000	\$39,000	\$297,000	\$902,000	\$6,781,000				
Bristol Bay Area Health Corporation	\$15,505,000	\$233,000	\$1,513,000	\$2,960,000	\$20,231,000				
Chugachmiut	\$2,701,000	\$26,000	\$185,000	\$934,000	\$3,846,000				
Copper River Native Association	\$1,430,000	\$8,000	\$152,000	\$498,000	\$2,088,000				
Council of Athabascan Tribal Government (Pending)	\$0	\$0	\$0	\$0	\$0				
Eastern Aleutian Tribes, Inc.	\$1,098,000	\$10,000	\$0	\$209,000	\$1,317,000				
Kachikan Indian Corporation	\$3,018,000	\$20,000	\$501,000	\$843,000	\$4,382,000				
Kodiak Area Native Association	\$4,301,000	\$34,000	\$292,000	\$1,161,000	\$5,788,000				
Manilaq Association	\$19,416,000	\$202,000	\$1,489,000	\$5,138,000	\$26,245,000				
Metlakatla Indian Community	\$1,918,000	\$18,000	\$84,000	\$358,000	\$2,378,000				
Mount Sanford Tribal Consortium	\$524,000	\$1,000	\$0	\$242,000	\$767,000				
Native Village of Eklutna	\$115,000	\$1,000	\$4,000	\$20,000	\$140,000				
Norton Sound Health Corporation	\$13,892,000	\$167,000	\$1,263,000	\$3,369,000	\$18,691,000				
Seldovia Village Tribe	\$559,000	\$2,000	\$16,000	\$175,000	\$752,000				
Southeast Alaska Regional Health Corporation	\$35,493,000	\$185,000	\$1,630,000	\$3,718,000	\$41,026,000				
Tanana Chiefs Conference	\$25,873,000	\$331,000	\$2,104,000	\$4,916,000	\$33,224,000				
Yukon-Kuskokwim Health Corporation	\$20,023,000	\$362,000	\$1,101,000	\$2,511,000	\$23,997,000				
Alabama	\$28,905,000	\$519,000	\$1,932,000	\$10,030,000	\$41,386,000				
Poarch Band of Creek Indians	\$2,407,000	\$135,000	\$97,000	\$515,000	\$3,154,000				
California	\$2,407,000	\$135,000	\$97,000	\$515,000	\$3,154,000				
Hoopa Valley Tribe	\$8,210,000	\$238,000	\$585,000	\$2,596,000	\$11,629,000				
Karuk Tribe of California	\$2,938,000	\$136,000	\$179,000	\$951,000	\$4,204,000				
Redding Rancheria	\$1,567,000	\$51,000	\$65,000	\$577,000	\$2,260,000				
Connecticut	\$3,705,000	\$51,000	\$341,000	\$1,068,000	\$5,165,000				
Mohican Tribe of Connecticut (Pending)	\$0	\$0	\$0	\$0	\$0				

IHS Self-Governance Compacts FY 2000 Compact Amounts										
Compacts by State	IHS Services			IHS Facilities			Contract Support Costs			Total
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total	
Idaho	\$3,231,000		\$207,000		\$437,000		\$717,000		\$4,592,000	
Coeur D'Alene Tribe	\$3,231,000		\$207,000		\$437,000		\$717,000		\$4,592,000	
Louisiana	\$558,000		\$43,000		\$25,000		\$83,000		\$709,000	
Chitimacha Tribe of Louisiana	\$558,000		\$43,000		\$25,000		\$83,000		\$709,000	
Maine	\$2,137,000		\$128,000		\$117,000		\$459,000		\$2,841,000	
Penobscot Indian Nation	\$2,137,000		\$128,000		\$117,000		\$459,000		\$2,841,000	
Michigan	\$7,965,000		\$692,000		\$577,000		\$1,243,000		\$10,477,000	
Grand Traverse Band of Ottawa	\$1,536,000		\$251,000		\$346,000		\$251,000		\$2,177,000	
Sault Ste. Marie Tribe	\$6,429,000		\$441,000		\$533,000		\$897,000		\$8,300,000	
Minnesota	\$7,266,000		\$573,000		\$346,000		\$979,000		\$9,164,000	
Bois Forte	\$1,534,000		\$98,000		\$53,000		\$266,000		\$1,951,000	
Fond du Lac Band of Chippewa	\$4,191,000		\$285,000		\$242,000		\$482,000		\$5,200,000	
Millie Lac Band of Ojibwe Indians	\$1,541,000		\$190,000		\$51,000		\$231,000		\$2,013,000	
Mississippi	\$9,911,000		\$827,000		\$918,000		\$1,694,000		\$13,350,000	
Mississippi Band of Choctaw Indians	\$9,911,000		\$827,000		\$918,000		\$1,694,000		\$13,350,000	
Montana	\$19,562,000		\$806,000		\$1,434,000		\$2,133,000		\$23,935,000	
Chippewa Cree Tribe	\$6,373,000		\$362,000		\$872,000		\$990,000		\$8,597,000	
Confederated Salish and Kootenai Tribes of Flathead	\$13,189,000		\$444,000		\$562,000		\$1,143,000		\$15,338,000	
Nevada	\$6,186,000		\$697,000		\$708,000		\$2,025,000		\$9,616,000	
Duck Valley Shoshone-Paiute Tribe	\$4,694,000		\$644,000		\$538,000		\$1,523,000		\$7,399,000	
Duckwater Shoshone Tribe	\$706,000		\$37,000		\$133,000		\$275,000		\$1,151,000	
Ely Shoshone Tribe	\$786,000		\$16,000		\$37,000		\$227,000		\$1,066,000	
Oklahoma	\$88,272,000		\$5,542,000		\$4,951,000		\$14,583,000		\$113,348,000	
Absentee Shawnee Tribe	\$2,608,000		\$168,000		\$569,000		\$430,000		\$3,795,000	
Cherokee Nation of Oklahoma	\$27,557,000		\$1,365,000		\$894,000		\$2,878,000		\$32,694,000	
Chickasaw Nation	\$27,933,000		\$1,893,000		\$1,491,000		\$3,665,000		\$36,982,000	
Choctaw Nation of Oklahoma	\$19,812,000		\$1,736,000		\$1,396,000		\$2,589,000		\$25,533,000	
Citizen Potawatomi Nation	\$3,674,000		\$104,000		\$226,000		\$1,002,000		\$5,006,000	
Kaw Nation	\$565,000		\$54,000		\$139,000		\$200,000		\$958,000	
Kickapoo Tribe of Oklahoma	\$2,569,000		\$42,000		\$116,000		\$1,122,000		\$3,849,000	

FY 2000 IHS Self-Governance Compacts		FY 2000 Compact Amounts				
State	IHS Compact by State	IHS Services	IHS Facilities	Contract Support		Total
				Direct Costs	Indirect Costs	
Oklahoma cont.						
	Modoc Tribe of Oklahoma	\$38,000	\$3,000	\$4,000	\$25,000	\$70,000
	Ponca Tribe of Oklahoma (Pending)	\$0	\$0	\$0	\$0	\$0
	Sac and Fox Nation	\$2,612,000	\$132,000	\$90,000	\$454,000	\$3,288,000
	Wyandotte Tribe of Oklahoma	\$904,000	\$45,000	\$26,000	\$198,000	\$1,173,000
Oregon						
	Coquille Indian Tribe	\$9,312,000	\$486,000	\$1,157,000	\$3,705,000	\$14,660,000
	Confederated Tribes of the Grand Ronde Community	\$1,143,000	\$71,000	\$107,000	\$615,000	\$1,936,000
	Confederated Tribe of Siletz Indians of Oregon	\$4,019,000	\$279,000	\$602,000	\$1,957,000	\$6,988,000
			\$136,000	\$448,000	\$1,133,000	\$5,736,000
Washington						
	Jamestown S'Klallam Tribe	\$15,748,000	\$1,429,000	\$1,023,000	\$6,280,000	\$24,480,000
	Lummi Indian Nation	\$544,000	\$32,000	\$65,000	\$273,000	\$914,000
	Makah Indian Tribe	\$4,223,000	\$408,000	\$182,000	\$1,267,000	\$6,080,000
	Nisqually Indian Tribe	\$436,000	\$105,000	\$35,000	\$143,000	\$719,000
	Port Gamble S'Klallam Tribe	\$1,285,000	\$84,000	\$59,000	\$472,000	\$1,900,000
	Quinalt Indian Nation	\$1,148,000	\$104,000	\$77,000	\$365,000	\$1,694,000
	Shoalwater Bay	\$3,224,000	\$432,000	\$162,000	\$1,551,000	\$5,369,000
	Squaxin Island Indian Tribe	\$788,000	\$42,000	\$132,000	\$327,000	\$1,289,000
	Squamish Tribe	\$1,761,000	\$123,000	\$146,000	\$921,000	\$2,951,000
	Swinomish Indian Tribal Community	\$983,000	\$36,000	\$98,000	\$371,000	\$1,488,000
		\$1,356,000	\$63,000	\$67,000	\$590,000	\$2,076,000
Wisconsin						
	Oneida Tribe of Wisconsin	\$5,356,000	\$367,000	\$172,000	\$437,000	\$6,332,000
		\$5,356,000	\$367,000	\$172,000	\$437,000	\$6,332,000
Grand Total		\$42,220,000	\$2,925,000	\$2,667,000	\$7,956,000	\$583,540,000

1/

1/ Excludes Sanitation Facilities Construction Funds

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$9,090,000	5
1997	\$9,106,000	6
1998	\$9,106,000	7
1999	\$9,391,000	7
2000	\$9,531,000	7

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$9,604,000 and 7 FTE is an increase of \$73,000,000 over the FY 2000 Appropriation of \$9,531,000 and 7 FTE.

Current Services - Built-in Increases - +\$53,000

The request of \$53,000 for personnel related cost will fully fund the increased cost of providing health services to IHS beneficiaries by providing the FY 2001 pay raise and within grade increases.

2000 Self-Governance Annual Funding Agreements

By Areas

Area	Tribal User Pop	At Large User	Program Recurring Base	Area Tribal Shares	Headqtrs Tribal Shares	Contract Support Costs (Direct)	Contract Support Costs (Indirect)	Total
Alaska	96,385	11,865	241,658,000	9,377,000	7,919,000	14,180,000	42,119,000	315,253,000
Aberdeen	0	0	0	118,000	0	0	0	118,000
Bemidji	25,099	0	18,110,000	2,610,000	1,381,000	1,095,000	2,659,000	25,855,000
Billings	13,147	0	17,328,000	1,692,000	1,348,000	1,434,000	2,132,000	23,935,000
California	6,893	5,864	7,085,000	869,000	557,000	564,000	2,554,000	11,629,000
Nashville	10,701	0	13,371,000	2,080,000	694,000	1,157,000	2,752,000	20,054,000
Oklahoma	182,700	38,936	80,272,000	6,461,000	7,081,000	4,951,000	14,583,000	113,348,000
Phoenix	1,882	0	6,398,000	274,000	211,000	708,000	2,025,000	9,616,000
Portland	25,687	0	28,222,000	2,469,000	1,722,000	2,617,000	10,702,000	43,732,000
Total, IHS	362,484	56,665	410,445,000	25,950,000	20,913,000	26,706,000	79,526,000	563,540,000

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Services - 75-0390-0-1-551
 CONTRACT SUPPORT COSTS

Program Authorization:

Program authorized by P. L. 93-638, Indian Self-Determination Act, as amended and P. L. 100-472, Section 106(a)(2) A & B.

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase Or <u>Decrease</u>
Budget Authority	\$203,781,000	\$228,781,000	\$268,781,000	+\$40,000,000

PURPOSE AND METHOD OF OPERATION

Section 106(a)(2) of P.L. 93-638, the Indian Self-Determination Act, as amended, authorizes the Secretary to fund those costs that a tribal contractor incurs in addition to what the Secretary would have otherwise provided for the direct operation of the program. These costs are referred to as contract support costs.

The IHS uses contract support cost funds made available under the ISD fund to support the initial transfer of programs from Federal operations to tribal operation. The ISD funds tribal requests that includes Start-Up, Direct, and Indirect types of Contract Support Costs.

Amounts needed for CSC are determined in independent negotiations with the cognizant Agency's Inspector General (which is the Department of the Interior for virtually all contracts). The types of costs included in these indirect cost pools include the reasonable costs of tribal governing bodies, management and planning, financial management, property management, procurement management, data processing, office support, building rent, utilities, program specific insurance, legal services, and single-agency audits.

In FY 2000, IHS received an increase of \$25 million for contract support costs.

ACCOMPLISHMENTS

By definition, contract support costs (CSC) to the tribal program exceed the amount spent by the Agency at the location of service. Therefore, CSC are a supplement to the direct program funding provided in order to maintain an equitable opportunity for tribes who choose to operate programs under this legislative authority.

Amounts available have been less than the demand of which has resulted from the additional contracting related to the passage of the 1994 ISDA amendments. When the amounts for CSC are less than the aggregate requested funding by tribes for all Title I and Title III programs, the remaining difference is reported annually to the Congress as required by the ISDA.

In 1997, the Congress directed the IHS to "work with Tribes, the Bureau of Indian Affairs and the Inspector General at the Department of the Interior to contain the escalation in contract support costs." In response to this directive, the IHS developed a "Report to Congress on Contract Support Cost Funding in Indian Self-Determination Contracts and Compacts". The findings of the report, based on analysis of tribal indirect cost rates, indicated that rates have remained relatively stable and have not unreasonably escalated. The report further indicated that the continued increase in contract support cost need is due primarily to the increased assumption by tribes of new programs, services, functions and activities from the IHS. The Office of the Inspector General within the Department of Interior reached a similar conclusion as a result of an analysis it conducted of a sample of tribes over an eight-year period.

In FY 1999, the IHS received a \$35 million increase for CSC. Recommendations from the tribal consultation process resulted in the adoption of an allocation methodology that distributed CSC to those tribes with the greatest overall CSC need. The distribution of the \$35 million increase in this manner resulted in the IHS being able to fund contracting/compacting tribes at an average level of need funded of 86 percent for CSC. No tribe in the IHS system was funded at less than 80 percent of its CSC need at the time the \$35 million was allocated.

Consultation with tribes also resulted in the adoption of a new policy in FY 2000 to govern the administration of CSC in the IHS. The policy implements a new process and methodology for distributing CSC within available resources to tribes for new assumptions of programs, functions, services and activities. The policy also implements a process and methodology for reducing the inequity in CSC funding for existing contract and compact tribes.

Following are the funding levels for the last 5 fiscal years:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$153,040,000	--
1997	\$160,702,000	--
1998	\$168,702,000	--
1999	\$203,781,000	--
2000	\$228,781,000	--

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$268,781,000 is an increase of \$40,000,000 over the FY 2000 Appropriation of \$228,781,000.

Contract Support Costs - +\$40,000,000

The \$40 million increase will first be used to provide CSC for new assumptions of IHS programs under self-determination agreements. The IHS estimates that \$12.5 million will be needed for new assumptions, but, since contracting and compacting is a tribal option the amount actually needed could be higher. No new contracts will be funded at a higher funding level than the minimum percentage funded for existing contracts in FY 2001. To the extent the \$40 million is not needed for new assumptions it will be used to increase contract support cost funding for existing contracts. The increase supports the policy to permit an orderly transition from the

Federal administration of programs for Indian Tribes, to Tribal administration of the programs pursuant to the Indian Self-Determination Act.

ACTIVITY/MECHANISMS BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Service - 75-0390-0-1-551
DIABETES

Program Authorization:

Program authorized by 111 STAT. 574 (P.L. 105-33).

Indian Health Service				Increase
	FY 1999	FY 2000	FY 2001	or
<u>Diabetes</u>	<u>Actual</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Decrease</u>
Budget Authority	\$30,000,000	\$30,000,000	\$30,000,000	0

* The Balanced Budget Act of 1997 (P.L. 105-33) provides that \$30 million per year appropriated to the Children's Health Insurance Program be transferred to IHS for diabetes prevention and treatment. Total IHS diabetes funding also includes the National Diabetes Program with 12 Area Diabetes Consultants and 19 model diabetes sites (\$7.7 million per year) and, starting in FY 1998, \$3 million in diabetes grants and \$.3 million for a periodontal disease initiative.

PURPOSE AND METHOD OF OPERATION

Program Mission and Responsibilities

The mission of the IHS National Diabetes Program is to develop, document, and sustain a public health effort to prevent and control diabetes in American Indian and Alaska Native peoples. The agency promotes collaborative strategies for the prevention of diabetes and its complications in the 12 IHS Service Areas through a network of 19 Model Diabetes Programs and 13 Area Diabetes Consultants. The agency also disseminates current information about all aspects of diabetes surveillance, treatment, education, and prevention.

Diabetes was the most frequently identified health problem in the IHS Area I/T/U budget formulation workshops for FY 2001. Type 2 diabetes occurs at dramatically higher rates among AI/AN adults who are almost 3 times more likely to have diabetes than the general U.S. population. A recent alarming trend is the increase in prevalence of type 2 diabetes in young AI/AN. Over a seven-year period, from 1991-1997, the prevalence of diabetes rose 28-36% in AI/AN children and adolescents. Complications of diabetes lead to much higher incidence rates of blindness, vascular insufficiency leading to amputation, and End Stage Renal Disease (ESRD) than in the general U.S. population. Most recent data show that diabetes mortality is 4.3 times higher in the AI/AN population than in the U.S. population. There has been a 24 percent increase in the American Indian age-adjusted death rate from diabetes since 1991-1993. There is clear evidence that for Indian people the health disparity related to diabetes is increasing.

The Balanced Budget Act (BBA) of 1997 provided \$30 million per year for 5 years through the *Special Diabetes Program for Indians* (SDPI) to provide grants for the prevention and treatment of diabetes to Indian Health Service (IHS), tribal, and urban Indian health programs. The IHS completed

a tribal consultation process on the approach to the provision of diabetes services in AI/AN communities that is consistent with the Presidential policy that supports and directs full Federal consultation and partnership with tribal governments on matters of health. The process included national and regional input from tribal and urban program representatives.

A Tribal Leaders Diabetes, Workgroup was established to review the tribal input and make recommendations on the administration and distribution of the BBA funds. Based on the Workgroup recommendations, funds were awarded through non-competitive grants for a five-year project term. The Workgroup recommended that IHS distribute the funding by HIS Area according to a formula based primarily on disease burden (53 percent) and user population with an adjustment to increase funding for very small tribes (42 percent). They also recommended that \$1.5 million be set aside for the urban programs who were to be exempt from the distribution formula process. In addition, 5 percent of the overall funds were reserved for improved data collection to enhance the evaluation process. Distribution of the grant funds within each Area to local IHS and tribal programs was determined by an Area-wide consultation process. An evaluation process was created for both the national and Area levels.

There were 286 grants awarded in the first year cycle. Contracts with several tribal organizations were written at the national and regional level to enhance and facilitate evaluation and data collection activities. Ongoing evaluation of the grants, using a mixed methods approach (both qualitative and quantitative methods) has been implemented.

Tribal programs determined how much of their funding was to be used. Sixty six percent of programs chose to focus on both **secondary and tertiary diabetes prevention efforts** (managing diabetes to prevent complications such as kidney failure, amputations, heart disease and blindness). Thirty three percent of programs decided to implement **primary prevention efforts** to reduce the incidence of diabetes (such as offering exercise and nutrition programs). And forty one percent indicated the need for additional **planning** for their diabetes efforts. Chief Medical Officers, Area Diabetes Consultants and other IHS Area Office Staff were available to assist tribes in choosing promising prevention efforts and in selecting appropriate evaluation measures.

In addition to grants, \$1 million of the BBA funds were allocated for the development of a National Diabetes Prevention Center (NDPC) in Gallup, NM. IHS collaborated with CDC Division of Diabetes in this effort. The NDPC agreement was awarded to the University of New Mexico who have established a Steering Committee and a Center Advisory Board. The Tribal Leaders Diabetes Committee, established as a result of the BBA funds to advise IHS on diabetes-related issues, will also advise the Steering Committee of the NDPC. A regional diabetes conference with the Navajo Tribe and Zuni Pueblo was sponsored by NDPC in the spring of 1999.

Tribes have begun to exert a growing influence in the management of diabetes programs. The number of tribally managed programs continues to grow steadily. Eighty one percent of the *Special Diabetes Program for Indians* grant recipients are tribal programs. To responsibly manage a health program requires data that supports an assessment of the health needs of the population. To meet this need, tribal programs were well represented in the IHS 1998 *Diabetes Care and Outcomes Audit* of AI/AN with diagnosed diabetes and will have the opportunity to participate in the 1999

survey. Data gathered by these surveys provides tribes information from which to make rational decisions regarding their diabetes programs.

Best Practices/Industry Benchmarks

The IHS Diabetes Program has a long and distinguished history of serving as a benchmark of diabetes clinical and public health excellence. The IHS developed the *IHS Standards of Diabetes Care* in 1985, prior to those published by the American Diabetes Association in 1987, and are updated every 2 years based on the latest diabetes science. The IHS has been a leader in developing a diabetes care surveillance system, the annual *Diabetes Care and Outcomes Audit*, carried out voluntarily in Indian health facilities, to track performance on more than 87 indicators to study trends over time. The *Diabetes Care and Outcomes Audit* monitors use of standards and outcomes of diabetes care, including blood sugar and blood pressure control, screening for complications, and preventive health services such as immunizations and smoking history. In the 1998 *IHS Diabetes Care and Outcomes Audit*, 11,581 charts were reviewed representing care to 70,751 patients at 190 IHS and tribal health facilities in the 12 IHS Areas.

This diabetes care surveillance system has been instrumental in the improvement of diabetes care practices in many Indian health settings. For example, in a special program in Alaska and in northern Minnesota from 1989-93, lower extremity amputation rates were reduced by 50 percent in people with diabetes who received complete foot screening and protective footwear. This same system enabled IHS to measure improvements in blood pressure control in Montana after an intensive intervention in 1993.

Beginning in the late 1970s, the IHS Diabetes Program was a pioneer in developing a public health approach to diabetes. In the early 1980's the program began to publish some of the first national epidemiologic surveillance data regarding the problem of diabetes in AI/AN. The IHS Diabetes Program staff tailored American Diabetes Association education program criteria to fit the unique needs of Indian communities and disseminated the adapted criteria nationally. Later in the 1980s and early 1990's, the IHS began to publish in peer reviewed journals its experience with using the *Diabetes Care and Outcomes Audit* to measure improvements in diabetes care for Indian communities. A 1994 GAO report outlining diabetes care to elderly Americans was compared to 1995 data from IHS. HIS performed significantly better on all five measures of quality care. In 1998, the IHS Diabetes Program was recognized by the Diabetes Quality Improvement Coordinating Committee as one of only two federal agencies who had collected quality improvement data so that it was available for comparison when the Diabetes Quality Improvement Project (DQIP) guidelines were announced.

The IHS Diabetes Program has been cited internationally as a model of community involvement and program effectiveness, and in 1999 was invited to the World Congress on Diabetes Prevention conference to present a description of the Balanced Budget Act of 1997 diabetes grant program. As part of its ongoing programmatic activities, the IHS Diabetes Program collaborates with the Centers for Disease Control, the National Institutes of Health, the American Diabetes Association, the American Association of Diabetes Educators, the National Diabetes Education Program, many state Department of Health Diabetes Control Programs, and tribal colleges and universities.

Findings Influencing the FY 2001 Request

The Balanced Budget Act of 1997 *Special Diabetes Program for Indians* provided IHS \$30 million per year for 5 years for the preven and treatment of diabetes. These funds have provided "seed money" to 318 new programs to begin, or in some cases significantly enhance, diabetes prevention programs in Indian communities. Many of these programs, the majority of which are tribally run, are creating innovative, culturally-appropriate strategies to address diabetes. While the SDPI funds have enhanced diabetes care and education in AI/AN communities, programs are reporting the need for additional trained personnel, support, technical assistance and continued funding beyond five years. The next challenge for IHS on a national level will be to disseminate the new ideas learned in these grant site settings to other tribal communities for adaptation and implementation.

ACCOMPLISHMENTS

Results of the 1998 IHS-wide *IHS Diabetes Care and Outcomes Audit* to assess diabetes care and education for over 70,000 diabetes patients completed in 1998 revealed an important finding. Data comparisons with 1994-97 results showed a statistically significant improvement trend in blood sugar control among AI/AN with diagnosed diabetes. This encouraging trend has occurred in spite of the inability of many IHS and tribal facilities to purchase newer diabetes medications and equipment. The IHS National Diabetes Program attributes this trend to the extensive commitment that IHS and local communities have made to improve diabetes control. Blood sugar control has been definitively shown in large clinical trials to reduce the complications of diabetes over time. Despite these advances, AI/ANs continue to have substantially higher rates of diabetes and its complications than the U.S. population at large.

Specific accomplishments include:

- The IHS National Diabetes Program works closely on diabetes-related issues with tribal leaders through the Tribal Leaders Diabetes Committee. This committee was established by Dr Trujillo to advise the agency on an ongoing basis.
- The IHS National Diabetes Program staff play significant roles on numerous national diabetes activities:
 - ✓ The Director serves as a Steering Committee member on the National Diabetes Education Program; as a member of the Translational Advisory Committee of the CDC Division of Diabetes; as an ad hoc member of the Congressionally-mandated Diabetes Research Working Group of the NIDDK/NIH; as a member of the federal Diabetes Interagency Coordinating Committee; on the President's Quality Interagency Coordinating Committee - Diabetes Subcommittee; and as a member of the President's Committee on Health Disparities - Diabetes Committee.
 - ✓ Other staff serve on the Executive Board of the American Diabetes Association and the Task Force to Review the National Diabetes Education Standards for Diabetes Self Management.
- The IHS National Diabetes Program initiated an Indian health task force to revise and develop a framework for integrating Diabetes Education Standards for AI/AN communities. The task force will develop a process

for achieving formal recognition of quality programs in preparation for HCFA reimbursement of diabetes education.

- The IHS National Diabetes Program and the CDC Division of Diabetes collaborate closely. The IHS Diabetes Program prevalence and complications surveillance system have been automated through the assignment of a CDC Epidemiologist to the program. The prevalence data have been disseminated to the Tribal Leaders Diabetes Workgroup, Area Directors, Area Diabetes Consultants, and others. The data are now available by region on our website.
- A Workgroup has been established with CDC, IHS, the American Academy of Pediatrics and the American Diabetes Association to address the growing concern about type 2 diabetes in Native American children. IHS staff are leading the effort with requests for screening protocols, standards of care and treatment recommendations from these expert groups.
- The IHS National Diabetes Program partnered with the National Indian Council on Aging (NICOA) to develop a pilot project to automate diabetes clinical data at the local and national levels. Five sites are fully functional and another 5 sites are coming on board in FY2000.
- The IHS National Diabetes Program collaborated with Macro International, INC, a consultant firm specializing in mixed methods evaluation, to develop an evaluation strategy for the SDPI grants program. The data have been collected and analyzed and reported to the Congress in an interim report.

Following are the funding levels for the Special Diabetes Program for Indians for the last 5 fiscal years:

Year	Funding
1995	\$0
1996	\$0
1997	\$0
1998	\$33,000,000
1999	\$33,000,000

GPRA Performance Measures

Indicator 1: During FY 2000, maintain Area age-specific diabetes prevalence rates and identify trends in the age-specific prevalence of diabetes (as a surrogate marker for diabetes incidence) for the AI/AN population.

Indicator 2: By the end of FY 2000, increase by 3 percent the proportion of I/T/U clients with diagnosed diabetes who have improved their glycemic control over the FY 1999 level.

Indicator 3: By the end of FY 2000, increase by 3 percent the proportion of I/T/U clients with diagnosed diabetes and hypertension who have achieved blood pressure control standards over the FY 1999 level.

Indicator 4: By the end of FY 2000, increase by 3 percent the proportion of I/T/U clients with diagnosed diabetes who have been assessed for dyslipidemia over the FY 1999 level.

Indicator 5: By the end of FY 2000, increase by 3 percent the proportion of I/T/U clients with diagnosed diabetes who have been assessed for nephropathy over the FY 1999 level.

ACTIVITY/MECHANISMS BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Service - 75-0390-0-1-551
INFORMATION TECHNOLOGY AND EPIDEMIOLOGY CENTERS

Program Authorization:

Program authorized by 25 U.S.C. 13, Snyder Act, P.L. 83-568, Transfer Act 42 U.S.C. 2001, and P.L. 102-573, Title II, Section 214.

	FY 1999 <u>Enacted</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase Or <u>Decrease</u>
Budget Authority	\$25,750,000	\$35,750,000	\$42,750,000	\$7,000,000

INFORMATION TECHNOLOGY

PURPOSE AND METHOD OF OPERATION

Current I/T/U Information Systems

The Indian Health Service (IHS) information technology infrastructure consists of the integration of several hardware, software, telecommunications and staffing elements. The upgrade of this infrastructure is the first part of a \$235 million, multi-year project. This includes improvement to the Resource and Patient Management Systems (RPMS), the national data repository, telecommunications network, financial systems, and interfaces with our federal partners.

The RPMS is a decentralized automated information system consisting of over 60 integrated software applications. The system is designed to operate on micro and mini-computers located at over 400 IHS, tribal, urban Indian health and public health nursing sites/facilities. RPMS software modules fall into three major categories: patient-based administrative applications, patient-based clinical applications, and financial and administrative applications. The patient-based administrative applications include software that performs patient registration, scheduling, billing, and interface functions. The patient-based clinical applications include packages that support the various health care programs including immunization, laboratory, pharmacy, radiology, and diabetes. Thirdly, the financial and administrative applications include application packages that keep track of finances, billing, and equipment inventory/repair. The Division of Information Resources (DIR) develops and tests new software and then distributes the RPMS application suite to IHS Headquarters, each Area Office and other federal partners. Each Area Office releases the RPMS application suite to the appropriate hospitals, clinics, health aid, and State public health nursing sites. Each site may load the full suite of applications or only a subset of the applications (as determined by the size and function of that location). The RPMS applications are highly integrated. This allows the RPMS to store patient data in a core set of centralized files rather than in a number of discipline-specific or program-specific files. This structure allows core data, such as patient visit data, to flow to the necessary software applications without having the system access multiple files or requiring duplicate data entry. Based

IHS-135

on this single database structure, RPMS has a set of IHS/Department of Veterans Affairs (VA) tables that are shared by all applications. Sets of data files are shared by related groups of applications as appropriate.

The IHS Division of Information Resources maintains a centralized data warehouse for patient encounter and administrative data. Through the wide-area network (WAN) each health care facility feeds select information about patient encounters to the national data repository. The national database is used to provide reports for statistical purposes; performance measurement for GPRA and accreditation; public health and epidemiological studies; third party revenue generation; national equipment inventories; and support for development of the IHS budget process.

The IHS telecommunications infrastructure connects IHS, tribal, and urban (I/T/U) facilities together and to the national data repository. This infrastructure is used for data transmission, voice traffic, and Intranet/Internet access. The capacity to support data transmission as well as new telehealth applications varies greatly and the need exists to upgrade the capacity overall.

The IHS currently uses separate systems for billing, materiel management, financial and personnel management. Since these systems are not integrated, actuarial and cost accounting data is not a reality within the IHS for revenue generation, cost containment, work efficiencies and benchmarking comparisons.

For over fifteen years the IHS has had collaboration with the VA in the development of software and sharing of resources. Recently, this federal health care collaboration has included both VA and Department of Defense on the Government Computer Patient Record (GCPR) project. The FY2001 proposed increase would rollout major improvements in hardware, software, telecommunications and support to rural sites. This step of the multi-year plan would also start the upgrade of financial and billing systems.

EPIDEMIOLOGY CENTERS

PURPOSE AND METHOD OF OPERATION

Although acquisition of medical data through development of information systems is critical, just as important is the ability to analyze and interpret the data. Because most medical data are complex, simple reports automatically generated by computer systems cannot answer many questions posed by health professionals and administrators. Trained epidemiologists are needed to complete the system of health information for tribes and communities.

The innovative Tribal Epidemiology Center program was authorized by Congress as a way to provide significant support to multiple tribes in each of the IHS Areas. Beginning in FY 1996, four Centers were funded up to \$155,000 each. Since then, these centers have proven that the concept is sound and worthy of additional funding and expansion of the program. Operating from within tribal organizations such as regional health boards, the Epidemiology centers are uniquely positioned to be effective in disease surveillance and control programs, and also in assessing the effectiveness of public health programs. In addition, they can fill gaps in data needed for GPRA and Healthy People 2010.

Some of the four existing Epidemiology Centers have already developed innovative strategies to monitor the health status of tribes, including development of tribal health registries, and use of sophisticated record linkage computer software to correct existing state data sets for racial misclassification. These data may then be collected by the National Coordinating Center at the IHS Epidemiology Program to provide a more accurate national picture of Indian Health.

Epidemiology Centers provide critically needed support for tribal efforts at self-governance of health programs. Data generated locally and analyzed by Epidemiology Centers enable Tribes to evaluate tribal and community-specific health status data so that planning and decision making can best meet the needs of their tribal membership. Because these data are used at the local level, immediate feedback is provided to the local data systems which will lead to improvements in Indian health data overall. They also can assist tribes in activities such as conducting Behavioral Risk Factor Surveys in order to establish baseline data for successfully evaluating intervention and prevention activities. Epidemiology centers can assist tribes in looking at the cost of health care for Indian people in order to improve the use of resources. In the future, in the expanding environment of tribally-operated health programs, epidemiology centers will ultimately provide additional public health services such as disease control and prevention programs. Some existing centers already provide assistance to tribal-participants in such areas as sexually transmitted disease control and cancer prevention.

A supplemented Program will enhance the ability of the Indian health system to collect and manage data more effectively to better understand and develop the link between public health problems and behavior, socioeconomic conditions, and geography.

The Tribal Epidemiology Program supplementation will also support tribal communities by providing technical training in public health practice and prevention-oriented research and promoting public health career pathways for tribal members.

Efforts to expand the Tribal Epidemiology Program will be coordinated with the Centers for Disease Control and Prevention (CDC) to optimize federal resource utilization, create stronger interagency partnerships, and prevent costly duplication of effort.

Following are the funding levels for the last 2 fiscal years:

<u>Year</u>	<u>Funding</u>
1999	\$25,750,000
2000	\$35,750,000

RATIONALE FOR BUDGET REQUEST

Total Request -- The request of \$42,750,000 is a net increase of \$7,000,000 over the FY 2000 Appropriation of \$35,750,000. The net increase includes the following:

Information Technology - +\$4,000,000RPMS Upgrades and Interfaces - +\$ 2,500,000

Includes software upgrades to the RPMS. In addition to software required to achieve the RPMS growth path, specific emphasis will be placed upon data quality, billing and accounts receivable packages. Increased data set exports would include the Patient Statistical Record, ORYX and GPRA measures. These upgrades would provide the ability to extract clinical and financial data to determine best practices. This includes improved security features that meet all applicable federal laws and regulations regarding patient confidentiality, electronic data transmission, and executive and clinical decision making tools for management engineering, bench marking, and best practice measurement. These investments will pay off with improved I/T/U clinical care, cash flow and work efficiencies.

Telecommunications Infrastructure Improvement - +\$400,000

Upgrades to telecommunication infrastructure to meet the needs of both urban and rural healthcare programs dependent upon the transmission of voice, data, or image (e.g., x-rays) between smaller, primary care health facilities and larger referral medical centers. The infrastructure would allow sufficient bandwidth for the potential benefit of advancing telemedicine and teleradiology programs. This includes the addition of 12 telecommunications staff among the Area Offices. Targeted support for hardware, software, and staffing to more effectively utilize available technologies.

Staffing Infrastructure - +\$300,000

Provides 24 hour, seven-day-a-week national and area support to I/T/U facilities. Provides information technology staffing patterns at I/T/U facilities comparable to private sector health care facilities. Provides recruitment and compensation program consistent with the private sector.

Customer Training and Succession Planning - +\$400,000

Provides significant improvements in RPMS user training through on-site instructor led courses, web-based training and correspondence courses. Provides information technology professional training through national on-site instructor lead courses, Commercial-Off-The-Shelf (COTS) vendor courses and self-paced instruction.

National Data Repository - +\$400,000

Upgrade hardware and purchase software to increase the ability to extract demographic, clinical, financial, and epidemiologically significant trends. Provide customers with ability to extract clinical and financial data to determine best practices costing, epidemiological, and demographically significant trends. This initiative combined with the RPMS upgrade and telecommunications improvements will provide data to satisfy the multiple goals of program accountability, improved public health surveillance, and increased third party collections.

Tribal Epidemiology Program Expansion - +\$3,000,000Enhancement of Current Tribal Epidemiology Centers (\$1,435,800)

Proposed Funding will support enhanced funding to a base level for four existing Epidemiology Centers and the National Coordinating Center at IHS. Current funding level is approximately \$155,000 per. An enhancement of \$1,435,800 would enable the existing Epidemiology Centers and the National Coordinating Center to provide additional services/enhance current capabilities such as staffing, travel and training. In addition, Centers will be encouraged to form coalitions representing two or more current IHS administrative areas in order to provide geographical coverage of the entire country.

- Funding for staff at each Center including, at a minimum, the following:
 - Medical Epidemiologist/Director
 - 2 Staff Epidemiologists (MPH to PhD-level)
 - Statistician/database manager
- Funding to provide each Center with travel funds to cover the entire region
- Funding to provide each Center with appropriate technology and training needed for data analysis, interpretation, and presentation
- Funding for National Coordinating Center to provide agreed upon support as outlined in Cooperative Agreements between IHS and Tribal recipients

Tribal Epidemiology Program Expansion (\$1,564,200)

Expansion of the Tribal Epidemiology Program into new regions will (1) provide additional epidemiological expertise at the regional level for more tribes in those regions, and (2) provide additional sources of health data for national use in such activities as GPRA.

Proposed Funding will support:

- Establishment of three additional Epidemiology Centers in regions currently lacking such centers. Centers will be encouraged to form coalitions representing two or more current IHS administrative areas in order to provide geographical coverage of the entire country.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
INDIAN HEALTH SERVICE

INDIAN HEALTH FACILITIES

TABLE OF CONTENTS

	Page
<u>Indian Health Facilities</u>	
Overview.....	3
Maintenance and Improvement.....	9
Sanitation Facilities Construction.....	13
Health Care Facilities Construction.....	19
Facilities and Environmental Health Support.....	29
Facilities Support.....	33
Environmental Health Support.....	39
Office of Environmental Health and Engineering Support.....	47
Equipment.....	49
Personnel Quarters.....	51

OVERVIEWOBJECTIVES

The objectives of the Indian Health Service (IHS) health facilities management, health care facilities construction, sanitation facilities construction, and environmental health services programs are: 1) to provide optimum availability of functional, well-maintained IHS and tribally-operated health care facilities and adequate staff housing at IHS health care delivery locations where no suitable housing alternative is available; and 2) to reduce the incidence of environmentally-related illness and injury by: a) determining and addressing factors contributing to injuries; b) advocating for the improvement of environmental conditions; and c) constructing sanitation facilities and ensuring the availability of safe water supply and adequate waste disposal facilities in American Indian and Alaska Native (AI/AN) homes and communities.

Through the provisions of these comprehensive environmental health services and diversified construction programs, the Federal and tribal health care delivery system is enhanced and the individual home and community environments are much improved. Currently, all IHS hospitals and clinics are accredited by Joint Commission on Accreditation of Healthcare Organizations (JCAHO). The gastroenteric and postneonatal death rates among the AI/AN population have been reduced significantly now that over 85 percent have safe drinking water supplies and sanitary waste disposal systems. Injury prevention efforts of the IHS and tribal programs are also making strides to reduce outpatient visits and hospitalizations. Clearly, these program accomplishments provide significant contributions to the overall IHS health promotion/disease prevention effort.

FUNDING

The fiscal year (FY) 2000 Indian Health Facilities final appropriations provided \$316,555,000 for IHS facilities/environmental health activities including \$43,433,000 for health care facilities maintenance and improvement (not including an estimated \$4,700,000 in reimbursements; i.e., quarters return funds); \$50,393,000 for health care facilities construction; \$92,117,000 for sanitation facilities construction; \$116,282,000 for facilities and environmental health support (\$56,990,000 for facilities support, \$49,162,000 for environmental health support, and \$10,130,000 for the Office of Environmental Health and Engineering (OEHE) Support); and \$14,330,000 for equipment. The FY 2001 Indian Health Facilities request is \$349,374,000 to provide the services listed above (not including an estimated \$4,700,000 in rent collections called quarters return funds to be available in FY 2001 for operation and maintenance of staff quarters).

PROGRAM DESCRIPTION

- **Maintenance and Improvement (M&I)**

This budget activity provides resources that the IHS uses for materials and contract services needed: 1) to keep existing Federal and tribal health care facilities and grounds in good repair; 2) to perform preventive maintenance on facilities and equipment; 3) to accomplish needed improvements to existing space so that facilities will be better suited for delivery of health care services to AI/ANs; 4) to accomplish

environmental assessments and remediation of environmental problems; and 5) to demolish health care facilities replaced through Federal funding.

The FY 2000 final appropriation of \$43,433,000 will enable IHS to distribute approximately \$25,120,000 for routine maintenance activities among all IHS and tribal contracted facilities; allocate \$3,000,000 for environmental assessments and remediation, and distribute \$14,813,000 for maintenance and improvement projects to address critical items from the Backlog of Essential Maintenance, Alteration, and Repair items (BEMAR); and \$500,000 to demolish vacant or obsolete health care facilities replaced through federal funding. All funds are distributed to IHS direct operated and eligible tribal facilities.

• **Sanitation Facilities Construction (SFC)**

This budget activity funds construction of water supply and waste disposal facilities for Indian homes and communities, as authorized by the Indian Sanitation Facilities Act, P.L. 86-121. The proportion of AI/AN homes with essential sanitation facilities (safe water supplies and adequate waste disposal systems) has increased from 20 to 85 percent since the program's inception in 1960. However, availability of such facilities among all U.S. populations is approximately 98 percent.

The SFC program is an integral part of the IHS disease prevention initiative and tribal involvement has been the keystone of SFC program success. Since P.L. 86-121 was passed, the IHS has constructed community and individual water supply and waste disposal systems, which serve more than 231,000 AI/AN homes. The final appropriation of \$92,117,000 in FY 2000 plus contributed funds will enable the SFC program to provide first-service to an estimated 3,740 additional new/like-new, and existing AI/AN homes; and upgrade service to 11,035 more existing homes. At congressional direction, sanitation facilities deficiencies in AI/AN communities are quantified and rank ordered.

Most SFC projects are planned, designed, and managed by IHS engineers and constructed by tribal or non-Indian contractors. Between 65 and 70 percent of the construction is performed by Indian tribes and firms. In addition, a few self-governance tribes are now providing their own professional engineering services. Considering the extremes in climate and geography often found in Indian country, IHS engineers are uniquely challenged to design appropriate, economical, and uncomplicated facilities in order to ensure continued operation and maintenance and long-term health benefits. To further this end, after construction is complete, IHS engineers, sanitarians, and environmental health technicians continue to provide technical assistance and training to system operators and individual homeowners. Technical assistance and training efforts, that benefit tribal utility system managers and operators, positively affect the health and well-being of several hundred thousand AI/ANs every year by ensuring that improved water supply and waste disposal services are provided for their homes and communities:

- **Health Care Facilities Construction (HCFC)**

This budget activity funds construction, including equipment, of new and replacement inpatient and ambulatory health care facilities (hospitals, health centers, etc.), staff quarters, and additional space at existing facilities, as required to provide direct health care services to AI/ANs.

The FY 2000 final appropriation of \$50,393,000 provided funding to: continue construction of the Ft. Defiance, Arizona hospital (\$24,285,000); begin construction of the Winnebago, Nebraska hospital (\$9,714,000); continue construction of the Parker, Arizona health center (\$9,714,000); complete design of the Red Mesa, Arizona health center (\$2,000,000); provide new or replacement modular dental units (\$1,000,000); begin design and construction of Zuni, New Mexico staff quarters (\$920,000); and assist the Hopi Tribe in providing staff quarters (\$2,760,000).

The need for each health care facility and staff quarters construction project is assessed through application of comprehensive priority system methodologies. Periodically, Headquarters solicits proposals from the IHS Areas for essential staff quarters needs, and urgently needed new or replacement health care facilities. The proposals are evaluated objectively and ranked according to relative need. Justification documents are prepared for those ranked highest and, when approved, the projects are placed on the appropriate IHS facilities priority list and funding estimates are included in the 5-year IHS Health Facilities Planned Construction Budget. The total unfunded amount identified on the 5-year IHS Health Facilities Planned Construction Budget for FY 2002 is approximately \$938 million.

The IHS is authorized to construct health facilities by the Snyder Act, 25 U.S.C. 13; and the Indian Health Care Improvement Act, Public Law 94-437. These authorities include inpatient and outpatient facilities, staff quarters, small ambulatory facility construction grants, youth regional treatment centers, joint ventures, and dental units. Also, use of Health Services carryover funds and Medicare/Medicaid funds for construction is authorized. Only those authorities where projects are either on-going or recently completed are included in this document.

- **Facilities and Environmental Health Support (F/EHS)**

This budget activity provides resources that the IHS uses to staff and support its Headquarters, Area, district, and service unit activities; i.e., facilities and environmental health activities carried out directly by Federal employees or, in certain cases, indirectly by tribal contractors. This activity funds all costs for the permanent personnel who manage and implement the IHS health care facilities maintenance and improvement program; the health care facilities new and replacement construction program; the biomedical equipment maintenance and repair program; the sanitation facilities construction program; the environmental health services program; and the real property and health facilities planning programs. In addition, it supports personnel who operate the physical plant at IHS owned health care facilities, and certain non-personnel related operating costs (e.g., utilities). In order to maintain clear distinction between the three major categories of costs included in this activity, the IHS has established

three sub-activities: 1) Facilities Support; 2) Environmental Health Support; and 3) Office of Environmental Health and Engineering Support. These sub-activities are described separately below.

Facilities Support

This budget sub-activity funds permanent personnel costs, at the Area and service unit levels, related to planning; justifying; designing; constructing; improving; leasing or renting; operating and maintaining IHS direct-operated (and, for certain purposes, tribal-operated) health care facilities. Also, it funds related Area and service unit operating costs; e.g., utilities, biomedical equipment repair/maintenance, some non-medical building operations supplies (e.g., filters, fan belts, etc.), and some non-clinical personal property.

The Facilities Support sub-activity was established, in the IHS Appropriations Act of FY 1992, as part of the Facilities and Environmental Health Support activity. The IHS, tribes, and tribal groups operate 49 hospitals, 218 health centers, 7 school health centers, 280 smaller health stations and satellite clinics, 7 youth regional substance abuse treatment centers, 140 alcohol and substance abuse program (ASAP) facilities, and more than 2,200 units of staff quarters.

The IHS owns approximately 849 000 square meters of Federal space in hospitals, clinics, staff quarters, and other facilities and operates health care delivery and administrative program elements in GSA assigned space.

Environmental Health Support

This budget sub-activity funds permanent personnel costs, at the Area, district, and service unit levels, related to providing environmental health services, including injury prevention, to the AI/AN people, to their communities, and to government (tribal, IHS, Bureau of Indian Affairs (BIA), local, etc.) institutions. Also, it funds permanent personnel costs, at the Area, district, and service unit levels, for planning, designing, and constructing Indian sanitation facilities and providing follow-up technical support and training to AI/AN owners and operators of those systems. In addition, it funds related costs including rabies vaccine for dogs and household pets, vector control chemicals for plague control efforts, training and community safety promotion materials, x-ray calibration equipment, and in special circumstances home smoke detectors, radon monitoring kits, and water quality sampling/testing equipment.

In FY 2000, environmental health services provided by IHS Area, district, and service unit environmental health personnel will include such activities as: injury prevention, epidemiological studies, water sampling, vector control activities, food protection surveys, waste disposal investigations/technical assistance, institutional environmental health, and radiation monitoring.

Especially noteworthy are environmental health services provided in the injury prevention category. The IHS environmental health staff has lead responsibility for coordinating development and implementation of

community-based prevention measures to address the problem of injuries, which is the leading killer of AI/ANS age 0 to 44 years. An encouraging downward trend in injury death rates for AI/ANS is being achieved as a result of this increased attention. Given these successes, the IHS has implemented a 5-year Indian Injury Prevention Plan (Immunizing Against the Injury Epidemic).

Once completed, sanitation projects initiated in FY 2000 will provide essential sanitation facilities to 450 new, HUD-sponsored housing units, 290 BIA-sponsored units, 3,000 units constructed by tribes and other entities, and 1,735 first service existing homes (total: 5,475 first service housing units). In conjunction with providing sanitation facilities for the first time to the homes listed above, systems serving 9,300 previously served (existing) homes are to be upgraded.

Office of Environmental Health and Engineering (OEHE) Support

This budget subactivity is used to fund permanent personnel costs, at IHS Headquarters including two offices of Engineering Services (ES), for direct support/management of the full array of services and activities funded by the Facilities appropriation.

The engineers, architects, sanitarians, health facilities planners, leasing/contract specialists, real property managers, and support personnel who work in Headquarters provide technical and management services required to design, construct, operate, and maintain efficient, accessible, and serviceable health care facilities and staff quarters; address IHS leasing/rental requirements; provide appropriate injury prevention and environmental health services and construct sanitation facilities for Indian homes and communities; meet all legal and policy requirements for financial and program accountability; and develop long-range staffing and programmatic goals to ensure continued program effectiveness.

In FY 2000, OEHE Headquarters and ES staff will complete engineering technical reports, surveys, and studies; award major health care facility design/construction contracts including modifications; process IHS and GSA leases; hold tribal and Federal employee training courses; and manage active health care facilities design/construction projects.

• **Equipment**

This budget activity funds the purchase and replacement of new medical equipment for Federal and tribal health care facilities.

In FY 1995, Congress created this activity to consolidate funds for medical equipment in the Facilities appropriation. The IHS medical equipment inventory is approximately \$306 million. Of the \$14,330,000 final appropriation in FY 2000, \$10,830,000 will be used to address sustaining this inventory by replacement of medical equipment, \$500,000 to replace tribal ambulances, and \$3,000,000 will be used to provide for new tribally built facility space.

INDIAN HEALTH FACILITIES
Summary of Budget Request

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase or <u>Decrease</u>
Budget Authority.....	\$291,965,000	\$316,555,000	\$349,374,000	+\$32,819,000
FTE.....	1,254	1,287	1,324	+37

The FY 2001 budget request of \$349,374,000 and 1,324 FTE reflects a net increase of \$32,819,000 and 37 FTE over the FY 2000 final appropriation of \$316,555,000 and 1,287 FTE.

FY 2001 Current Services: +\$74,481,000 and 9 FTE

The IHS is requesting an increase of \$74,481,000 to partially address the rising cost of providing health care. Excluded are cost increases associated with inflation and those that are attributable to the rapidly expanding AI/AN population. The current services increase is \$74,481,000 includes the following.

- \$7,517,000 for pay related cost.
- \$1,665,000 and 9 FTE for Phasing-In of Staffing and Operating Cost for new facilities.
- \$65,237,000 for Health Care Facilities Construction.

Program Increase: +\$10,894,000 and 28 FTE

- \$1,974,000 for Maintenance & Improvement.
- \$2,000,000 and 28 FTE for Facilities and Environmental Health Support.
- \$3,961,000 for Health Disparities (Sanitation Facilities Construction).
- \$2,959,000 for Health Disparities (Injury Prevention).

Program Decrease: -\$52,494,000

- -\$50,393,000 Non-recurring Health Care Facilities Construction Funds.
- -\$ 2,101,000 Equipment

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Facilities - 75-0391-0-1-551
 Maintenance and Improvement

Program Authorization:

Program authorized by U.S.C. 13, Snyder Act and Public Law 83-568, Transfer Act 42 U.S.C., 2001.

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase Or Decrease
Budget Authority....	\$40,625,000	\$43,433,000	\$45,407,000	+\$1,974,000

PURPOSE AND METHOD OF OPERATION

FY 2000 Base

The Indian Health Service (IHS) maintains federal government owned buildings operated by the IHS and supports maintenance and improvement activities where tribally owned space is used for providing health care services pursuant to contract or compact arrangements executed under the provisions of the Indian Self Determination and Education Assistance Act (P.L. 93-638). The Maintenance and Improvement (M&I) program objectives include: (1) Providing routine maintenance for facilities; (2) achieving compliance with buildings and grounds accreditation standards of the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) or other applicable accreditation bodies; (3) providing improved facilities for patient care; (4) ensuring that health care facilities meet building codes and standards; and (5) ensuring compliance with executive orders and public laws relative to building requirements, e.g., energy conservation, seismic, environmental, handicapped accessibility, and security.

The IHS Facilities Engineering Plan (FEP) establishes annual M&I workload targets and helps determine the most prudent use of available resources. The FEP is prepared by IHS Areas, service units, and tribal personnel to identify, delineate, and plan facilities related activities and projects to be accomplished during an upcoming fiscal year for the M&I program.

Funds in the M&I account are used primarily to maintain and improve health care facilities. The staff quarters operation, maintenance, and improvement costs are primarily funded with rent collections called Quarters Return (QR) funds. The M&I funds may be used in conjunction with QR funds, at locations with few quarters or where QR funds are insufficient to ensure adequate maintenance.

Status of Facilities: The physical condition of IHS-owned and most tribally owned facilities are evaluated through annual general surveys conducted by local facility personnel and IHS Area engineers. In addition, comprehensive "Deep Look" surveys are conducted every 5 years by a team of engineers.

These surveys, together with routine observations by facilities personnel, identify deficiencies that are added to the Backlog of Essential

Maintenance, Alteration, and Repair (BEMAR) database. The identified BEMAR for IHS and reporting tribal facilities as of January 2000 is \$445,759,000. Without commensurate funding to cover the addition of numerous tribal facilities, aging existing facilities, and environmental projects generated by the on-going environmental assessment program, the BEMAR can be expected to increase beyond expected inflation costs. The following table summarizes the BEMAR by deficiency category:

<u>BEMAR 1/</u>	
Structural 2/.....	\$174,320,000
Mechanical.....	28,622,000
Electrical.....	19,334,000
Utility.....	3,258,000
Grounds.....	16,103,000
Quarters 3/.....	29,424,000
Real Property Installed Equipment.....	1,643,000
Patient Care.....	13,563,000
Fire and Life Safety.....	34,723,000
Safety.....	5,252,000
Environmental Quality 4/.....	16,629,000
Handicapped Accessibility.....	8,793,000
Energy Management.....	6,578,000
Program Alterations.....	<u>87,517,000</u>
Total.....	<u>\$445,759,000</u>

- 1/ FY 2000 M&I allocation will be distributed for routine maintenance and projects; these projects reduce identified BEMAR deficiencies.
- 2/ Earthquake Hazard Reduction Program Act required IHS to survey and estimate the cost associated with compliance to seismic construction standards. This survey was completed in the Fall of 1998 and added \$149,127,000 in seismic deficiencies.
- 3/ Staff quarters operation, maintenance, and improvement costs are funded through rents collected, called Quarters Return (QR) funds. The M&I funds may be used in conjunction with QR funds, at locations where QR funds are insufficient to ensure adequate quarters maintenance.
- 4/ Projects include air quality improvement, asbestos remediation, and contaminated soil remediation. The IHS will continue conducting comprehensive environmental assessments at IHS/tribal health care facilities. This work is continuing and the assessments have identified significant additional funding requirements for environmental remediation, approximately \$8.6 million in costs were added this past year.

DISTRIBUTION OF M&I FUNDS

Current Distribution Method - The IHS M&I funds are distributed to four subprograms, routine maintenance, M&I projects, environmental compliance, and demolition:

Routine Maintenance Funds - Amounts are calculated using the IHS M&I distribution formula (University of Oklahoma formula). Routine M&I funds are used to pay non-personnel costs for the following activities in IHS and tribally-owned health care facilities: maintenance supplies and materials; preventive maintenance activities; emergency repairs; building service equipment replacement; upkeep activities, training, and local projects.

M&I Project Funds - Amounts are calculated using the IHS M&I distribution formula. The IHS Area Facilities Engineers develop priority lists of large projects to reduce the BEMAR. Generally M&I projects require levels of expertise not available at the local

facility. Such projects accomplish major repairs and improvements of primary mechanical, electrical, and other building systems as well as public law compliance and program-related alterations. Program-related alteration projects include changes to existing facilities for more efficient utilization, for new patient care equipment, and for new treatment methodologies.

Environmental Compliance Funds - Many IHS facilities were constructed before the existence of current environmental laws and regulations. Compliance with current Federal, State, and local environmental regulations has been mandated by the Congress. Environmental assessments identify and evaluate potential environmental hazards. These assessments form the basis of the IHS facilities environmental remediation plan. The IHS has identified approximately \$8,609,000 in environmental deficiencies and included them in the BEMAR database. Tribally owned health care facilities can receive assessments upon request by the tribe.

Demolition Funds - The IHS has a number of buildings that are vacant or obsolete and no longer needed. The number currently is estimated at 25-30 buildings. Many of these buildings are safety and security hazards. Demolition of these buildings will reduce the hazards and liability.

FUTURE FACILITIES ISSUES

Several issues have future impact on the ability for IHS to continue to maintain and operate health care facilities. The number of new deficiencies associated with programs for seismic safety of facilities has increased significantly. In addition, numerous tribal buildings have been added that requires maintenance and improvement. These additional buildings have further diluted the amount of funds available at each site.

The environmental issues, as noted previously, continue to expand and new issues such as lead paint removal have a substantial impact on renovation of older IHS facilities.

The IHS provided a seismic report to FEMA in December, 1998, in response to Executive Order 12941. Modifications to IHS Federally-owned and leased facilities needed to comply with seismic construction requirements total more than \$149 million. A detailed seismic feasibility study was performed in 1999 on the Schurz/Walker River Health Center, Nevada, which was ranked highest on the Phoenix Area seismic priority list. This study estimated the cost to seismically upgrade the facility at \$1.6 million: total replacement of the facility would be about \$4 million.

Steady State Condition -- The Building Research Board of the National Academy of Sciences (*Committing to the Cost of Ownership - Maintenance and Repair of Public Buildings*, 1990) has determined that approximately 2 to 4 percent of current replacement value of supported buildings is required to maintain facilities in their current condition. This amount would not render a net reduction in an existing backlog of deficiencies, and would not include improvements and alterations needed to meet changing medical practice needs, nor include staff and utilities operating costs. The current (1999) replacement value of all M&I eligible facilities is approximately \$1.859 billion.

Funding levels for the past 5 years are as follows:

<u>Year</u>	<u>Funding</u>
1996	\$38,334,000
1997	\$38,334,000
1998	\$39,334,000
1999	\$40,625,000
2000	\$43,433,000

Accomplishments

A total of \$40,625,000 was appropriated in FY 1999 plus approximately \$4,700,000 million in quarters return funds was collected and distributed.

(1) For routine maintenance and projects: approximately \$25,120,000 was provided to the IHS Areas for daily maintenance activities and projects to maintain the current state of health care facilities; approximately \$12,505,000 was provided to the IHS areas to reduce the identified Backlog of essential Maintenance and Repair (BEMAR) deficiencies; and (2) For Environmental Compliance, approximately \$3,000,000 was provided for environmental assessments and environmental remediation projects.

Performance Measures

The following performance indicator is included in the IHS FY 2001 Annual Performance Plan and is primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 22: To improve access to health care services requires effective and efficient space, including reliable supporting building systems. This indicator represents a commitment to this activity that is also fundamental to maintaining hospital and clinic accreditation (see indicator 17).

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST - The request of \$45,407,000 is an increase of \$1,974,000 over the FY 2000 President's Budget of \$43,433,000. The increase includes the following:

Maintenance and Improvement - +\$1,974,000

The \$1,974,000 increase will provide additional resources for routine maintenance to those facilities, which are part of the health care facilities inventory and to reduce the rate of increase of the Backlog of Essential Maintenance, Alteration, and Repair (BEMAR) for health care facilities and related real property.

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Facilities - 75-0391-0-1-551
 Sanitation Facilities

Program Authorization:

Program authorized by U.S.C. 13 Snyder Act, PL 83-568, Transfer Act, 42 U.S.C. 2001, PL 86-121, Indian Sanitation Facilities Act; and Title III of PL 94-437, Indian Health Care Improvement Act, as amended. This sub-sub activity includes the funds necessary for the construction of sanitation facilities (i.e. water; sewer; solid waste; and operation and maintenance projects). The cost associated with professional staff, which provides management and engineering of this program, are included under the Environmental Health Support sub-sub activity.

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase or <u>Decrease</u>
Budget Authority...	\$89,328,000	\$92,117,000	\$96,651,000	+\$4,534,000
FTE.....	179	179	179	--

Number of Homes Benefited

Fiscal Year Program

	FY 1999 <u>Actual</u>	FY 2000 <u>Appropriation</u>	FY 2001 <u>Estimate</u>
A. New/Like-New			
HUD.....	461 1/	450 1/	450 1/
BIA/HIP.....	251	290	290
Tribal/Other.....	<u>2,845</u>	<u>2,000</u>	<u>2,060</u>
Subtotal.....	3,557	3,740	3,800
B. Existing Indian Homes			
First Service.....	1,735	1,735	1,795
Upgraded/Emergency.....	<u>11,279</u>	<u>9,300</u>	<u>9,660</u>
Subtotal.....	13,014	11,035	11,455
TOTAL.....	16,571 2/	14,775 2/	15,255 2/

1/ Sanitation Facilities to be funded with HUD grants contributed by tribes to IHS projects.

2/ Construction projects are funded with IHS appropriated funds and contributions to serve these homes.

PURPOSE AND METHOD OF OPERATIONFY 2000 Base

The Indian Sanitation Facilities Act, P.L. 86-121, authorizes IHS to provide essential sanitation facilities to Indian homes and communities. The IHS Sanitation Facilities Construction Program, an integral component of the IHS disease prevention activity, has carried out those authorities since 1960 using funds appropriated for Sanitation Facilities Construction to provide potable water and waste disposal facilities for American Indian and Alaska Native (AI/AN) people. As a result, the rates for infant mortality, the mortality rate for gastroenteritis and other environmentally related diseases have been dramatically reduced, by about 80 percent since 1973. The IHS physicians and health professionals credit many of these health status improvements to IHS' provision of water supplies, sewage disposal facilities, development of solid waste sites, and provision of technical assistance to Indian water and sewer utility organizations.

A Report to Congress by the Comptroller General (dated March 11, 1974) noted that AI/AN families living in homes with satisfactory environmental conditions placed fewer demands on IHS' primary health care delivery system than families living in homes with unsatisfactory conditions; i.e., those with satisfactory environmental conditions in their homes (e.g., safe piped water and adequate sewage disposal) required approximately 25 percent of the health care services required by those with unsatisfactory environmental conditions.

The provision of Indian sanitation facilities is a very important component of the overall effort required to achieve a reduction in infant mortality, a goal highlighted in "The Year 2010 Objectives for the Nation." Safe drinking water supplies and adequate waste disposal facilities are essential preconditions for most health promotion and disease prevention efforts. Currently, about 1 percent of all U.S. homes lack safe water in the home while about 7.5 percent of all AI/AN homes lack safe water in the home.

Support for the IHS' justification of Sanitation Facilities Construction Program funding can be found in a PHS study entitled Relationship of Environmental Factors to the Occurrence of Enteric Disease in Areas of Eastern Kentucky. The data support the premise that the incidence of acute infections and diarrhea disease could be reduced significantly by selectively modifying environmental factors. The IHS physicians have stated that the Indian Sanitation Facilities Act has had a greater positive effect upon the health of AI/ANs than any other single piece of legislation.

As with other IHS activities, sanitation facilities projects are carried out cooperatively with the Indian people who are to be served by the completed facilities. Tribal involvement has been the keystone of the Sanitation Facilities Program since its inception in FY 1960. Projects are initiated only following receipt of a tribal request expressing willingness on their part to participate in carrying out the project and willingness to execute an agreement to assume ownership responsibilities, including operation and maintenance, for completed facilities. Experience shows that 60 to 70 percent of the actual construction work is performed by Indian tribes/firms.

With completion of all projects approved through FY 1999, approximately 231,000 AI/AN homes will have been provided sanitation facilities since 1960.

Sanitation Facilities Deficiencies

The Indian Health Care Improvement Act (Title III, Section 302(g) 1 and 2 of P.L. 94-437) directed the IHS to identify the universe of Indian sanitation facilities deficiencies for existing Indian homes. As of the end of FY 1999, the backlog of projects to address all documented deficiencies totaled \$1.753 billion. To address the backlog of feasible projects for existing homes in 10 years would require an annual funding level of \$77,002,000. In FY 1999, of the \$89,328,000 appropriated for sanitation facilities, \$45,225,500 was used to address the backlog of existing homes (of this amount \$2,528,500 was set-aside to serve solid waste needs), \$198,000 for special projects, \$341,500 for emergency projects, and \$43,563,000 was used for sanitation facilities for new/like-new Indian homes.

As proposed, the current backlog of projects would provide sanitation facilities to between 95 and 98 percent of all existing Indian homes. Also included in the backlog are projects intended to upgrade existing water supply and waste disposal facilities and projects to improve sanitation facilities operation and maintenance capabilities in Indian country. Maximum health benefits will be realized by addressing existing sanitation needs identified in the backlog and also by providing sanitation facilities for new homes when they are constructed.

Funding levels for the last 5 fiscal years follows:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$84,889,000	244
1997	\$88,963,000	244
1998	\$89,082,000	244
1999	\$89,328,000	179
2000	\$92,117,000	179

DISTRIBUTION OF SANITATION FACILITIES CONSTRUCTION FUNDS

The FY 2001 Sanitation Facilities Construction portion of the appropriation will be allocated as follows:

- 1) \$500,000 will be reserved at IHS Headquarters for distribution to the Areas as needed to address water supply and waste disposal emergencies caused by natural disasters or other unanticipated situations that require immediate attention to minimize potential threats to public health. Emergency funds remaining at the end of the fiscal year will be distributed to the Areas to address the Sanitation Deficiency System (SDS) priority list of needs.
- 2) Up to \$47,000,000 will be distributed to serve new and like-new homes. Some of these funds may also be used for sanitation facilities for the individual homes of the disabled or sick who have physician referrals indicating an immediate medical need for adequate sanitation facilities in their home. Amounts as needed to serve new and like-new homes will

be established by Headquarters after reviewing Area requests. Priority will be given to projects intended to provide sanitation facilities for the first time to homes in categories B, C, and D under the BIA Housing Improvement Program (HIP). (NOTE: Homes in BIA/HIP Category A are considered existing homes. Category A homes needing service will be included in the SDS.) The amount allocated to each Area for projects to serve other new/like-new homes will be the Area's pro-rata share of remaining funds for serving such housing.

- 3) Up to \$5,000,000 will be used for projects to clean up and replace open dumps on Indian lands pursuant to the Indian Lands Open Dump Cleanup Act of 1994.
- 4) The balance of the appropriation in FY 2001 will be distributed to the Areas for prioritized projects to serve existing homes, based on a formula that considers, among other factors, the cost of facilities to serve existing homes that: a) have not received sanitation facilities for the first time; or b) are served by substandard sanitation facilities (water and/or sewer). Another distribution formula element is a weight factor that favors Areas with larger numbers of AI/AN homes without water supply or sewer facilities; or without both.

The IHS appropriated funds will not be used to provide sanitation facilities for new homes funded with grants by the housing programs of the Department of Housing and Urban Development (DHUD). These DHUD housing grant programs for new homes are able to fund the sanitation facilities necessary for the homes.

Accomplishments

In FY 1999: (1) Received approximately \$35.0 million in SFC contributions from other Federal agencies, States, and Tribes. Combined with SFC appropriation, the total SFC program has funded approximately 467 projects in FY 1999; (2) The staff also assisted Tribes by providing engineering services to many other Tribes that independently funded their own projects; and, (3) Provided essential sanitation facilities to 3,096 new/like-new Indian homes and to 1,735 first service existing homes. With additional funds from Housing and Urban Development (HUD), IHS also provided sanitation facilities to 461 new HUD-sponsored housing units.

Performance Measures

The following performance indicator is included in the IHS FY 2001 Annual Performance Plan and primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 30: Improve home environmental health by providing sanitation facilities projects during FY 2001 to serve 3,800 new or like-new homes and 11,455 existing Indian homes.

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST - The request of \$96,651,000 and 179 FTE is an increase of \$4,534,000 over the FY 2000 Appropriation of \$92,117,000 and 179 FTE. The increase includes the following:

Current Services - Built-in Increases - +\$573,000

The request \$573,000 for personnel related costs will fund the increase of providing Sanitation Facilities to IHS beneficiaries and other built-in cost increases associated with on-going projects. Included are increases such as the FY 2001 pay raise, within grade increases, etc. These funds will be shared with Title I and Title III tribes, as well as Federal programs.

The IHS patient population continues to receive less access to health care than the general U.S. population. Maintaining the current I/T/U health system is necessary in eliminating disparities in health status between AI/ANs and the rest of the U.S. population.

Health Disparities (Sanitation Facilities Construction) - +\$3,961,000

The \$3,961,000 increase will provide needed water, sewer, and solid waste facilities to approximately 60 additional first service and 360 previously served existing homes, plus service to an additional 60 new/like new homes in all Areas of the IHS. This includes projects to clean up and replace open dumps. Projects will be funded based on an established priority system. Communities and homes with the greatest health needs, which can be feasibly addressed, will be served first.

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Facilities - 75-0391-0-1-551
 Health Care Facilities Construction

Program Authorization:

Program authorized by U.S.C. 13 Snyder Act, P.L. 83-568, Transfer Act, 42 U.S.C. 2001, P.L. 94-437, Indian Health Care Improvement Act, as amended, P.L. 99-570, Omnibus Drug Bill.

	FY 1999 Actual	FY 2000 Final Appropriation	FY 2001 Estimate	Increase Or Decrease
<u>Program Output Data:</u>				
<u>Hospitals:</u>				
Ft. Defiance, AZ Constr...	\$15,000,000	\$24,285,000	\$40,115,000 2/	+\$15,830,000
Winnebago, NE Design.....	<u>950,000</u>	<u>9,714,000</u>	<u>12,286,000</u>	<u>+2,572,000</u>
Total New/Replacement.....	\$15,950,000	\$33,999,000	\$52,401,000	+\$18,402,000
<u>Outpatient Care Fac.:</u>				
King Cove, AK Constr 1/..	2,500,000	0	0	0
Polacca (Hopi), AZ Constr.	18,100,000	0	0	0
Pinon, AZ Design.....	1,037,000	0	0	0
Parker, AZ Constr.....	2,500,000	9,714,000	7,578,000	-2,136,000
Red Mesa, AZ Design.....	0	2,000,000	0	-2,000,000
Pawnee, OK Design.....	<u>0</u>	<u>0</u>	<u>1,745,000</u>	<u>+1,745,000</u>
Total Outpatient Care Fac	\$24,137,000	\$11,714,000	\$9,323,000	-\$2,391,000
<u>Staff Quarters:</u>				
Zuni, AZ.....	0	920,000	0	-920,000
Polacca, AZ (Hopi).....	0	<u>2,760,000</u>	0	<u>-2,760,000</u>
Total Staff Quarters.....	0	\$3,680,000	0	-\$3,680,000
Small Ambulatory Grants..	0	\$0	\$2,513,000	+\$2,513,000
<u>Dental Units</u>				
Dental Units.....	\$1,000,000	\$1,000,000	\$1,000,000	+\$0
TOTAL.....	\$41,087,000	\$50,393,000	\$65,237,000	+\$14,844,000

1/ Funding was provided in the Department of Interior Appropriation and transferred to IHS for construction, telemedicine, and medical equipment.

2/ This amount includes \$4.1 million to design staff quarters which are part of the Ft. Defiance.

PURPOSE AND METHOD OF OPERATIONFY 2000 Base

The objectives of the Indian Health Service (IHS) Health Care Facilities Construction Program are to enhance IHS health care delivery capacity by providing for optimum availability of functional, well-maintained IHS and tribally-operated health care facilities and provide adequate staff housing

at IHS health care delivery locations if no suitable housing alternative is available. The IHS capital improvement program, funded through this budget activity, is authorized to construct health care facilities and staff quarters, administer the IHS/Tribal Joint Venture Construction Program, renovate/construct Youth Regional Treatment Centers for substance abuse, provide construction grants for small ambulatory care facilities, replace/provide new dental units, and to assist non-IHS funded renovation projects.

To determine the locations where new and replacement facilities are most critically needed, the IHS has developed and is implementing comprehensive priority system methodologies for health care facilities and staff quarters construction. As needed, IHS Headquarters solicits proposals from the IHS Areas for essential staff quarters projects, replacement/new dental units, and for urgently needed new or replacement health care facilities. These proposals are evaluated and prioritized. Formal justification documents are prepared for those scoring highest. Once justified, projects are placed on the appropriate construction priority list and proposed for funding.

Health Care Facilities Construction Program

During FY 1990, in consultation with the tribes, the IHS revised its Health Facilities Construction Priority System (HFCPS) methodology. The HFCPS ranks proposals using factors reflecting the total amount of space needed; age and condition of the existing facility, if any; degree of the isolation of population to be served in the proposed facility; and availability of alternate health care resources. There are three phases to the HFCPS. During FY 1991, Phase I of the methodology was applied to 149 IHS Area-generated proposals to construct new or replacement health care facilities. Based on the Phase I result, the IHS proceeded with Phase II of the methodology, using a more detailed analysis of the 28 highest ranked proposals. During FY 1992, the IHS consulted with tribes about incorporating additional flexibility into the HFCPS in order to give consideration to new concepts, such as low acuity beds in health centers, as directed by the Congress in the FY 1992 Conference Report on IHS appropriations. Few tribes urged that IHS make changes to the HFCPS. In FY 1993, 23 of the 28 proposals considered in Phase II were advanced to Phase III. IHS Area Offices were asked to develop Program Justification Documents (PJDs) for each of the 23 proposed facilities. As PJDs are approved, projects are added to the Health Facilities Construction Priority Lists.

The IHS has two processes for reviewing the staff housing needs. Under the Quarters Construction Priority System methodology, the IHS reviews the need for additional quarters at all existing health care facilities. Phases I and II of this methodology were last applied in 1991. As the Program Justification Document for Quarters (PJDQ) are completed for these projects, they are added to the Quarters Construction Priority List. The second process responds to the Department of Health and Human Service office of the Inspector General report of April 17, 1990, regarding needed improvements for planning and construction of IHS staff housing. The IHS began reviewing the need for quarters at each location where new or replacement health care facilities are being planned. Where quarters are required, IHS completes a PJDQ as a part of the PJD for the health care facility and the quarters need is included with facilities construction project on the Health Care Facilities Construction Priority List.

The Department of the Interior and Related Agencies Appropriations Act for FY 1991 (P.L. 101-512) authorized and partially funded a "joint venture demonstration program to equip, supply, operate, and maintain up to three health centers." These health centers were to be "selected on a competitive basis from those tribal applicants agreeing to provide an appropriate facility for use as a health center for a minimum of 20 years, under a no cost lease." The costs of facility construction are borne by participating tribes. The IHS is responsible for all costs associated with staffing, equipping, and operating the facilities. This authority was redesignated as Section 818(e) and further amended by the 1992 amendments to Public Law 94-437, the Indian Health Care Improvement Act (IHCIA).

The IHS is authorized to construct Youth Regional Treatment Centers (YRTCs) by section 704 of the IHCIA, P.L. 94-437, as amended. A YRTC is to be constructed in each IHS Area except that two each are to be constructed in California and Alaska to provide substance abuse treatment to Indian youth.

The IHS is authorized to award construction grants to tribes or tribal organizations by section 306 of the IHCIA, P.L. 94-437, as amended. Grants may be awarded only to tribes operating non-IHS outpatient facilities under P.L. 93-638 contracts. These are referred to as Small Ambulatory Care Facility Construction Grants.

The IHS is authorized to accept renovations and modernizations of any Service facility through non-IHS funded sources and to assist by providing equipment and personnel by section 305 of the IHCIA, P.L. 94-437, as amended.

Appropriations for IHS in FY 1994-2000 included funding to replace and build new dental units.

Funding levels for the last 5 fiscal years follows:

<u>Year</u>	<u>Funding</u>
1996	\$12,297,000
1997	\$14,500,000
1998	\$14,400,000
1999	\$41,087,000
2000	\$50,393,000

Accomplishments

- (1) For the Fort Defiance, Arizona, replacement hospital project, the appropriated \$15,000,000 was used to update the previously completed design and allowed construction of the replacement hospital portion of the project to start in September 1999.
- (2) For the Winnebago, Nebraska, replacement hospital project, the appropriated \$950,000 was used to complete the design in December 1999. The project is ready for construction to commence using funds appropriated in FY 2000.
- (3) For the new Hopi Health Center in Polacca, Arizona, the \$18,100,000 appropriated was used towards completing construction of the health care facility, which is scheduled to be completed in FY 2000; and for the start of staff quarters renovation.

- (4) The \$2,500,000 appropriated for the replacement Parker Health Center, Parker, Arizona, was used to commence construction in June 1999. Using funds appropriated in FY 2000, construction will continue.
- (5) The \$1,037,000 appropriated for the new Pinon Health Center, Pinon, Arizona, was used towards completing the design of the health care facility. The design is scheduled to be completed in FY 2000.
- (6) The \$1,000,000 appropriated for the dental units construction program was added to funds previously appropriated and allowed three additional dental units to be processed for design and construction.
- (7) For King Cove, Alaska health center project, \$2,500,000 was provided in the Department of Interior appropriation and transferred to the IHS for design and construction. Indian Health Service is working with the Eastern Aleutian Tribe, however, land and funding issues may delay completion of this project.

Performance Measures

The following performance indicator is included in the IHS 2001 Annual Performance Plan and is primarily dependent upon the activities funded within this budget line item for achievement. These indicators are sentinel indicators representative of some of the more significant health problems affecting AI/AN.

Indicator 31: Improve critically needed access to health care services by providing the following physical infrastructure:

Fort Defiance, AZ Hospital	Continue construction of the replacement hospital and start design of the staff quarters.
Winnemago, NE Hospital	Continue construction of the replacement hospital.
Parker, AZ Health Center	Continue construction of the replacement health center.
Pawnee, OK Health Center	Start design of the replacement health center.
Small Ambulatory Construction Grants	Provide construction grants to tribes/tribal organizations.
Dental Units	Provide dental units based on priority needs.

The progress on these projects at the end of FY 2001 will be reported.

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$65,237,000 is a net increase of \$14,844,000 over the FY 2000 Appropriation of \$50,393,000. The amount requested includes the following:

Fort Defiance Hospital, Fort Defiance, AZ: +\$40,115,000

Funds in this request will be for replacement of the hospital portion of the project (\$38,715,000) and to design the additional staff quarters portion of the project (\$1,400,000).

This project is located in the Navajo Nation, Fort Defiance, Arizona. The proposed replacement IHS health care facility will provide a comprehensive health care program, having limited inpatient services for gynecological and general ambulatory surgery, obstetrical, pediatric, intensive care, labor and delivery, and for adolescent psychiatric nursing; plus a full range of non-specialty ambulatory care, community health, dental, and associated support services. The acute care program will have 36 beds,

which consists of 12 for medical/surgical, 8 for pediatrics, 12 for obstetrical and 4 for ICU/CCU. An additional, 20 beds will be used by the adolescent psychiatric nursing unit. The project includes new staff quarters, consisting of 8 replacements for existing unsuitable units and 148 additional units. The number of staff quarters units will increase from 89 to 237 units, which will provide adequate housing to support an increased staffing level. The use of the existing housing site will continue and the new housing will be located next to the replacement hospital.

The existing main hospital building, being an historical structure that was constructed in 1938, cannot be altered. Even though renovations were made in 1972 and 1977, the current 49-bed hospital, which has been converted from the original 136-bed unit, is functionally inadequate to support the health care needs of the user population. Patient care and support services are provided currently in limited spaces in the main building and eight additional separate buildings. There is no room on the present site for additional construction and the adjacent land is not available. Therefore, the only option is to provide a replacement facility on a new site.

Winnebago Hospital, Winnebago, NE: +\$12,286,000

Funds in this request will be used to continue construction of the project to replace the existing Winnebago hospital.

The replacement IHS health care facility will incorporate all inpatient, birthing center, diagnostic, ambulatory, community health, administrative, and support services into one structure. It will consist of 9 162 gross square meters (GSM) of new space and 1 505 GSM of renovated space in the existing facility for the expanded Drug Dependency Unit (DDU) program. Remaining temporary and permanent structure on the site will be demolished. The replacement facility will be constructed adjacent to the existing hospital to support the DDU. Accessibility will be enhanced for pedestrian, public, service, and emergency vehicle traffic.

The existing IHS hospital in Winnebago, Nebraska, which was built in 1932, cannot support the needs of the service population. The original hospital was constructed as a 40-bed, full-service inpatient facility with surgery, labor/delivery, and ambulatory services. The original planned functions of the other permanent structures were as a garage, garage/warehouse, and a quarters/apartment unit. The temporary buildings were designed with minimum space allowances for offices and for outpatient exam rooms and an emergency/urgent care room.

Due primarily to accreditation criteria and lack of support space, the original planned services have been scaled down to the current 30-bed capacity with 12 beds dedicated to the DDU. Four departments (Community Health Services, Dental Services, Property and Supply, and Facilities Management) are located outside the hospital proper, in buildings on or near the hospital campus. The existing hospital and other buildings are not of adequate size to house the proposed health care program. Scattered existing structures and lack of adequate space within existing buildings, compromise interdepartmental relationships.

Parker Health Center, Parker, AZ: +\$7,578,000

Funds in this request will be used to complete construction of the replacement health center at Parker, Arizona.

The IHS and the Colorado River Indian Tribes have agreed that the Colorado River Indian Reservation needs a new ambulatory health care facility. The proposed new health center will replace the existing IHS hospital. The project includes a new health center that will provide space to support a major comprehensive, preventive, curative, and rehabilitative health service program to meet the health needs of the Colorado River Indian Service Unit population.

A 6 702 square meter replacement health center will be constructed on the existing site, which will enhance the adequacy, access, timeliness, and continuity of a modern health care delivery program. The Colorado River Indian Tribe is designing and constructing the health care facility under a Public Law 93-638 contract.

There were major concerns with the size and condition of the existing health care facility and the inability to support a modern health care delivery program. The existing hospital, constructed in 1930, is a one-story masonry bearing wall structure with a wood framed roof. Eight wood-framed additions have been made to the facility from 1955 to 1985. Many support functions are located in other buildings. There are 11 IHS buildings, comprising 2 839 gross square meters which house the current programs.

A 1987 survey was conducted to determine the deficiencies of the health care facilities, their physical condition, and code compliance. The engineering report identified deficiencies that would cost over \$2,600,000 to correct excluding design and contingency fees. The correction of the noted deficiencies would not alleviate the problems with the functional relationships of the programs caused by the scattered existing structures and lack of adequate space within the existing buildings.

Pawnee Health Center, Pawnee, OK: +\$1,745,000

Funds in this request will be used to design the proposed replacement Pawnee Health Center in Pawnee, OK.

The proposed new replacement IHS health center will provide a full range of ambulatory care and community health services to meet the health needs for the residents of the Pawnee Service Area. It will be a more efficient facility, which will enhance the adequacy, access, timeliness, and continuity of a modern health care delivery program, and will be located out of the flood zone.

The IHS and the Pawnee Tribe of Oklahoma have agreed that the existing health center is inadequate to provide a modern health delivery program. The facility, in its present condition, does not comply with current American Institute of Architects "Guidelines for Construction and Equipment of Hospital and Medical Facilities," life safety codes, and barrier-free design standards. There are major concerns with the size and condition of the existing health care facilities and their inability to support a modern health care delivery program. The existing concrete frame and cut stone masonry facility was constructed in 1928 and served as a hospital for the

Pawnee Tribe. The hospital was later converted to a health center. From 1936 to 1974, six other structures were constructed to provide support functions to the health center. All seven structures, which house functions such as health care delivery, administration, supply and maintenance, and telephone, are subject to flooding. This factor, plus the physical layout, age, physical plant deficiencies, cost to renovate, and cost of asbestos abatement, underscore the need to provide a replacement health care facility.

Small Ambulatory Care Facility Construction Grants Program: +\$2,513,000

Funds in this request will be used to award the first grants in the Small Ambulatory Care Facility Construction Grants Program. Authorized under section 306 of the Indian Health Care Improvement Act, Public Law 94-437.

This program allows for the providing of small health care facilities, which cannot compete in the IHS Health Facilities Construction Priority System (HFCPS). Following Department of Health and Human Services grants policy and regulations, projects will be selected from grant applications meeting the program requirements. Project grants will be for the construction, expansion or modernization of non-IHS owned small tribal ambulatory health care facilities located apart from a hospital. The selected projects will not be a part of the IHS HCPS.

Dental Units: +\$1,000,000

The \$1,000,000 will provide three needed dental units justified during the prioritization process. Projects will be funded based on an established priority system. Dental units range from three-chair to five-chair operatories.

INDIAN HEALTH FACILITIES
CONSTRUCTED SINCE FY 1980

	Year	Total
	<u>Completed</u>	<u>Appropriated</u>
Hospitals:		
Bethel, AK	1980	\$34,100,000
Ada, OK	1980	\$14,374,000
Cherokee, NC	1981	\$10,341,000
Red Lake, MN	1981	\$9,566,000
Chinle, AZ	1982	\$19,758,000
Tahlequah, OK	1983	\$21,334,000
Browning, MT	1985	\$15,086,000
Kanakanak, AK	1987	\$16,578,000
Crownpoint, NM	1987	\$17,734,000
Sacaton, AZ	1988	\$15,765,000
Rosebud, SD	1989	\$20,000,000
Pine Ridge, SD	1993	\$27,090,000
Shiprock, NM	1995	\$51,558,000
Crow Agency, MT	1995	\$23,091,000
Kotzebue, AK	1995	\$62,483,000
Anchorage, AK	1997	\$167,915,000
Talihina, OK	1999	*
Subtotal		\$526,773,000
Health Centers:		
Cibecue, AZ	1980	\$750,000
Lodge Grass, MT	1982	\$1,485,000
Inscription House, AZ	1983	\$3,890,000
Ft. Duchesne, UT	1984	\$2,220,000
Tsaile, AZ	1984	\$3,856,000
Huerfano, NM	1984	\$3,304,000
Ft. Thompson, SD	1988	\$3,449,000
Wolf Point, MT	1990	\$3,654,000
Kyle, SD	1990	\$3,209,000
Toppenish, WA	1990	\$9,350,000
Ft. Hall, ID	1990	\$6,002,000
Sallisaw, OK	1992	\$4,265,000
Puyallup, WA	1993	\$8,472,000
Taos, NM	1993	\$5,765,000
Wagner, SD	1993	\$6,119,000
Belcourt, ND (OPD)	1994	\$19,449,000
Tohatchi, NM	1995	\$9,279,000
Stilwell, OK	1995	\$7,663,000
Ft. Belknap, MT		\$18,885,000
Hays, MT	1997	
Harlem, MT	1998	
White Earth, MN	1998	\$13,462,000
Lame Deer, MT	1999	\$14,100,000
Subtotal		\$148,628,000

* Funded and constructed by the Choctaw Tribe.

Indian Health Facilities
Constructed Since FY 1980

	Year <u>Completed</u>	Total <u>Appropriated</u>
<u>Personnel Quarters:</u>		
<u>Chinle & Inscription</u>		
House, AZ (Design)		\$336,000
Inscription House, AZ (21)	1982	\$1,764,000
Chinle, AZ (161)	1983	\$12,236,000
Huerfano, NM (9)	1983	1/
Ft. Duchesne, UT (9)	1984	1/
Crownpoint, NM (36)	1984	\$3,352,000
Tsaile, AZ (23)	1985	\$2,141,000
Ft. Thompson, SD (13)	1985	\$1,279,000
Kanakanak, AK (17)	1986	\$4,133,000
Browning, MT (26)	1987	\$2,470,000
Kyle, SD (24)	1987	\$1,615,000
Supai, AZ (2)	1990	\$246,000
Rosebud, SD (29 of 66)	1990	\$7,345,000
Neah Bay, WA (4)	1991	\$472,000
Dulce, NM (4)	1993	\$515,000
Barrow, AK (29)	1993	\$18,183,000
Rosebud, SD (remaining 37 units)	1993	\$7,695,000
Pine Ridge, SD (45)	1993	\$9,517,000
Kotzebue, AK (50)	1993	\$26,155,000
Belcourt, ND (21)	1997	<u>\$3,912,000</u>
Subtotal		\$103,366,000
<u>Youth Regional Treatment Centers:</u>		
Alaska - Fairbanks, AK	1993	\$1,466,000
Alaska - Mt. Edgecumbe, AK	1994	\$866,000
Phoenix - Sacaton, AZ	1994	\$2,357,000
Portland - Spokane, WA	1996	\$7,343,000
Aberdeen - Chief Gall, SD	1996	<u>\$5,373,000</u>
Subtotal		\$17,405,000
<u>Joint Venture Demonstration Projects:</u>		
Warm Springs, OR	1993	\$959,000
Poteau, OK	1994	<u>\$700,000</u>
Subtotal		\$1,659,000
GRAND TOTAL		\$797,831,000

1/ Funds reprogrammed from Chinle and Inscription House

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Facilities - 75-0391-0-1-551
 Facilities and Environmental Health Support

Program Authorization:

Program authorized by U.S.C. 13, Snyder Act, and P.L. 83-568 Transfer Act, 42 U.S.C. 2001.

	FY 1999	FY 2000	FY 2001	Increase Or
	<u>Actual</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Decrease</u>
<u>Budget Authority:</u>				
Fac. Sup.....	\$53,857,000	\$56,990,000	\$62,293,000	+\$5,303,000
Envir. Sup.....	44,548,000	49,162,000	56,610,000	+\$7,448,000
OEHE Sup.....	<u>9,277,000</u>	<u>10,130,000</u>	<u>10,947,000</u>	<u>+\$817,000</u>
Total BA.....	\$107,682,000	\$116,282,000	\$129,850,000	+\$13,568,000
 <u>FTE:</u>				
Fac. Sup.....	451	463	478	+15
Envir. Sup.....	543	560	579	+19
OEHE Sup.....	<u>81</u>	<u>85</u>	<u>88</u>	<u>+3</u>
Total FTE.....	1,075	1,108	1,145	+37

PURPOSE AND METHOD OF OPERATION

FY 2000 Base

The Indian Health Facilities programs, managed at Indian Health Service (IHS) Headquarters by the Division of Environmental Health and Engineering (DEHE) and carried out by Area, field, and service unit staff, provide an extensive array of real property, health care facilities and staff quarters construction, maintenance, and operation services; as well as community and institutional environmental health, injury prevention, and sanitation facilities construction services. Services are delivered directly by Federal employees or by tribal contractors. In addition to staffing costs, funds appropriated for this activity are used to pay costs for utilities in IHS health care facilities, certain non-medical supplies and personal property, biomedical equipment repair, and some rents. This umbrella account is further managed and distributed through three categories; facilities support, environmental health support, and office of environmental health and engineering support. Currently, costs for permanent positions that constitute the Federal portion of this national Facilities and Environmental Health program are paid from this account. Costs for approximately 179 additional temporary and permanent sanitation facilities construction support personnel are paid from specific sanitation facilities project accounts. Costs for positions in tribally contracted environmental health activities are included among the permanent positions paid from this account. Costs for health facilities/staff quarters operation and maintenance personnel are paid from this account or from reimbursements.

The DEHE Headquarters staff included components in Rockville, Dallas, and Seattle. The staff has management responsibility for IHS facilities and environmental health programs, provides direct technical services and support to Area personnel, and performs critical management functions.

Headquarters DEHE management activities include national policy development and implementation; budget formulation; project review and approval; congressional report presentation; quality assurance (internal control reviews, Federal Managers Financial Integrity Act activities, and other oversight); technical assistance (consultation and training for both tribal and IHS personnel); long-range planning; meetings (with Members of Congress and their representatives, with tribes, and with other Federal agencies); and recruitment and retention. In addition, Engineering Services staff provide architectural, engineering, construction, contracting, and real property services to IHS and tribal health care facilities programs.

There are counterparts of most facilities and environmental health organizational elements in each IHS Area Office. Staff of facilities and environmental health related programs in IHS Area Offices vary in size depending on program scope; the number and size of IHS facilities served; the number, size, and complexity of construction projects; the number and location of Indian communities served; transportation considerations; and the method of providing technical services within the Area. Area facilities and environmental health personnel include engineers, sanitarians, real property and quarters management specialists, biomedical technicians, facilities planners, injury prevention specialists, construction inspectors, utility operations consultants, draftspersons, and land surveyors.

Area personnel perform local management functions while devoting a predominance of time and effort to providing direct support to service unit, district office, and tribal contracted personnel. Typical of direct support functions are services performed by Area-based technical experts who visit IHS facilities and Indian communities to make institutional (hospital, school, restaurant, water supply) inspections, complete sanitation facilities construction survey work, train water/wastewater treatment plant operators or hospital maintenance personnel, survey real property and IHS staff quarters, perform epidemiological studies of injury occurrences, provide onsite construction inspection services, troubleshoot mechanical/electrical problems in IHS facilities, etc.

The management functions performed by IHS Area personnel parallel those performed by Headquarters but are focused on Area and service unit needs and, therefore, are less broad in quantity and scope. They include Area policy development and implementation, quality assurance in Area/service unit operations (oversight), technical assistance (consultation and training), long-range planning, recruitment, and retention.

District Offices are opened when professional/technical services are needed at two or more IHS health care facilities or sanitation facilities construction projects, which are not large enough to merit full-time staff coverage, when the Area Office is too distant, or when the size of the service area is too large to provide suitable services, oversight, or technical assistance from the Area Office. Currently, IHS has approximately 30 such offices, staffed by engineers, sanitarians, construction inspectors, land surveyors, environmental health and construction technicians, and support personnel. All provide direct program support services.

Funding levels for the last 5 fiscal years follows:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$89,677,000	1,209
1997	\$91,021,000	1,192
1998	\$101,617,000	1,192
1999	\$107,682,000	1,178
2000	\$116,282,000	1,108

Facilities and Environmental Health Support is divided into three program sub-activity descriptions (facilities support, environmental health support, and office of environmental health and engineering (OEHE) support).

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST - The request of \$129,850,000 and 1,145 FTE is an increase of \$13,568,000 and 37 FTE over the FY 2000 President's Budget Amount of \$116,282,000 and 1,108 FTE. The increases include the following:

Current Services - Built-in Increases - +\$6,944,000

The request of \$6,944,000 for personnel related cost will fund the increased cost of providing health care and sanitation facilities to IHS beneficiaries and other built-in cost increases associated with on-going operations. Included as increases are the FY 2001 pay raise, within grade increases, etc. These funds will be shared with Title I and Title III tribes, as well as Federal programs.

The IHS patient population continues to receive less access to health care than the general U.S. population. Maintaining the current I/T/U health system is necessary in eliminating disparities in health status between AI/ANs and the rest of the U.S. population.

Phasing-In of Staff for New Facilities - +\$1,665,000 and +9 FTE

The request of \$1,665,000 and 9 FTE provides for the phasing-in of staff and related costs for new facilities. The staffing of new facilities also contributes to the recruitment and retention of medical staff and promotes self-determination activities. The following table displays the requested increase.

<u>Facilities</u>	<u>Dollars</u>	<u>FTE</u>	
Hopi, AZ Health Center	+\$904,000	+9	
Talihina, OK Hospital	<u>761,000</u>	<u>8</u>	1/
Total	+\$1,665,000	+9	

1/ Tribal Operated. NON-ADD FTE

Health Disparities (Injury Prevention) - +\$2,959,000

These increases are to support the injury prevention program. See Environmental Health Support for more details.

Program Increases - +\$2,000,000 and +28 FTE

These increases are to support health care facility activities and environmental health activities including injury prevention and sanitation facilities construction.

Indian Health Facilities
Facilities and Environmental Health Support
Facilities Support

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase or <u>Decrease</u>
Budget Authority...	\$53,857,000	\$56,990,000	\$62,293,000	+\$5,303,000
FTE.....	451	463	478	+15

PURPOSE AND METHOD OF OPERATION

FY 2000 Base

Funds appropriated for the Facilities Support sub-activity are used to pay certain personnel and operating costs at the Area and Service Unit levels¹. The personnel paid from this account operate and maintain health care facilities and staff quarters. Staff functions supported by this sub-activity includes management, operation, and maintenance of real property, building systems, medical equipment, and planning and construction management for new and replacement facilities projects. Also, related Area and Service Unit operating costs, such as utilities, building operation supplies, facilities related real and personal property, and biomedical equipment repair and maintenance, are paid from this account.

The IHS is committed to ensuring that health care is provided in functional and safe structures. Because many IHS facilities are located in isolated and remote environments far from urban centers, the IHS builds and maintains residential quarters at those locations to house non-local health care personnel.

The IHS owns approximately 849 000 square meters of Federally owned space and 809 hectares of land. The nature of space varies from sophisticated medical centers to residential units and utility plants (see following table). Facilities range in age from less than 1 year to more than 100 years. The average age of our health care facilities is 32 years. Many IHS facilities were built when medicine was practiced much differently than it is today and service populations were much smaller (IHS still delivers care in hospitals originally built as tuberculosis sanitariums in the 1930s).

In addition to federally owned space the IHS manages direct lease and GSA assigned space.

¹/Costs for these functions performed by P.L. 93-638 contractors at non-Federally-owned or previously Federally-owned facilities are funded from the Services appropriation.

Space Occupied by IHS and Tribal Health Care Programs				
Type of Facility	Federally Owned	Direct Federal Lease	GSA Assigned	Tribal
Hospitals and Health Centers	454 347 M ²	79 133 M ²	-0-	261 544 M ² *
Staff Quarters	258 676 M ²	5 393 M ²	-0-	*
Other	135 744 M ²	6 190 M ²	66 588 M ²	*
Total	848 767 M ²	90 716 M ²	66 588 M ² **	261 544 M ² *

- *Tribal Space listed for Hospitals and Health Centers includes all space at locations where direct medical services are provided under P.L. 93-638 contracts in non-IHS owned buildings. The IHS does not track individual tribal buildings. Staffing and operations costs for these facilities are funded from the Services appropriation.
- **In 1999, GSA recalculated existing space from net usable to net rentable; overall space has not decreased.

STAFF FUNCTIONS

Four principal staff functions are funded at the Area and service unit levels through the Facilities Support sub-activity.

- **Facilities Engineers**

Area and Service Unit facilities engineers are responsible for ensuring that IHS building systems are operated properly, facilities and grounds are maintained adequately, utilities are managed appropriately, environmental compliance requirements are met, and buildings are safe. The need for maintenance and improvement projects is determined at the Area level and identified in Area Facilities Engineering Plans.

- **Clinical Engineers**

The IHS has highly sophisticated medical equipment in its inventory. Skilled-specialized personnel are employed to maintain and service that equipment because the lives of patients and level of patient care depend on accurate calibration and safe operation. Clinical engineers and technicians perform this critically important function. Additional funding to repair biomedical equipment is obtained from Medicare/Medicaid and private insurance reimbursements. Larger IHS facilities have clinical engineering personnel on-site, but most IHS and tribal facilities depend on Area, district, or service unit-based clinical engineers and technicians, who travel to several facility locations, to repair and maintain biomedical equipment.

- **Real Property Management**

Area Realty Officers provide technical and management assistance for realty activities associated with direct-leased, GSA-assigned, and IHS

owned (and to some degree tribally owned) space. The program includes facility and land acquisitions and disposals, licensing/easement processing, use-permit issuance, quarters management and rent setting activities, lease administration, and budget functions. The program also helps tribes and tribal organizations acquire, administer, and/or manage excess federally owned and tribally leased real property.

- **Facilities Planning and Construction**

Some IHS Areas have facilities planning and construction monitoring components that assist in the planning and construction management of new and replacement health care facility and staff quarters projects. The need for new facilities is determined by applying the IHS Health Facilities Construction and Quarters Construction Priority System methodologies. Area staff develop initial proposals for new and replacement facilities, prepare Program Justification Documents, Program of Requirements Documents, and Project Summary Documents for projects. While construction is underway, Area facilities management staff may be supplemented with construction management personnel to oversee Federal interests in the construction of new and replacement facilities.

OPERATION COSTS

- **Utility Costs**

Utility costs include heating and air conditioning expenses, fuel oil, natural gas, propane, water, sewer, and electricity for lighting and equipment operation.

- **Building Operation Supplies and Equipment**

Funds for building operation supplies and equipment, such as, special tools to perform maintenance, heating and air conditioning supplies, etc.

- **Biomedical Equipment and Repair**

The clinical engineering program provides technical service and support for biomedical equipment at IHS and tribal health care facilities. The program also administers service contracts for biomedical maintenance and repair, where clinical engineering personnel are not available to perform this service.

- **Leased Space**

The IHS continues to apply its Lease Priority System (LPS) methodology in order to plan/budget for federally funded IHS and tribal program space. The LPS improves lease management by establishing specific criteria for evaluating Federal and tribal health program space requests.

All lease costs are paid from the Service appropriations.

Funding levels for the last 5 fiscal years follows:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$38,460,000	539
1997	\$38,838,000	560
1998	\$48,219,000	560
1999	\$53,857,000	580
2000	\$56,990,000	463

Accomplishments

In FY 1999, Facilities Support provided Area offices and service units with staff to operate and maintain the health care buildings and grounds, and to service medical equipment. This responsibility includes an inventory of approximately \$306 million of medical equipment, hospitals, health centers, more staff quarters, smaller health stations and satellite clinics, school health centers, and youth regional treatment centers.

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST -- The request of \$62,293,000 and 478 FTE is an increase of \$5,303,000 and 15 FTE over the FY 2000 Appropriation of \$56,990,000 and 463 FTE. The increases include the following.

Current Services - Built-in Increases - +\$3,408,000

The request of \$3,408,000 for personnel related cost will fund the increased cost of providing health care facilities to IHS beneficiaries and other built-in cost increases associated with on-going operations. Included are increases as the FY 2001 pay raise, within grade increases, etc. These funds will be shared with Title I and Title III tribes, as well as Federal programs.

The IHS patient population continues to receive less access to health care than the general U.S. population. Maintaining the current I/T/U health system is necessary in eliminating disparities in health status between AI/ANs and the rest of the U.S. population.

Phasing-In of Staff for New Facilities - +\$1,255,000 and +6 FTE

The request of \$240,000,000 and 6 FTE provides for the phasing-in of staff and related costs for new facilities. The staffing of new facilities also contributes to the recruitment and retention of medical staff and promotes self-determination activities. The following table displays the requested increase.

<u>Facilities</u>	<u>Dollars</u>	<u>FTE</u>	
Hopi, AZ Health Center	\$694,000	+6	
Talihina, OK Hospital	<u>\$561,000</u>	<u>5</u>	1/
Total	\$1,255,000	+6	

1/ Tribal Operated. NON-ADD FTE

Program Increases - +\$640,000 and +2 FTE:

This increase will provide additional staffing needed to support the increased Maintenance, Improvement and New Construction funding including program implementation. This represents less than a 5 percent increase in staffing. This staffing will be at the Area, Service Unit, and facility level providing direct program services. This includes activities such as correction of facilities deficiencies by increasing facility maintenance staffing; and planning, design and construction of new facilities by Area and service unit staff.

Indian Health Facilities
Facilities and Environmental Health Support
Environmental Health Support

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase Or <u>Decrease</u>
Budget Authority...	\$44,548,000	\$,49,162,000	\$56,610,000	+\$7,448,000
FTE.....	543	560	579	+19

PURPOSE AND METHOD OF OPERATION

FY 2000 Base

Funds in the Environmental Health Support sub-activity are used to pay for personnel who accomplish environmental health services, injury prevention activities, and sanitation facilities construction activities, at the IHS Area, district, and service unit levels and operating costs associated with provision of those services and activities.

Many American Indian and Alaska Native (AI/AN) people live in environments typified by severe climatic conditions, rough, often treacherous geography, extreme isolation, exposure to disease carrying insects and rodents, inadequate housing, unsanitary methods of sewage and garbage disposal, and unsafe water supplies. Such harsh environments, coupled with decades of economic deprivation and compounded by the lack of basic environmental essentials in many homes (such as running water and toilet facilities) historically have contributed significantly to the exceptionally high incidence of disease, injury, and early death among the AI/AN people.

Developing solutions to the many environmental concerns affecting AI/ANs requires knowledge and expertise possessed by a variety of professional and technical environmental health and skilled health specialists. The Area, District and service unit environmental health staffs include engineers, sanitarians, environmental health technicians, engineering aide, injury prevention specialists and institutional environmental control officers.

PROGRAM EMPHASIS AREAS

• General Environmental Health

Concurrent with the provision of technical and consultative environmental health services, Area, district and service unit environmental health services staff provide a wide range of technical services to American Indian and Alaska Native communities including water quality, waste disposal, hazardous materials management, food sanitation, institutional environmental health, vector control, and occupational safety and health. A critical component of this effort is the provision of technical assistance to the Tribes in developing environmental health program management capacity.

In 1999, IHS environmental health services staff in consultation with tribes and other federal partners developed a five-year strategic plan that outlines a strategy for building safe and healthy

communities and for building tribal capacity. A protocol for identifying and prioritizing community environmental health needs will be completed during fiscal year 2000. During fiscal year 2001 community environmental health needs assessments will be conducted in every AI/AN community, and IHS staff will work with the Tribes and other federal programs to develop community action plans to address the identified needs.

- Injury Prevention

Injuries have a significant, adverse effect on AI/AN populations. Between 1991 and 1993, over 4,000 AI/AN residing in the IHS service area, died from unintentional injuries (motor vehicle crashes, home fires, drowning, poisoning, etc.), suicide, homicide, averaging almost 1,400 such death per year. During 1991-1993 injuries and poisoning deaths resulted in 132,856 years of potential life lost (persons dying before reaching age 65).

On average, AI/ANs are dying at a rate 2.2 times the U.S. All Races rate for injuries and poisonings. The rates for Aberdeen and Navajo Areas were 3.5 times the U.S. All Races rate. The rate for Alaska was 3.6 times the U.S. All Races rate. The IHS estimates conservatively that \$100,000,000 is spent each year on transportation and acute care of injured Indian people; however, costly critically needed re-constructive surgeries, prosthetic devices, and rehabilitative services often cannot be provided. Frequently overlooked is the effect that injuries have on the injured person's family. Severe disabling injuries often affect the financial and social fabric of the family and the community, causing a "burden" unparalleled by other health problems.

For many years the IHS has been aware of the significant drain on its limited health care resources that is caused by stabilizing, transporting, treating, and rehabilitating injury victims. In 1981, an Injury Prevention Program was initiated within the environmental health activity. Early efforts by Area, district, and service unit personnel at improved surveillance and targeted intervention were so encouraging that a formal injury prevention training program was established.

One of the most important advancements in the field of injury prevention was dispelling the myth that accidents or accident occurrences are responsible for most, if not all, injuries. In fact, today it is known that injuries are predictable occurrences that can be successfully prevented with properly targeted interventions. There is mounting quantitative evidence that community-base prevention programs, patterned on the public health model, can reduce the incidence of severe injuries requiring hospitalization.

For instance, when Centers for Disease Control and Prevention personnel evaluated the effect of the Navajo Nation's motor vehicle safety belt law, they found that the number of severe injuries attributable to motor vehicle crashes was reduced by 28 percent. This reduction represents estimated savings to the Federal Government of more than \$2,000,000 in direct care expenditures alone. An analysis of deaths among Alaska Natives in the Yukon River delta region indicated 30 percent reduction in drowning deaths. This

reduction is attributed to a 5-year drowning prevention education effort sponsored by the Yukon Kuskokwim Health Corporation's Injury Prevention Program.

The IHS Injury Prevention Plan "Immunizing against the Injury Epidemic" calls for collaboration among IHS, tribes, and other Federal, State, and local agencies in efforts to reduce the incidence of severe injuries. These efforts include placing special emphasis on primary prevention, developing programs on sound epidemiological bases, and funding community-based prevention projects. The IHS has developed formal injury prevention networking arrangements with the Bureau of Indian Affairs, the Center for Substance Abuse Prevention, the National Highway Traffic Safety Administration, and many states, in order to collaborate more effectively with tribes in co-sponsoring injury prevention projects.

Also during the past 9 years, IHS has developed injury prevention training programs specifically for the community-based practitioner. To support tribal capacity building, IHS provides technical training in the area of community injury prevention to approximately 60 tribal health personnel annually through the Injury Prevention Practitioner Level I course.

Support for the IHS Injury Prevention Program is found in the Indian Health Amendments of 1992, Public Law 102-573, and in "The Year 2000 Objectives for the Nation." Three of these objectives target reductions in unintentional injuries, motor vehicle crash injuries, and alcohol-related motor vehicle crashes.

- Institutional Environmental Health

Institutional Environmental Health (IEH) specialists, where available on IHS staffs, work with managers of health care, educational, childcare, and correctional facilities. Such institutions have diverse clientele but share many common problems (such as risks and hazards of new technologies). Emerging disease risks and hazards, stricter regular requirements and escalating costs resulting from claims for compensation for work related injuries sustained by health care workers make institutional environmental problems ever more complex and challenging.

The IEH specialists are trained to anticipate, recognize, and evaluate potential hazards and recommend control procedures. Periodic, formal evaluations of institutions serving AI/AN populations are performed in order to assess environmental conditions, identify those that may cause adverse health effects, and make recommendations to prevent or minimize harm. Among operational areas of interest to IEH specialists are as follows: infections control, industrial hygiene, radiation protection, safety management, and general environmental health conditions.

Assistance is provided to institution managers/operators in developing appropriate program for protecting clients and employees; and in complying with legislation and executive orders regarding environmental health and safety management issues. Advice is also offered regarding compliance with accreditation and/or certification

standards. Maintaining accreditation ensures that IHS continues to have access to medicare/medicaid and third-party funding.

An evaluation research grant of \$116,000 was funded for FY 1997. This initiative was intended to evaluate the effect of primary prevention and case management in reducing the incidence and associated costs of work place injuries. The program targeted the 25 largest IHS hospitals and 4 hospitals associated with self-governance tribes. Grant funds were used to purchase injury tracking software, interactive safety training software, occupational rehabilitation training, and reference materials, as well as provide funds for special projects and bio-statistical support.

This research initiative was extended in FY 1998 with a continuation evaluation research grant for \$35,000. Grant funds were used to fund a back injury demonstration project in Claremore, Oklahoma, to establish a Lifting Team at the Gallup Indian Medical Center, to conduct a study of the relationship between decreased strength and dynamic stability in the shoulder girdle/joint to the incidence of carpal tunnel syndrome at the Fort Defiance Hospital, and to present an applied ergonomics course in Flagstaff, Arizona.

- Sanitation Facilities Construction

In accordance with P.L. 86-121, Indian Sanitation Facilities Act, the IHS manages and provides professional engineering and services to construct over 450 projects annually, at a total cost of over \$130 million, to provide essential sanitation facilities for AI/ANs. This work is a significant component of the comprehensive environmental health services provided by Area, district and service unit environmental health personnel. These services include management of staff, pre-planning consultation with tribes and tribal groups, coordination with other federal, state and local governmental entities, identifying supplemental funding outside of IHS, developing local policies and guidelines with tribal consultation, developing agreements with tribes and others for each project, providing project design and construction, assuring environmental and historical preservation procedures are followed, assisting tribes where the tribes provide construction management, and assisting tribes with operation and maintenance of constructed facilities. The Sanitation Facilities Construction program assures that its staff is highly qualified for its mission by requiring professional licensure of District Engineers and higher level positions. All of these activities are made more difficult due remote locations where they work, the diverse climatic and geologic conditions, and cultural considerations.

In accordance with the Indian Health Care Improvement Act (Title III, Section 302(g) 1 and 2 of P.L. 94-437) the IHS annually updates its inventory of sanitation facilities deficiencies for existing Indian homes. This is carried out with considerable consultation with tribes. The IHS also develops and updates an inventory of all open dump sites on Indian lands as required under the Indian Lands Open Dump Cleanup Act (P.L. 103-399). Both of these inventories are widely used by other governmental agencies in their evaluations and funding of sanitation projects.

Once a sanitation facility is built, the Indian family and/or community for which was constructed assume operation and maintenance responsibilities including payment of associated costs. Therefore, a primary responsibility of IHS Area, district and service unit environmental health personnel is to provide technical assistance and guidance to Indian families and communities regarding the operation and maintenance of essential water supply and sewage disposal facilities.

Where appropriate, IHS engineers, sanitarians and technicians provide technical assistance to tribes and communities to create and manage sanitation facility operation and maintenance organizations. Among other areas, the IHS provides facility maintenance training and assistance with establishing ordinances and user fee schedules. The availability of technical assistance from IHS has contributed significantly to the ability of the small communities and rural families to keep their facilities in working condition. Sustained attention to proper operation and maintenance of these facilities, by tribes, communities, and individual homeowners, is an important contribution to continued strengthening of community infrastructure for AI/AN. In addition, it is necessary to protect the enormous preventive health investment made by the Federal Government on behalf of AI/AN.

TRIBAL HEALTH PROGRAMS

The IHS Area, district and service unit environmental health personnel also train tribal employees to provide environmental health services, under contact with IHS wherever a tribe desires, provided that funds are available and other considerations make such arrangement practicable.

As a result of training provided by IHS, tribal environmental health personnel are better prepared to provide higher levels of service to the Indian people and to support the provision of direct patient care services. For example, some tribes have chosen to contract for the provision of the full range of environmental health services as typically provided by the IHS direct delivery program.

The tribes have been an integral part of the sanitation facilities program for years. In recent years they have administered more than 50 percent of the project funds for the provision of sanitation facilities to AI/AN homes and communities. A Navajo tribal enterprise, the Navajo Engineering and Construction Authority, exemplifies this successful effort. It constructs virtually all sanitation facilities provided by the IHS on the Navajo Indian Reservation and employs approximately 350 Navajos on IHS funded construction projects.

Area, district and service unit environmental health personnel work with tribes/tribal organizations to encourage maximum participation in planning health services delivery programs. Also, they provide technical assistance to the tribal officials who carry out administrative/management responsibilities associated with operation of federally supported programs. Their support of self-determination for tribal organizations will continue. However, the extent to which there is participation in the self-determination process depends on, and is determined by, the individual tribes/tribal organizations.

Funding levels for the last 5 fiscal years follows:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$40,645,000	539
1997	\$41,474,000	522
1998	\$42,463,000	522
1999	\$44,548,000	503
2000	\$49,590,000	560

Accomplishments

Provided professional engineering services to Indian homes and communities by implementing approximately 3,028 projects to provide sanitation facilities. Worked cooperatively with other agencies to secure additional funding, which was combined with the FY 1999 IHS appropriation to initiate projects to provide sanitation facilities for 461 HUD housing units, 251 Bureau of Indian Affairs units, 2,845 new/like-new housing units, and 13,014 existing housing units. Funded personnel to manage the injury prevention program, and performed environmental health services.

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST - The request of \$56,610,000 and 579 FTE is an increase of \$7,448,000 and 19 FTE over the FY 2000 Appropriation of \$49,162,000 and 560 FTE. The increases include the following.

Current Services - Built-in Increases - +\$2,919,000

The request of \$2,919,000 for personnel related cost will fund the increased cost of providing environmental health services to IHS beneficiaries and other built-in cost increases associated with on-going operations. Included as increases are the FY 2001 pay raise, within grade increases, etc. These funds will be shared with Title I and Title III tribes, as well as Federal programs.

The IHS patient population continues to receive less access to health care than the general U.S. population. Maintaining the current I/T/U health system is necessary in eliminating disparities in health status between AI/ANS and the rest of the U.S. population.

Phasing-In of Staff for New Facilities - +\$410,000 and +3 FTE

The request of \$410,000 and 3 FTE provides for the phasing-in of staff and related costs for new facilities. The staffing of new facilities also contributes to the recruitment and retention of medical staff and promotes self-determination activities. The following table displays the requested increase.

<u>Facilities</u>	<u>Dollars</u>	<u>FTE</u>	
Hopi, AZ Health Center	+\$210,000	+3	
Talihina, OK Hospital	<u>200,000</u>	<u>3</u>	1/
Total	\$410,000	+3	

1/ Tribal Operated. NON-ADD FTE

Health Disparities (Injury Prevention) - +\$2,959,000

FACT: 3 of 4 deaths to Indian children are from traumatic injuries!

Childhood injury is a major public health problem and is highly preventable. Childhood injury related deaths account for 73 percent of all deaths to American Indian and Alaska Native (AI/AN) children aged one to nineteen years of age during the years 1985-1996. AI/AN children (0-19 years) have injury - related death rates that are three times the rate for white children and two times the rate for black children for this same time period.

With collaboration of American Academy of Pediatrics, NCIPC, Maternal Child Health, Health and Human Services, the Indian Health Service will be having a congressional briefing on childhood injuries in the Spring 2000.

In fiscal year 1997, Dr. Michael Trujillo, IHS Director, identified injury prevention as one of his primary health initiatives. More than \$300,000 was identified to support competitive tribal grants to build the capacity of American Indian Tribes and Alaska Native Corporations to address their injury problems, including the implementation of effective injury interventions. The three main purposes of the Grant Program are to: improve the basic public health infrastructure of tribes to conduct effective community-based injury prevention programs; provide federal funding to assist tribes in implementing intervention programs based upon sound epidemiological data or proven interventions; and build capacity of tribes to understand the public health implications of injury upon their people and implement effective interventions.

Based upon early success of the tribal projects, more than \$1 million was added in fiscal year 2000 to expand this work to other tribes.

These new injury prevention funds will be available to tribes as competitive grants to build or enhance their existing public health infrastructure. It is estimated that approximately 25 new tribes will be reached with these funds. The remaining funds will be used to support implementation of proven injury prevention intervention, and these interventions have the ability to save money for society. These funds also allow tribes expand their networks which in turns multiplies by 2-3 times the public health benefits of their programs.

Program Increases - +\$1,160,000 and +16 FTE

This increase will provide additional federal or tribal staffing to effectively implement the base workload and requested increase for environmental health services at Area, district, and service unit locations providing direct program services. This represents a less than 10 percent increase in staffing. This includes sanitation facilities construction and addressing our expanding environmental responsibilities including program implementation.

Indian Health Facilities
Facilities and Environmental Health Support
Office of Environmental Health and Engineering Support

	FY 1999 Actual	FY 2000 Final Appropriation	FY 2001 Estimate	Increase Or Decrease
Budget Authority...	\$9,277,000	\$10,130,000	\$10,947,000	+\$817,000,000
FTE.....	81	85	88	+3

PURPOSE AND METHOD OF OPERATION

FY 2000 Base

The Office of Environmental Health and Engineering (OEHE) Support sub-activity funds personnel and operating costs for Headquarters Division of Environmental Health and Engineering (DEHE) which includes two offices of Engineering Services (ES) in Dallas and Seattle.

Headquarters and ES personnel have management responsibility for IHS facilities and environmental health programs, provide direct technical services and support to Area personnel and perform critical management functions. Headquarters management activities includes national policy development and implementation; budget formulation; project review and approval; congressional report preparation; quality assurance (internal control reviews, Federal Managers Financial Integrity Act activities and other oversight); technical assistance (consultation and training); long range planning; meetings (with Members of Congress and their representatives, with tribes, and with other Federal agencies); and recruitment and retention. Typical direct support functions performed by DEHE personnel who serve as project officers for health facilities construction projects are: to review and/or write technical justification documents, participate in design reviews and site surveys, conduct onsite inspections, and monitor project funding status.

The DEHE Headquarters and ES funded positions are in Rockville, Dallas, and Seattle. Headquarters personnel include engineers, sanitarians, health facilities planners, real property managers, and support personnel. Engineering Services staff provide architectural, engineering, construction services, contracting services, and real property services to the IHS health care facilities program. They provide direct services and support to Headquarters and Area personnel in preparing the project justifications, construction cost estimates, and project designs, contracting for design and construction of new health care facilities and existing facility improvements, conducting construction inspections and facility inspections; leasing space for IHS program operations; and providing management support.

Funding levels for the past 5 years are as follows:

<u>Year</u>	<u>Funding</u>	<u>FTE</u>
1996	\$10,572,000	120
1997	\$10,709,000	110
1998	\$10,935,000	110
1999	\$8,836,000	110
2000	\$10,130,000	85

ACCOMPLISHMENTS

Funded personnel who have management responsibilities for National policy development and implementation, budget formulation, congressional report preparation, health care facilities construction and other national program related duties.

RATIONALE FOR BUDGET REQUEST

Total Request -- The request of \$10,947,000 and 88 FTE is an increase of \$817,000 and 3 FTE over the FY 2000 final appropriation of \$10,130,000 and 85 FTE. The increase includes the following:

Current Services - Built-in Increase - +\$617,000

The request of \$617,000 for personnel related costs will fund the increased cost of providing health care facilities and environmental health services to IHS beneficiaries and other built-in cost increases associated with ongoing operations. Included are increases such as the FY 2001 pay raise, within grade increases, etc. These funds will be shared with Title I and Title III tribes, as well as Federal programs.

The IHS patient population continues to receive less access to health care than the general U.S. population.

Program Increases - +\$200,000 and +3 FTE

This increase will provide additional resources to effectively implement the requested increases in the health care facilities construction program. This includes providing direct program services and support. These program services are preparing project justifications, construction cost estimates, project designs, contracting for design and construction of new health care facilities and existing facility improvements, conducting construction inspections and facility inspections; leasing space for IHS program operations; and providing management support.

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Facilities - 75-0391-0-1-551
Equipment

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase Or <u>Decrease</u>
Budget Authority...	\$13,243,000	\$14,330,000	\$12,229,000	-\$2,101,000

PURPOSE AND METHOD OF OPERATION**FY 2000 Base**

The IHS manages approximately \$306,000,000 in laboratory, x-ray, and biomedical equipment. Accurate diagnosis and effective therapeutic procedures depend in large part on clinicians using modern and effective medical equipment to assure the best possible health outcomes. The average life expectancy for the current medical inventory is approximately 6 years depending on the intensity of use, maintenance and technical advances. In addition, this activity funds equipment for replacement clinics built by Tribes using non-IHS funding sources, replacement of ambulances, and the transfer of available excess Department of Defense medical equipment to IHS and Tribal health programs.

Funding levels for the last 5 fiscal years follows:

<u>Year</u>	<u>Funding</u>
1996	\$12,975,000
1997	\$14,505,000
1998	\$13,005,000
1999	\$13,243,000
2000	\$14,330,000

Accomplishments

(1) The equipment program distributed approximately \$10 million to existing health care facilities to replace and purchase new medical equipment; (2) A total of approximately \$3 million to equip new health care facilities being funded with non-IHS funds was apportioned to thirty tribal applicants; and (3) IHS transferred \$3.5 million in excess medical equipment and supplies from the Department of Defense through Operation TRANSAM 98 to the health programs; (4) Upgraded and or replaced approximately 1,600 medical devices for year 2000 compliance using Y2K funds; and (5) began standardization of the biomedical device management system.

RATIONALE FOR BUDGET REQUEST

TOTAL REQUEST --- The request of \$12,229,000 is a decrease of -\$2,101,000 over the FY 2000 President's Budget Amount of \$14,330,000.

Program Decrease - -\$2,101,000

Reflects a reduction in funding associated with Y2K funding.

ACTIVITY/MECHANISM BUDGET SUMMARY
 Department of Health and Human Services
 Public Health Service - Indian Health Service
 Indian Health Facilities - 75-0391-0-1-551
 Personnel Quarters/Quarters Return Funds

	FY 1999 <u>Actual</u>	FY 2000 Final <u>Appropriation</u>	FY 2001 <u>Estimate</u>	Increase Or Decrease
Reimbursements (\$000)....	\$4,700,000	\$4,700,000	\$4,700,000	\$0
FTE.....	37	37	37	--

PURPOSE AND METHOD OF OPERATION

FY 2000 Base

Staff quarters operation, maintenance, and improvement costs are funded with Quarters Return (QR) funds. In certain situations, M&I funds may be used, in conjunction with QR funds, to ensure adequate quarters maintenance; e.g., locations with few quarters where QR funds are insufficient to pay for all required maintenance costs. Approximately \$4,700,000 in QR funds will be collected during FY 2000. These funds will be used for the operation, management, and general maintenance of quarters, including temporary maintenance personnel, security guards, repairs to housing units and associated grounds, and purchase of materials, supplies, and household appliances/equipment (stoves, water heaters, furnaces, etc.).

DEPARTMENT OF HEALTH AND HUMAN SERVICES
INDIAN HEALTH SERVICE

TABLE OF CONTENTS

<u>FY 2000 BUDGET</u>	<u>PAGE</u>
Organizational Chart.....	1
Appropriation Language.....	5
Amount Available for Obligation.....	15
Summary of Change.....	17
Budget Authority by Activity.....	45
Budget Authority by Object.....	46
Salaries and Expense.....	47
Significant Items.....	49
Authorizing Legislation.....	63
Appropriations History Table.....	54
Detail of Full-Time Equivalent Employment (FTE)....	55
Detail of Position.....	56
Health Facilities Priority Rankings.....	58

DEPARTMENT OF HEALTH AND HUMAN SERVICES
PUBLIC HEALTH SERVICE
 Indian Health Service

APPROVED: *Michael H. Trojillo*
 DATE: MAR 12 1989

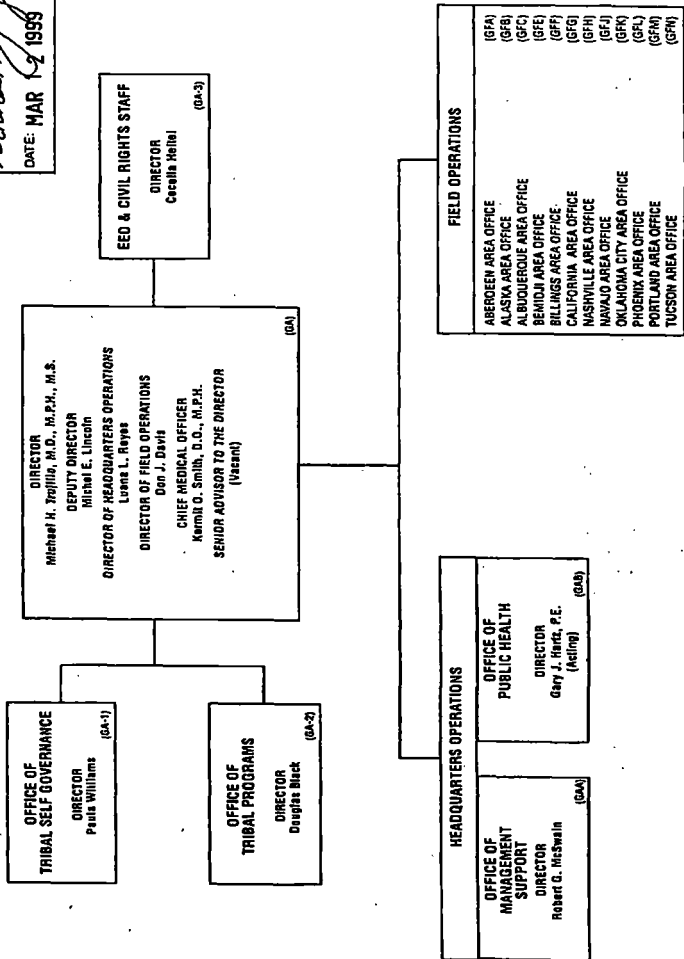
OFFICE OF THE DIRECTOR
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**OFFICE OF
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**OFFICE OF
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DIRECTOR
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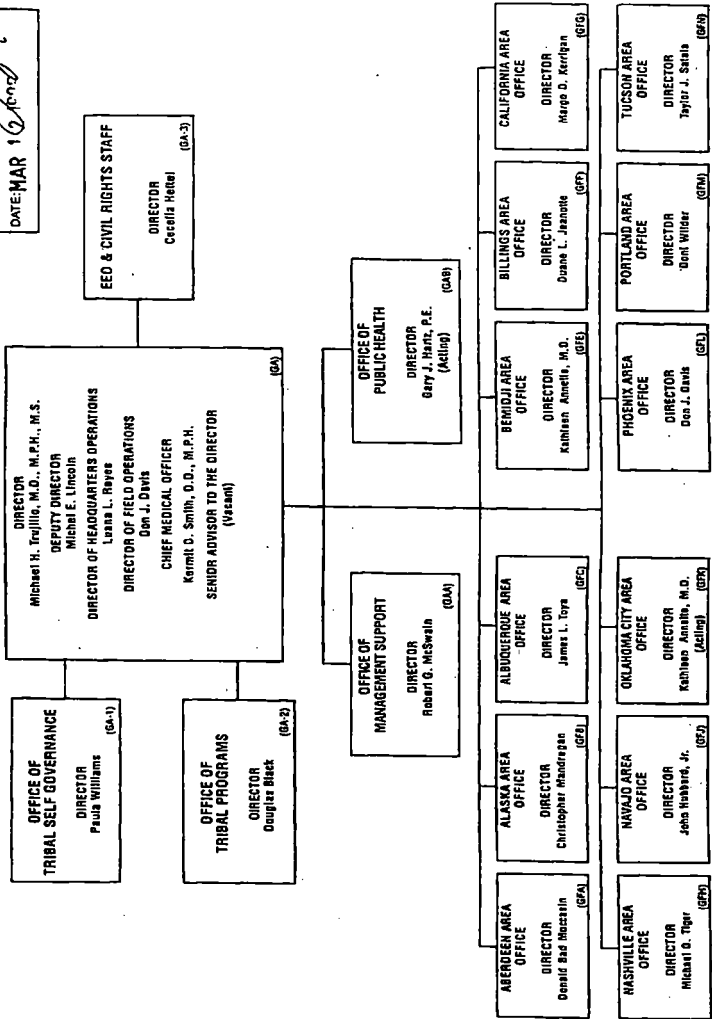
DEPARTMENT OF HEALTH AND HUMAN SERVICES
PUBLIC HEALTH SERVICE
Indian Health Service

APPROVED: *[Signature]*
 DATE: MAR 12 1999



DEPARTMENT OF HEALTH AND HUMAN SERVICES
PUBLIC HEALTH SERVICE
Indian Health Service

APPROVED
Richard J. Smith
 DATE: MAR 10 1970



INDIAN HEALTH SERVICE

Federal Funds

General and special funds:

Indian Health Services

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act with respect to the Indian Health Service, [\$2,078,967,000] \$2,271,055,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 238(b) for services furnished by the Indian Health Service: *Provided*, That funds made available to tribes and tribal organizations through contracts, grant agreements, or any other agreements or compacts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), shall be deemed to be obligated at the time of the grant or contract award and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: *Provided further*, That [\$12,000,000] \$18,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: *Provided further*, That [\$395,290,000] \$429,672,000 for contract medical care shall remain available for obligation until September 30, [2001] 2002: *Provided further*, That of the funds provided, up to \$17,000,000 shall be used to carry out the loan repayment program under section 108 of the Indian Health Care Improvement Act: *Provided further*, That funds provided in this Act may be used for one-year contracts, and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: *Provided further*, That the amounts collected

by the Secretary of Health and Human services under the authority of title IV of the Indian Health Care Improvement Act shall remain available until expended for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, or construction of new facilities): *Provided further*, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under the Indian Health Care Improvement Act, (25 U.S.C. 1613) shall remain available for obligation until September 30, [2001] 2002: *Provided further*, That amounts received by tribes and tribal organizations under title IV of the Indian Health Care Improvement Act shall be reported and accounted for and available to the receiving tribes and tribal organizations until expended: *Provided further*, That, notwithstanding any other provision of law, of the amounts provided herein, not to exceed ~~[\$228,781,000]~~ \$258,781,000 shall be for payments to tribes and tribal organizations for contract or grant support costs associated with contracts, grants, self-governance compacts or annual funding agreements (herein "contracts/compacts") between the Indian Health Service and a tribe or tribal organization pursuant to the Indian Self-Determination Act of 1975, as amended, prior to or during fiscal year [2000] 2001, of which not to exceed [\$10,000,000 may be used for such costs associated with] \$40,000,000 is available first for new and expanded [contracts, grants, self-governance compacts or annual funding agreements] contracts/compacts, which shall receive contract support costs at, and not greater than, the minimum percentage of need funded for existing contracts/compacts in fiscal year 2001: *Provided further*, That any remaining portion of the \$40,000,000 shall be used for contract support costs for existing contracts/compacts: 1/ *Provided further*, That funds available for the Indian Health Care Improvement Fund may be used, as needed, to carry out activities typically funded under the Indian Health

Facilities Account. (*Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).*)

Indian Health Facilities

For construction, repair, maintenance, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of modular buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act and the Indian Health Care Improvement Act, and for expenses necessary to carry out such Acts and titles II and III of the Public Health Service Act with respect to environmental health and facilities support activities of the Indian Health Service, [\$318,580,000] \$290,795,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, funds appropriated for the planning, design, construction or renovation of health facilities for the benefit of an Indian tribe or tribes may be used to purchase land for sites to construct, improve, or enlarge health or related facilities: [*Provided further*, That notwithstanding any provision of law governing Federal construction, \$3,000,000 of the funds provided herein shall be provided to the Hopi Tribe to reduce the debt incurred by the Tribe in providing staff quarters to meet the housing needs associated with the new Hopi Health Center.] *Provided further*, that not to exceed \$500,000 shall be used by the Indian Health Service to purchase TRANSAM equipment from the Department of Defense for distribution to the Indian Health Service and tribal facilities: *Provided further*, That not to exceed \$500,000 shall be used by the Indian Health Service to obtain ambulances for the Indian Health Service and tribal facilities in conjunction with an existing interagency agreement between the Indian Health Service and the General Services Administration: *Provided further*, That not to exceed \$500,000 shall

be placed in a Demolition Fund, available until expended, to be used by the Indian Health Service for demolition of Federal buildings(: Provided further, That from within existing funds, the Indian Health Service may purchase up to 5 acres of land for expanding the parking facilities at the Indian Health Service hospital in Tahlequah, Oklahoma).

In addition, to remain available until expended: for construction of a replacement health facility at Fort Defiance, Arizona, up to \$38,715,000; for construction of a replacement health facility at Parker, Arizona, up to \$2,578,000; and for construction of a replacement health facility at Minnebago, Nebraska, up to \$12,286,000 and, to become available October 1, 2001 and remain available until expended, up to \$17,541,000. 2/ (Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act 2000 (P.L. 601-113).)

ADMINISTRATIVE PROVISIONS

Appropriations in this act to the Indian Health Service shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5376; hire of passenger motor vehicles and aircraft; purchase of medical equipment; purchase of reprints; purchase, renovation and erection of modular buildings and renovation of existing facilities; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and for uniforms or allowances therefor as authorized by 5 U.S.C. 5901-5902; and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: *Provided*, That in accordance with the provisions of the Indian Health Care Improvement Act, non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, subject to charges, and the proceeds along with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651-2653) shall be credited to the account of the facility providing the service and shall be available without fiscal year limitation: *Provided further*, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86-121 (the Indian Sanitation Facilities Act) and Public Law 93-638, as amended:

Provided further, That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed as curtailing Federal travel and transportation: *Provided further*, That notwithstanding any other provision of law, funds previously or herein made available to a tribe or tribal organization through a contract, grant or agreement authorized by Title I or Title III of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), may be deobligated and reobligated to a self-determination contract under Title I, or self-governance agreement under Title III of such Act and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: *Provided further*, That none of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to eligibility for the health care services of the Indian Health Service until the Indian Health Service has submitted a budget request reflecting the increased cost associated with the proposed final rule, and such request has been included in an appropriations Act and enacted into law: *Provided further*, That funds made available in this Act are to be apportioned to the Indian Health Service as appropriated in this Act, and accounted for in the appropriation structure set forth in this Act: *Provided further*, That with respect to functions transferred by the Indian Health Service to tribes or tribal organizations, the Indian Health Service is authorized to provide goods and services to those entities, on a reimbursable basis,

including payment in advance with subsequent adjustment, and the reimbursements received therefrom, along with the funds received from those entities pursuant to the Indian Self-Determination Act, may be credited to the same or subsequent appropriation account which provided the funding, said amounts to remain available until expended: *Provided further*, That reimbursements for training, technical assistance, or services provided by the Indian Health Service will contain total costs, including direct, administrative, and overhead associated with the provision of goods, services, or technical assistance: *Provided further*, That the appropriation structure for the Indian Health Service may not be altered without advance [approval of] notice submitted to the House and Senate Committees on Appropriations. (*Department of the Interior and Related Agencies Appropriations Act, 2000*, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).)

Explanation of Language Changes

Language Provision	Explanation
1/ Provided further, - of which not to exceed \$40,000,000 is available first for new and expanded contracts/compacts, which shall receive contract support costs at, and not greater than, the minimum percentage of need funded for existing contracts/compacts in fiscal year 2001:	This language would allow IHS to fund all new and expanded contracts and compacts at the minimum percentage that all contracts/compacts are currently funded. And, any remaining funds will be used to raise the minimum of all existing contract/compacts.
-That any remaining portion of the \$40,000,000 shall be used for contract support costs for existing contracts/compacts.	
2/ In addition, to remain available until expended: for construction of a replacement health facility at Fort Defiance, Arizona, up to \$38,715,000; for construction of a replacement health facility at Parker, Arizona, up to \$7,578,000; and for construction of a replacement health facility at Winnebago, Nebraska, up to \$12,286,000 and, to become available October 1, 2001 and remain available until expended, up to \$17,542,000.	The language would allow for phased-funding of construction of each health care facility over several years, therefore, advance appropriations in FY 2002 is requested for construction of the replacement health facility at Winnebago, Nebraska. Over a period of two (2) fiscal years, FY 2001 through FY 2002, the budget requests sufficient funds to complete the Winnebago, Nebraska replacement facility.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
INDIAN HEALTH SERVICE
INDIAN HEALTH SERVICES

Amounts Available for Obligations

	FY 1999 Appropriation	FY 2000 Final Appropriation 1/	FY 2001 Estimate
Appropriation:			
Appropriation (Services) _____	\$1,950,322,000	\$2,078,967,000	\$2,275,187,000
Enacted Rescission _____	(\$1,942,000)	(\$4,794,000)	(\$2,201,000)
Administrative Cost Reduction _____	\$0	\$0	(\$1,931,000)
Subtotal, Adjusted Appropriatio	\$1,948,380,000	\$2,074,173,000	\$2,271,055,000
Transfer Appropriation: Diabet	\$30,000,000	\$30,000,000	\$30,000,000
Offsetting Collections:			
"Federal Funds" _____	285,930,000	288,068,000	288,068,000
"Non-Federal Funds" _____	275,373,000	293,549,000	293,549,000
Subtotal _____	\$561,303,000	\$581,617,000	\$581,617,000
Recoveries of Prior Years Oblig	0	0	0
Unobligated Balance, Start of Y	103,000,000	115,000,000	115,000,000
Unobligated Balance End of Year	115,000,000	115,000,000	115,000,000
Unobligated Balance Lapsing _____	0	0	0
Total Amount Available, for Obli	\$2,527,683,000	\$2,685,790,000	\$2,882,672,000

1/ To be used for the 0.38 percent congressional rescission and in those cases where the Administrative is proposing changes to FY 2000 budgetary resources.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
INDIAN HEALTH SERVICE
INDIAN HEALTH FACILITIES

Amounts Available for Obligations

O:\DFM\BFPB\FY2001\Congr'l\Exhibit E-2	FY 2000		
	FY 1999 Actual	Final Appropriation 1/	FY 2001 Estimate
Appropriation.....	291,965,000	318,580,000	352,061,000
Enacted Rescission.....	0	(2,025,000)	(2,520,000)
Administrative Cost Reduction.....	0	0	(167,000)
Subtotal, Adjusted Appropriation.....	291,965,000	316,555,000	349,374,000
Recoveries of prior years obligation.....	11,336,000	0	0
Unobligated balance, start of year.....	21,537,000	72,016,000	72,016,000
Unobligated balance end of year.....	(72,016,000)	0	0
Total Obligations.....	252,822,000	388,571,000	421,390,000

1/ To be used for the 0.38 percent congressional rescission and in those cases where the Administration is proposing changes to FY 2000 budgetary resources.

EXHIBIT F

INDIAN HEALTH SERVICE
Health Services
SUMMARY OF CHANGES

2000 Appropriation	\$2,074,173,000
Total estimated budget authority	\$2,074,173,000
(Obligations)	(\$2,074,173,000)
2001 Estimate	\$2,271,055,000
(Obligations)	<u>(\$2,271,055,000)</u>
Net Change	+\$196,882,000
(Obligations)	<u>(+\$196,882,000)</u>

	FY 2000 Base		Change from Base	
	FTE	BA	FTE	BA
<u>INCREASES:</u>				
A. <u>Built-In:</u>				
1. Annualization of FY 2000 Pay Raise	--	N/A	--	\$6,173,000
2. FY 2001 Pay Raise at 3.7% (9 months)	--	N/A	--	13,694,000
3. Tribal Pay Cost	--	N/A	--	28,853,000
4. Within Grade Increase	--	N/A	--	6,328,000
5. Less One Day Pay	--	N/A	--	-1,890,000
Subtotal Built-In	--	N/A	--	<u>1,307,000</u>
			--	+\$53,158,000
B. <u>Phasing In of Staff and Operating Cost of New Fac:</u>				
Hopi, AZ Hlth Ctr	--	N/A	42	\$5,133,000
Talihina, OK Health Center	--	N/A	0	<u>4,922,000</u>
Subtotal Staffing	--	N/A	+42	+\$10,055,000
C. <u>Program:</u>				
Info & Telecom Systems	--	N/A	--	7,000,000
Indian Hlth Care Improv Fund	--	N/A	--	8,000,000
Health Disparities	--	N/A	99	78,669,000
Contract Support Cost	--	N/A	--	<u>40,000,000</u>
Subtotal Program	--	N/A	+99	+\$133,669,000
TOTAL INCREASES	--	<u>N/A</u>	<u>+141</u>	<u>+\$196,882,000</u>
NET CHANGE	--	<u>N/A</u>	<u>+141</u>	<u>+\$196,882,000</u>

Clinical Services

2000 Appropriation	\$1,632,299,000
Total estimated budget authority	\$1,632,299,000
(Obligations)	(\$1,632,299,000)
2001 Estimate	\$1,769,161,000
(Obligations)	<u>(\$1,769,161,000)</u>
Net Change	+\$136,862,000
(Obligations)	<u>(+\$136,862,000)</u>

INCREASES:	FY 2000 Base		Change from Base	
	FTE	BA	FTE	BA
A. <u>Built-In:</u>				
1. Annualization of FY 2000				
Pay Raise	--	N/A	--	\$5,529,000
2. FY 2001 Pay Raise at 3.7%				
(9 months)	--	N/A	--	12,130,000
3. Tribal Pay Cost	--	N/A	--	25,367,000
4. Within Grade Increase	--	N/A	--	5,534,000
5. Less One Day Pay	--	N/A	--	<u>-1,675,000</u>
Subtotal Built-In	--	N/A	--	+\$46,885,000
B. <u>Phasing In of Staff and</u>				
<u>Operating Cost of New Fac:</u>				
Hopi, AZ Hlth Ctr	--	N/A	39	\$3,318,000
Talihina, OK Hospital	--	N/A	0	<u>4,572,000</u>
Subtotal Staffing	--	N/A	+39	+\$7,890,000
C. <u>Program:</u>				
Info & Telecom. System	--	N/A	--	7,000,000
Indian Hlth Care Improv Fund	--	N/A	--	8,000,000
Health Disparities	--	N/A	71	<u>67,087,000</u>
Subtotal Program	--	N/A	+71	+\$82,087,000
TOTAL INCREASES	--	N/A	+110	+\$136,862,000
NET CHANGE	--	N/A	+110	+\$136,862,000

Hospital and Health Clinics

2000 Appropriation	\$1,005,412,000
Total estimated budget authority	\$1,005,412,000
(Obligations)	(\$1,005,412,000)
2001 Estimate	\$1,084,190,000
(Obligations)	<u>(\$1,084,190,000)</u>
Net Change	+\$78,778,000
(Obligations)	<u>(+\$78,778,000)</u>

INCREASES:	FY 2000 Base		Change from Base	
	FTE	BA	FTE	BA
A. <u>Built-In:</u>				
1. Annualization of FY 1999 Pay Raise	--	N/A	--	\$4,776,000
2. FY 2000 Pay Raise at 3.7% (9 months)	--	N/A	--	10,170,000
3. Within Grade Increase	--	N/A	--	4,612,000
4. Tribal Pay Cost	--	N/A	--	21,931,000
5. Less One Day Pay	--	<u>N/A</u>	--	<u>-1,404,000</u>
Subtotal Built-In	--	N/A	--	<u>+\$40,085,000</u>
B. <u>Phasing In of Staff and Operating Cost of New Fac:</u>				
Hopi, AZ Hlth Ctr	--	N/A	30	\$2,755,000
Talihina, OK Hospital	--	<u>N/A</u>	--	<u>3,959,000</u>
Subtotal Staffing	--	N/A	+30	<u>+\$6,714,000</u>
C. <u>Program:</u>				
Health Disparities	--	N/A	48	\$16,979,000
Info. & Telecom. System	--	N/A	--	7,000,000
Indian Hlth Care Improv Fund	--	<u>N/A</u>	--	<u>8,000,000</u>
Subtotal Program	--	N/A	+48	<u>+\$31,979,000</u>
TOTAL INCREASES	<u>--</u>	<u>N/A</u>	<u>+78</u>	<u>+\$78,778,000</u>
NET CHANGE	<u>--</u>	<u>N/A</u>	<u>+78</u>	<u>+\$78,778,000</u>

Dental Health

2000 Appropriation	\$80,062,000
Total estimated budget authority	\$80,062,000
(Obligations)	(\$80,062,000)
2001 Estimate	\$88,258,000
(Obligations)	(\$88,258,000)
Net Change	+\$8,196,000
(Obligations)	(+\$8,196,000)

INCREASES:	FY 2000 Base		Change from Base	
	FTE	BA	FTE	BA
A. <u>Built-In:</u>				
1. Annualization of FY 2000				
Pay Raise.....	--	N/A	--	\$445,000
2. FY 2001 Pay Raise at 3.7%				
(9 months).....	--	N/A	--	1,150,000
3. Tribal Pay Cost.....	--	N/A	--	2,192,000
4. Less One Day Pay.....	--	N/A	--	-159,000
5. Within Grade Increase....	--	N/A	--	519,000
Subtotal Built-In.....	--	N/A	--	+\$5,527,000
B. <u>Phasing In of Staff and</u>				
<u>Operating Cost of New Fac:</u>				
Hopi, AZ Hlth Ctr.....	--	N/A	7	\$405,000
Talihina, OK Hospital.....	--	N/A	0	387,000
Subtotal Staffing.....	--	N/A	+7	+\$792,000
C. <u>Program:</u>				
Health Disparities.....	--	N/A	11	3,257,000
Subtotal Program.....	--	N/A	11	+\$3,257,000
TOTAL INCREASES.....	--	N/A	+18	+\$8,196,000
NET CHANGE.....	--	N/A	+18	+\$8,196,000

Mental Health

2000 Appropriation	\$43,245,000
Total estimated budget authority	\$43,245,000
(Obligations)	(\$43,245,000)
2001 Estimate	\$49,405,000
(Obligations)	<u>(\$49,405,000)</u>
Net Change	+\$6,160,000
(Obligations)	<u>(+\$6,160,000)</u>

INCREASES:	FY 2000 Base		Change from Base	
	FTE	BA	FTE	BA
A. <u>Built-In:</u>				
1. Annualization of FY 2000				
Pay Raise	--	N/A	--	\$212,000
2. FY 2001 Pay Raise at 3.7%				
(9 months)	--	N/A	--	548,000
3. Tribal Pay Cost	--	N/A	--	867,000
4. Less One Day Pay	--	N/A	--	-76,000
5. Within Grade Increase	--	N/A	--	<u>273,000</u>
Subtotal Built-In	--	N/A	--	<u>+\$1,824,000</u>
B. <u>Phasing In of Staff and</u>				
<u>Operating Cost of New Fac:</u>				
Hopi, AZ Hlth Ctr.	--	N/A	2	158,000
Talihina, OK Hospital	--	N/A	0	<u>\$226,000</u>
Subtotal Staffing	--	N/A	2	<u>+\$384,000</u>
C. <u>Program:</u>				
Health Disparities	--	N/A	--	<u>3,952,000</u>
Subtotal Program	--	N/A	--	<u>+\$3,952,000</u>
TOTAL INCREASES	--	N/A	<u>+2</u>	<u>+\$6,160,000</u>
NET CHANGE	--	N/A	<u>+2</u>	<u>+\$6,160,000</u>

Alcohol & Substance Abuse

2000 Appropriation	\$96,824,000
Total estimated budget authority (Obligations)	\$96,824,000 (\$96,824,000)
2001 Estimate	\$99,636,000
(Obligations)	<u>(\$99,636,000)</u>
Net Change	+\$2,812,000
(Obligations)	<u>(+\$2,812,000)</u>

<u>INCREASES:</u>	<u>FY 2000 Base</u>		<u>Change from Base</u>	
	<u>FTE</u>	<u>BA</u>	<u>FTE</u>	<u>BA</u>
A. <u>Built-In:</u>				
1. Annualization of FY 2000 Pay Raise	--	N/A	--	\$96,000
2. FY 2001 Pay Raise at 3.7% (9 months)	--	N/A	--	262,000
3. Tribal Pay Cost	--	N/A	--	377,000
4. Less One Day Pay	--	N/A	--	-36,000
5. Within Grade Increase	--	N/A	--	<u>130,000</u>
Subtotal Built-In	--	N/A	--	+\$829,000
B. <u>Program:</u>				
Health Disparities	--	N/A	--	<u>1,983,000</u>
Subtotal Program	--	N/A	--	+\$1,983,000
TOTAL INCREASES	--	<u>N/A</u>	--	<u>+\$2,812,000</u>
NET CHANGE	--	<u>N/A</u>	--	<u>-\$2,812,000</u>

Contract Health Services

2000 Appropriation	\$406,756,000
Total estimated budget authority (Obligations)	\$406,756,000 (\$405,756,000)
2001 Estimate	\$447,672,000
(Obligations)	<u>(\$447,672,000)</u>
Net Change	+\$40,916,000
(Obligations)	<u>(+\$40,916,000)</u>

<u>INCREASES:</u>	<u>FY 2000 Base</u>		<u>Change from Base</u>	
	<u>FTE</u>	<u>BA</u>	<u>FTE</u>	<u>BA</u>
A. Program:				
Health Disparities.....	--	N/A	--	<u>40,916,000</u>
Subtotal Program.....	--	N/A	--	<u>+\$40,916,000</u>
TOTAL INCREASES.....	<u>--</u>	<u>N/A</u>	<u>--</u>	<u>+\$40,916,000</u>
NET CHANGE.....	<u>--</u>	<u>N/A</u>	<u>--</u>	<u>+\$40,916,000</u>

Preventive Health

2000 Appropriation	\$91,859,000
Total estimated budget authority (Obligations)	\$91,859,000 (\$91,859,000)
2001 Estimate	\$103,364,000
(Obligations)	<u>(\$103,364,000)</u>
Net Change	+\$11,505,000
(Obligations)	<u>(+\$11,505,000)</u>

<u>INCREASES:</u>	<u>FY 2000 Base</u>		<u>Change from Base</u>	
	<u>FTEs</u>	<u>BA</u>	<u>FTEs</u>	<u>BA</u>
A. <u>Built-In:</u>				
1. Annualization of FY 2000 Pay Raise.....	--	N/A	--	\$233,000
2. FY 2001 Pay Raise at 3.7% (9 months).....	--	N/A	--	555,000
3. Tribal Pay Cost.....	--	N/A	--	1,973,000
4. Less One Day Pay.....	--	N/A	--	-76,000
5. Within Grade Increase....	--	N/A	--	<u>280,000</u>
Subtotal Built-In.....	--	N/A	--	<u>+\$2,965,000</u>
B. <u>Phasing In of Staff and Operating Cost of New Fac:</u>				
Hopi, AZ Hlth Ctr.....	--	N/A	3	\$561,000
Talihina, OK Hospital.....	--	N/A	<u>0</u>	<u>1,604,000</u>
Subtotal Staffing.....	--	N/A	<u>+3</u>	<u>+\$2,165,000</u>
C. <u>Program:</u>				
Health Disparities.....	--	N/A	--	<u>+6,375,000</u>
Subtotal Program.....	--	N/A	--	<u>+\$6,375,000</u>
TOTAL INCREASES.....	<u>--</u>	<u>N/A</u>	<u>+3</u>	<u>+\$11,505,000</u>
NET CHANGE.....	<u>--</u>	<u>N/A</u>	<u>+3</u>	<u>+\$11,505,000</u>

Public Health Nursing

2000 Appropriation	\$34,452,000
Total estimated budget authority	\$34,452,000
(Obligations)	(\$34,452,000)
2001 Estimate	\$39,772,000
(Obligations)	<u>(\$39,772,000)</u>
Net Change	+\$5,320,000
(Obligations)	<u>(+\$5,320,000)</u>

<u>INCREASES:</u>	<u>FY 2000 Base</u>		<u>Change from Base</u>	
	<u>FTEs</u>	<u>BA</u>	<u>FTEs</u>	<u>BA</u>
A. Built-In:				
1. Annualization of FY 2000				
Pay Raise.....	--	N/A	--	\$195,000
2. FY 2001 Pay Raise at 3.7%				
(9 months).....	--	N/A	--	931,000
3. Tribal Pay Cost.....	--	N/A	--	1,193,000
4. Less One Day Pay.....	--	N/A	--	-122,000
5. Within Grade Increase....	--	N/A	--	<u>453,000</u>
Subtotal Built-In.....	--	N/A	--	<u>+\$2,650,000</u>
B. Phasing In of Staff and				
Operating Cost of New Fac:				
Hopi, AZ Hlth Ctr.....	--	N/A	2	\$148,000
Talihina, OK Hospital.	--	N/A	0	<u>495,000</u>
Subtotal Staffing.....	--	N/A	+2	<u>+\$643,000</u>
C. Program:				
Health Disparities.....	--	N/A	--	<u>+2,027,000</u>
Subtotal Program.....	--	N/A	--	<u>+\$2,027,000</u>
TOTAL INCREASES.....	<u>--</u>	<u>N/A</u>	<u>+2</u>	<u><u>+\$5,320,000</u></u>
NET CHANGE.....	<u>--</u>	<u>N/A</u>	<u>+2</u>	<u><u>+\$5,320,000</u></u>

Health Education

2000 Appropriation	\$9,625,000
Total estimated budget authority (Obligations)	\$9,625,000 (\$9,625,000)
2001 Estimate	\$11,030,000
(Obligations)	<u>(\$11,030,000)</u>
Net Change	+\$1,405,000
(Obligations)	<u>(+\$1,405,000)</u>

INCREASES:	FY 2000 Base		Change from Base	
	FTEs	BA	FTEs	BA
A. <u>Built-In:</u>				
1. Annualization of FY 2000				
Pay Raise.....	--	N/A	--	\$32,000
2. FY 2001 Pay Raise at 3.7%				
(9 months).....	--	N/A	--	68,000
3. Tribal Pay Cost.....	--	N/A	--	136,000
4. Less One Day Pay.....	--	N/A	--	-9,000
5. Within Grade Increase....	--	N/A	--	35,000
Subtotal Built-In.....	--	N/A	--	+\$262,000
B. <u>Phasing In of Staff and</u>				
<u>Operating Cost of New Fac:</u>				
Hopi, AZ Hlth Ctr.....	--	N/A	--	70,000
Talihina, OK Hospital.	--	N/A	--	66,000
Subtotal Staffing.....	--	N/A	--	+\$136,000
C. <u>Program:</u>				
Health Disparities.....	--	N/A	--	1,007,000
Subtotal Program.....	--	N/A	--	+\$1,007,000
TOTAL INCREASES.....	--	N/A	--	+\$1,405,000
NET CHANGE.....	--	N/A	--	+\$1,405,000

Community Health Representatives

2000 Appropriation	\$46,380,000
Total estimated budget authority	\$46,380,000
(Obligations)	(\$46,380,000)
2001 Estimate	\$51,105,000
(Obligations)	(\$51,105,000)
Net Change	+\$4,725,000
(Obligations)	(+\$4,725,000)

INCREASES:	FY 2000 Base		Change from Base	
	FTEs	BA	FTEs	BA
A. <u>Phasing In of Staff and</u>				
<u>Operating Cost of New Fac:</u>				
Hopi, AZ Hlth Ctr.....	--	N/A	--	1,386,000
Subtotal Staffing.....	--	N/A	--	+\$1,386,000
B. <u>Program:</u>				
Health Disparities.....	--	N/A	--	3,339,000
Subtotal Program Increases..	--	N/A	--	+\$3,339,000
TOTAL INCREASES.....	--	N/A	--	+\$4,725,000
NET CHANGE.....	--	N/A	--	+\$4,725,000

Immunization

2000 Appropriation	\$1,402,000
Total estimated budget authority	\$1,402,000
(Obligations)	(\$1,402,000)
2001 Estimate	\$1,457,000
(Obligations)	<u>(\$1,457,000)</u>
Net Change	+\$55,000
(Obligations)	<u>(+\$55,000)</u>

	FY 2000 Base		Change from Base	
	FTEs	BA	FTEs	BA
<u>INCREASES:</u>				
A. <u>Built-In:</u>				
1. Annualization of FY 2000 Pay Raise	--	N/A	--	6,000
2. FY 2001 Pay Raise at 3.7% (9 months)	--	N/A	--	8,000
3. Tribal Pay Cost	--	N/A	--	38,000
4. Less One Day Pay	--	N/A	--	-1,000
5. Within Grade Increase	--	N/A	--	<u>2,000</u>
Subtotal Built-In	--	N/A	--	+\$53,000
B. <u>Program:</u>				
Health Disparities	--	N/A	--	<u>2,000</u>
Subtotal Program Increase ..	--	N/A	--	+\$2,000
TOTAL INCREASES	--	<u>N/A</u>	--	<u>+\$55,000</u>
NET CHANGE	--	<u>N/A</u>	--	<u>+\$55,000</u>

Urban Health

2000 Appropriation	\$27,813,000
Total estimated budget authority	\$27,813,000
(Obligations)	(\$27,813,000)
2001 Estimate	\$30,834,000
(Obligations)	<u>(\$30,834,000)</u>
Net Change	+\$3,021,000
(Obligations)	<u>(+\$3,021,000)</u>

INCREASES:	FY 2000 Base		Change from Base	
	FTEs	BA	FTEs	BA
A. Built-In:				
1. Annualization of FY 2000				
Pay Raise	--	N/A	--	\$4,000
2. FY 2001 Pay Raise at 3.7%				
(9 months)	--	N/A	--	17,000
3. Tribal Pay Cost	--	N/A	--	21,000
4. Less One Day Pay	--	N/A	--	-2,000
5. Within Grade Increase	--	N/A	--	7,000
Subtotal Built-In	--	N/A	--	+\$47,000
B. Program:				
Health Disparities	--	N/A	--	2,974,000
Subtotal Program	--	N/A	--	+\$2,974,000
TOTAL INCREASES	--	N/A	--	<u>+\$3,021,000</u>
NET CHANGE	--	N/A	--	<u>+\$3,021,000</u>

Indian Health Professions

2000 Appropriation	\$30,491,000
Total estimated budget authority	\$30,491,000
(Obligations)	(\$30,491,000)
2001 Estimate	\$32,779,000
(Obligations)	<u>(\$32,779,000)</u>
Net Change	+\$2,288,000
(Obligations)	<u>(+\$2,288,000)</u>

INCREASES:	FY 2000 Base		Change from Base	
	FTEs	BA	FTEs	BA
A. <u>Built-In:</u>				
1. Annualization of FY 2000				
Pay Raise	--	N/A	--	\$13,000
2. FY 2001 Pay Raise at 3.7%				
(9 months)	--	N/A	--	35,000
3. Tribal Pay Cost	--	N/A	--	58,000
4. Less One Day Pay	--	N/A	--	-5,000
5. Within Grade Increase	--	N/A	--	<u>19,000</u>
Subtotal Built-In	--	N/A	--	+\$120,000
B. <u>Program:</u>				
Health Disparities	--	N/A	--	<u>2,168,000</u>
Subtotal Program	--	N/A	--	+\$2,168,000
TOTAL INCREASES	--	N/A	--	<u>+\$2,288,000</u>
NET CHANGE	--	N/A	--	<u>+\$2,288,000</u>

Tribal Management

2000 Appropriation	\$2,411,000
Total estimated budget authority	\$2,411,000
(Obligations)	(\$2,411,000)
2001 Estimate	\$2,413,000
(Obligations)	<u>(\$2,413,000)</u>
Net Change	\$2,000
(Obligations)	<u>(\$2,000)</u>

<u>INCREASES:</u>	<u>FY 2000 Base</u>		<u>Change from Base</u>	
	<u>FTEs</u>	<u>BA</u>	<u>FTEs</u>	<u>BA</u>
A. <u>Program:</u>				
Health Disparities.....	--	N/A	--	<u>2,000</u>
Subtotal Program.....	--	N/A	--	<u>+\$2,000</u>
TOTAL INCREASES.....	<u>--</u>	<u>N/A</u>	<u>--</u>	<u>+\$2,000</u>
NET CHANGE.....	<u>--</u>	<u>N/A</u>	<u>--</u>	<u>+\$2,000</u>

Direct Operation

2000 Appropriation	\$50,988,000
Total estimated budget authority (Obligations)	\$50,988,000 (\$50,988,000)
2001 Estimate	\$54,119,000
(Obligations)	<u>(\$54,119,000)</u>
Net Change	+\$3,131,000
(Obligations)	<u>(+\$3,131,000)</u>

INCREASES:	FY 2000 Base		Change from Base	
	FTEs	BA	FTEs	BA
A. Built-In:				
1. Annualization of FY 2000 Pay Raise	--	N/A	--	\$387,000
2. FY 2001 Pay Raise at 3.7% (9 months)	--	N/A	--	920,000
3. Tribal Pay Cost	--	N/A	--	1,433,000
4. Less One Day Pay	--	N/A	--	-127,000
5. Within Grade Increase	--	N/A	--	<u>475,000</u>
Subtotal Built-In	--	N/A	--	<u>+\$3,088,000</u>
B. Program:				
Health Disparities	--	N/A	--	<u>43,000</u>
Subtotal Program	--	N/A	--	<u>+\$43,000</u>
TOTAL INCREASES	--	N/A	--	<u>+\$3,131,000</u>
NET CHANGE	--	N/A	--	<u>+\$3,131,000</u>

Self Governance

2000 Appropriation	\$9,531,000
Total estimated budget authority (Obligations)	\$9,531,000 (\$9,531,000)
2001 Estimate	\$9,604,000
(Obligations)	<u>(\$9,604,000)</u>
Net Change	+\$73,000
(Obligations)	<u>(+\$73,000)</u>

<u>INCREASES:</u>	<u>FY 2000 Base</u>		<u>Change from Base</u>	
	<u>FTEs</u>	<u>BA</u>	<u>FTEs</u>	<u>BA</u>
A. Built-In:				
1. Annualization of FY 2000 Pay Raise.....	--	N/A	--	\$7,000
2. FY 2001 Pay Raise at 3.7% (9 months).....	--	N/A	--	47,000
3. Tribal Pay Cost.....	--	N/A	--	-12,000
4. Less One Day Pay.....	--	N/A	--	-6,000
5. Within Grade Increase....	--	N/A	--	17,000
Subtotal Built-In.....	--	N/A	--	<u>+\$53,000</u>
B. Program:				
Health Disparities.....	--	N/A	--	20,000
Subtotal Program.....	--	N/A	--	<u>+\$20,000</u>
TOTAL INCREASES.....	<u>--</u>	<u>N/A</u>	<u>--</u>	<u>+\$73,000</u>
NET CHANGE.....	<u>--</u>	<u>N/A</u>	<u>--</u>	<u>+\$73,000</u>

Contract Support Costs

2000 Appropriation	\$228,781,000
Total estimated budget authority	\$228,781,000
(Obligations)	(\$228,781,000)
2001 Estimate	\$268,781,000
(Obligations)	<u>(\$268,781,000)</u>
Net Change	+\$40,000,000
(Obligations)	<u>(+\$40,000,000)</u>

<u>INCREASES:</u>	<u>FY 2000 Base</u>		<u>Change from Base</u>	
	<u>FTEs</u>	<u>BA</u>	<u>FTEs</u>	<u>BA</u>
A. <u>Program:</u>				
Contract Support Cost.....	--	N/A	--	<u>40,000,000</u>
Subtotal Program.....	--	N/A	--	<u>+\$40,000,000</u>
TOTAL INCREASES.....	<u>--</u>	<u>N/A</u>	<u>--</u>	<u>+\$40,000,000</u>
NET CHANGE.....	<u>--</u>	<u>N/A</u>	<u>--</u>	<u>+\$40,000,000</u>

INDIAN HEALTH SERVICE
Indian Health Facilities
SUMMARY OF CHANGES

2000 Appropriation.	\$316,555,000
Total estimated budget authority	\$316,555,000
(Obligations)	(\$316,555,000)
2001 Estimate	\$349,374,000
(Obligations)	(\$349,374,000)
Net Change	+\$32,819,000
(Obligations)	(+\$32,819,000)

INCREASES:	FY 2000 Base		Change from Base	
	FTE	BA	FTE	BA
A. Built-In:				
1. Annualization of FY 2000				
Pay Raise.....	--	N/A	--	+\$795,000
2. FY 2001 Pay Raise at 3.7%				
(9 months).....	--	N/A	--	1,893,000
3. Within Grade Increase....	--	N/A	--	958,000
4. Less One Pay Day.....	--	N/A	--	-261,000
5. Tribal Pay Cost.....	--	N/A	--	132,000
Subtotal Built-In.....	--	N/A	--	+\$7,517,000
B. Phasing-in of Staff and				
Operating Cost of New Fac:				
Hopi, AZ Health Center.....	--	N/A	--	+\$1,255,000
Talihina, OK Hospital.....	--	N/A	--	410,000
Subtotal Built-in.....	--	N/A	--	+\$1,665,000
C. Program Increases:				
Hlth Disparities(Sanitation).	--	N/A	--	+\$3,961,000
Hlth Disparities(Injury				
Prevention).....	--	N/A	--	2,959,000
Maintenance & Improv.....	--	N/A	--	1,974,000
Facilities Support.....	--	N/A	+9	640,000
Environmental Health Sup....	--	N/A	+16	1,160,000
OEHE Support.....	--	N/A	+3	200,000
Subtotal Program Increases..	--	N/A	+28	+\$10,894,000
D. Healthcare Fac. Constr:				
1. Health Care Fac Constr...	--	N/A	--	+\$50,393,000
2. Increases to 2000 Base for				
Health Care Fac Constr...	--	N/A	--	+\$14,844,000
Subtotal FacConstr.....	--	N/A	--	+\$65,237,000
TOTAL INCREASES.....	--	N/A	--	+\$85,313,000

	<u>FY 2000 Base</u>		<u>Change from Base</u>	
	<u>FTE</u>	<u>BA</u>	<u>FTE</u>	<u>BA</u>
<u>DECREASE:</u>				
A. <u>Program:</u>				
Non-recurring Construction				
Funds.....	--	N/A	--	-\$50,393,000
Equipment.....	--	N/A	--	<u>2,101,000</u>
Subtotal Program.....	--	N/A	--	-\$52,494,000
Total Decreases.....	--	N/A	--	<u>-\$52,494,000</u>
NET CHANGE.....	--	N/A	--	<u>+\$32,819,000</u>

Maintenance & Improvement

2000 Appropriation	\$43,433,000
Total estimated budget authority	\$43,433,000
(Obligations)	(\$43,433,000)
2001 Estimate	\$45,407,000
(Obligations)	<u>(\$45,407,000)</u>
Net Change	+\$1,974,000
(Obligations)	(+\$1,974,000)

<u>INCREASES:</u>	<u>FY 2000 Base</u>		<u>Change from Base</u>	
	<u>FTE</u>	<u>BA</u>	<u>FTE</u>	<u>BA</u>
B. <u>Program Increase:</u>				
Maintenance & Improve.....	--	<u>N/A</u>	--	<u>+\$1,974,000</u>
Subtotal Program Increase.....	--	<u>N/A</u>	--	<u>+\$1,974,000</u>
TOTAL INCREASE.....	--	<u>N/A</u>	--	<u>+\$1,974,000</u>
NET CHANGE.....	--	<u>N/A</u>	--	<u>+\$1,974,000</u>

Sanitation Facilities

2000 Appropriation		\$92,117,000
Total estimated budget authority (Obligations)		\$92,117,000 (\$92,117,000)
2001 Estimate		\$96,651,000
(Obligations)		<u>(\$96,651,000)</u>
Net Change		+\$4,534,000
(Obligations)		(+\$4,534,000)

INCREASES:	FY 2000 Base		Change from Base	
	FTE	BA	FTE	BA
A. Built-In:				
1. Annualization of FY 2000				
Pay Raise.....	--	N/A	--	\$84,000
2. FY 2001 Pay Raise at 3.7%				
(9 months).....	--	N/A	--	90,000
3. Within Grade Increase.....	--	N/A	--	44,000
4. Less One Pay Day.....	--	N/A	--	-12,000
5. Tribal Pay Cost.....	--	N/A	--	<u>367,000</u>
Subtotal Built-In.....	--	N/A	--	+\$573,000
B. Program Increase:				
Sanitation Facilities.....	--	N/A	--	+\$3,961,000
Subtotal Program Increase.....	--	N/A	--	+\$3,961,000
TOTAL INCREASE.....	--	N/A	--	<u>+\$4,534,000</u>
NET CHANGE.....	--	N/A	--	<u>+\$4,534,000</u>

Healthcare Facilities Construction

2000 Appropriation	\$50,393,000
Total estimated budget authority	\$50,393,000
(Obligations)	(\$50,393,000)
2001 Estimate	\$65,237,000
(Obligations)	(\$65,237,000)
Net Change	+\$14,844,000
(Obligations)	(+\$14,844,000)

	<u>FY 2000 Base</u>		<u>Change from Base</u>	
<u>INCREASES:</u>	<u>FTE</u>	<u>BA</u>	<u>FTE</u>	<u>BA</u>
<u>A. Program:</u>				
1. Health Care Fac Constr.....	--	N/A	--	+\$50,393,000
2. Increased to 2000 Base for				
Health Care Fac Constr.....	--	N/A	--	+14,844,000
Subtotal Program.....	--	N/A	--	+\$14,844,000
TOTAL INCREASES.....	--	N/A	--	+\$62,237,000
<u>DECREASE:</u>				
<u>B. Program:</u>				
Non-recurring Funds.....	--	N/A	--	-\$50,393,000
Subtotal Program.....	--	N/A	--	-\$50,393,000
TOTAL DECREASE.....	--	N/A	--	-\$50,393,000
NET CHANGE.....	--	N/A	--	+\$14,844,000

Facilities and Health Environmental Health Support

2000 Appropriation.	\$116,282,000
Total estimated budget authority (Obligations)	\$116,282,000 (\$116,282,000)
2001 Estimate	\$129,850,000
(Obligations)	<u>(\$129,850,000)</u>
Net Change	+\$13,568,000
(Obligations)	(+\$13,568,000)

	<u>FY 2000 Base</u>		<u>Change from Base</u>	
<u>INCREASES:</u>	<u>FTE</u>	<u>BA</u>	<u>FTE</u>	<u>BA</u>
A. Built-In:				
1. Annualization of FY 2000 Pay Raise	--	N/A	--	+\$711,000
2. FY 2001 Pay Raise at 3.7% (9 months)	--	N/A	--	1,803,000
3. Within Grade Increase....	--	N/A	--	914,000
4. One Less Pay Day	--	N/A	--	-249,000
5. Tribal Pay Cost	--	N/A	--	<u>3,765,000</u>
Subtotal Built-In	--	N/A	--	+\$6,944,000
B. Phasing-in of Staff and Operating Cost of New Fac:				
Hopi, AZ Health Center	--	N/A	+6	+\$1,255,000
Talihina, OK Hospital	--	N/A	<u>3</u>	<u>410,000</u>
Subtotal Staffing	--	N/A	+9	+\$1,665,000
C. Program Increases:				
Facilities Support	--	N/A	+9	+\$640,000
Environmental Health Sup....	--	N/A	16	1,160,000
OEHE Support	--	N/A	3	200,000
Health Disparities (Injury Prevention)	--	N/A	--	<u>2,252,000</u>
Subtotal Program Increases	--	N/A	+28	+\$4,959,000
TOTAL INCREASES	--	<u>N/A</u>	<u>+37</u>	<u>+\$13,568,000</u>
NET CHANGE	--	<u>N/A</u>	<u>+37</u>	<u>+\$13,568,000</u>

Facilities Health Support

2000 Appropriation	\$56,990,000
Total estimated budget authority (Obligations)	\$56,990,000 (\$56,990,000)
2001 Estimate	\$62,293,000
(Obligations)	<u>(\$62,293,000)</u>
Net Change	+\$5,303,000
(Obligations)	(+\$5,303,000)

INCREASES:	FY 2000 Base		Change from Base	
	FTE	BA	FTE	BA
A. Built-In:				
1. Annualization of FY 2000 Pay Raise	--	N/A	--	+\$349,000
2. FY 2001 Pay Raise at 3.7% (9 months)	--	N/A	--	885,000
3. Within Grade Increase ...	--	N/A	--	449,000
4. One Less Pay Day	--	N/A	--	-122,000
5. Tribal Pay Cost	--	N/A	--	<u>1,847,000</u>
Subtotal Built-In	--	N/A	--	+\$3,408,000
B. Phasing-in of Staff and Operating Cost of New Fac:				
Hopi, AZ Health Center	--	N/A	+6	+\$694,000
Talihina, OK Hospital	--	N/A	--	<u>561,000</u>
Subtotal Built-In	--	N/A	+6	+\$1,255,000
C. Program Increase:				
Facilities Support	--	N/A	+9	<u>+\$640,000</u>
Subtotal Program Increase	--	N/A	--	+\$640,000
TOTAL INCREASES	--	N/A	+15	<u>+\$5,303,000</u>
NET CHANGE	--	N/A	+15	<u>+\$5,303,000</u>

Environmental Health Support

2000 Appropriation.	\$49,162,000
Total estimated budget authority (Obligations)	\$49,162,000 (\$49,162,000)
2001 Estimate	\$56,610,000
(Obligations)	<u>(\$56,610,000)</u>
Net Change	+\$7,448,000
(Obligations)	(+\$7,448,000)

	<u>FY 2000 Base</u>		<u>Change from Base</u>	
	<u>FTE</u>	<u>BA</u>	<u>FTE</u>	<u>BA</u>
<u>INCREASES:</u>				
A. <u>Built-in:</u>				
1. Annualization of FY 2000 Pay Raise	--	N/A	--	+\$299,000
2. FY 2001 Pay Raise at 3.7% (9 months)	--	N/A	--	758,000
3. Within Grade Increase	--	N/A	--	384,000
4. One Less Pay Day	--	N/A	--	-105,000
5. Tribal Pay Cost	--	N/A	--	<u>1,583,000</u>
Subtotal Built-In	--	N/A	--	+\$2,919,000
B. <u>Phasing-in of Staff and</u> <u>Operating Cost of New Fac:</u>				
Hopi, AZ Health Center	--	N/A	+3	+\$210,000
Talihina, OK Hospital	--	N/A	--	<u>200,000</u>
Subtotal Built-In	--	N/A	+3	+\$410,000
D. Program:				
Injury Prevention	--	N/A	--	+\$2,959,000
Environmental Health Sup....	--	N/A	+16	<u>+\$1,160,000</u>
Subtotal Program	--	N/A	+16	+\$4,119,000
TOTAL INCREASES	--	N/A	+19	<u>+\$7,448,000</u>
NET CHANGE	--	N/A	+19	<u>+\$7,448,000</u>

Office of Environmental Health And
Engineering Support

2000 Appropriation	\$10,130,000
Total estimated budget authority	\$10,130,000
(Obligations)	(\$10,130,000)
2001 Estimate	\$10,947,000
(Obligations)	<u>(\$10,947,000)</u>
Net Change	+\$817,000
(Obligations)	(+\$817,000)

	<u>FY 2000 Base</u>		<u>Change from Base</u>	
<u>INCREASES:</u>	<u>FTE</u>	<u>BA</u>	<u>FTE</u>	<u>BA</u>
A. Built-In:				
1. Annualization of FY 2000				
Pay Raise	--	N/A	--	+\$63,000
2. FY 2001 Pay Raise at 3.7%				
(9 months)	--	N/A	--	160,000
3. Within Grade Increase	--	N/A	--	81,000
4. One Less Pay Day	--	N/A	--	-22,000
5. Tribal Pay Cost	--	N/A	--	<u>335,000</u>
Subtotal Built-In	--	N/A	--	+\$617,000
B. Program Increase:				
OEHE Support	--	N/A	+3	+\$200,000
Subtotal Program Increase	--	N/A	+3	+\$200,000
TOTAL INCREASES	--	N/A	+3	<u>+\$817,000</u>
NET CHANGE	--	N/A	+3	<u>+\$817,000</u>

Equipment

2000 Appropriation.	\$14,330,000
Total estimated budget authority	\$14,330,000
(Obligations)	(\$14,330,000)
2001 Estimate	\$12,229,000
(Obligations)	<u>(\$12,229,000)</u>
Net Change	-\$2,101,000
(Obligations)	<u>(-\$2,101,000)</u>

	<u>FY 2000 Base</u>		<u>Change from Base</u>	
<u>DECREASE:</u>	<u>FTE</u>	<u>BA</u>	<u>FTE</u>	<u>BA</u>
A. <u>Reduction to Base:</u>				
Equipment.....	--	N/A	--	-\$2,101,000
Subtotal Program.....	--	N/A	--	\$2,101,000
TOTAL DECREASES.....	--	<u>N/A</u>	--	<u>+\$2,101,000</u>
NET CHANGE.....	--	<u>N/A</u>	--	<u>-\$2,101,000</u>

INDIAN HEALTH SERVICE
INDIAN HEALTH SERVICES
Budget Authority by Activity
(Dollars in Thousands)

FILE: O:\DRM\BFB\FY2001\CONGL\EXHIBIT G

2/3/00

	FY 1999		FY 2000		FY 2001	
	Actual		Appropriation		Estimate	
	FTE	Amount	FTE	Amount	FTE	Amount
SERVICES:						
Hospitals & Health Clinics	8,067	\$947,198	8,109	\$1,005,412	8,187	\$1,084,190
Dental Services	763	71,400	769	80,062	787	88,258
Mental Health	290	41,305	290	43,245	304	49,405
Alcohol & Substance Abuse	175	94,680	175	96,824	175	99,636
Contract Health Services	0	385,801	0	406,756	0	447,672
Total Clinical Services	9,295	1,540,384	9,343	1,632,299	9,453	1,769,161
Public Health Nursing	284	30,363	290	34,452	292	39,772
Health Education	37	9,430	37	9,625	38	11,030
Comm. Health Reps.	5	45,960	5	46,380	5	51,105
Immunization AK	0	1,367	0	1,402	0	1,457
Total Preventive Health	326	87,120	332	91,859	335	103,364
Urban Health	4	26,382	4	27,813	4	30,834
Indian Health Professions	16	29,623	16	30,491	16	32,779
Tribal Management	0	2,390	0	2,411	0	2,413
Direct Operations	729	49,309	729	50,988	729	54,119
Self-Governance	8	9,391	8	9,531	8	9,604
Contract Support Cost	0	203,781	0	228,781	0	268,781
Total Services	10,378	1,948,380	10,432	2,074,173	10,545	2,271,055
FACILITIES:						
Maintenance & Improvement	0	40,625	0	43,433	0	45,407
Sanitation Facilities:	179	89,328	179	92,117	179	96,651
Construction Facilities	0	41,087	0	50,393	0	65,237
Facil. & Envir. H. Supp.	1,075	107,682	1,108	116,282	1,145	129,850
Equipment	0	13,243	0	14,330	0	12,229
Total Facilities	1,254	\$291,965	1,287	\$316,555	1,324	\$349,374
Total IHS	11,632	\$2,240,345	11,719	\$2,390,728	11,869	\$2,620,429

HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

Budget Authority by Object

(Dollars in Thousands)

2/3/00

FILE: O:\DFM\BFPB\FY20001\Congr\1\Exhibit H

	FY 2000 Appropriation	FY 2001	Increase or Decrease
Full-time equivalent employment	14,585	14,672	87
Full-time equivalent of overtime and holiday hours	415	415	0
Average SES salary	\$112,023	\$115,496	\$3,473
Average GS grade	8.21	8.21	0
Average GS salary	\$40,786	\$42,050	\$1,264
Personnel Compensations:			
Full-Time Permanent(11.1)	383,340	410,836	27,496
Other than Full-Time Permanent(11.3)	18,069	19,389	1,320
Other Personnel Comp.(11.5/11.8)	36,891	39,152	2,261
Total Personnel Compensation	438,300	469,377	31,077
Civilian Personnel Benefits(12.1)	119,911	128,477	8,566
Benefits to Former Personnel(13.0)	3,362	3,564	202
Subtotal Pay Costs	561,573	601,418	39,845
Travel(21.0)	35,548	35,466	(82)
Transportation of Things(22.0)	13,521	13,610	89
Rental Payments to GSA(23.1)	8,572	8,590	18
Rental Payments to Others(23.2)	9,314	9,312	(2)
Communications, Utilities and Miscellaneous Charges(23.3)	33,928	34,226	298
Printing and Reproduction(24.0)	1,269	1,287	18
Other Contractual Services:			
Advisory and Assistance Services(25.1)	14,202	14,244	42
Other Services(25.2)	171,025	197,374	26,349
Purchases from Govt. Accts.(25.3)	29,484	29,624	140
Operation and Maintenance of Facilities(25.4)	13,282	14,056	774
Research and Development Contracts(25.5)	654	650	(4)
Medical Care(25.6)	191,342	232,433	41,091
Operation and Maintenance of Equipment(25.7)	17,112	17,275	163
Subsistence and Support of Persons(25.8)	4,925	4,859	(66)
Subtotal Other Contractual Services	442,026	510,515	68,489
Supplies and Materials(26.0)	145,041	145,280	239
Equipment(31.0)	10,933	10,987	54
Land and Structures(32.0)	16,165	16,180	15
Grants, Subsidies and Contributions(41.0)	1,111,999	1,232,721	120,722
Insurance Claims and idemnities(42.0)	474	473	(1)
Interests and Dividends(43.0)	365	364	(1)
Subtotal Non-Pay Costs	1,829,155	2,019,011	189,856
TOTAL Budget Authority by Object Class	2,390,728	2,620,429	229,701

HEALTH AND HUMAN SERVICES INDIAN HEALTH SERVICE

Salaries and Expense

BY Budget Authority

(Dollars in Thousands)

2/3/00

FILE: O:\DFM\BPP\FY2001\CONG\LExhibit I

Object Class	FY 2000	FY 2001	Increase
	Final Appropriation	Appropriation	or Decrease
Direct Obligations:			
Full-Time Permanent(11.1).....	383,340	410,836	27,496
Other than Full-Time Permanent(11.3).....	18,069	19,389	1,320
Other Personnel Comp.(11.5/11.8).....	36,891	39,152	2,261
Total Personnel Compensation.....	438,300	469,377	31,077
Civilian Personnel Benefits(12.1).....	119,911	128,477	8,566
Benefits to Former Personnel(13.0).....	3,362	3,564	202
Subtotal Pay Costs.....	561,573	601,418	39,845
Travel(21.0).....	20,706	20,915	209
Transportation of Things(22.0).....	13,521	13,610	89
Rental Payments to GSA(23.1).....	8,572	8,590	18
Rental Payments to Others(23.2).....	9,314	9,312	(2)
Communications, Utilities and Miscellaneous Charges(23.3).....	33,928	34,226	298
Printing and Reproduction(24.0).....	1,269	1,287	18
Other Contractual Services:			
Advisory and Assistance Services(25.1).....	14,202	14,244	42
Other Services(25.2).....	171,025	197,374	26,349
Purchases from Govt. Accts.(25.3).....	29,484	29,624	140
Operation and Maintenance of Facilities(25.4).....	13,282	14,056	774
Research and Development Contracts(25.5).....	0	0	0
Medical Care(25.6).....	0	0	0
Operation and Maintenance of Equipment(25.7)...	17,112	17,275	163
Substance and Support of Persons(25.8).....	4,922	4,856	(66)
Subtotal Other Contractual Services.....	250,027	277,429	27,402
Supplies and Materials(26.0).....	145,041	145,280	239
Subtotal Non-Pay Costs.....	482,378	510,649	28,271
TOTAL DIRECT OBLIGATIONS.....	1,043,951	1,112,067	68,116

SUP-47

HEALTH AND HUMAN SERVICES INDIAN HEALTH SERVICE

Salaries and Expense

(Dollars in Thousands)

			2/3/00
	FY 2000	FY 2001	Increase
Object Class	Appropriation	Estimate	or Decrease
Reimbursable Obligations:			
Full-Time Permanent(11.1).....	110,985	119,123	8,138
Other than Full-Time Permanent(11.3).....	19,443	20,888	1,445
Other Personnel Comp.(11.5/11.8).....	16,603	17,875	1,272
Total Personnel Compensation.....	147,031	157,886	10,855
Civilian Personnel Benefits(12.1).....	38,565	41,438	2,873
Benefits to Former Personnel(13.0).....	4	4	0
Subtotal Pay Costs.....	185,600	199,328	13,728
Travel(21.0).....	2,842	2,842	0
Transportation of Things(22.0).....	834	834	0
Rental Payments to GSA(23.1).....	0	0	0
Rental Payments to Others(23.2).....	301	301	0
Communications, Utilities and Miscellaneous Charges(23.3).....	2,131	2,131	0
Printing and Reproduction(24.0).....	117	117	0
Other Contractual Services:			
Advisory and Assistance Services(25.1).....	1,431	1,431	0
Other Services(25.2).....	6,004	6,004	0
Purchases from Govt. Accts.(25.3).....	895	895	0
Operation and Maintenance of Facilities(25.4)....	286	286	0
Research and Development Contracts(25.5).....	188	188	0
Medical Care(25.6).....	9,957	9,957	0
Operation and Maintenance of Equipment(25.7)...	0	0	0
Subsistence and Support of Persons(25.8).....	61	61	0
Subtotal Other Contractual Services.....	18,822	18,822	0
Supplies and Materials(26.0).....	44,579	44,579	0
Subtotal Non-Pay Costs.....	69,626	69,626	0
TOTAL REIMBURSABLE OBLIGATIONS.....	255,226	268,954	13,728

SIGNIFICANT ITEMS IN HOUSE, SENATE, AND CONFERENCE
APPROPRIATIONS COMMITTEES REPORTS

2000 House Report Language (106-222)

Mental health -- The Committee expects the Service to distribute the program increase (of \$2,489,000) above the 1999 level to a limited number of projects rather than distributing it equally to all tribes. Such an approach will enable the Service to focus on the most pressing needs.

Action Taken or to be Taken

The funds will be distributed in a competitive grant process in conjunction with the Department of Justice under a White House Initiative to address Mental Health concerns in the American Indian and Alaska Native community.

Rate of amputations among Native Americans -- The Committee is concerned about the high rate of amputations among Native Americans. The Service should develop a meaningful plan of action to augment and strengthen its podiatry care program and address the shortage of commissioned officers in the podiatry field. The IHS should work with other institutions, including the American Podiatric Medical Association, the Centers for Disease Control and Prevention and the National Institutes of Health in developing this plan.

Action Taken or to be Taken

The IHS will establish a national committee to develop a plan of action for the podiatry program. As described, there is a critical shortage of podiatric manpower and a lack of consistent guidelines and standards regarding footcare and education for providers. In addition, there is a need for education of the patient and facilitation of their access to the footcare that is available for them. These issues will be addressed by the committee.

Infant mortality in Shoalwater Bay Tribe -- The Committee continues to be concerned about the infant mortality crisis in the Shoalwater Bay Tribe and expects the Service to work closely with the tribe, the State, the Centers for Disease Control and Prevention and other agencies to identify the causes of and potential solutions for infant mortality.

Action Taken or to be Taken

The Washington State Department of Health, Pacific County Health Department, and the Shoalwater Bay Tribe together asked the Centers for Disease Control (CDC) for an Epi-Aid to Shoalwater Bay Tribe to help assess a reported excess in (a) the incidence of molar pregnancies among both Shoalwater Bay Tribe and non-Shoalwater Bay Tribe women in Pacific County, and (b) the rate of miscarriages among Shoalwater Bay Tribe women. CDC agreed and the Epi-Aid began in December 1999 and was completed in several weeks.

The data collected during this Epi-Aid are still being analyzed and reviewed by all parties involved. The Tribal government is adamant about keeping the news media out of this and requested that nothing--

neither data nor preliminary interpretations of the data--be released or talked about until the report is final and the Tribe agrees. The Tribe considers these data and preliminary interpretations to be confidential.

Joint Venture Construction Program -- The fiscal year 2001 budget should address the advisability of reinstituting a joint venture facilities construction program in the context of overall priorities. The Committee notes that this is another area of need that has fallen through the cracks as funding increases have concentrated on addressing the contract support cost shortfall.

Action Taken or to be Taken

The Indian Health Service, in consultation with tribes, proposed funding for the Joint Venture Construction Program (JVCP) in the fiscal year 2001 budget. However, funding for the JVCP was not included because of the overall budget constraints and funding priorities. The IHS has moved forward with developing, in concert with the tribes, a methodology to conduct the JVCP in the event that the Congress appropriates funding. Under the proposed methodology, following an appropriation for the JVCP, project proposals will be requested from interested tribes, for national competition pursuant to the conditions stipulated in the authorization. Since it is estimated that the capital outlay of Federal construction funds could be reduced by approximately 80 percent by the JVCP, it appears that the JVCP is needed to help address the construction backlog.

The IHS will begin the process of making needed revisions of its health facilities construction priority system starting this year. How the JVCP will be integrated with the existing IHS health facilities construction priority system will be addressed during the methodology development.

Contract Support Costs -- The Committee expects the IHS to continue to work with the tribes and the legislative committees of jurisdiction to find an acceptable solution to the contract support cost funding problem. The Committee believes the basic "fairness" question needs to be addressed with respect to how to distribute limited funds between and among various programs and the management of those programs.

Action Taken or to be Taken

Contract support cost (CSC) funds were distributed in fiscal year 1999 in a manner that addressed Congressional concerns over the inequity in CSC funding. Congress appropriated an increase of \$35 million for contract support costs in the fiscal year 1999 appropriation. Based on Congressional guidance and the results of extensive agency consultation with Indian tribal governments, the IHS adopted an allocation methodology for the distribution of the \$35 million in a manner that was a departure from past Agency allocation methods. The increase was distributed to tribes that have assumed IHS programs in recent years without receiving any CSC for those assumptions (i.e., tribes on the Indian self-determination fund "queue"). Specifically the funding methodology allocated the increase to those tribes that had the greatest overall CSC need for all programs administered through self-determination contracts and compacts.

SIGNIFICANT ITEMS IN HOUSE, SENATE, AND CONFERENCE
APPROPRIATIONS COMMITTEES REPORTS

2000 Conference Report Language (106-479)

Contract Support Costs -- The lack of a resolution to the contract support cost distribution disparity in IHS continues to be a great concern. The Service is strongly encouraged to continue its work with the tribes to resolve the discrepancies that exist currently and ensure that these costs can be funded fairly. Any resolution to the issues should not be made at the expense of funding for medical services and facilities for non-contracting and non-compacting tribes.

Action Taken or to be Taken

The IHS and representatives of tribal governments have worked together during fiscal year 1999 to develop a revised IHS policy on CSC that will become effective in fiscal year 2000. The new policy will abandon much of the historic approach to allocating CSC in the IHS and will implement new allocation provisions designed to further reduce CSC funding disparities among tribes.

Standardized Construction of Staff Quarters -- The Service needs to develop a standardized methodology for construction of staff quarters. That methodology should assume the use of uniform building code approved modular housing unless there is a compelling reason why such housing is not appropriate. The methodology should be applied fairly to all quarters projects on the priority list and should encourage tribal funding and alternative financing. The Service should address the new methodology in their 2001 budget request.

Action Taken or to be Taken

The current methodology of requesting full funding for quarters with the annual funding request for the associated hospital or health center replacement projects is in response to quarters management concerns raised by the 1990 Office of Inspector General's (OIG) report. The OIG was concerned that IHS had been completing health care facilities in remote locations without adequate housing for new staff, and that the Quarters Construction Priority System was not addressing the need quickly enough to ensure that housing would be available for new staff when a facility opened. Although the current methodology includes staff quarters, 5 projects remain on the Quarters Construction Priority List which has not been funded.

The IHS is considering how best to address this concern expressed by Congress. Tribal financing of quarters projects has been discussed with some of the tribes affected. Creating a uniform methodology for all quarters projects will be done in consultation with the tribes and in conjunction with the revisions to the entire health care facilities priority system.

In planning and designing quarters, IHS uses the administrative guidance provided in the Office of Management and Budget (OMB) Circular No. A-45 which requires that a program plan and design for a project be described in a Program Justification Document for Quarters (PJDQ) and a Program of Requirements for Quarters (PORQ). Modular housing units will be used where these prove to be economical and meet OMB standards.

including conformance with the space authorized in the approved PJDQ and the construction standards in the approved PORQ.

Facilities Construction System -- The Service should work closely with the tribes and the Administration to make needed revisions to the facilities construction priority system. Given the extreme need for new and replacement hospitals and clinics, there should be a base funding amount, which serves as a minimum annual amount in the budget request. Issues which need to be examined in revising the current system include, but are not limited to, projects funded primarily by the tribes, anomalies such as extremely remote locations like Havasupai, recognition of projects that involve no or minimal increases in operational costs such as the Portland area pilot project, and alternative financing and modular construction options. The Service in re-examining the current system for construction of health facilities should develop a more flexible and responsive program can be developed that will more readily accommodate the wide variances in tribal needs and capabilities.

Action Taken or to be Taken

The IHS is considering how best to address the concern of Congress. In FY 2000, with tribal participation, the IHS will work towards improving the current IHS Health Facilities Construction Priority System Methodology. The request to make needed revisions to the health facilities construction priority system is consistent with the desires of the tribes based on their proposed mark-up of Public Law 94-437, which is up for reauthorization. The tribal consultation process is expected to take considerable time.

INDIAN HEALTH SERVICE
Authorizing Legislation
(Dollars in Thousands)

FILE: O:\DFMBFP\BYFY2001\CONGL\Exhibit K	2000 Amount Authorized	2000 Appropriation	2001 Amount Authorized	2001 Budget Request
Preventive Health Services				
Activity:				
1. Services Appropriations:	\$ 2,074,173	\$ 2,074,173	\$ 2,271,055	\$ 2,271,055
25 U.S.C. 13, Act and P.L. 83-568, Transfer Act 42 U.S.C. 2001. Snyder Act, Title V, P.L. 94-437, Indian Health Care Improvement Act, as amended. Title I, Indian Health Manpower. Indian Self Determination and Education Assistance Act, P.L. 93-638, as amended, Sections 103 (b) (2) and 103 (e). Title III, Self Governance Demonstration Program, Indian Self Determination Act, as amended. P.L. 100-472 Section 106 (a) (2) A & B.				
2. Facilities Appropriations:	316,555	316,555	349,374	349,374
Indian Sanitation Facilities Act P.L. 86-121, P.L. 101-512, Section 704 of the IHCA P.L. 103-413, P.L. 102-573				
3. Public and Private Collections:	409,290	409,290	409,290	409,290
Economy Act of 31 U.S.C. 686 Section 301-P.L. 94-437, Title V of Indian Health Care Improvement Act.				
4. Diabetes:	\$30,000	\$30,000	\$30,000	\$30,000
111 STAT. 574 (P.L. 105-33)				
Unfunded authorizations:	0	0	0	0
Total appropriations:	\$2,830,018	\$2,830,018	\$3,059,719	\$3,059,719
Total appropriations against Definite authorizations:	\$2,830,018	\$2,830,018	\$3,059,719	\$3,059,719

SUP-53

INDIAN HEALTH SERVICE
Indian Health Facilities Appropriation
Appropriation History Table

2/3/00

FILE C:\DMS\FB\FY2001\CONGL\EXHIBIT L

	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1992	\$12,444,000	\$295,211,000	\$202,068,000	\$277,852,000
Reduction	-	-	-	(\$3,501,000)
1993	\$270,506,000	\$338,596,000	\$329,079,000	\$336,500,000
Reduction	-	-	-	(\$2,860,000)
1994	\$279,269,000	\$296,997,000	\$293,682,000	\$296,982,000
1995	\$167,079,000	\$253,892,000	\$253,767,000	\$253,767,000
Reduction	-	-	-	(\$485,000)
Rescission	-	-	-	(\$300,000)
1996	\$242,672,000	\$236,975,000	-	\$237,958,000
Rescission	-	-	-	(\$304,000)
1997	\$275,251,000	\$277,701,000	\$251,957,000	\$247,731,000
Supplemental	-	-	-	\$2,000,000
1998	\$286,535,000	\$257,310,000	\$168,401,000	\$257,538,000
1999	\$274,476,000	\$313,175,000	\$263,516,000	\$289,465,000
Supplemental	-	-	-	\$2,500,000
2000	\$317,465,000	\$312,478,000	\$189,252,000	\$316,555,000
Rescission	-	-	-	(\$2,025,000)
2001	\$349,374,000			
Rescission	(\$2,520,000)			
Reduction	(\$167,000)			

INDIAN HEALTH SERVICE

Details of Full-Time Equivalent Employment (FTE)
By Headquarters, Area Office, and Service Unit

O:\DPM\BPPB\Congl\EXHIBIT O

03-Feb-00

	FY 1999	FY 2000	FY 2001
	Actual	Estimate	Estimate
Headquarters	435	435	438
Area Offices	1,195	1,195	1,205
Service Units	12,956	13,043	13,180
Total, FTEs	14,586	14,673	14,823

Average GS Grade

1996.....	8.3
1997.....	8.2
1998.....	8.2
1999.....	8.2
2000.....	8.2
2001.....	8.2

INDIAN HEALTH SERVICE
DETAIL OF PERMANENT POSITIONS

EXHIBIT P

FILE: O:\DFM\B\FR\FY2001\Comp\EXHIBIT P-CJ

03-Feb-00

	1999	2000	2001
	Actual	Estimate	Estimate
ES-05.....	1	1	1
ES-04.....	4	4	4
ES-03.....	2	2	2
ES-02.....	3	3	3
ES-01.....	6	6	6
Subtotal.....	16	16	16
GS/GM-15.....	343	350	358
GS/GM-14.....	374	380	388
GS/GM-13.....	378	384	392
GS-12.....	633	644	658
GS-11.....	1,279	1,302	1,330
GS-10.....	433	440	450
GS-9.....	1,797	1,829	1,869
GS-8.....	145	147	150
GS-7.....	745	758	775
GS-6.....	870	886	905
GS-5.....	1,745	1,775	1,813
GS-4.....	1,117	1,136	1,161
GS-3.....	212	212	212
GS-2.....	26	26	26
GS-1.....	11	11	11
Subtotal.....	10,108	10,280	10,498

Grades established by Act of
July 1, 1944 (U.S.C. 207):

Assistant Surgeon General CO-08.....	7	7	7
Assistant Surgeon General CO-07.....	1	1	1
Director Grade CO-06.....	487	497	507
Senior Grade CO-05.....	635	647	661
Full Grade CO-04.....	555	565	577
Senior Assistant Grade CO-03.....	357	363	371
Assistant Grade CO-02.....	97	98	100
Junior Grade CO-01.....	3	3	3
Subtotal.....	2,142	2,181	2,227

Ungraded.....	1,265	1,287	1,315
Total Permanent Positions.....	13,531	13,764	14,056
Unfilled Positions, End of Year.....	0	0	0
Total Permanent Employment, End of Year.....	13,531	13,764	14,056

**INDIAN HEALTH SERVICE
DETAIL OF PERMANENT POSITIONS**

EXHIBIT P

FILE: C:\DFM\BFPB\FY2001\Comp\EXHIBIT P-C		03-Feb-00	
	1999	2000	2001
	Actual	Estimate	Estimate

**Total General Schedule Series:
(GS-1 - GS-15)**

Number.....	10,108	10,280	10,498
Total Salary.....	\$402,411,170	\$419,280,080	\$441,440,900
Average Salary.....	\$39,811	\$40,786	\$42,050
Average Grade.....	8.2	8.2	8.2

Total Ungraded Positions at Hourly Rates:

Number.....	1,265	1,287	1,315
Total Salary.....	\$39,260,248	\$40,921,452	\$43,108,330
Average Salary.....	\$31,036	\$31,796	\$32,782

Total Commissioned Officer Series:

Number.....	2,142	2,181	2,227
Total Salary.....	\$113,347,962	\$118,238,553	\$124,475,938
Average Salary.....	\$52,917	\$54,213	\$55,894

**Total ES Series:
(ES-01 - ES-04)**

Number.....	16	16	16
Total Salary.....	\$1,749,500	\$1,792,368	\$1,847,936
Average Salary.....	\$109,344	\$112,023	\$115,496

Present Health Facilities Priority Rankings

January 2000

Inpatient

Ft. Defiance, AZ*
 Winnebago, NE*
 Phoenix, AZ*
 Barrow, AK

Outpatient

Parker, AZ*
 Ft. Yuma, AZ
 Polacca (Hopi), AZ*
 Pinon, AZ*
 Red Mesa, AZ (Montezuma Creek, UT)*
 Pawnee, OK
 St. Paul, AK
 Metlakatla, AK
 Sisseton, SD
 Clinton, OK
 Dulce, NM
 San Simon (Westside), AZ

Staff Quarters

Bethel, AK (79 units)
 Zuni, NM (19 units)*
 Wagner, SD (10 units)
 Ft. Belknap, MT (29 units)
 Kayenta, AZ (62 units)

*Partially Funded

SELF-DETERMINATIONIndian Health Service Philosophy:

The Indian Health Service (IHS) has implemented the Indian Self-Determination and Education Assistance Act (ISDA), Public Law 93-638, as amended, in the spirit by which the Congress recognized the special legal relationship and the obligation of the United States to American Indian and Alaska Native peoples. In keeping with the concept of tribal sovereignty, the ISDA, as amended, builds upon IHS policy that maximizes opportunities for tribes to exercise their right to manage and operate IHS health programs, or portions thereof, under Title I and Title III, as well as those tribes who choose their health services to be provided directly by the IHS. The IHS recognized that tribal decisions to contract/compact or not to contract/compact are equal expressions of self-determination.

Title I Contracts and Title III Self-Governance Compacts:

The IHS contracts/compacts with tribes and tribal organizations (T/TO) pursuant to the authority provided under Title I and Title III of the ISDA, as amended. This Act allows T/TO to enter into contracts/compacts with the Government to plan, conduct, and administer programs which are authorized under Section 102 of the Act. The IHS has been contracting with T/TO pursuant to the authority of P.L. 93-638 since its passage in 1975. Today, the IHS currently administers self-determination contracts under Title I and compacts authorized under Title III valued at more than \$1 billion. Title III provides authorization to sign self-governance compacts under a demonstration project for a specific number of tribes who meet certain criteria. Forty-five compacts and sixty-four annual funding agreements have been negotiated to date with 264 tribes.

IHS and Tribally-Operated Service Unit and Medical Facilities: (See Table)

The total dollars administered under ISDA contracts and compacts have nearly doubled in recent years and the scope of services managed and provided by tribal programs has also expanded greatly. Tribes have historically assumed control of community services first and then expanded into medical care. For example, the CHR program and community-based components of the alcohol programs have been almost 100 percent tribally-operated. Tribally-operated hospitals has now started to rise, and over 20 percent of the hospitals funded by IHS are managed by tribes. This trend is expanding their scope and is also reflected in the increasing number of ambulatory medical facilities now managed by tribes.

Title I Joint Rulemaking:

In August 1997, the final joint Department of Health and Human Services and Department of Interior rule implementing P.L. 103-413, the 1994 Amendments to the Indian Self-Determination Act, became effective. The final rule was developed with active tribal participation using the guidance of the Negotiating Rulemaking Act. The joint rule permits the Departments to award contracts and grants to Indian tribes without the unnecessary burden of confusion associated with having two sets of rules for single-program legislation. The Act, and the joint rule, will facilitate self-determination contracting by Indian tribes.

Self-Determination Implementation: Contract Support Cost Funding

Because the rate of T/TO entering into self-determination contracts and compacts has been steadily increasing, the demand for contract support cost (CSC) funding to support T/TO in their contracting/compacting has also increased. The CSC funding is authorized pursuant to Section 106 (a) (2) of the ISDA. This funding has been used by T/TO to develop strong, stable tribal governments which have in turn enabled them to professionally manage their contracts/compacts and the corresponding services to their communities. Additionally, through the funding of CSC, the IHS has helped in the development of T/TO who are maturing and now achieving greater levels of self-sufficiency in all areas.

It is critical to point out that the requested increases for CSC are attributed to increased contracting and compacting by T/TO under both Title I and III of the ISDA, a stated goal of both the Congress and the IHS. The Agency has taken steps to ensure that funding provided is allowable, allocable, reasonable, and necessary. The T/TO have, of necessity, also borne some of the burdens of administrative streamlining. The IHS has, beginning in FY 1995, provided administrative shares of its budget to T/TO associated with their contracting and compacting activities. These shares are made available to T/TO pursuant to Sections 102 (a) and 106 (n) of the ISDA.

IHS AND TRIBALLY OPERATED SERVICE UNITS AND MEDICAL FACILITIES*
BY TYPE AND AREA AS OF OCTOBER 1, 1998

AREA	SERVICE UNITS		HOSPITAL**		HEALTH CENTERS		SCHOOL		HEALTH STATIONS									
	Total IHS Tribal		Total IHS Tribal		Total IHS Tribal		Total IHS Tribal		Total IHS Tribal									
	I	III	I	III	I	III	I	III	I	III								
All Areas	151	55	42	27	2	218	58	27	53	7	4	1	2	280	44	55	171	
Aberdeen	18	13	5	8	0	0	14	8	6	0	2	1	1	0	15	12	3	0
Alaska	9	1	8	7	1	1	5	27	0	2	25	0	0	0	0	0	0	155v
Albuquerque	8	7	1	5	0	0	12	9	3	0	1	1	0	0	7	7	0	0
Bemidji	13	3	10	2	2	0	0	26	2	15	9	0	0	0	13	2	7	4
Billings	8	6	2	3	0	0	9	6	0	3	0	0	0	0	6	3	0	3
California	26	0	26	0	0	0	33	0	32	1	0	0	0	0	18	0	18	0
Nashville	21	1	20	2	1	0	1	18	0	17	1	1	0	0	8	0	5	3
Navajo	8	8	0	6	0	0	7	7	0	0	1	1	0	0	14	14	0	0
Oklahoma	12	9	3	7	4	1	2	38	11	9	18	1	0	0	1	0	0	0
Phoenix	10	7	3	8	6	1	1	13	5	8	0	0	0	0	10	4	5	1
Portland	16	9	7	0	0	0	0	18	7	5	6	1	1	0	27	0	22	5
Tucson	2	2	0	1	1	0	0	3	3	0	0	0	0	0	2	2	0	0

* Health locations are excluded.

** Alaska Native Medical Center became Tribally operated as of Jan. 1, 1999, resulting in the following changes:

Hospitals for All Areas - IHS 36, Tribal Title III 10

Hospitals for Alaska Area - IHS 0, Tribal Title III 6

v Village Clinics

I - Tribally operated facilities under Title I, P.L. 93-638, Self-Determination Contracts

III - Tribally operated facilities under Title III, P.L. 93-638, Self-Governance Compacts



**Indian Health Service
FY 2001 Performance Plan
and FY 1999 Performance Report**

February 3, 2000

TABLE OF CONTENTS

PART I - AGENCY CONTEXT FOR PERFORMANCE MEASUREMENT.....	3
OVERVIEW OF THE CONTEXT OF GPRA IN THE IHS	3
1.1 AGENCY MISSION AND LONG-TERM GOALS.....	5
1.2 ORGANIZATION, PROGRAMS, OPERATIONS, STRATEGIES AND RESOURCES.....	7
1.3 PARTNERSHIPS AND COORDINATION.....	10
1.4 SUMMARY FY 1999 PERFORMANCE REPORT:	15
PART II - PROGRAM PLANNING AND ASSESSMENT.....	21
INTRODUCTION AND RATIONALE	21
2.1.1 TREATMENT AND PREVENTION CATEGORIES: PROGRAM DESCRIPTION, CONTEXT AND SUMMARY OF PERFORMANCE	26
2.1.2 TREATMENT AND PREVENTION: PERFORMANCE INDICATORS.....	28
PERFORMANCE SUMMARY TABLE 1: TREATMENT INDICATORS.....	29
FY 1999 PERFORMANCE SUMMARY TABLE 2: PREVENTION INDICATORS.....	53
2.2.1 CAPITAL PROGRAMMING/INFRASTRUCTURE CATEGORY: PROGRAM DESCRIPTION, CONTEXT AND SUMMARY OF PERFORMANCE	68
2.2.2 CAPITAL PROGRAMMING /INFRASTRUCTURE: PERFORMANCE INDICATORS	68
FY 1999 PERFORMANCE SUMMARY TABLE 3: CAPITAL PROGRAMMING/INFRASTRUCTURE.....	69
2.3.2 PARTNERSHIPS, CONSULTATION, CORE FUNCTIONS, AND ADVOCACY CATEGORY: PERFORMANCE INDICATORS	75
FY 1999 PERFORMANCE SUMMARY TABLE 4:.....	76
CONSULTATION, PARTNERSHIPS, CORE FUNCTIONS, AND ADVOCACY INDICATORS.....	76
APPENDIX TO THE IHS 2001 PERFORMANCE PLAN	84
A.1 APPROACH TO PERFORMANCE MEASUREMENT.....	84
A.2 CHANGES AND IMPROVEMENTS	86
FY 2000 IHS PERFORMANCE INDICATORS.....	87
A.3 LINKAGE TO HHS AND OPDIV STRATEGIC PLANS	91
A.4 PERFORMANCE MEASUREMENT LINKAGES WITH BUDGET, COST ACCOUNTING, HUMAN RESOURCES, INFORMATION TECHNOLOGY PLANNING, CAPITAL PLANNING AND PROGRAM EVALUATION	91

Part I - AGENCY CONTEXT FOR PERFORMANCE MEASUREMENT

Tomorrow

We have wept the blood of countless ages as each of us raised high the lance of hate.

Now let us dry our tears and learn the dance and chant of the life cycle.

*Tomorrow dances behind the sun in sacred promise of things to come for children not yet born,
for ours is the potential of truly lasting beauty, born of hope and shaped by deed.*

Peter Blue Cloud

Overview of the Context of GPRA in the IHS

The Indian Health Service (IHS) has embraced the Government Performance and Results Act (GPRA) and its requirements as an extension of the public health approach that we have used for almost a half of a century. In this document the final FY 2001 and revised final FY 2000 Performance Plans have been merged with the FY 1999 Performance Report consistent with the required format developed within the Department of Health and Human Services (HHS). This plan is submitted as an incremental step in complying with the Secretary's Initiative to eliminate racial and ethnic health disparities and the President's Initiative to Eliminate Disparities in Health Status Among Americans. Consistent with the proposed *Healthy People 2010* goal of achieving equivalent and improved health status for all Americans over the next decade, this plan outlines a strategic set of performance indicators to address the significant health problems of the American Indian and Alaska Native (AI/AN) population.

Indeed the disparity in health status that the IHS must address is formidable, particularly in terms of death rates. Comparing the 1994-1996 Indian (IHS service area) age-adjusted death rates with the U.S. all races population in 1995 reveals greater death rates in the AI/AN population for:

- | | |
|---|---|
| 1) alcoholism - 627% greater, | 6) pneumonia and influenza - 71% greater, |
| 2) tuberculosis - 533% greater, | 7) homicide - 63 % greater, |
| 3) diabetes mellitus - 249% greater, | 8) gastrointestinal disease- 42% greater, |
| 4) unintentional injuries - 204% greater, | 9) infant mortality - 22% greater, and |
| 5) suicide - 72% greater, | 10) heart disease, 13% greater: |

It was not surprising that a recent Harvard School of Public Health/Centers for Disease Control and Prevention (CDC) study found that the lowest life expectancies in the country (including inner city ghettos) for both men and women exists in Indian communities. These rates are similar to ones seen in sub-Saharan Africa and are the lowest of any nation in this hemisphere except Haiti. It is also not surprising that these Indian people have also been identified as living in the poorest counties in the country. Even more alarming, the most recent data (provided in Section 1.2 of this plan) documents that the mortality disparities for AI/AN people are actually worsening.

Despite these formidable challenges, the IHS in partnership with its stakeholders, view the GPRA as part of the process for assuring the capacity to serve AI/AN people. We are optimistic about the future and encouraged and appreciative of the support of the Department, OMB, and Congress in the development of this and last year's budgets and of the improved level and quality

of consultation that has occurred with tribes. In particular, the regional meetings/ listening sessions convened by the Department's leadership provided a valuable dialogue process that was informative and empowering to the AI/AN people and should contribute to enhanced collaborative activities within and outside the Department.

The performance indicators and requested funding increases supporting this plan are predominately directed at improving access to health services for AI/AN people. However, it is important to acknowledge that due to the nature of many of the diseases and conditions afflicting AI/AN people, they are not likely to respond immediately to increased access to services. Like an ocean liner or large freight train which continues to move forward for a considerable time even after the engines are reversed, so will some chronic and/or life-style related conditions continue to afflict the AI/AN population. For these conditions, improved health outcomes are likely to take several or many years before they are realized. Thus, initially it will be a significant challenge to stop the escalation of disease mortality and morbidity evident from the most recent data presented in Section 1.2 of this document.

This plan and its FY 1999 and 2000 predecessors represents significant efforts over the past three years by the IHS and its diverse stakeholders in which a "bottom-up" approach to budget formulation and GPRA performance planning has been used. This approach was adopted to support the Indian self-determination process and honor the government to government relationship that exists with tribes. Beginning with the development of the FY 1999 budget and Performance Plan, regional meetings were held to outline the GPRA and budget formulation process for all IHS Area Formulation Teams.

These Area teams then provided representatives of their local programs the opportunity for input and review of the Area recommendations, which were then compiled. For the past two years Area Formulation Team representatives then came together along with tribal leaders and representatives from several Indian organizations to merge and reconcile the Area recommendations into a single IHS set of budget priorities.

Using these identified budget priorities, a multidisciplinary team of stakeholders that included health program, budget, and information technology experts, epidemiologists, and IHS and tribal managers developed this plan. In addition to the identified budget priorities this plan reflects the context of both the Department of Health and Human Services (HHS) Strategic Plan, the President's and Secretary's initiatives, and the *Healthy People 2000/2010* goals and objectives.

This performance plan and the requested budget that underpins it, represent a cost-effective public health approach to reduce the health disparities that prevail for AI/AN people. By most objective measures of efficiency and effectiveness in addressing health problems, we have been and are frugal and have a proud history of accomplishments that document the achievement of significant results long before it was required by law. With reasonable support over the next decade, in partnership with our stakeholders, we will accomplish even more.

1.1 Agency Mission and Long-Term Goals

The Indian Health Service (IHS) has the responsibility for the delivery of health services to Federally-recognized American Indians and Alaska Natives (AI/AN) through a system of IHS, tribal, and urban (I/T/U) operated facilities and programs based on treaties, judicial determinations, and Acts of Congress. In 1995 a group of stakeholders charged by the IHS Director to reorganize the IHS, revised the mission and goal and added a foundation as follows:

MISSION:

The mission of the Indian Health Service, in partnership with American Indian and Alaska Native people, is to raise their physical, mental, social, and spiritual health to the highest level.

GOAL:

To assure that comprehensive, culturally acceptable personal and public health services are available and accessible to American Indian and Alaska Native people.

FOUNDATION:

To uphold the Federal Government's obligation to promote healthy American Indian and Alaska Native people, communities, and cultures and to honor and protect the inherent sovereign rights of Tribes.

These three responsibilities have been integrated into the evolving IHS component of the Department of Health and Human Services (HHS) Strategic Plan for the GPRA to yield four broad IHS Strategic Objectives to guide the Agency into the next millennium. The first is essentially a restatement of the HHS Strategic Plan Objective 3.6 *Improve the health status of American Indian and Alaska Natives*, while the remaining three strategic objectives represent the means to achieve the first:

Strategic Objective 1: Improve Health Status

To reduce mortality and morbidity rates and enhance the quality of life for the eligible American Indian and Alaska Native population.

Strategic Objective 2: Provide Health Services

To assure access to high quality comprehensive public health services (i.e., clinical, preventive, community-based, educational, etc.) provided by qualified and culturally sensitive health professionals with adequate support infrastructure (i.e., facilities, support staff, equipment, supplies, training, etc.)

Strategic Objective 3: Assure Partnerships and Consultation with I/T/Us

To assure that I/T/Us, and IHS Area Offices and Headquarters achieve a mutually acceptable partnership in addressing health problems:

- *providing adequate opportunities for I/T/Us and American Indian and Alaska Native organizations to participate in critical functions such as policy development and budget formulation, and*
- *assuring that I/T/Us have adequate information to make informed decisions regarding options for receiving health services.*

Strategic Objective 4: Perform Core Functions and Advocacy

Consistent with the IHS Mission, Goal and Foundation, to effectively and efficiently:

- *advocate for the health care needs of the American Indian and Alaska Native people, and*
- *execute the core public health and inherent Federal functions.*

These Strategic Objectives are essential for the realization of our Mission, Goal, and Foundation over the next five to 10 years by setting the programmatic, policy, and management course for the IHS. They are also consistent with the most recognized approach to evaluating health care organizations in that they address the *structure, process, and outcomes* of health care delivery and provide the conceptual and philosophical framework for the performance indicators outlined in this annual performance plan.

During FY 2000, the IHS and its stakeholders will identify specific long-term quantifiable health status and health care measures that will serve to provide benchmarks for focusing improvement efforts for the future. In essence, this effort will establish quantified targets for Strategic Objectives 1 and 2. While the IHS is waiting to review and consider the final recommendations from the Healthy People 2010 efforts, preliminary work with stakeholders has identified several likely health measures to set long-term improvement targets for the AI/AN population that include:

- years of potential life lost
- accident/injury death rate
- diabetes prevalence and death rates
- infant death rate
- immunization rates for children and adults
- Quality of Life Index
- cancer survival rate
- obesity prevalence rate
- suicide rate
- rate of children free of dental decay and adults with 20 or more functional teeth
- prevalence of substance abuse (i.e., alcohol, drugs, and tobacco)
- percent of homes with adequate water and sewage facilities

Clearly making measurable improvements in these health measures is mission critical because they represent many of the areas of greatest disparities between the AI/AN people and the U.S. general population. Eliminating only these disparities within even 20 years would represent a public health accomplishment of unparalleled magnitude in recent history.

1.2 Organization, Programs, Operations, Strategies and Resources

The IHS is the Operating Division (OPDIV) within HHS charged with administering the principal health program for the eligible AI/AN population. The IHS provides comprehensive health services through its I/T/U system of facilities and programs. Many of the people served by the IHS live in some of the most remote and poverty stricken areas of the country, and these health services represent their only source of health care. In terms of magnitude, the I/T/Us provide health services to over 1.3 million people through 151 service units composed of 554 health care delivery facilities, including 49 hospitals, 218 health centers, 7 school health centers, and 280 health stations, satellite clinics, and Alaska village clinics.

Within this system, Indian tribes deliver IHS-funded services to their own communities with about 42 percent of the IHS direct services budget in 13 hospitals, 160 health centers, 3 school health centers, and 236 health stations, satellite clinics, and Alaska village clinics. Tribes who have elected to retain the Federal administration of their health services at the present time receive services with about 58 percent of the IHS direct services budget in 36 hospitals, 58 health centers, 4 school health centers, and 44 health stations and satellite clinics. The range of services includes inpatient and ambulatory care, extensive preventive care, and a diversity of health promotion and disease prevention activities.

In addition, various health care and referral services are provided to Indian people away from the reservation settings through 34 urban Indian health programs. It is estimated that almost 60 percent of all AI/ANs now reside in or near urban centers rather than reservations and available evidence suggests they have considerable health care needs. The Contract Health Services program is an integral part of the IHS system for purchasing services from non-IHS providers to support, or in some cases in lieu of, direct care services. Contract Health Services represents about 18 percent of the IHS Budget and is distributed to IHS and Tribal programs at the same relative percentage as direct services funding (i.e., IHS = 59%, Tribal = 41%). In FY 1998, the IHS Fiscal Intermediary processed approximately 350,000 payment claims.

Since its inception in 1955, the IHS has demonstrated the ability to effectively utilize available resources to improve the health status of the AI/AN people. This contention is supported by dramatic improvements in mortality rates between 1972-74 and 1994-96, including:

- maternal mortality reduced 78% (27.7 to 6.1 per 100,000)
- tuberculosis mortality reduced 82% (10.5 to 1.9 per 100,000)
- gastrointestinal disease mortality reduced 76% (6.2 to 1.5 per 100,000)
- infant mortality reduced 66% (22.2 to 7.6 per 100,000)
- accident mortality reduced 57% (188.0 to 80.6 per 100,000)
- pneumonia and influenza mortality reduced 50% (40.8 to 20.2 per 100,000)

When compared with the U.S. general population, the IHS achieved these improved outcomes in the face several complicating factors including:

- insufficient per capita expenditures for health care
- limited availability of providers (e.g., half the physicians and nurses per capita)
- higher costs for providing health care in isolated rural settings (loss of economies of scale)

- lack of facilities in numerous locations and many outdated existing facilities (i.e., average age of IHS facilities is 32 years in comparison to 9 years for the private sector)
- lower utilization of health care services (e.g., 25% annual utilization of dental service for AI/ANs compared to about 60% for US population overall)
- significantly higher health care needs because of poor health status (significantly higher rates of diabetes, alcoholism, injuries, oral diseases, and overall death rate)
- high unemployment, poverty, substandard housing, and other recognized contributing factors to reduced health status

While overall outpatient visits have steadily increased with the AI/AN population growth of over two percent annually, decreases have occurred in access to non-urgent primary services which include:

- 20% decline in well child services between FY 1992 -96
- 14% decline in physical exams between FY 1994 -96
- 18% reduction in people receiving dental services between FY 1994 -96
- 28% reduction in water fluoridation compliance between FY 1994 -96
- 79% increase in denials of claims from health care contractors between FY 1993- 96

In this context, the increasing demand for urgent care has reduced the capacity of the IHS to provide the primary services that are critical to long-term health maintenance and improvement. Of greatest concern are the most recent mortality data (FY 1996) available from the National Center for Health Statistics adjusted for miscoding of AI/ANs. These data document an upward trend in deaths of AI/AN people for the period of 1994-96 compared to the period 1992-94 from cancer, diabetes, cerebrovascular disease, suicide, alcohol, and HIV/AIDS. The net result of these categorical increases is an overall increase in death rate for AI/AN people from 690 per 100,000 population for the period 1992-94 to 699 per 100,000 population for the period 1994-96. Given that the U.S. general population mortality rate declined during these comparable time periods from 513 per 100,000 population to 503 per 100,000 population, it is clear the health disparity gap relative to AI/AN mortality is worsening.

Given these trends and challenges, the IHS and its diverse stakeholders have been reorganizing the IHS and are continually developing alternative methods to assure more efficient health programs and administrative support to Indian communities. The redesign efforts emphasize patient care; strengthening government to government relations; streamlining administration and management; quality support services to field-based health care activities; diversification of operations; facilities staffing expansion; and fair treatment of employees. This performance plan supports and provides quantifiable measures for each of these priorities.

The budget supporting this performance plan proposes a multidisciplinary approach that crosscuts programs key to improving health status and addressing complex health problems caused by chronic diseases and harmful behavioral health practices (see Executive Summary on page 14 to enhance the integration of clinical expertise from medical, behavioral health, and community health staff in order to address the top health problems identified by the I/T/Us. The community-based public health model is strengthened by emphasizing prevention strategies throughout the clinical service activities as well as expanding the community health programs and supporting partnerships with community resources such as public safety programs, schools, and other community based organizations.

The first priority in the budget request is to improve access to basic health services for AI/AN people. In this context, the request addresses the multiple health issues affecting the AI/AN population and is the beginning of a long-term plan to assure improvements in the health of the AI/AN population. The proposal targets the health problems identified as highest priorities by the I/T/Us and responsible for much of the disparity in health status for the AI/AN population. These include alcoholism and substance abuse, diabetes, cancer, mental health, elder health, heart disease, injuries, dental health, maternal and child health, domestic violence, infectious diseases, and sanitation.

The support for public health infrastructure is also fundamental to these initiatives. These investments will support surveillance, prevention and treatment services and are based on "best practices" defined in health literature. This approach is consistent with the Presidential Executive Order directing Federal entities to employ such industry standards. Many of the IHS performance indicators for "treatment" and "prevention" represent our commitment to this process.

An essential component of supporting access to services and improving health status in the long run is to assure that there are adequate facilities and equipment for the provision of health services. With average age of IHS facilities being 32 years, the IHS must assure an efficient, safe, and pleasant environment for the provision of services by ongoing maintenance, repair, renovation, and replacement of health care facilities. The funding request for these functions is underpinned by performance measures in the section addressing Capital Programming/Infrastructure.

Also critical is the provision of adequate contract support services to the tribal health delivery system. These requested funds will provide for tribal communities to assure that there are utilities, training, clerical staff, administrative and financial services needed to operate health programs. This investment is consistent with the Administration's commitment to expanding tribal participation in the management of the programs and the principles of the Indian Self-Determination Act.

Another target of the FY 2001 funding request is water and sewer systems for new and existing homes at the community level to support further progress to be made in preventing infectious diseases and improving the quality of life and is thus specifically addressed in this plan. This performance plan backs this request with a specific performance measure as part of the Capital Programming/Infrastructure section of this document.

In summary this performance plan and budget request represents an initial increment required to move forward to make improvements in the health status of AI/AN people and ultimately reduce the significant health disparities they face.

1.3 Partnerships and Coordination

Given the magnitude of AI/AN health disparities and recent trends in IHS funding, it is critical that the IHS identify and collaborate with all available outside organizations with the capacity, capability, and interest to assist in addressing these diverse health problems. Our resolve to develop this cross-cutting network is evident by IHS Performance Indicator 35 that commits to expanding our collaborative network.

It is important to acknowledge that in most cases this assistance will not consist of providing health care personnel or resources to provide basic health services to AI/AN people. The exception to this pattern has been agreements made with military health units or medical and other health profession schools who make available health care providers for short periods of time. Thus, it is unlikely that the IHS will make significant gains in expanding access to services by expanding the collaborative network that result in adding significant numbers of providers to I/T/U system. However, the significant benefits that have been realized through these collaborations warrant further efforts to expand this network.

Most agreements and collaborative partnerships the IHS has negotiated relate to gaining assistance in developing or disseminating new health care and/or surveillance technologies or securing a variety of training and technical assistance support for I/T/U providers. In addition, IHS has been collaborating with HCFA to improve the annual rate setting process for Medicare and Medicaid. Over the last few years, HCFA has assisted IHS in the development of annual Medicare Cost Reports and this has served to improve the annual rate setting. Furthermore, improved rate setting has resulted in increased Medicare and Medicaid collections.

The following examples of recent and developing collaborative activities met one or more of the following criteria:

- clearly presents the true influence that the Federal agency and its programs wield
- shows program coordination as key elements of interest with GPRA implementation to achieve performance goals
- clarifies roles of the agency, related Federal agencies, and performance partners
- demonstrates agency strategy to coordinate efforts of crosscutting programs-activities, complementary and common
- documents uniqueness of the agency and its distinguishable contributions, complementary and common
- presents agency plans for eliminating duplication and overlap

PROGRAM COORDINATION BY PARTNER

WITHIN DHHS:

ACF/Head Start Bureau

- agreements for IHS to provide health related training and technical assistance to AI/AN Head Start programs
- collaboration in joint Head Start- IHS Obesity Prevention Initiative(see Indicator 25 on page 62)

AHRQ (FORMERLY AHCPR)

- collaborated to develop a Quality Measurement and Improvement fellowship position in AHRQ
- collaborating on incorporating IHS inpatient data in AHRQ's Healthcare Cost and Utilization Project database
- collaborated in supporting the December 1999 "Crafting the Future of American Indian Health" conference in San Diego to assist tribe in developing collaborations and partnerships with medical and university communities
- collaborating on working together to provide support as IHS restructures its research program
- collaborating on the development of a Medical Expenditure Panel Survey with the National Center for Health Statistics (NCHS)

ASSISTANT SECRETARY FOR PLANNING AND EVALUATION (ASPE)

- supported the role of HHS with the White House Mental Health Conference to meet the mandate of the 1999 State of the Union address of President Clinton

CDC

The IHS and CDC have collaborated in addressing a diversity of health issues over the past decade. As a result, the IHS and CDC now annually develop an umbrella agreement and work plan that currently addresses:

- cancer and cancer surveillance
- smoking and tobacco control
- diabetes and the Diabetes Prevention Center in Gallup, NM, which is a jointly sponsored initiative contracted to the University of New Mexico
- reproductive health/sexually transmitted diseases
- immunizations/vaccines
- injury prevention
- hantavirus surveillance and study

Other agreements with CDC address:

- chronic disease prevention and health promotion activities
- hepatitis prevention and control
- nutrient database for AI/AN foods as a component of the National Food and Nutrient Analysis program
- assignment of a public health advisor for vaccine-preventable disease control

In addition, the IHS and CDC are in the process of formalizing new agreements for FY 2000 addressing support for water fluoridation and exercise/fitness demonstration projects that are represented in the IHS FY 2000 and FY 2001 Performance Plans.

FDA

- assistance and cooperation in reducing radiation exposures; analysis of radiation use in diagnostic radiation operations; education and training on radiation health and safety and exchange of information on medical devices

HCFA

- establish a Liaison to advise HCFA managers on policy information respective to health care program's administered by the IHS and Tribal Governments
- established IHS representative on National Medicare Education Program Task Force
- established HCFA personnel assignments to Indian Health Care issues at all Regional Offices and at the Baltimore Office
- negotiated new Medicare/Medicaid rates for IHS
- collaborated on a number of legislative initiatives
- collaborated on IHS/HCFA eligibility listings of beneficiaries through Beneficiary Eligibility Workgroup
- collaborated on Home Health Care through workgroup
- collaborated through HCFA/IHS Steering Committee to discuss major issues affecting the agencies
- Collaborated with HSRA and IHS on "Dear State Health Official " letter announcing Department policy to exempt AI/AN children from cost sharing provisions under the SCHIP
- IHS representative on HCFA APC Workgroup
- collaborated on Business Office conferences and TECH Fair
- collaborated on reimbursement issues across state lines with our Regional Treatment facilities.

HRSA

- provide support for PHS Primary Care Policy Fellowship program to bring 30 Federal and private sector primary care leaders to enhance their capabilities to advance the primary care agenda at the local, state, and national level. It also sponsors a mid-year Primary Care Networking Conference for collaborations.

NIH

- NIH/NCI for research into etiology of cancer, incidence and prevalence among Northwest American Indians and Alaska Natives
- National Institute for Dental and Craniofacial Research - treatment of Native Americans with Non-Insulin Dependent Diabetes Mellitus and Periodontal Disease
- National Institute of Diabetes & Digestive Kidney Diseases - comprehensive evaluations of diabetic renal disease in the Pima Indian population and to provide for training in diabetes care
- provide engineering services to Rocky Mountain Laboratory Upgrade Project
- National Institute of General Medical Sciences -support various IHS grant projects

OMH

- support Tribal Colleges and Universities/HHS Annual Conference

OWH

- workshops for women's health issues

SAMHSA

- co-sponsor SAMHSA's Second National Conference on Woman, Life Pathways: Woman Healing, Thriving, and Celebrating

OTHER FEDERAL AGENCIES

DOI/BUREAU OF INDIAN AFFAIRS

- provide technical assistance and training for background checks of employees of tribal health programs
- addressed ongoing adolescent suicide problems among AI/AN youth
- co-sponsored June 1999 National Youth Conference with BIA and ANA.

DOJ

- develop capability to photographically document and electronically transmit photographs of injuries sustained by crime victims.

EPA

- coordinate activities of both agencies in a manner that promote the mutual interests, cost-efficiency, and overlapping responsibilities to design and construct wastewater treatment projects on American Indian reservations using cross-cutting services and resources.
- Tribes are provided the opportunity for consultation on projects and may choose to administer their project through grant applications with IHS and EPA providing the technical guidance and support.

U.S. ARMY MEDICAL COMMAND

- assist the IHS in obtaining professional services from dentists and dental hygienists

USDA

- agreement for WIC services for Head Start Indian children to provide basic nutrition food items to ensure health physical development of children between ages 1-5 years old

VA

- Nationally, IHS is collaborating with VA on targeted data systems and credentialing.
- Native American veterans registered with VA will be targeted for VHA services as a result of identification of under-served areas of Indian country where Native Americans reside
- Many local IHS facilities have care agreements and pharmaceutical supply agreements with nearby VA facilities.

OTHER PROGRAM COORDINATION BY SUBJECT

IHS Director's Children and Youth Initiative

The IHS Director is currently spearheading a Domestic Policy Council multi-departmental initiative for AI/AN children and youth around two themes:

1. Ensuring a safe and healthy home and community
2. Ensuring personal development within the context of developing communities

Response thus far has encouraging with active participation from HUD, DOI, DOA, DOT, and several HHS OPDIVs. The ultimate goal for the initiative is to improve the status of AI/AN children and youth relative to indicators reflecting the two themes. The approach is to collaborate with agencies that serve AI/AN people to improve coordination of services and increase access to services for AI/AN communities (including urban areas). Included in this

effort is the drafting of an Executive Order to redirect policy and support needed legislative changes. In addition, the initial workgroup of this initiative embraced the importance of agencies documenting their commitment to the initiative through identifying appropriate specific GPRA performance indicators.

Obstetrics and Gynecology Training and Technical Assistance from the American College of Obstetrics and Gynecology (ACOG)

- ACOG Fellows in Service Program recruits college ob/gyn doctors for short term assignments in IHS facilities to fill in while our IHS physicians are on leave, maternity leave, educational training, etc. There are approximately 12-15 assignments that occur during each year
- The ACOG Committee on American Indian Affairs conducts OB/GYN Quality Assurance site visits to 2-3 IHS facilities each year
- ACOG Post-Graduate Courses on Neonatal and Gynecologic Care course is built around and focuses the training to the environment/setting of IHS facilities and services. Approximately 100 doctors, nurses, physician assistants, and others attend annually to keep updated with OB/GYN standards.

Injury Prevention

The mission of the IHS Injury Prevention Program is to decrease the incidence of severe injuries and death to the lowest possible level and increase the ability of tribes to address their injury problems. The IHS has initiated an aggressive public health attack to prevent traumatic injury. Primary emphasis is directed to the greatest cause, motor vehicle crashes, and to the most common risk factors, lack of use of safety restraints, abuse of alcohol, and poor road conditions in rural areas. Other projects are focusing on preventing injuries to the elderly as a result of falling, the prevention of burn and fire injuries that occur in the home, the use of motorcycle and bicycle helmets to reduce traumatic brain injury, and drowning prevention.

To accomplish their mission, the IHS Injury Prevention Program has formed partnerships with many government and non-government agencies. Formal Interagency Agreements exist between IHS and the National Center for Injury Prevention and Control, the U.S. Fire Administration, and National Highway Traffic Safety Administration. Program staff work with many other agencies and groups including the following; the National Safe Kids Campaign, the Consumer Product Safety Commission; National Safety Council's Air Bag Safety Campaign; Bureau of Indian Affairs' Law Enforcement Services and Division of Highway Safety; American Academy of Pediatrics, Committee on American Indian & Alaska Native Child Health; Federal Highway Administration; HRSA's Division of Maternal & Child Health; The Johns Hopkins University; Harborview Injury Prevention Research Center; and private foundations.

1.4 Summary FY 1999 Performance Report: Accountability through Performance Measurement

A History of Commitment to Performance

The IHS has practiced performance management and performance measurement for almost a half of a century. We have demonstrated this commitment by being pioneers in quality assurance in health care, health services resource planning, the application of information technology to health care, and the use of alternative providers and the application of the Community Oriented Primary Care approaches to health care delivery. These efforts and many others were essential to achieving the mostly unspoken and unwritten commitment adopted by most I/T/U staff to accomplish the most good (i.e., improved health), for the largest number of people, at the lowest possible cost, and in a manner that is acceptable to the consumer and the provider. As presented in Section 1.2, between 1972 and 1994, these efforts resulted in dramatic improvements in mortality rates for AI/AN population.

During our early years the results of our efforts were published as reports and journal articles from across the healthcare disciplines, often in collaboration with outside researchers and evaluators. While this collaborative approach is still used today, since 1984 the results of these efforts in terms of the health services provided, health outcomes, and other relevant demographics of AI/AN people have been annually reported in the publication *Trends in Indian Health*. In 1990 a second annual report, *Regional Differences in Indian Health*, was added to provide similar information specific to each of the 12 IHS Areas.

More recently the IHS has prepared the *IHS Accountability Report* for each fiscal year since FY 1996, which overviews health program accomplishments and management accountability and includes the annual report on the financial statement audit. While performance management and performance measurement have come a long way with the implementation of GPRA, it represents a new challenge but a familiar concept for the IHS.

FY 1999 Performance Summary

The FY 1999 performance report is included with each indicator in Part II of this document. The data are summarized in tables that precede each set of performance indicators and are elaborated in greater detail under the description of each individual indicator. The Y2K efforts over the past year and recent conversion to new hardware and software at our data center diverted considerable attention away from normal health care data managing activities. As a result, when preliminary data runs were recently made, some of the new conversions routines were not completely functional and a significant volume of data were missing from many field sites. Despite these difficulties, with considerable effort the IHS is able to report on 20 of the 27 indicators. Of these 20 indicators, 16 were attained completely, four were partially attained, and one was not met.

While all of the IHS process indicators were met to at least some degree, the most challenging and most important measures in terms of our mission are the indicators that address access to critical health services. In this light, it is of great concern that the indicator addressing the immunization of children was not met for FY 1999. Similarly, while the dental indicators addressing access to care (Indicator 12, page 45) and dental sealant coverage in children (Indicator 13, page 46) were met, they do not represent increases in services for AI/AN people.

Furthermore, while data or analyses of data are not yet available for the indicators that address four indicators relating to services for diabetic patients (available by August 2000), it is uncertain whether these will be achieved.

This projection is largely based on growing difficulties in the recruitment and retention of health professionals, particularly dentists, pharmacists, and nurses, which have approached 20% vacancy during FY 1999 and are continuing in FY 2000; the highest rates in our history. Indeed, vacancies of this magnitude will continue to make the achievement of access-related performance measures very difficult. A detailed analysis of this problem is presented in the section that follows addressing external factors influencing success.

Despite these challenges, the implementation of GPRA in the IHS has resulted in some unanticipated benefits that are likely to contribute to future success. First, the GPRA/Budget Formulation process has increased collaboration and understanding of public health and budgeting across the diverse IHS stakeholders. The process of addressing these issues beginning at the local level and moving up has aligned and mobilized tribal leaders and consumers about funding issues that address significant public health problems. In this process health program staff have learned more about the IHS budget process and budget/finance staff have learned more about public health. But probably of most importance, tribal leaders and consumers have had the opportunity to have dialogue about the "big picture" of Indian health and learn more about both public health and budgeting.

This new knowledge appears to have resulted in improved cooperation across the diverse I/T/U network. As a result, I/T/U leaders are using this knowledge within the political system to speak in less parochial and more unified voices supported by data, to justify funding requests. Furthermore, a growing number of tribally managed programs that legally do not have to participate in GPRA are not only participating, but encouraging other tribal programs to do likewise. We are hopeful that the collaborative reflection on our successes and challenges from the FY 1999 GPRA process will serve to improve our performance in the future.

External Factors Influencing Success

A variety of external factors have functioned as powerful determinants in the level of attainment of the FY 1999 Performance Report and will continue to influence our success in future performance reports. It is important to acknowledge that for many of these factors the distinction between what is external versus internal is often blurred. However, making this distinction is a critical element in successfully addressing them.

Recruitment and Retention of Health Care Providers

As acknowledged in the previous section, vacancy rates for some health care providers are at the highest level in IHS' history and are directly related to difficulties in both the recruitment and retention of these providers. The reasons for these recruitment and retention difficulties are complex and include both external factors as well as factors within the I/T/U settings. The broader external factors are the growing debt levels for health professionals leaving school, coupled with increasing earning potential in the private sector as a result of a healthy economy and relative shortages of these health professionals. The factors within the IHS context include relatively poor salary parity between the Federal systems and the private sector, isolation and a lack of urban amenities in many reservation settings. Furthermore, limited spousal employment

opportunities, ancillary support, and clinical space to address an ever-increasing patient load, have also contributed to recruitment and retention difficulties.

These local factors coupled with diminished professional support from downsized Areas and Headquarters, which includes reduced career development and training opportunities, have resulted in an a decrease in morale of I/T/U providers. Objective indicators for this trend include the relatively low score of the IHS in the 1998 and 1999 HHS surveys which define the Human Resource Management Index from the Department as a whole and for each OPDIV. This annual process is based on a survey of a sample of employees from each HHS agency and has been designed to assess several recognized components of the "quality of work life." In addition to this measure, there has been a significant increase in EEO filed complaints over the past few years within the IHS.

Thus, the net effect of these trends is to compound the retention problem because the staff are affected by diminished support and overwhelmed by the patient load. For consumers, the waiting times for appointments increase and complaint rates increase. This can result in staff becoming discouraged and resigning, patients giving up trying to access the system for health care needs except emergencies, and access to services such as well-baby, cancer screening, dental care, or diabetes control in effect become reduced.

The IHS is committed to improving its performance in the recruitment and retention of well qualified health care providers and the FY 2000 and 2001 Budget Requests and Performance Plans strategically address this problem. Activities directed towards this end include:

- expand web-based recruiting efforts
- expand use of alternative Federal pay structures to address pay parity issues
- expand the loan repayment program and make it more flexible for I/T/U use
- develop alternative mechanisms to support health disciplines in partnership with tribes and tribal organizations
- enhance quality of work life (QWL) through greater adoption of HHS QWL policies and enhanced leadership training

The Role of Poverty

The relationship between poverty and higher levels of morbidity and mortality for both acute and chronic diseases and conditions has been documented worldwide. In fact, many of the racial and ethnic disparities in health status disappear when analyses control for education and socioeconomic status. Across Indian Country, mortality and morbidity rates generally follow the general economic indicators such as socioeconomic status, employment rate, and also educational level. As noted in the introduction of this document, the IHS serves several of the poorest communities in the country that also have the lowest life expectancy rates.

While increasing access to comprehensive health services over time will reduce both mortality and morbidity to some degree in these situations, health services alone are not likely to eliminate the huge health disparity gap that now exists, unless the other complex factors contributing to poverty are also addressed. However, it must be acknowledged that the current limitations on access to many essential services are contributing not only to poor health but also to poor economic conditions. Indeed, poor health status should be viewed as both a cause and an effect of poverty.

We offer an example of how powerful even relatively mundane and non life-threatening health problems can be when they are extreme. Between 1988 and 1991 the IHS Dental Program participated in the World Health Organization sponsored International Collaborative Study of Oral Health Outcomes. Data were collected on the Lakota Sioux Indian people on the Pine Ridge and Rosebud Reservations in South Dakota and on Navajo people in the northeast corner of the Navajo reservation in Arizona and New Mexico. Other study sites include Baltimore and San Antonio in the United States and Latvia, France, New Zealand, and Japan. The study included calibrated and standardized oral examinations with assessments of disease rates and treatment needs and a detailed patient interview that included a history of dental experiences and problems.

The oral health examination corroborated findings from IHS surveys that the oral conditions of Navajo and Lakota Indian people were very poor with disease rates two to four times that of all other study sites. Findings from the studies patient interview that assessed the impact of oral health on a variety of quality of life measures revealed the following alarming findings:

- one third of school children report missing school because of dental pain.
- 25% of school children avoid laughing or smiling and 20% avoid meeting other people because of the way their teeth look.
- as a consequence of dental pain, almost a quarter of the adults are unable to chew hard foods, almost 20% report difficulty sleeping, and 15% limit their activities (i.e., work and leisure).
- three quarters of the elderly experience dental symptoms, and half perceive their dental health is poor, or very poor and are unable to chew hard food.
- almost half of the adults avoid laughing, smiling, and conversations with others because of the way their teeth look.

These "quality of life measures" were 200 to 400 % more severe for the Indian study respondents than those from any other sites including Baltimore and San Antonio. Clearly, conditions of this magnitude represent significant disparities in health status and are not just dental problems, but have significant social, psychological, and economic consequences on peoples' self-esteem and their ability to learn, secure employment, and reach their full potential. When such dental conditions are superimposed on top of other prevalent conditions normally considered far more severe such as diabetes, alcoholism, and family violence, a person's capability to achieve self-sufficiency is seriously compromised.

There is little doubt that in many AI/AN communities health status is contributing to the economic hardship they experience. It is also true that improved health care alone cannot make up for the lack of opportunities for economic development. Some tribes are making significant progress in this process and many of these are the ones who have exercised their option under the Indian Self-Determination legislation to manage their own health programs. While the IHS is not an economic development organization, we are committed to assuring that our available resources are used effectively to minimize the negative effects of poor health status on the general socioeconomic well-being of AI/AN communities. Furthermore we are working to collaborate with the BIA, the Agency for Native Americans, and with other organizations with the capacity to assist in economic development. Our success in improving health status in FY 1999 and many years to come will be strongly influenced by the overall success in addressing poverty in Indian Country.

A Lack of Cost-Effective Interventions for Chronic Diseases

A major challenge the IHS must address is how to provide health care in the face of increasing mortality and morbidity rates for diseases such as alcoholism, diabetes, and cancer that represent extremely costly conditions to treat. Of these problems, perhaps diabetes represents the greatest economic threat to the IHS. Within the I/T/U system are communities with the highest diabetes prevalence in the world with many other communities showing accelerating increases annually. Although we are collaborating with CDC and the University of New Mexico to develop preventive approaches, at this point in time, there are no proven large-scale educational or medical interventions known to reduce the prevalence of this condition in populations.

Until a preventive technology is developed, we are faced with the costly medical management of diabetics that is currently estimated in the diabetes literature at \$5000 to \$9000 per patient per year. The IHS is funded at approximately \$1350 per person per year with Medicare/Medicaid, private insurance collections and out of pocket expenditures adding an estimated \$500-700 more. Thus, AI/AN people are funded at approximately \$2000 per person annually compared to with almost \$4000 for the U.S. general population. In communities where the diabetes prevalence is approaching 40-50 percent, the entire available per capita funding could be completely consumed in treating diabetes, leaving nothing for alcoholism, cancer, injuries, oral health, prenatal care, and well-baby/immunizations to name only a few.

Given these economic realities, the I/T/Us are faced with difficult choices in assuring access to essential health care. While there are always ways to improve efficiency and effectiveness and "do more with less," at least in this country, there are no private or public health systems that have set benchmarks for effectively addressing diseases problems of this magnitude with the resources the IHS has had available. It appears decidedly easier to show a profit in the health care industry than to improve the health of the poorer segments of the population. We contend that since our inception in 1955 to the early 1990s, the IHS has set the benchmarks for rural health care efficiency and effectiveness.

Clearly our long-term success in improving the health of the AI/AN population will be strongly influenced by the development of major cost-effective treatment and/or preventive technologies for addressing the many health conditions AI/AN people experience at high rates.

Third Party Collections

The IHS has established a priority to fully maximize third party collections for delivery of health care services. This priority was established in recognition that increasing collections is a critical element to maintaining and improving the delivery of health services to the IHS service population. Over the last few years, IHS has significantly increased its third party collections, which, have served to significantly boost the I/T/U's ability to improve the quantity and quality of its health care services being provided to its population. However, changes in legislation and

HCFA policy at the national or at the state level could affect current reimbursement collection levels and IHS' ability to maintain current service levels. For example, we have been working with HCFA to resolve several reimbursement issues regarding the States implementation of the Children's Health Insurance Program. One state has refused to reimburse IHS for inpatient physician services for CHIP eligible children.

Transitions to Tribal Management

The rate of transition to tribal management of health programs has and will continue to represent a significant challenge to the IHS. This transition toward tribal management of health programs superimposed on recent funding constraints has required Area Offices and Headquarters to downsize significantly. An unfortunate side-effect of this downsizing has been the loss of economies of scale and reductions in the IHS public health infrastructure.

Furthermore, the Agency's ability to meet inherent federal functions including the GPRA has been reduced. However, there is also evidence that the transfer of resources and management control to tribes has fired them to innovate, develop alternative resources, find new mechanisms for building facilities, and enhance patient care, which ultimately will improve outcomes. The level of success tribes are achieving is clearly linked to IHS funding and particularly contract support funds. What is still not completely clear at this time is at what level tribal programs will participate in GPRA performance measurement, given that it is voluntary based on current regulations. While a growing number of tribal programs have expressed a commitment to submit data for GPRA in response to our active marketing of its importance, some have expressed resistance based on a belief that it represents an unfunded and not required activity that diverts resources away from patient care.

Indeed the IHS is in a challenging position with the responsibility of including tribal programs in performance reporting, but lacking the authority to require tribes to submit their data. Despite these challenges the IHS remains committed to tribal self-determination and to performance management and views both as essential to the realization of our Mission and Goal.

PART II - PROGRAM PLANNING AND ASSESMENT

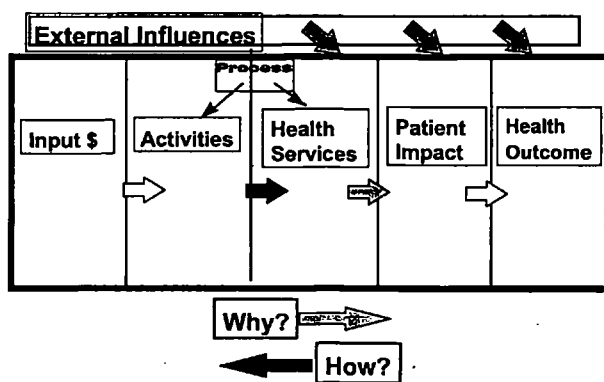
It must be borne in mind that the tragedy of life doesn't lie in not reaching your goal. The tragedy lies in having no goal to reach. It isn't calamity to die with dreams unfulfilled, but it is a calamity not to dream. It is not a disaster to be unable to capture your ideal, but it is a disaster to have no ideal to capture. It is not a disgrace not to reach the stars, but it is a disgrace to have no star to reach for. Not failure, but low aim is sin.

Benjamin Mays

Introduction and Rationale

The diagram that follows has been used the past three years to explain the GPRA process and shows that it is essentially the same as the public health approach the IHS has long followed in health planning and evaluation. The logic of this model links resources to activities or "process" (both support and direct health services) which leads to reductions in risk factors for diseases and conditions (i.e., impact) and over an extended period of time results in improved health outcomes. The model also depicts how external influences such as economic status (see Section 1.4, *The Role of Poverty*) isolation, or social norms can have powerful effects on the success of interventions, particularly in addressing lifestyle related health outcomes.

The Public Health/GPRA Approach



In light of this conceptual model, three broad categories of indicators are of relevance.

Process Indicators:

Indicators that assess the quantity or quality of activities that have the potential to contribute, at least indirectly, to reduced mortality or morbidity in the population over time.

Process indicators include activities such as the construction of clinics, identification of the prevalence of a disease or condition, implementation of consumer satisfaction surveys, and the provision of some health services (i.e., services for which the link to improved health outcomes has not been consistently demonstrated). These are important activities that may be essential to running an effective health care program, but do not in and of themselves result in improved health outcomes. The GPRA represents a process requirement, and committing to comply with these requirements represent a process indicator. (See Activities and Health Services boxes in diagram)

Impact Indicators:

Indicators that assess the quantity or quality of activities that have a scientific evidenced-based link to improved health outcomes usually by a demonstrated reduction in a recognized risk factor of mortality or morbidity in a population. These indicators are referred to as "interim outcomes" in much of the GPRA literature. They include activities such as immunizations, dental sealants, assuring safe drinking water, and cancer screenings. Over time these activities result in improved morbidity and/or mortality. Impact indicators are usually the most appropriate type of indicator for annual performance plans because they provide the most measurable link between funding and results. (see Patient Impact box in diagram)

Outcome Indicators:

Indicators that relate to assessing changes in mortality or morbidity relative to a disease or condition that program(s) address. While these indicators are the ultimate goal of health care, for many health conditions it is often years before outcome benefits are realized. Furthermore, identifying the cost of an observed outcome is often difficult or impossible in the cases of conditions that multiple providers may be addressing simultaneously while addressing other health conditions. Thus, outcome indicators are usually not the most appropriate choice for annual performance plans, but are essential to identify for long-term goals such as in the GPRA Strategic Plan. Examples include reducing the prevalence of obesity, diabetic complications or reducing the unintentional injury mortality rate (see Health Outcome box in diagram).

It is appropriate to note that general workload types of indicators such as total outpatient visits and inpatient days are not included in this performance plan because any meaningful link to health outcomes is indirect or circuitous, at best. As noted earlier, outpatient visits have grown with population growth rather than varied with level of funding. Inpatient days have been declining across the country as well as in the I/T/U care systems to control costs and neither of these measures correlate in an interpretable way with improved health status. However, these data will continue to be monitored and presented to the Department as part of the IHS annual accountability report because they are of significance in the context of expenditures and demands on the I/T/U system.

The IHS performance indicators represent sentinel indicators which are specifically focused on the most significant health problems affecting AI/ANs and/or the essential services that address them and identified by local I/T/Us. These problems include: diabetes, alcohol and substance abuse, cancer, dental diseases, mental health, heart disease, family abuse and violence, injuries, poor living environment, mental health, tobacco use, obesity, environmental hazards, and the unique health problems of elders, women and children. They all represent important links in the

GPRA/public health process directed towards outcomes. Some represent primary prevention that attempts to prevent a disease or condition before it occurs (e.g., immunizations or controlling weight to prevent heart disease or diabetes). Others are "secondary preventive" in nature in that they attempt to reduce the morbidity and mortality associated with a disease or condition after it has occurred (e.g., access to dental care or breast cancer screening). Given that there will always be ten leading causes of death, our focus is to intervene early in the processes that contribute significantly to mortality and morbidity, rather than to target end point problems such as heart attacks and stroke. This is the essence of the cost-effective public health approach that has resulted in the improvements in health status of AI/AN people over the last three decades.

We have also included indicators for improving how our consumers perceive the quality of and access to services, how employees perceive the quality of their work-life, and how our stakeholders perceive our performance in assuring adequate consultation and advocating for their needs. In addition, we have developed indicators addressing our effectiveness in building collaborative relationships with other organizations in regards to cross-cutting issues and meeting our obligations as an Agency in the Department.

These indicators do not represent the complete spectrum of activities and challenges the Agency and the I/T/Us address as part of a comprehensive public health organization. To do so would probably require several hundred indicators and require significant increases in resources just to collect the data. Consistent with the proposed GAO guidance, these indicators are limited to a vital few, represent multiple priorities, are linked to the responsible programs, and in many cases are measures we have used for many years for program evaluation. Several are focused primarily on better defining the magnitude of certain problems and improving our evaluation capability.

A major challenge in selecting indicators for a one-year plan is that many of the processes necessary for intervening in complex chronic diseases require years or decades of focused efforts to realize significant progress, even with significant resource enhancements. Therefore, only a few of these indicators directly address health outcomes, while most are incremental activities that will lead to such outcomes over time. In addition, several indicators directly embrace the principles and intent of the National Partnership for Reinventing Government and link directly with the Secretary's Initiatives. Finally, all of the health problem related indicators support the HP 2010 goals for AI/AN, the draft HP 2010 goals, while all support the Department's Strategic Plan.

However, it is important to acknowledge that these indicators were developed in partnership with Area and I/T/U staff and AI/AN tribal leaders with the first priority being the need to reflect the problems and strategic activities of the I/T/Us collectively. We believe this approach is essential to secure the high level of collective support we will need with our diverse and decentralized programs. Because of the diversity across I/T/Us and the freedom of tribal programs to participate in GPRA activities at their discretion, not all indicators will be of priority to all I/T/Us. Furthermore, there are activities that are not included in these indicators that will continue to be priorities, particularly health issues unique to local I/T/Us.

Budget and Program Aggregation

Because of the number and diversity of IHS health programs, these activities can be organized in many different ways. Our goal in presenting our performance measures is to the best of our ability relate performance to our budget. This is a serious challenge to the IHS for several reasons we will articulate. We have selected an aggregation approach largely based on the way our programs are managed and have selected four functional areas for the aggregation of the 24 budget categories identified in the IHS "Detail of Change Table": 1.) Treatment, 2.) Prevention, 3.) Capital Programming/Infrastructure, and 4.) Consultation, Partnerships, Core Functions, and Advocacy. While this approach may appear to be an overly simplistic "lumping" of categories, it is important to realize that there is no aggregation or disaggregation that allows mutually exclusive activities linked to mutually exclusive health problems.

This conundrum exists because addressing most chronic diseases and problems such as diabetes, injuries, and family violence, require multidisciplinary interventions to successfully address. In such cases, there may be several health programs (and thus funding categories) simultaneously addressing a health problem such as diabetes. Confounding the issue further, these same diverse providers may be addressing other health issues such as tobacco use, blood pressure control, or mental health during the same encounter. Lastly, tribal programs, which now manage over 40% of the total IHS budget, have the legal flexibility to reprogram funding categories to meet their identified health priorities and likewise use an accounting tailored to their needs and preferences. As a result, with the exception of the facilities construction category, tribes tend to use resources based on individual tribal priorities and the link between named categories in the IHS budget and how the funds are actually used in tribal programs may not be highly correlated.

Thus, for tribal programs the aggregation issue is probably moot. For IHS managed programs, aggregation of budget categories that not only splits out activities and funding sources but also allows a valid cost accounting link to health outcomes can not be provided. In such cases, the accounting link can go no farther than services. A manufacturing type of accounting mindset taken to an extreme simply does not fit well in the context of a comprehensive public health program. Therefore, the aggregation approach we have selected seems reasonable given the limitations of any approach and that we do have the option to disaggregate these inputs if desired for a more narrowly focused look at well circumscribed programs such as dental services and public health nursing. There is no priority order to these categories and all are important in accomplishing the mission of the IHS. Table I that follows shows the relationship between the funding categories in IHS Detail of Change Table and the appendix of the "Budget of the United States" and our GPRA aggregation. A brief explanation of the components of each aggregation category precedes each set of performance indicators.

Table I
Budget Category Aggregation

<u>INDIAN HEALTH SERVICE</u>	<u>APPENDIX</u> Budget of the United States items from left column	<u>GPRA AGGREGATION</u> items from left column
Detail of Change Table		
<u>SERVICES:</u>	<u>SERVICES:</u>	
1 Hospitals & Health Clinics		1. Treatment (1,2,3,4,5,10,11,12,14,15)
2 Dental Services		2. Prevention (6,7,8,9,19b)*
3 Mental Health		3. Capital Programming/ Infrastructure (16-20)**
4 Alcohol & Substance Abuse		4. Partnerships, Consultation, Core Functions, and Advocacy (13,19a-c)***
5 Contract Health Services	1 Clinical Services (1-5)	
Total, Clinical Services		
6 Public Health Nursing		*The Prevention category includes 35% of Environmental Health Support (19b) activities.
7 Health Education	2 Preventive Health (6-9)	
8 Comm. Health Reps	3 Urban Health (10)	**The Capital Programming/Infrastructure category includes 80% of Facilities Support (19a), 60% of Environmental Health Support (19b), and 20% of OEHE Support (19c) activities.
9 Immunization AK	4 Indian Health Professions (11)	
Total, Prev Hlth	5 Tribal Management (12)	
10 Urban Health	6 Direct Operations (13)	
11 Indian Health Professions	7 Self Governance (14)	
12 Tribal Management	8 Contract Support Costs (15)	
13 Direct Operations		***The Partnerships, Consultation, Core Functions, and Advocacy category includes 20% of Facilities Support (19a), 5% of Environmental Health Support (19b), and 80% of OEHE Support (19c) activities.
14 Self Governance		
15 Contract Support Costs		
Total, Services	Total, Services	
<u>FACILITIES:</u>	<u>FACILITIES:</u>	
16 Maint. & Improvement	9 Maint. & Improvement (16)	
17 Sanit. Facil. Constr.		
18 Hlth Care Facs. Congr.	10 Hlth Care Facs. Constr. (17-18)	
19 Facil. & Envir. Hlth Sup.	11 Facil. & Envir. Hlth Sup (19a- c)	
19a Fac. Support		
19b Env. Health Support		
19c OEHE Support		
20 Equipment	12 Equipment (20)	
Total, Facilities	Total, Facilities	
(20) Total, IHS	(12) Total, IHS	(4) Total, IHS

2.1.1 Treatment and Prevention Categories: Program Description, Context and Summary of Performance

Program Description and Context

Treatment and Prevention indicators have been combined in this section for several reasons including:

- the distinction between treatment and prevention is often blurred
- many health care programs provide both kinds of services
- approximately 90% of IHS resources are directed towards these activities
- monitoring for both is usually accomplished from the same data systems

In essence, prevention and treatment are our business and virtually all other activities are supportive to them. Combined they are the essence of IHS Strategic Objective 2: Provide Health Services and the means to accomplishing our Mission and Goal and IHS Strategic Objective 1: Improve Health Status. The indicators directly address the structure, process, and outcome of treatment and preventive services. While some of these measures such as the dental indicators 12 and 13 and public health nursing indicator 19 can be closely linked to the funding request, most are less directly evident in their linkage to funding because they represent activities performed by staff from multiple disciplines who address multiple health problems. For a more detailed discussion of the limitations in funding linkages with indicators, see *Budget and Program Aggregation* on page 21 and Section A.4 on page 90 in the appendix of this document.

Ultimately, our performance in treatment and prevention activities will determine our level of success in reaching our mission. While we are on track to accomplish many of the treatment and prevention targets for FY 1999, several remain in question because of the growing difficulties in recruitment and retention of critical health care providers. It is important to keep in mind in reviewing performance indicators and performance results that with the AI/AN population increasing over two percent annually, each indicator that sets a target for the percent of the population covered, service capacity must be increased over two percent just to remain at the same level of coverage. For a more detailed discussion of the issues influencing performance accomplishment see the *FY 1999 Performance Summary* section beginning on page 14. In addition, a performance summary table precedes each section of indicators and the description of each individual indicator includes an assessment of estimated performance achievement for FY 1999.

The budget category/programs that make up the Treatment and Prevention categories, along with their page reference in the budget are presented below:

Treatment Aggregation

Hospitals and Clinics - supports inpatient and ambulatory care and support services such as nursing, pharmacy, laboratory, nutrition, medical records, etc (see page IHS-28 in FY 2001 budget document).

Dental Services - supports the provision of dental care through clinical based treatment and prevention services and community oral health promotion and disease prevention activities including water fluoridation and dental sealants (see page IHS-42 in FY 2001 budget document).

Mental Health - supports community oriented clinical and preventive mental health and social services programs (see page IHS-48 in FY 2001 budget document).

Alcohol and Substance Abuse - supports the efforts of tribes in the provision of holistic alcoholism and other drug dependency treatment, rehabilitation, and preventive services for individuals and families (see page IHS-54 in FY 2001 budget document).

Urban Indian Health - supports contracts and grants to 34 urban health programs funded under Title V of the Indian Health Care improvement Act (see page IHS-94 in FY 2001 budget document).

Indian Health Professions - supports self-determination and access to health care through efforts to allow AI/AN to enter health professions, and effective recruitment of health staff by providing scholarships, loan repayment, temporary employment, and health professions recruitment (see page IHS-100 in FY 2001 budget document).

Self-Governance - provides short-fall funding of tribal self-governance compacts to avoid adverse impact to non-compacting tribes as well as supporting the Office of Tribal Self-Governance and Self-Governance Planning grants (see page IHS-116 in FY 2001 budget document).

Contract Support - provides start-up, direct, and indirect costs that occur for tribal managed programs in addition to what would have been provided under the direct provision of the program as authorized under Section 106(a) (2) of P.L. 93-638, the Indian Self-Determination Act, as amended (see page IHS-126 in FY 2001 budget document).

Prevention Aggregation

Public Health Nursing - supports the community-based Public Health Nursing program which provides treatment, counseling, health education, and referral activities carried out in such setting as homes, schools, jails, bars, and community centers in conjunction with a diversity of other health care providers (see page IHS-76 in FY 2001 budget document).

Health Education - supports activities directed towards promoting healthy lifestyles, community capacity building, and the appropriate use of health services through public health education targeted at school health, employee health promotion, community health, and patient education (see page IHS-80 in FY 2001 budget document).

Community Health Representative - supports the tribally administered program of training AI/AN community members in basic disease control and prevention. These activities include serving as outreach workers with the knowledge and cultural sensitivity to effect change in community acceptance and utilization of health care resources and use community-based networks to enhance health promotion/disease prevention activities (see page IHS-84 in FY 2001 budget document).

Alaska Immunization Program - supports the Alaska immunizations program to address hepatitis and haemophilous influenzae through collaboration with the CDC (see page IHS-88 in FY 2001 budget document).

Environmental Health Support - supports the IHS injury prevention program that coordinates and provides grants for primary preventive community-based collaborative programs using epidemiologically defined problem identification and evaluation methods (see page IHF-41 in FY 2001 budget document).

2.1.2 Treatment and Prevention: Performance Indicators

The choice of these indicators was made after considerable deliberation and "trial and error" over the past three years that has resulted in the acceptance of several selection criteria:

- they address major functional areas of our budget structure (i.e., major health programs)
- they represent I/T/U priority areas in terms of addressing health problems
- they are relatively passive to I/T/U providers in that they are extracted from existing data systems and do not add to their workload
- they do not reward under reporting of conditions (i.e., reducing complication of diabetes was dropped for this reason)
- they are evidenced-based and support recognized standards of care

While not all treatment and prevention indicators measure up to all these criteria, most come close. To make clear the ultimate intent or outcome of each process or impact indicator, each begin with a statement of intent followed by the intervention and target that will contribute to this intent. However, it is important to acknowledge that for many indicators a measurable change in the ultimate outcome is not likely to be seen in the one year time span of the performance plan.

The data that support the treatment and prevention indicators comes from several sources but the largest number are extracted from the IHS automated information system which collects data on the services provided by IHS and tribal direct and contract programs. In addition, the diabetes treatment indicators 2-5 are extracted from the IHS Diabetes Audit that is an annual systematic audit of almost 10,000 charts. Beginning in FY 2001, these indicators will be based on three-year running averages from this audit.

The software used by IHS facilities and most tribal facilities is the Resource and Patient Management System (RPMS). Data are collected for each inpatient discharge, ambulatory medical visit, and dental visit (all patient specific) and for community health service programs including health education, community health representatives, environmental health, nutrition, public health nursing, mental health and social services, and substance abuse (all activities reporting systems). The patient-specific data are collected through the Patient Care Component (PCC) of the RPMS. For a discussion of data validation processes relative to this system and the diabetes audit, see Appendix A.1.

Lastly, these indicators directly address the Secretary's Initiative to Eliminate Racial and Ethnic Health Disparities and the President's Initiative to Eliminate Disparities in Health Status Among Americans. Further connections with other initiatives and the HHS Strategic Plan will be identified in the "Linkages" section of each indicator.

**Performance Summary Table 1:
Treatment Indicators**

Performance Indicator	FY Targets	Actual Performance	Reference
Indicator 1: Maintain Arca age-specific diabetes prevalence rates (as a surrogate marker for diabetes incidence) for the AI/AN population.	FY 01: Maintain Data-base FY 00: Maintain Data-base FY 99: Establish baseline	FY 01: FY 00: FY 99: baseline established	P: p. 32 B: p. IHS-34 p. IHS-130
Indicator 2: Increase the proportion of I/T/U clients with diagnosed Diabetes that have improved their glycemic control.	FY 01: 3-year average improved FY 00: 3-year average improved* FY 99: 38%	FY 01: FY 00: FY 99: 9/00 FY 98: 35% (baseline)	P: p. 33 B: p. IHS-34 p. IHS-130
Indicator 3: Increase the proportion of I/T/U clients with diagnosed diabetes and hypertension that have achieved diabetic blood pressure control standards.	FY 01: 3-year average improved FY 00: 3-year average improved* FY 99: 30%	FY 01: FY 00: FY 99: 9/00 FY 98: 27% (baseline)	P: p. 34 B: p. IHS-34 p. IHS-130
Indicator 4: Increase the proportion of I/T/U clients with diagnosed diabetes who have been assessed for dyslipidemia.	FY 01: 3-year average improved FY 00: 3-year average improved* FY 99: 81%	FY 01: FY 00: FY 99: 9/00 FY 98: 79% (baseline)	P: p. 35 B: p. IHS-34 p. IHS-130
Indicator 5: Increase the proportion of I/T/U clients with diagnosed diabetes who have been assessed for nephropathy.	FY 01: 3-year average improved FY 00: 3-year average improved* FY 99: 36%	FY 01: FY 00: FY 99: 9/00 FY 98: 33% (baseline)	P: p. 36 B: p. IHS-35 p. IHS-130
Indicator 6: Increase the proportion of women who receive Pap screening.	<u>Pap Screening</u> FY 01: +3% over FY 00 level FY 00: +3% over FY 99 level* <u>Cervical Cancer</u> FY 99: determine incidence of cervical cancer	FY 01: FY 00: FY 99: baseline 4/00 FY 99: 8-10 per 100,000 based on 40% of AI/AN	P: p. 37 B: p. IHS-35 p. IHS-136

Performance Indicator	FY Targets	Actual Performance	Reference
Indicator 7: Increase proportion of the AI/AN female population over 40 years of age who receive screening mammography.	FY 01: +3% over FY 00 level FY 00: +3% over FY 99 baseline* FY 99: establish baseline	FY 01: FY 00: - FY 99: 4/00	F: p. 38 B: p. IHS-35 p. IHS-136
Indicator 8: Increase the proportion of AI/AN children receiving a minimum of four Well Child Visits by 27 months of age and expand coverage.	FY 01: +3% over FY 00 FY 00: +3% over FY 99 FY 99: establish baseline	FY 01: FY 00: FY 99: 38.5% provisional	F: p. 40 B: p. IHS-37
Indicator 9: Maintain the rates and intensity of follow-up for adolescents discharged from IHS supported Regional Treatment Centers (RTC) and assure abstinence.	<u>Abstinence</u> FY 01: +5% over FY 00 FY 00: establish baseline <u>Follow-up Rates</u> FY 01: FY 00 level or higher FY 00: +10% over FY 99 FY 99: establish baseline for 30 days, 6 months, and 12 months follow-up rates	FY 01: FY 00: FY 01: FY 00: FY 99: 64.5% at 30 days 55.2% at 6 months 40.9% at 12 months	F: p. 41 B: p. IHS-54
Indicator 10: Expand the percentage of I/T/U prenatal clinics utilizing screening and case management protocols for pregnant substance abusing women and advocate to expand usage.	FY 01: +10% over FY 00 FY 00: +5% over FY 99 level FY 99: establish baseline	FY 01: FY 00: FY 99: 3/00	F: p. 43 B: p. IHS-54
Indicator 11: Improve water fluoridation compliance for Areas participating in IHS/CDC Fluoridation Surveillance Demonstration Project.	FY 01: 10% over FY 00 FY 00: 15% over FY 99 FY 99: no indicator	FY 01: FY 00: FY 99: baseline 6/00	F: p. 44 B: p. IHS-42
Indicator 12: Increase annual access to dental services for the AI/AN population.	FY 01: 25% FY 00: 23% FY 99: 21%	FY 01: FY 00: FY 99: 23% preliminary FY 98: 24.5% (baseline)	F: p. 45 B: p. IHS-42
Indicator 13: Increase the percentage of AI/AN children 6-8 and 14-15 years who have received protective dental sealants on permanent molar teeth.	<u>6-8 yrs</u> FY 01: +3% over FY 00 FY 00: +3% over FY 99* FY 99: 50% <u>14-15 yrs</u> FY 01: +3% over FY 00 FY 00: +3% over FY 99* FY 99: 58%	FY 01: FY 00: FY 99: 38.8% FY 91: 40.1% baseline FY 01: FY 00: FY 99: 66.8% FY 91: 66.5% baseline	F: p. 46 B: p. IHS-42

Performance Indicator	FY Targets	Actual Performance	Reference
Indicator 14: Increase the % of I/T/U medical facilities with Urgent Care or Emergency departments or services that have written policies and procedures for routinely identifying, treating and/or referring victims of family violence, abuse or neglect (i.e., child, spouse, elderly).	FY 01: 80% FY 00: 70% FY 99: 60%	FY 01: FY 00: FY 99: 64% FY 98: 47% (baseline)	P: p. 47 B: p. IHS-48
Indicator 15: Expand the percentage of I/T/U programs that have implemented the use of the Mental Health/Social Services (MH/SS) data reporting system.	FY 01: +10 over FY 00 level FY 00: +10 over FY 99 level FY 99: 50%	FY 01: FY 00: FY 99: 51% FY 98: est. 40-45% baseline	P: p. 48 B: p. IHS-48
Indicator 16: Develop the specifications and implementation plan for an automated mutually compatible information system which captures health status and patient care data for Indian Urban health care programs and implement at field urban sites.	FY 01: implemented in 30% of urban programs FY 00: test in at least one site* FY 99: develop specs and plan	FY 01: FY 00: FY 99: accomplished 8/99	P: p. 49 B: p. IHS- 94
Indicator 17: Maintain 100% accreditation of all IHS hospitals and outpatient clinics.	FY 01: 100% FY 00: 100% FY 99: 100%	FY 01: FY 00: FY 99: 100% FY 98: 100% (baseline)	P: p. 50 B: p. IHS-28
Indicator 18: Improve AI/AN consumer satisfaction with the acceptability and accessibility of health care as measured by IHS consumer satisfaction survey.	FY 01: +5% over FY 00 baseline FY 00: establish baseline* FY 99: develop instrument and protocol	FY 01: FY 00: FY 99: instrument and protocol complete	P: p. 51 B: p. IHS-28
Total Treatment Funding:	FY 01: \$2,113,572,000 FY 00: \$1,931,326,000 FY 99: \$1,811,951,000 FY 98: \$1,711,018,000 * indicates revised FY 2000 measure, see Summary of Changes Table on pages 87-90		P: page # in perform. plan B: page # in budget justif.

A. FY 2001 Treatment Indicators:

Indicator 1: To support planning for the treatment and prevention of diabetes during FY 2001, maintain Area age-specific diabetes prevalence rates and identify trends in the age-specific prevalence of diabetes (as a surrogate marker for diabetes incidence) for the AI/AN population.

Rationale: Diabetes continues to be a growing problem in many AI/AN communities with rates increasing rapidly in several Areas, age at diagnosis occurring at younger ages, and no signs of decline in any Area. The impact of this disease in terms of individual and family suffering is immense, as are the treatment costs to the Indian health delivery systems. Though incidence rates of diabetes (occurrence of new cases within a certain time period) are very difficult and expensive to collect, and are only done reliably in large, population-based studies, trends in age-specific prevalence rates of diabetes can provide evidence of an increase or decrease in diabetes for a certain age group and may suggest a change in true incidence. Analysis of these trends will allow the program and I/T/U's to target prevention efforts to specific age groups in ongoing and future interventions.

Approach: The IHS Office of Public Health is responsible for overall coordination of efforts to achieve this indicator. The IHS Diabetes Program estimates diabetes prevalence of diagnosed diabetes in Native Americans seeking care in I/T/U facilities. Rates are calculated using the IHS automated record system (i.e., PCC/RPMS data), and are reported by geographic Area, gender, and age groups for adults. Three-year rates will be calculated to reduce variability. Three-year running rates (i.e., add the most recent year of data and drop the oldest year of data) will be used in trend analysis. Longitudinal studies of diabetes conducted in Pima Indians since 1965 have provided extensive information on the prevalence and incidence of diabetes in this tribal community. While there are several other tribal-specific diabetes epidemiological studies, none are to the depth of the Pima studies and they cover fewer than 10% of all tribes. Furthermore, there are no published studies on the growing problem of type II diabetes in American Indian youth, though there is extensive recognition by I/T/U providers that the age of diabetes onset is declining to younger adults and children.

Local/tribal facilities can assess diabetes prevalence by using PCC registries and/or diabetes case registries, deriving baseline measures for their tribal communities. The IHS Diabetes Program and the IHS Chronic Disease Epidemiology Program can assist I/T/U facilities to enhance their PCC registries and/or other diabetes registries, as well as establish and organize systematic screening and data entry in order to better ascertain diabetes prevalence. Emphasis will be placed upon the specific age groups identified for this measure.

Diabetes prevalence information will be collected, transformed into similar formats, and transferred to the CDC Division of Diabetes epidemiologist (interagency agreement between CDC and IHS) for analysis and adjusting. Reports will be created and disseminated to I/T/U's, other DHHS agencies, universities, and private foundations for use in identifying prevention strategies and resources.

Data Source: RPMS/PCC reports, Diabetes Registries

Baseline: These indicators commit to establishing and maintaining diabetes prevalence baselines using the IHS PCC and local diabetes registries that are used now in all areas. These

rates will serve as the baseline for tribal-specific prevalence studies in selected tribes and will be determined annually.

Type of Indicator: Process

Linkages: This indicator supports the President's initiative for diabetes, the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 5.1 *Improve Public Health Systems' Capacity to Monitor the Health Status and Identify Threats to the Health of the Nation's Population*. It is supported by IHS/CDC agreements, and supports several HP 2010 objectives in Focus Area 5: Diabetes.

Program Performance FY 1999: The FY 1999 performance measure was to establish the initial Area age-specific prevalence rates for diabetes and has been accomplished. Area age-specific diabetes prevalence rates have been prepared for the AI/AN population based on patients diagnosed with and treated for diabetes and having at least one outpatient visit during FY 1997. Rates are available by IHS Area and sex for 4 age groups (0-19, 20-44, 45-64, and 65+). Among the IHS adult population (age 20 and over) 9.6 % have diagnosed diabetes. Alaska Area has the lowest rate (2.9%); Nashville and Tucson Areas have the highest rates (16.1 and 17.9%, respectively).

Indicator 2: Reduce diabetic complications by demonstrating a continued trend in improved glycemic control in the proportion of I/T/U clients with diagnosed diabetes in FY 2001.

Rationale: Large clinical studies have demonstrated that glycemic control significantly reduces the incidence of complications related to diabetes. In addition, achieving better blood sugar control has been shown to significantly reduce the costs associated with caring for people with diabetes. Using Staged Diabetes Management treatment guidelines for diabetes clinical management has significantly improved glucose control in several Indian communities.

Approach: The IHS Diabetes Program conducts a yearly medical record review of a random sample of nearly 10,000 charts in I/T/U facilities in order to assess compliance with the IHS Standards of Care for Diabetes. These standards are a set of clinical parameters of care and patient management that have a recognized evidence-based correlation with improved diabetic patient outcomes. This record review is known as the Diabetes Audit and uses a strict protocol to assure statistical integrity and comparability of both process and outcome measures over time. Each year, facility-specific values are reported for each indicator, as well as values for each Area and IHS-wide. Trends over time for I/T/U facilities, service units, Areas and IHS-wide are also constructed for selected indicators. Three-year running rates (i.e., add the most recent year of data and drop the oldest year of data) will be used to reduce variability and provide trend analysis.

Glycemic control refers to how well the blood sugars are controlled in a person with diabetes. It is measured with a blood test called the Hemoglobin A1c that measures the average blood sugar for a 2-3 month period. The IHS Diabetes Audit process divides these levels of control into "Acceptable", "Fair" and "Poor" categories based on national diabetes care standards. These categories will be used in the GPRA process to determine improvements in glycemic control.

The benefits of aggressive interventions to lower blood sugar in diabetics have been well described in the literature and numerous practice guidelines and standards exist. Local efforts to improve these parameters through lifestyle intervention and appropriate medication use will be encouraged. Local feedback of pertinent audit data will be provided to each site through the IHS Diabetes Program.

Data Source: Diabetes registries, yearly IHS Diabetes Program Chart Audit

Baseline: The 1998 Diabetes Audit reveals that 35% of all IHS clients were in the "good control" category; 36% of all IHS clients were in the "fair control" category; 17% of all IHS clients were in the "poor control" category; 7% of all IHS clients were in the "very poor control" category; and values were missing for 5% of clients. The proportion of all I/T/U patients with diabetes in "good" glycemic control for FY 1997-99 will serve as the baseline value and will be available by August, 2000.

Type of Indicator: Impact

Linkages: This indicator supports the President's initiative for diabetes, the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. It is supported by IHS/CDC agreements and addresses Year 2010 objective 5-6 (Diabetes: diabetes-related deaths).

Program Performance FY 1999: Data for this indicator will be reported by August 2000 following analyses of the FY 1999 Diabetes Audit.

Indicator 3: Reduce diabetic complications by demonstrating a continued trend in improved blood pressure control in the proportion of I/T/U clients with diagnosed diabetes and hypertension who have achieved blood pressure control standards in FY 2001.

Rationale: Large clinical studies have demonstrated that blood pressure control significantly reduces the incidence of complications related to diabetes. In addition, achieving better blood pressure control has been shown to significantly reduce the costs associated with caring for people with diabetes. Using Staged Diabetes Management treatment guidelines for diabetes clinical management has significantly improved blood pressure control in several Indian communities.

Approach: The IHS Diabetes Program conducts a yearly medical record review of a random sample of nearly 10,000 charts in I/T/U facilities in order to assess compliance with the IHS Standards of Care for Diabetes. These standards are a set of clinical parameters of care and patient management that have a recognized evidence-based correlation with improved diabetic patient outcomes. This record review is known as the Diabetes Audit and uses a strict protocol to assure statistical integrity and comparability of both process and outcome measures over time. Each year, facility-specific values are reported for each indicator, as well as values for each Area and IHS-wide. Trends over time for I/T/U facilities, service units, Areas and IHS-wide are also constructed for selected indicators. Three-year running rates (i.e., add the most recent year of

data and drop the oldest year of data) will be used to reduce variability and provide trend analysis.

Blood pressure control is usually defined in the non-diabetic person as a blood pressure level less than 140/90 mm Hg. However, because a person with diabetes is at greater risk for complications related to blood pressure, national standards recommend that the ideal goal of diabetic blood pressure control should be 130/85 mm Hg. For the GPRA process, "acceptable" control will be defined as 140/90 mm Hg and "ideal" control will be defined as 130/85 mm Hg, and both levels will be reported.

The benefits of aggressive interventions to lower blood pressure in diabetics have been well described in the literature and numerous practice guidelines and standards exist. Local efforts to improve these parameters through lifestyle intervention and appropriate medication use will be encouraged. Local feedback of pertinent audit data will be provided to each site through the IHS Diabetes Program.

Data Source: Diabetes registries, yearly IHS Diabetes Program Chart Audit

Baseline: The 1998 Diabetes Audit reveals that 34% of all IHS clients were in the "normal blood pressure" category; 27% of all IHS clients were in the "controlled blood pressure" category; 27% of all IHS clients were in the "uncontrolled blood pressure" category; 8% of all IHS clients were in the "severely uncontrolled blood pressure" category; and values were missing for 4% of clients. The proportion of all I/T/U patients with diabetes in the "controlled" category for blood pressure control for FY 1997-99 will serve as the baseline value and will be available by August, 2000.

Type of Indicator: Impact

Linkages: This supports the President's initiative for diabetes, the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. It is supported by IHS/CDC agreements and addresses Year 2010 objectives 5-6 (Diabetes: diabetes-related deaths) and 5-7 (Diabetes: cardiovascular deaths).

Program Performance FY 1999: Data for this indicator will be reported by August 2000 following analyses of the FY 1999 Diabetes Audit.

Indicator 4: Reduce diabetic complications by demonstrating a continued trend of improvement in assessing the proportion of I/T/U clients with diagnosed diabetes for dyslipidemia (i. e., cholesterol and triglyceride) in FY 2001.

Rationale: Large clinical studies have demonstrated that lowering of serum cholesterol significantly reduces the cardiovascular (CVD) morbidity and mortality associated with diabetes. In addition, achieving better control of lipid parameters has been shown to significantly reduce the CVD costs associated with caring for people with diabetes. Using Staged Diabetes Management treatment guidelines for lipid management has significantly improved lipid control in-patients with diabetes.

Approach: The IHS Diabetes Program conducts a yearly medical record review of a random sample of nearly 10,000 charts in I/T/U facilities in order to assess compliance with the IHS Standards of Care for Diabetes. These standards are a set of clinical parameters of care and patient management that have a recognized evidence-based correlation with improved diabetic patient outcomes. This record review is known as the Diabetes Audit and uses a strict protocol to assure statistical integrity and comparability of both process and outcome measures over time. Each year, facility-specific values are reported for each indicator, as well as values for each Area and IHS-wide. Trends over time for I/T/U facilities, service units, Areas and IHS-wide are also constructed for selected indicators. Three-year running rates (i.e., add the most recent year of data and drop the oldest year of data) will be used to reduce variability and provide trend analysis.

The benefits of aggressive interventions to lower cholesterol levels in diabetics have been well described in the literature and numerous practice guidelines and standards exist. Local efforts to improve these parameters through lifestyle intervention and appropriate medication use will be encouraged. Local feedback of pertinent audit data will be provided to each site through the IHS Diabetes Program.

Data Source: Diabetes registries, yearly IHS Diabetes Program Chart Audit

Baseline: The 1998 Diabetes Audit reveals that 79% of all IHS clients had serum cholesterol values in their chart, 74% had serum triglyceride levels, and 29% had LDL cholesterol values recorded. The proportion of all I/T/U patients with diabetes who have had a cholesterol assessment done in FY 1997-99 will serve as the baseline values and will be available by August, 2000.

Type of Indicator: Impact

Linkages: This indicator supports the Secretary's initiative for diabetes, the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. It is supported by IHS/CDC agreements and addresses Year 2010 objectives 5-6 (Diabetes: diabetes-related deaths) and 5-7 (Diabetes: cardiovascular deaths).

Program Performance FY 1999: Data for this indicator will be reported by August 2000 following analyses of the FY 1999 Diabetes Audit.

Indicator 5: Reduce diabetic complications by demonstrating a continued trend of improvement in the proportion of I/T/U clients with diagnosed diabetes who have been assessed for nephropathy in FY 2001.

Rationale: End stage renal disease (ESRD), or diabetic kidney disease, is a significant and growing problem in Indian communities. Large clinical studies have demonstrated that certain measurements can identify those patients at high risk for ESRD and that interventions aimed at reducing risk (blood pressure control, and other "state of the science" medications) may delay the onset of ESRD. Using the Kidney Health Profile of the diabetes audit and the Staged Diabetes

Management treatment guidelines for diabetes clinical management may significantly improve the approach to kidney health in Indian communities.

Approach: The IHS Diabetes Program conducts a yearly medical record review of a random sample of nearly 10,000 charts in I/T/U facilities in order to assess compliance with the IHS Standards of Care for Diabetes. These standards are a set of clinical parameters of care and patient management that have a recognized evidence-based correlation with improved diabetic patient outcomes. This record review is known as the Diabetes Audit and uses a strict protocol to assure statistical integrity and comparability of both process and outcome measures over time. Each year, facility-specific values are reported for each indicator, as well as values for each Area and IHS-wide. A special sub-report of the audit, called the Kidney Health Profile, is generated which assesses screening and treatment for kidney health in a community. Three-year running rates (i.e., add the most recent year of data and drop the oldest year of data) will be used to reduce variability and provide trend analysis.

The benefits of aggressive interventions to lower blood pressure in diabetics have been well described in the literature and numerous practice guidelines and standards exist. Local efforts to improve these parameters through lifestyle intervention and appropriate medication use will be encouraged. Local feedback of pertinent audit data will be provided to each site through the IHS Diabetes Program.

Data Source: Diabetes registries, yearly IHS Diabetes Program Chart Audit

Baseline: The 1998 Diabetes Audit reveals that 89% of all IHS clients had a serum creatinine on the chart and 81% had a urinalysis on the chart. Of these urinalyses, 29% showed positive proteinuria (i.e., protein in urine). Of those with no proteinuria, 33% had a test for microalbuminuria recorded in the chart. Because microalbuminuria is the most sensitive assessment for early diagnosis of diabetes, it will serve as the target measure. The proportion of all I/T/U patients with diagnosed diabetes screened for "kidney health" based on screening for microalbuminuria in FY 1997-99 will serve as the baseline and available by August, 2000.

Type of Indicator: Impact

Linkages: This indicator supports the Secretary's initiative for diabetes, the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. It is supported by IHS/CDC agreements and addresses Year 2010 objective 5-11 (Diabetes: proteinuria).

Program Performance FY 1999: Data for this indicator will be reported by August 2000 following analyses of the FY 1999 Diabetes Audit.

Indicator 6: Reduce cervical cancer mortality and morbidity by increasing the proportion of women in FY 2001 who have had a Pap screen in the previous year by 3% over the FY 2000 level.

Rationale: This indicator is selected because cervical cancer occurs at higher rates among AI/AN women than in the general U. S. population. The death rate for AI/AN women is 4.1 per

100,000 compared with 2.5 per 100,000 for the U.S. All Races rate. Furthermore, this cancer is the cause of significant premature mortality, and is almost entirely preventable by thorough Pap screening and early treatment of pre-cancerous conditions. The long-range goal is to reduce both cervical cancer incidence and death rates to achieve parity with the U. S. all-races rate. This may be attainable within 10 years. This indicator supports a nationally recognized standard of care.

Approach: The IHS Office of Public Health is responsible for overall coordination of efforts to achieve these indicators. All Papanicolaou screening tests (cervical cytology or Pap smear) for cancer of the uterine cervix, performed during the previous year will serve as the numerator for this calculation. The denominator for this assessment will be all AI/AN women over age 18 who reside in counties included in the IHS Service Area, from the U. S. census. In addition, public education, training providers to perform colposcopy, added funding for screening and treatment, and aggressive follow-up of abnormal Paps will all be part of the strategy.

Data Source: The total number of Pap screens performed will be a composite of IHS Laboratory reports and PCC electronic records.

Baseline: Based for FY 1999 to be available by 4-1-00.

Type of Indicator: Impact

Linkages: This indicator supports the President's Initiative on Cancer Screening and Management, the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of*

Primary Health Services, 3.6 Improve the Health Status of American Indians and Alaska Natives, 4.1 Promote the Appropriate Use of Effective Health Care, and 4.2 Reduce Disparities in the Receipt of Quality Health Care Services. It is supported by IHS/CDC agreements (National Breast and Cervical Cancer Early Detection Program). This indicator also, directly supports the HP 2010 objective 3-4 (Cancer: cervical cancer deaths).

Program Performance FY 1999: The FY 1999 performance measure was to identify the incidence of cancer of the uterine cervix for AI/AN women. This indicator was partially accomplished. After a numerous analyses, the only reliable sources of data for this measure were determined to be: New Mexico Tumor Registry (a SEER site); Arizona Central Cancer Registry; Alaska Native Tumor Registry. These three registries include approximately 40% of the IHS user population and the rates vary between 8 and 10 cases per 100,000 women per year. The U.S. White rate during this same time was 8.5. Other state cancer registries were considered to be inaccurate because of high rates of racial misclassification, and because they often did not include Federal facilities (such as IHS and VA) in their database. Since complete accurate assessment of this measure is not currently available for the entire AI/AN population, the indicator was changed to address Pap screening for FY 2000 and FY 2001.

Indicator 7: Reduce breast cancer mortality and morbidity by increasing the proportion of the AI/AN female population over 40 years of age during FY 2001 who have had screening mammography in the previous year by 3% over the FY 2000 levels.

Rationale: Breast cancer has long been considered to be rare among AI/AN women. Incidence and mortality rates have been documented in some AI/AN populations to be 1/3 to 1/2 of the White rates. This picture seems to be changing, however, with breast cancer incidence in the northern plains and Alaska now approaching the rates of the White population. Screening mammography was seldom performed by IHS before 1991, when the CDC National Breast and Cervical Cancer Early Detection Program was initiated. The CDC funded programs have been successful in reaching AI/AN women in many states, and not so successful in others.

Mammography is a nationally recognized standard of care based on its association with both reduced mortality and morbidity because breast cancer is identified at earlier stages. Early identification allows for early clinical intervention and secondary prevention of morbidity and mortality. For this indicator, the numerator will be the number of AI/AN women age 40 and older, registered for care with IHS, who have had a mammogram during the previous year and the denominator is all AI/AN women age 40 and older, who are registered for care with IHS (user population).

Approach: Local I/T/U service sites are responsible for delivering the screening. Regional coordination and assistance is the responsibility of the IHS Area offices. The IHS Office of Public Health performs the overall coordination of this effort. Linkages with NIH, CDC, and the American College of OB/GYN are critical to success.

The strategic approach includes outreach to improve patient access and the availability of specialized staff and equipment to perform the screening. The staff required are public health nurses, Community Health Representatives, and health educators to improve outreach, and specialized clinical providers (nursing, physician, and imaging staff) to provide the actual clinical breast exams and mammograms. The availability of screening must also be associated with the capability to provide diagnostic studies such as ultrasound, biopsy, and fine needle aspiration, as well as treatment such as surgery and chemotherapy.

The successful reduction of premature deaths and morbidity among AI/AN women will depend on full implementation of effective screening and follow-up clinical services. This indicator is linked to success in meeting Strategic Objectives one, two, and four of the Agency's component of the DHHS Strategic Plan.

Data Source: Three data sources will be combined for the total number of mammograms. First, the IHS Medical Imaging Program collects data on mammograms performed by IHS. These data will be supplemented with data from the CDC Breast and Cervical Cancer Early Detection Program, which serves AI/AN women in all states and 15 directly funded Tribes. The last source of data will be mammograms paid for by IHS but performed at non-IHS facilities, are captured by the IHS Fiscal Intermediary. Collectively these sources effectively serve as a reliable estimate of mammogram coverage for AI/AN women.

Baseline: Estimates from FY 1999 ranged from 27%-73% and are of limited usefulness. Using the methodology described above, a baseline for FY 1999 will be established by April 2000. This approach utilized for FY 1999, as described in the *Program Performance FY 1999* section below, has not proven useful.

Type of Indicator: Impact

Linkages: This indicator supports the President's initiative on Cancer Screening and Management, the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, 4.1 *Promote the Appropriate Use of Effective Health Care*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. It is supported by IHS/CDC agreements (National Breast and Cervical Cancer Early Detection Program). This indicator directly supports HP 2010 objective 3-3 (Cancer: breast cancer deaths).

Program Performance FY 1999: The FY 1999 performance measure was to determine the proportion of AI/AN female population 50-69 years of age who had received annual mammography. Despite considerable effort, the data approaches used did not adequately meet this performance measure. Thus an alternative approach as describe above will be used and available by April of 2000.

For the initial approach to this indicator, data were collected from two sources: the CDC Behavioral Risk Factor Surveillance System (BRFSS), and the Indian Health Service annual Assessment of Diabetes Care. Based on the 1997 BRFSS, 73% of AI/AN women over age 50 responded that they had a mammogram within the past two years. The latest IHS Diabetes Audit to collect mammography data (1997) identified that 54% of diabetic women over age 40 had a mammogram documented in the medical record at any time in the past. By IHS Area, this ranged from 36% to 80%. For the same year, 27% of diabetic women over age 40 were in compliance with American Cancer Society recommendations (mammogram in past two years for age 40-49, in past year age 50 and up). By IHS Area, this ranged from 4% to 56%.

The BRFSS only reaches women with telephones, and so misses at least 20% of the AI/AN population. Probably those women without phones have lower socioeconomic status and are less likely to seek preventive services, so the BRFSS figure of 73% is almost undoubtedly a high estimate of mammography coverage. Another problem with BRFS is that relatively few AI/AN women are sampled, so this estimate is based on small numbers and may not be reliable.

The IHS Diabetes Audit is designed to be a scientifically valid sample of people with diabetes in IHS. In one recent study, diabetic women were found to have pap screening rates that were identical to women without diabetes, so we feel that it is reasonable to apply this survey for this purpose. The Diabetes Audit methodology requires documentation on the chart of the mammogram, so will probably not include mammograms that were performed at health fairs and other non-IHS sources that were not paid for by IHS. Therefore this rate of 27% should be considered an underestimate.

Probably the true figure for mammography coverage in IHS lies closer to 27% than 73%. Because the considerable expense necessary to resolve the problems with obtaining adequate data for this measure, the IHS has changed the assessment approach for this indicator for future years as described above. The age range has been also been changed to comply with the latest CDC recommendations.

Indicator 8: Improve child and family health by increasing the proportion of AI/AN children served by IHS receiving a minimum of four well child visits by 27 months of age during FY 2001 by 3% over the FY 2000 level.

Rationale: Well child visits have been associated with improved post-neonatal mortality and opportunities to improve family health and safety in the longer term and is a recognized national standard of care. Of particular importance are the anticipatory educational interventions given to parents concerning diet and nutrition, injury prevention, and prevention of family violence. The current minimum standard for Well Child Visits is six for first born children and five after first born. Accepting four visits as an acceptable minimum is based on the high percentage of children who receive Well Child services in conjunction with urgent care visits and thus are not coded as Well Child Visits.

Approach: The responsible parties are the local I/T/U service sites. The IHS Area offices can provide assistance in development and coordination of media campaigns and analysis of information and they are responsible for regional coordination of this effort. The IHS Office of Public Health is responsible for overall coordination of the effort. Linkages with the USDA-WIC program and the DHHS Head Start program are also critical.

The strategies for success are rooted in effective outreach and management of clinic scheduling for service provision. The outreach activity is dependent upon parent education to assure their awareness of the importance of routine and periodic assessment of well children. Secondly, the effective identification of children in the targeted age groups is important. Public health nursing, Community Health Representatives, Head Start programs, and parent groups have important roles in identifying children and families who are the target of this intervention.

Clinical care is dependent upon the availability of trained nursing and physician staff with the time to address this objective. Scheduling and follow up of these children and their families is critical. The cooperation of medical records staff and others in the clinical environment is essential. Achievement of effective well-child health care is critical to the prevention of childhood obesity, injuries, and family dysfunction. This objective is also consistent with the Secretary's Initiative on Improving the Health of Children.

Data Source: RPMS/PCC

Baseline: Determined by the FY 1999 Indicator and reported below

Type of Indicator: Process

Linkages: This indicator supports the Secretary's Children's Health Initiative, the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, and 3.6 *Improve the Health Status of American Indians and Alaska Natives* and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services* and broadly addresses the HP 2010 objectives addressing Focus Area 16: Maternal, Infant, and Child Health.

Program Performance FY 1999: The FY 1999 performance measure was to determine the proportion of the AI/AN children served by the IHS receiving a minimum of four well-child visits by 27 months of age. An automated extraction routine has been developed and run on FY 1999 service data that identified all children 3-3.5 years and then looked back four years to identify specified visits. Based on this initial run, out of 9,873 children, 3,799 or 38.5% of the children met the criteria. These findings should be considered provisional pending approval of the extraction approach by the Areas and final data verification.

Indicator 9: To reduce drug and/or alcohol use relapse of youths discharged from Regional Treatment Centers (RTC) during FY 2001:

- a. follow-up will be equal to or greater than the FY 2000 level
- b. increase by at least 5% over FY 2000, the youths who have documented 6 months of less alcohol and drug use than before treatment

Rationale: Studies indicate that the longer individuals are engaged in treatment (including aftercare/continuing care) the better the prognosis (Hoffmann, DeHart, & Gogineni, 1998; Zywiak, Hoffmann, & Floyd, 1999). One RTC evaluation concluded, "aftercare is the biggest problem" with limited coordination among RTC, service units and local aftercare programs retarding the effective and efficient delivery of treatment services at the local level following RTC release. This indicator is focused on assuring adequate follow-up care including an assessment of short-term relapse. A follow-up consists of a structured case management activity whereby continuity of care, treatment modalities and treatment services are assessed. This assessment of integrated aftercare activities is designed so that an individual's changing needs will be met as that individual moves through the recovery process thereby decreasing relapse.

Approach: The Division of Clinical and Preventive Services, Office of Public Health will be responsible for coordinating data collection from the Adolescent Regional Treatment Centers who are the responsible parties. The Alcoholism and Substance Abuse Program has developed an ongoing evaluation instrument in consultation with the RTC. The evaluation process began implementation in FY 1998 and includes follow-up information that will be reported to program staff and compiled for tracking this indicator. In addition, those RTC utilizing the RPMS Chemical Dependency Management Information System (CDMIS) and the RPMS Mental Health/Social Service (MH/SS) packages, routinely collect follow up information which can be exported for national reporting purposes. Aftercare services (for those utilizing CDMIS) occurring at local sites will also provide additional data to support tracking of this indicator.

Findings from the Comprehensive Assessment & Treatment Outcome Research adolescent study indicate that youth engaged in aftercare/follow up activities had better sobriety rates than those who did not, but for optimal benefit, contact frequency of at least twice per week was required (Hoffmann, Mee-Lee, & Arrowood, 1993). Although one-year follow-up information was limited in the IHS RTC Evaluation completed in FY 1997, data did suggest that youth that completed treatment and were involved in continuing care and follow up services maintained higher sobriety rates.

Data Source: CDMIS (IHS Alcoholism and Substance Abuse component of RPMS) and RTC Evaluation System.

Baseline: RTC Evaluation completed in 1997 only 50% of youth admitted between January 1993 and May 1995 received any follow-up care. Actual baseline was determined by FY 1999 Indicator 9 and reported below. A baseline assessment for abstinence rates following discharge will be collected during FY 2000 for comparison in FY 2001.

Type of Indicator: Process/Impact

Linkages: This indicator supports the Secretary's initiative to Prevent Youth Substance Abuse, the DHHS Strategic Plan, Strategic Objectives 1.4 *Curb Alcohol Abuse*, 1.5 *Reduce the*

Illicit Use of Drugs, 3.2 Increase the Availability of Primary Health Services, 3.6 Improve the Health Status of American Indians and Alaska Natives, and 4.2 Reduce Disparities in the Receipt of Quality Health Care Services. This indicator also directly supports HP 2010 objective 26-10 (Substance Abuse: reduce youth use of illicit substances).

Program Performance FY 1999: The FY 1999 performance measure was to determine the rates and intensity of follow-up care for adolescent discharged from IHS supported RTCs. This was accomplished and is continuously being updated through the ongoing use of the evaluation instrument that has been implemented. Based on this approach, the overall follow-up rate within the critical first 30 days was 64.5% for the 815 youths discharged from the 12 RTC in FY 1999. This rate drops to 55.2% for those who receive follow-up at 30 days and at least a second follow-up by 6 months, and down to 40.9% for those who receive follow-up contacts at 30 days, at least a second follow-up by 6 months, and at least a third at 12 months after discharge.

Indicator 10: Reduce the incidence of Fetal Alcohol Syndrome by increasing the proportion of I/T/U prenatal clinics utilizing a recognized screening and case management protocol(s) for pregnant substance abusing women by 10% over the FY 2000 level.

Rationale: Surveillance conducted at 2 IHS Areas indicated Fetal Alcohol Syndrome (FAS) rates exceeds general population rates (2.3 and 2.7/1000 live births vs. 0.6/1000 live births approximately). The Institute of Medicine 1996 report on FAS includes case identification and appropriate intervention and treatment of a maternal alcohol abuse as a critical part of FAS prevention. Thus, the purpose of this indicator is to assure that providers consistently screen and make appropriate referrals for women at risk. The written protocol makes this more likely because these efforts become part of the local quality assurance process. However, successful implementation of such a process requires staff training as well as cooperation from tribes and local governing bodies and thus requires resources and time.

Approach: The I/T/Us will be responsible for reporting via survey to be conducted by the Division of Clinical and Prevention Services, Office of Public Health relative to the implementation of protocols. Resources for analysis may be required from other divisions within the Office of Public Health. The Prenatal Health Assessment (PHA) screening instrument was developed in the Aberdeen IHS Area with the Centers for Disease Control and Prevention. A curriculum for utilizing the instrument in prenatal clinics and developing case management systems has been piloted in that Area in FY 1998. In the Aberdeen Area, there are numerous clinics and hospitals that are currently using the protocols. In FY 1999 the protocols will be piloted in two new Areas. This screening instrument is one of several recognized protocols which are being encouraged for use in I/T/U programs to assure the routine prenatal substance abuse screening and case management tailored to the resources of each site. The PHA is currently being reviewed by the Medical Records and will be provided for use nationally by the IHS end of FY 1999. A baseline will be established via the survey in 1999 and repeated in 2000.

Data Source: Survey and possibly RPMS

Baseline: Determined by FY 1999 Performance Indicator and reported by March 2000

Type of Indicator: Process

Linkages: This indicator supports the DHHS Strategic Plan, Strategic Objectives 1.4 *Curb Alcohol Abuse*, 1.5 *Reduce the Illicit Use of Drugs*, 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. This indicator also directly supports several HP 2010 objective 16-16 (Maternal, Infant, and Child Health: Fetal Alcohol Syndrome).

Program Performance FY 1999: The FY 1999 performance measure was to determine the percentage of prenatal clinics utilizing screening and case management protocol for pregnant substance abusing women. Area reports will be compiled by March 2000.

Indicator 11: Reduce dental decay rates by improving water fluoridation compliance in FY 2001 by 10 % over FY 2000 levels for Areas participating in IHS/CDC Fluoridation Surveillance Demonstration Project.

Rationale: Fluoridation is one of the most cost effective public health measures for reducing the prevalence of dental decay in all age groups. Costs range from a mean of 31 cents per person per year to \$2.12 per person in communities with less than 10,000 people. For many Indian communities, the cost may be up to \$5 per person per year since most of the water systems in Indian country serve less than 1,000 people. It has been estimated that for every dollar spent on fluoridation, there is a \$50 savings in dental treatment. Fluoridation of community drinking water is a major factor responsible for the decline in dental caries (tooth decay) during the second half of the 20th century. In a 1991 oral health survey conducted by the Indian Health Service, there was a 31% decline in caries rates in adolescent children in those communities with access to fluoridated water. However, despite the known benefits of fluoridation, the number of fluoridated water systems in Indian country has declined by 200% over the last five years. This decline in systems has had an adverse impact in the percent of the population that needs the benefits most and are now receiving the least benefits from this proven public health measure.

Approach: The IHS Dental Program, Office of Environmental Health and Engineering Branch, and the Centers for Disease Control and Prevention's Division of Oral Health will enter into a cooperative agreement to support a demonstration fluoridation project in the southwest region. A fluoridation specialist will provide training and technical assistance to those tribes who want to fluoridate their community water systems. The concept of having an individual available to travel onsite and trouble-shoot problems and solve them with the water operator present has tremendous potential for learning and support of these individuals working in very isolated areas. The circuit rider will also monitor the monthly results and report them to a central data source. This will allow a better process for surveillance. The circuit rider will also train the operators in repair and maintenance of the equipment and help identify resources for needed equipment replacement. The circuit rider concept will also help demonstrate a model for small systems that can be applied to other rural areas as a cost-effective method for assuring the benefits of optimally fluoridated water to less populated communities.

Data Source: IHS Fluoridation Surveillance System and database are maintained at HQW.

Baseline: In FY 1997, 28 percent (96/340) of the tribally managed fluoridated water systems were in compliance. FY 1997, 39 percent (40/103) of the systems in the Phoenix, Albuquerque, Navajo, Albuquerque and Tucson Areas (southwest region) were in compliance.
Type of Indicator: Impact

Linkages: This indicator supports the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, 4.1 *Promote the Appropriate Use of Effective Health Care*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. It also addresses HP 2010 objective 21-9 (Oral Health: community water fluoridation).

Program Performance FY 1999: No FY 1999 indicator.

Indicator 12: Improve oral health status by assuring that at least 25% of the AI/AN population obtain access to dental services during FY 2001.

Rationale: Available evidence supports that people who utilize dental services annually have improved oral health status compared to those who do not. The growing AI/AN population has resulted in higher demands for dental care and this problem has been compounded by increasing difficulties in recruiting dentists. As a result, there has been almost a 10% reduction in the percent of the AI/AN population annually receiving dental services in recent years. Restoring access to both primary and secondary treatment and preventive services can lessen the disease progression. Improving access and thus increasing utilization of dental services can also result in less costly care, improved oral health status, and quality of life. The IHS will be conducting a program-wide oral health survey in FY 1999 and FY 2000 to determine current oral health status of the AI/AN population, in light of reductions in access to care.

Approach: Providing access to care is directly dependent upon the dental care resources in a community which include adequate numbers of dental providers and facilities, and their efficiency in providing services. The requested dental funding enhancements for FY 2001 will be used to increase access to dental services through a combination of strategies that include:

- increase the I/T/U dental workforce by increased effectiveness in the recruitment of staff to fill vacant and newly funded dental positions using advance communications technologies, greater use of alternative pay systems, and expanded loan repayment opportunities.
- increase retention and productivity of dental providers through the expansion/enhancement of support centers to provide training and technical assistance to enhance efficiency and effectiveness of preventive and clinical care, and restoration of short and long-term staff training opportunities.
- update and simplify the automated dental record keep system to enhance clinical efficiency and planning and evaluation capability.
- expand essential dental specialty services through contracts with the private sector.
- target specific populations, (i.e., school-age children, diabetics or other special target groups), utilizing third party payers, and identifying Medicaid-eligible families which would result in increased resources to hire additional staff.

For the numerator of this calculation, the dental program will count the number of patients who access I/T/U and contract systems through the dental exam and first visit procedure codes within the Dental component of the PMS patient data record as a valid proxy measure of annual dental care utilization. The denominator will be the IHS three-year user population.

Data Source: IHS Dental Data System component of the RPMS.

Baseline: FY 1998 = 24.5%

Type of Indicator: Process

Linkages: This indicator supports the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives* and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. This indicator also relates to the HP 2010 objectives 13.12 (Oral Health: referral and follow-up: children) and 21-10 (Oral Health: use of oral health care system).

Program Performance FY 1999: The FY 1999 indicator committed to achieving the target level of 21% of the AI/AN population receiving dental services. This performance measure has been achieved, but the goal was selected when preliminary data analyses for FY 1998 indicated that dental access had fallen to under 20%. Follow-up efforts to identify missing data through the verification of Area data submissions resulted in a revised access rate for FY 1998 of 24.5%. However, because vacancy rates for dental positions had increased dramatically in FY 1999 to the highest levels in history and approaching 20%, the target of 21 % was considered appropriate (see Section 1.4 *Recruitment and Retention of Health Care Providers* on page 15 in this document for a discussion of factors contributing to this problem).

Preliminary analyses of FY 1999 data show that access to dental care was 23%, and the number is likely to grow slightly when final missing data are secured.

Indicator 13: Reduce children's dental decay by assuring that the percentage of AI/AN children 6-8 and 14-15 years who have received protective dental sealants on permanent molar teeth in FY 2001 is increased by 3% over the FY 2000 level.

Rationale: Dental sealants, a recognized standard of dental care, are an effective measure for reducing dental decay rates in children and can be effectively applied by dental auxiliaries at relatively low cost. Sealants and fluorides can prevent almost all tooth decay and play a role similar to vaccinations. Because surveys of AI/AN children's oral health status have consistently identified significantly higher decay rates than the U. S. general population, sealants are essential to reducing the ravages and costs of treating dental decay. The IHS Dental Program was one of the few dental programs in the nation to have achieved the HP 1990 and 2000 dental sealant objectives. However, based on FY 1999 IHS Oral Health Survey, no significant progress has been achieved since the FY 1991 IHS Oral Health Survey and coverage actually declined for the younger age group, probably driven by an increasing difficulties in the recruitment and retention of dentists.

Approach: Local dental clinics are responsible for implementing/maintaining effective and efficient sealant programs that are either school-based or school-linked and targeted for children.

ages 6-14 years (to coincide with the eruption of first and second permanent molar teeth). Use of a specialized procedure code, which was created specifically to measure use of sealants in school-age children, will enable local programs to track progress in meeting this objective. The Dental Data Software package in the RPMS environment can capture the number of children examined and the number of children who receive dental sealants on a quarterly and annual basis and thus document trends.

Data Source: IHS Dental Data System component of the RPMS.

Baseline: Based on FY 1999 IHS Oral Health Survey: 38.8% for 6-8 age group and 66.8% for 14-15 age group.

Type of Indicator: Impact

Linkages: This indicator supports the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. The indicator also addresses the HP 2010 objective 21-8 (Oral health: dental sealants).

Program Performance FY 1999: The FY 1999 performance measure was to assure that the percentage of children 6-8 and 14-15 years who have received protective dental sealants on permanent molar teeth was restored to at least 90% of the FY 1991 IHS Oral Health Survey level. This performance measure has been achieved for both age groups, although in terms of the original proposed target levels for the 6-8 age group, not based. The rates from the FY 1991 survey had originally been reported to be 57% for the 6-8 age group and 64% for the 14-15 age group. However, the statistician who analyzed both surveys identified one significant error in the 1991 analysis for the 6-8 age group and a lesser error in the 14-15 age group in the process of running comparison analyses. The data presented for the 6-8 age group from FY 1991 was actually only for the 7 and 8 year olds and had been printed in the monogram in error for 6-8 year olds. The finding for the older age group also changed slightly because the original calculation presented in the monograph had some missing data.

When the analyses for sealant assessment between the FY 1991 survey and the FY 1999 survey were standardized for valid comparisons, the rates for the FY 1991 survey were 40.1% for the 6-8 year olds and 65.5% for the children 14-15 years. Based on the FY 1999 IHS Oral Health Survey, of the 1479 children 6-8 years in the survey, 38.8% had sealants and of the 831 adolescents 14-15 years in the survey, 66.8% had sealants. Thus, both age groups exceeded the goal of 90% of the FY 1991 level with the 6-8 year olds at 97% and the 14-15 year age group at 102%.

Indicator 14: Reduce the incidence and consequences of family violence, abuse, and neglect by assuring that in FY 2001 at least 80% of I/T/U medical facilities with Urgent Care or Emergency departments or services will have written policies and procedures for routinely identifying, treating and/or referring victims of family violence, abuse or neglect (i.e., child, spouse, and/or elderly).

Rationale: Family violence victims come to the health care system with a variety of physical injuries, illnesses or medical conditions directly related to abuse. The umbrella of family

violence includes child, spouse or elder abuse and/or neglect. Experts in the field of family violence have identified an important link between violence against women and the abuse of their children. Research indicates that children who witness violence in the family are affected in the same way as children who are physically and sexually abused (Goodman and Rosenberg, 1987). The propensity for family violence can extend to older members of the family (parents, grandparents, aunts, uncles) living in the home. The consequences of family violence can be seen in physical, psychological and cognitive results such as intentional and unintentional injuries, detachment, avoidance, depression, and suicidal ideation.

Thus, the purpose of this indicator is to assure that providers consistently screen for indications of violence, abuse or neglect and making appropriate referrals. The written protocol makes this more likely because these efforts become part of the local quality assurance process. However, successful implementation of such a process requires staff training as well as cooperation from tribes and local governing bodies and thus requires resources and time.

Approach: The Mental Health and Social Service program will work with IHS Area Offices to assure that staff are appropriately trained and local policies and procedures are established for these health concerns. Tribal and urban programs will also be encouraged to address these areas and IHS will respond to requests for assistance. Existing funds and staff will be utilized. Achievement of the indicator will assure local identification of family violence and those appropriate services for prevention and treatment of family violence, including the perpetrators, the individual victims, as well as the families and communities which suffer the consequences.

Data Source: Annual survey and/or progress review by IHS Area and Headquarters staff.

Baseline: Determined in FY 1998 to be at 47%. At that time 31 of 66 IHS Service Units had Policies and Procedures in place to address this indicator.

Type of Indicator: Process

Linkages: This indicator supports the DHHS Strategic Plan, Strategic Objectives 2.4 *Improve the Safety and Security of Children and Youth*, 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. This indicator also addresses several HP 2010 objectives in Focus Area 15: Injury and Violence Prevention.

Program Performance FY 1999: The FY 1999 performance measure was to assure that at least 50% of I/T/U with urgent care or emergency departments would have written policies and procedures for routinely identifying, treating and/or referring victims of family violence, abuse or neglect. This performance measure was achieved as documented in a survey of 223 clinics and hospitals that showed that 64% had written policies and procedures for domestic violence. In addition, this survey demonstrated that clinics with policies and procedures in place were 2.36 times more likely to regularly screen patients for violence, abuse, and neglect.

Indicator 15: To improve mental health planning and evaluation, increase the number of I/T/U programs utilizing the Mental Health/Social Services (MH/SS) data reporting system during FY 2001 by 10% over the FY 2000 rate.

Rationale: The implementation of the MH/SS data reporting system will provide the vehicle for collection of baseline morbidity, mortality, services and workload data for IHS. Audits of the existing I/T/U data systems have documented both under-reporting and lack of specificity of mental health related conditions reported and services provided. Thus, the continued implementation of this management information system tool will provide a plethora of baseline information that will enhance and complement national private and public outcomes monitoring efforts and allow consistent reporting, data aggregation for planning, managed care, and more effective billing and collection for services. This objective is also essential for monitoring many of the HP 2010 objectives addressing "Mental Health and Mental Disorders." The proposed implementation level of an addition 10 percent of I/T/U sites is based on the resources available to provide the incremental hardware and software upgrades, as well as staff training.

Approach: Accomplishment of this indicator is contingent on several factors. The implementation of the RPMS data system should be mandatory and a priority within the IHS service system. Responsibility for the maintenance of the data system will be shared by the MH/SS program and Division of Information Resources, to assure clinical, technical and administrative viability.

Data Source: MH/SS component of RPMS.

Baseline: FY 1998 estimate of IHS program usage of MH/SS system is 40-45 % of the I/T/Us.

Type of Indicator: Process

Linkages: This indicator supports the DHHS Strategic Plan, Strategic Objectives 2.4 *Improve the Safety and Security of Children and Youth*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 5.1 *Improve Public Health Systems' Capacity to Monitor the Health Status and Identify Threats to the Health of the Nation's Population*. This indicator also supports several HP 2010 objectives in Focus Area 18: Mental health and Mental Disorders.

Program Performance FY 1999: The FY 1999 performance measure was to assure that at least 50 percent of I/T/Us would have implemented the use of the MH/SS data reporting system. This measure has been achieved, with 115 of 227 I/T/U programs or 51% having implemented this system according to Area Information Systems Coordinators (ISCs). The breakdown by type of program is 85% for IHS run programs, 35% for tribal programs, and 60% for Indian urban programs. Expanding the use of this system continues to be a crucial component of the overall Behavioral Health efforts throughout the IHS, including tribal and urban programs.

Indicator 16: To improve planning and better define the needs and health conditions of urban Indian people, at least 30% of the Urban Indian health care programs will have implemented mutually compatible automated information systems which capture health status and patient care data by the end of FY 2001.

Rationale: Adequate health status and health services data are essential for the effective planning and management of any health care delivery system. Currently Urban Indian health programs capture data under the Urban Common Reporting Requirements (UCRR). These data are not currently compatible with other IHS health services data sets and only of limited use for the purpose of health systems management. Thus, the large urban AI/AN population has been

minimally represented in AI/AN data sets. The proposed implementation level of 30 percent is based on a schedule to provide the incremental hardware and software upgrades as well as urban program staff training.

Approach: A workgroup has been formed, comprised of Urban Programs health directors to review and revise the UCRR. The revised UCRR will capture an expanded set of data that are compatible with the IHS RPMS System, as well as provide local urban program managers better information about the health status and health services provided to their clients. Until a comprehensive needs assessment is completed it is difficult to estimate the resource requirements of this project; however, attempts will be made to, where feasible, avail the IHS RPMS system to urban programs so that systems are not duplicated. These indicators were developed to help monitor successful development of then updated urban data reporting system.

Data Source: Self-report of Urban health programs.

Baseline: No Urban Indian Health Programs with compatible information systems in FY 1998.

Type of Indicator: Process

Linkages: This indicator supports the DHHS Strategic Plan, Strategic Objectives 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 5.1 *Improve Public Health Systems' Capacity to Monitor the Health Status and Identify Threats to the Health of the Nation's Population* and directly addresses the HP 2010 objective 23-4 (Public Health Infrastructure: data for select populations).

Program Performance FY 1999: The FY 1999 performance measure was to develop the specification and implementation plan for an automated mutually compatible information system which captures health status and patient care data for Indian Urban health care programs. This measure was accomplished by the writing of the Indian Urban Program Data Plan that was developed by an Indian Urban workgroup with the assistance from an information technology consultant. The plan includes full specifications for hardware and software to support a mutually compatible automated information system that captures health status and patient care data.

Indicator 17: To assure high quality health care, maintain 100% accreditation of all IHS hospitals and outpatient clinics during FY 2001.

Rationale: The accreditation of IHS hospitals and clinics represents perhaps the most objective and respected measure of health care quality. In addition, accreditation is essential for maximizing third-party collections, and contributes directly and indirectly to many other indicators presented in this plan.

Approach: The local I/T/U multidisciplinary team approach to accreditation and ongoing quality management has been the mainstay of success in this important activity. Additional support and guidance from Areas and Headquarters staff will continue to support this indicator. This will be one of the most demanding indicators to meet given the proposed funding levels available to support the backlog of health facilities maintenance, improvement, and renovation that is critical to accreditation. The accrediting body most frequently used is the Joint Commission on the Accreditation of Health Care Organizations (JCAHO).

Data Source: IHS compiled database generated from accreditation reports.

Baseline: 100% accreditation of IHS hospitals and outpatient clinics for FY 1997-98.

Type of Indicator: Process

Linkages: This indicator supports the Secretary's initiative to improve health care quality and the DHHS Strategic Plan, Goal 4, *Improve the Quality of Health Care and Human Services*, and Strategic Objective 3.6 *Improve the Health Status of American Indians and Alaska Natives* and broadly supports several HP 2010 objectives in Focus Area 1: Access to Quality Health Services.

Program Performance FY 1999: This indicator has been met as stated for IHS managed programs. A small isolated tribal program in the Phoenix Area, however, did not receive JCAHO accreditation as part of the Area-wide accreditation review in June 1999. The IHS accreditation level would be 98.7% for FY 1999 if tribal programs were included in the calculation. Furthermore, despite this one deficiency, the overall review of the Phoenix Area was very affirming for the IHS. At the closeout session the JCAHO review team leader stated that from his experience and the team's experience, the IHS program of the Phoenix Area was the best rural health care system in the United States that they had ever been involved with.

Indicator 18: By the end of FY 2001, improve IHS-wide consumer satisfaction by 5% over the FY 2000 baseline level.

Rationale: Assessing consumer satisfaction is fundamental to quality management and required for accreditation of hospitals and clinics. Furthermore, it is essential to meeting the President's Executive Order on "Setting Customer Service Standards" and the Secretary's initiative on improving the quality of health services.

Approach: In FY 1999 the IHS submitted a comprehensive culturally sensitive consumer satisfaction survey instrument for OMB clearance. In FY 2000 the instrument will be used to identify baseline scores for IHS hospitals and clinics. The strategy will be to survey patients (clients) in a sampling format to assess their views on various aspects of the services delivered, the manner in which the services are delivered, and provide the opportunity for offering suggestions for change or improvement. The information gathered will be analyzed and various local, Area-wide, or national policies or procedures will be considered for revision based on the findings. In FY 2001 the survey will be repeated to assess whether improvements have been realized.

The responsible parties for implementation are the local I/T/U service sites with assistance from the IHS Area office staff. The local staff will be part of the local quality assurance program and the aggregate staff will be part of the IHS epidemiology centers/program. Continued responsiveness to the patients and the AI/AN communities will be dependent (in part) on the achievement of this target.

Data Source: IHS Consumer Satisfaction Survey

Baseline: To be determined with initial FY 2000 survey

Type of Indicator: Process

Linkages: These indicators support the Secretary's initiative to improve health care quality and the DHHS Strategic Plan, Goal 4, *Improve the Quality of Health Care and Human Services*, and Strategic Objective 3.6 *Improve the Health Status of American Indians and Alaska Natives*.

Program Performance FY 1999: The FY 1999 indicator was to develop and submit a pre-tested culturally sensitive consumer satisfaction instrument to OMB for clearance by the end of FY 1999. The Survey instrument has been developed, revised through the use of focus groups, and additionally pre-tested. The agency administrative staff is currently in the end stages of refining the overall clearance package for final submission to the Office of Management and Budget for authorization for actual implementation the latter part of this FY2000.

In anticipation of a successful clearance and approval of the survey instrument, the agency has initiated program plans to enable the use of the survey instrument in each of the Indian Health Service clinics and facilities over a two year period. A national steering committee has been formed with five (5) members and two (2) staff. Field liaisons from each of the Areas in the Indian Health Services where IHS health facilities are located have been identified. A draft plan is being formulated for use in August 2000. Discussions regarding the cost have been ongoing and will be formalized when the draft plans are approved.

The instruments was developed and pre-tested but difficulties in preparing the OMB clearance package have delayed the submission process. However, the IHS will soon submit the package to OMB and may still be able to meet the FY 2000 measure of collecting a baseline assessment in late FY 2000, after OMB clearance has been obtained.

**FY 1999 Performance Summary Table 2:
Prevention Indicators**

Performance Indicator	FY Targets	Actual Performance	Reference
Indicator 19: Increase the total number of public health nursing services (primary and secondary treatment and preventive services) provided to individuals in all settings and the total number of home visits.	Total Visits FY 01: +7% increase over FY 00 FY 00: +7% over FY 97* FY 99: no indicator Home Visits FY 01: +7% increase over FY 00 FY 00: +7% over FY* FY 99: no indicator	FY 01: FY 00: FY 99: FY 97: total visits 339,283 baseline FY 01: FY 00: FY 99: FY 97: home visits 119,482 baseline	P: p. 55 B: p. IHS-76
Indicator 20: Increase the proportion of AI/AN children who have completed all recommended immunizations by the age two.	FY 01: +2% over FY 00 level FY 00: +2% over FY 99 level* FY 99: 91%	FY 01: FY 00: FY 99: 87% FY 98: 88% (baseline)	P: p. 56 B: p. IHS-76 p. IHS-37
Indicator 21: Increase overall pneumococcal and influenza vaccination levels among diabetics and adults aged 65 years and older.	FY 01: +2% over FY 00 level FY 00: 65%* FY 99: no indicator	FY 01: FY 00: FY 99: 3/00 FY 98 63% baseline	P: p. 57 B: p. IHS-76 p. IHS-36
Indicator 22: Reduce the number of unintentional injuries for AI/AN people.	Hospitalizations FY 01: 70 per 10,000 FY 00: 71.5 per 10,000* Deaths FY 99: 93/100,000	FY 01: FY 00: FY 98: 72.5 /10,000 hosp. FY 96: 74.7/10,000 hosp. FY 99: 12/02 FY 94-96: 92.6/100,000 deaths	P: p. 58 B: p. IHF-52
Indicator 23: Increase percentage of I/T/Us that have implemented a suicide surveillance system to monitor the incidence and prevalence rates of suicidal acts (ideation, attempts, and completions) which assures those at risk receive services, and that appropriate population-based prevention interventions are implemented.	FY 01: 50% of I/T/Us implem. FY 00: no indicator FY 99: no indicator	FY 01: FY 00: FY 99: FY 98: estimated 25%	P: p. 60 B: p. IHS-48
Indicator 24: Establish model fitness programs at either IHS Area Offices or the I/T/U level.	FY 01: 5 sites established FY 00: no indicator FY 99: no indicator	FY 01: FY 00: FY 99: FY 98: one site established	P: p. 61 B: p. IHS-110

Performance Indicator	FY Targets	Actual Performance	Reference
Indicator 25: Maintain ongoing body mass index (BMI) assessments in AI/AN children 3-5 years old and/or 8-10 years old, for both intervention pilot sites and non-intervention comparison sites, as part of an overall assessment of the ongoing childhood obesity prevention project's effectiveness.	FY 01: implement program and monitor pilots and comparisons sites FY 00: develop five pilot sites* FY 99: develop approach and baselines	FY 01: FY 00: FY 99: approach and baseline accomplished	P: p. 62 B: p. IHS-34 p. IHS-37 p. IHS-130
Indicator 26: Develop at least five regional tobacco control centers to assist AI/AN health facilities and organizations with tobacco prevention and cessation activities.	FY 01: establish five tobacco control centers FY 00: establish baseline rates for tobacco usage FY 99: no indicator	FY 01: FY 00: baseline FY 99:	P: p. 64 B: p. IHS-35 p. IHS-136
Indicator 27: Implement local needs assessment to address HIV/AIDS infection in AI/AN communities.	FY 01: 50% implement needs assessment in 50% of I/T/Us FY 00: establish baseline rates FY 99: no indicator	FY 01: FY 00: baseline FY 99:	P: p. 65 B: p. IHS-68
Indicator 28: Develop environmental health surveillance system. And complete community environmental assessments in 90% AI/AN communities.	FY 01: 90% of communities assessed FY 00: develop surveillance protocol and plan* FY 99: no indicator	FY 01: FY 00: FY 99: no reliable baseline & no surveillance system in place	P: p. 66 B: p. IHF-51
Total Prevention Funding :	FY 01: \$123,243,000 FY 00: \$109,216,000 FY 99: \$102,712,000 FY 98: \$99,647,000 * indicates revised FY 2000 measure, see Summary of Changes Table on pages 87-70		P: page # in perform. plan B: page # in budget justif.

B. FY 2001 Prevention Indicators:

Indicator 19: Improve the health status of American Indian and Alaska Native people by assuring that during FY 2001, the total number of public health nursing services (primary and secondary treatment and preventive services) provided to individuals in all settings and the total number of home visits are increased by 7% over the FY 2000 workload levels.

Rationale: Public Health Nursing (PHN) is the integration of nursing practice and public health practice applied to the prevention of disease and the promotion and preservation of the health of Indian population. The nature of this practice is continuous and comprehensive, including all program areas and diagnostic groups. This includes primary and secondary treatment and preventive services, counseling, education, community development and referral follow-up. Many of the successes in Indian health such as decrease in infant mortality, high immunization rates, and increased prenatal care are attributed to the efforts of public health nursing.

The unique quality of PHN service is that care can be provided in any setting where the patient is accessible. This is especially effective for high-risk patients and families (e.g., substance abusing prenatal patients, infectious communicable disease cases, families with dysfunctional life styles, etc.). Settings include homes, schools, jails, bars, and other community locations in addition to the health clinic. The ability to meet the patient in their own environment allows the PHN to fully assess socioeconomic and quality of life variables that affect health status and facilitates rapport with patients who often distrust the formal health care system.

Approach: The population base for public health nursing services is the IHS census population residing within the official boundaries of the Area. The PHN/RRM standard indicates that PHN program addresses the needs of the community and therefore the appropriate target population is census population. However in some service units, the user population is greater than the reported census population, in these cases, the Indian user population is used as an estimate of the service population to reflect PHN service to both stable community and transient populations.

Providing access to PHN services is directly dependent upon the community based resources in a community that includes adequate numbers of PHN providers. Strategies for increasing care and its effectiveness includes targeting high-risk patients based on community epidemiological data and improving access for these targeted populations, (i.e., children, pregnant women, elders, etc.).

The percentage of population served by PHNs in any setting will be calculated by using total individuals served by the PHN in any location for the numerator and the greater of IHS Service Area or IHS user population for the denominator. The percentage of population served by PHNs in the home setting will be calculated by using total individuals served by the PHN in the home location for the numerator and the greater of IHS service area or IHS user population for the denominator.

It is anticipated that with the requested FY 2001 funding at least 25 additional public health nurse positions will be placed in the field. This projected increase in staff reflects direct salary and benefit costs in addition to supporting services of secretaries, supplies, transportation, and consultation support centers. The projected increase in workload is at least 32,500 additional

patient services with at least 9,000 being in the home setting. PHN expert opinion and anecdotal historical performance standards reflect 1000 total visits per PHN as a minimally acceptable standard. A significant percent of these totals should be outside the health care facility.

Baseline: FY 1998 and 1999 workload will be reviewed and analyzed to define the baseline for the objective. Total national patient workload for FY 1997 is 339,283 and home visit workload is 119,482. Preliminary data analysis shows 26% of the Indian user population received PHN service in any setting and 9% of the Indian user population received PHN service in the home setting. This, however, was based on total-visits rather than individuals served and, thus, would include duplicate patient counts. Because many tribal programs do not report PHN staffing or workload, this data too is considered estimated.

Specific data from one Area specific to individuals served in FY 98 shows 30% of user population receiving PHN service in all setting and 4% of user population receiving PHN service in the home setting. These are unduplicated counts. It also shows an average of 1510 total visits per PHN, 304 home visits per PHN, and 833 total individuals served per PHN.

Data Sources: IHS PCC, IHS service population and user population estimates, IHS Program Statistics Team.

Type of Indicator: Process/Impact

Linkages: This indicator supports the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. It also broadly supports a multitude of HP 2010 objectives.

Program Performance FY 1999: No FY 1999 Indicator.

Indicator 20: Reduce the incidence of preventable diseases by increasing the proportion of AI/AN children who have completed all recommended immunizations for ages 0-27 months (as recommended by Advisory Committee on Immunization Practices) during FY 2001 by 2% over the FY 2000 rate.

Rationale: Immunizations are one of the most cost-effective public health measures available for improving health outcomes in children and are a recognized standard of care and immunization rates are a recognized standard of public health. Thus, vaccination coverage rates are a sensitive measure of the status of public health services and are essential in supporting the Secretary's Children's Initiative.

Approach: Percent of children vaccinated appropriately for age will be calculated for a representative sample of IHS service population children from each Area. Vaccines evaluated include polio (IPV), Diphtheria/Tetanus/Pertussis (DTAP), Measles/Mumps/Rubella (MMR), Haemophilus influenzae type b (HIB), Hepatitis B (HBV), and Hepatitis A (HAV). IHS completes these surveys on a quarterly basis. IHS will be primarily responsible for completing the surveys.

Data Source: IHS patient care records and public health nursing records.

Baseline: 87% based analyses of FY 1999 data.

Type of Indicator: Impact

Linkages: This indicator supports the President's initiative on childhood and adult immunizations and the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. It also directly addresses the HP 2010 objectives in Focus Area 14: Immunizations and Infectious Diseases.

Program Performance FY 1999: The FY 1999 performance measure was to increase the proportion of AI/AN children who have completed all recommended immunizations by the age of two by 3% over the FY 1998 level which was 88%. When calculated as it was in FY 1998, the FY 1999 immunization rate for children is 89% or 2% under the goal. When calculated to include an Area that did not submit for last year's calculation the rate drops to 87%.

The reasons contributing to not meeting this performance measure include:

- high vacancy rates for health care providers, particularly nurses and public health nurses
- continued growth of new recommended vaccines make expanding coverage increasingly difficult
- significant turnover of Area immunization coordinators has resulted in disruption in attention to immunizations.

The turnover of Area immunization coordinators has at least temporarily been resolved and the IHS is working to address the recruitment and retention problems. For a more detailed discussion of this issue, see the section titled *Recruitment and Retention of Health Care Providers* on page 15 of this report.

Indicator 21: Reduce the incidence of preventable diseases, by increasing pneumococcal and influenza vaccination levels among adult diabetics and adults aged 65 years and older by 2% over the FY 2000 rates.

Rationale: Immunizations are one of the most cost-effective public health measures available for improving health outcomes. In addition, adult vaccination coverage rates are a sensitive measure of the status of clinical preventive services and are essential in supporting the Secretary's and IHS Director's elder health initiatives. This indicator also directly supports the HP 2010 "Immunizations and Infectious Disease" objectives.

Approach: Pneumococcal and influenza vaccination coverage rates will be calculated for a sample of IHS service population diabetic adults aged 65 years and older in each Area. These rates are to be collected and calculated by the Service Unit, Area, and Headquarters by diabetes personnel as part of the routine diabetes audit.

Data Source: IHS patient care records and public health nursing records.

Baseline: FY 1998 rate for adults receiving both influenza and pneumococcal vaccines was 63%.

Type of Indicator: Impact

Linkages: This indicator supports the President's initiative on childhood and adult immunizations and the DHHS Strategic Plan, Strategic Objectives 2.5 *Increasing Opportunities for Seniors to Have an Active and Health Aging Experience*, 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. It also directly addresses the HP 2010 objectives in Focus Area 14: Immunizations and Infectious Diseases.

Program Performance FY 1999: No FY 1999 Indicator

Indicator 22: Reduce injury-related hospitalizations for AI/AN people to no more than 70 per 10,000 people for FY 2001.

Rationale: Injuries are a leading cause of hospitalization for AI/AN people relative to morbid events. Annually, forty six percent (46%) of the Years of Potential Life Lost (YPLL) for AI/AN people are the result of injuries. Furthermore, injuries are the number one cause of mortality for AN/AN people for ages 1-44 years and second for overall death rates. The IHS spends more than \$150,000,000 annually for the treatment of non-fatal injuries. The single largest expenditure of contract medical care funds are for the treatment of injuries. However, the systematic implementation of safety protocols through partnerships with tribes and outside agencies has demonstrated significant improvements in injury rates across AI/AN communities and will serve as models for further diffusion of these technologies.

Approach: The IHS has assigned a Principal Injury Prevention Consultant, in the Office of Public Health, at Headquarters who coordinates activities and resources with specially trained Injury Prevention Specialists at the Area, District, Service Unit and tribal levels. This program employs a community empowerment model based upon Dr. John Farquar's work at Stanford University (1985). Primary program emphasis is directed to building the capacity of tribes to recognize severe injury problems and employ evidence-based strategies to prevent or otherwise control injury outcomes. The Complete Injury Prevention Program model developed by IHS is the cornerstone of community-based intervention measures.

The IHS Five-Year Injury Prevention Strategic Plan identified the need for basic capacity building and investments in tribal and Federal infrastructures for the development of effective injury prevention programs. Since 1990, Congress has appropriated over \$3.5 million to injury prevention programs and competitively based intervention projects. In 1997 the Director, IHS, supported a national demonstration grant announcement for basic public health infrastructure projects within tribes. Approximately \$300,000 is awarded for the 13 tribal project sites. In addition to these projects, literally hundreds of Indian communities and Alaska Native villages are implementing proven injury prevention strategies associated with safe home and communities.

Most of the unintentional injury problem is related to motor vehicle crashes. Significant improvements can be made in these statistics with increases in use of occupant protection [safety belts and child safety seats], reducing pedestrian/motor vehicle collisions and reductions in alcohol-related injuries through multiple strategies including corrections in the physical

environments, changes in tribal policies and health promotion/education. These injury measures are identified in the Year 2000 Objectives and are relatively easy to measure.

In FY 2000 IHS will be implementing a \$1 million dollar cooperative agreement program with tribes to establish local injury prevention programs to address injuries. Other new initiatives are targeting childhood fire-related deaths through the *Sleep Safe* program in conjunction with Head Start schools, and continued work with our partners such as the Centers for Disease Control, the National Highway Traffic Safety Administration, and the US Fire Administration.

Data Source: In its original form from the FY 1999 performance plan, this indicator targeted injury mortality as the performance measure. However due to the time lag of 2-3 years in the release of official injury mortality data from the National Center for Health Statistics (NCHS), IHS has determined that injury-related hospitalization rates are a more appropriate measure for the rate of unintentional injuries and will use this measure for the FY 2000 and FY 2001 indicators.

By using this approach the lag time in obtaining data can be shortened to less than one year as compared the NCHS mortality data. In addition, these data include hospital discharges for IHS tribal and contract health care facilities and thus are considered inclusive. Finally, it is likely that the injury hospitalization rate may actually be more sensitive to the actual injury rates than mortality because improvements in emergency medical services could improve injury mortality without reducing the actual injury rate or morbidity.

Baseline: Estimated to be 72.5 per 10,000 in FY 1998 for AI/AN population on or near reservations.

Type of Indicator: Outcome

Linkages: These indicators support the DHHS Strategic Plan, Strategic Objectives 1.2 *Reduce the Number and Impact of Injuries*, and 3.6 *Improve the Health Status of American Indians and Alaska Natives*. It also directly addresses the HP 2010 objectives in Focus Area 15: Injury and Violence Prevention that relate to unintentional injury prevention.

Program Performance FY 1999: The FY 1999 measure for this indicator was to assure that the injury death rate was no greater than 93 per 100,000 deaths in the AI/AN population. While the data that is currently available is incomplete, it is highly likely that this measure has been met and possibly/probably exceeded. When the measure was initially set in FY 1998, the most recent rate available was 95 per 100,000 based on 1992-94 NCHS data. However, the FY 1994-96 data that became available last year showed that the rate had dropped to 92.6 per 100,000. Because of difficulties and delays in getting mortality data that we initially had hoped to overcome, we changed the indicator for FY 2001 and FY 2001, as described above, to focus on hospitalizations and the FY 1999 indicator was not revised.

Regardless of how injuries are measured, the community-based joint partnership approach that has been used has proven successful, as injuries (unintentional and intentional) have dropped from the leading cause of death for Indian people of all ages in the early part of the decade to the 2nd leading cause of death currently (heart disease is now the leading cause for all ages). And while seven IHS Areas still have rates that are above the FY 1999 mortality target, most of these areas are in the rural west, such as the Navajo and Aberdeen Areas, where travel distances are long and residents are at high risk for motor vehicle-related injury. However, these Area rates

have been trending downward over time, due to efforts in reducing impaired driving, tribes passing tougher drunk driving and occupant restraint laws, and stricter enforcement of these laws.

Indicator 23: Reduce suicide rates by assuring that by the end of FY 2001, at least 50% of the I/T/Us will have implemented a suicide surveillance system to monitor the incidence and prevalence rates of suicidal acts (ideation, attempts, and completions) which assures those at risk receive services, and that appropriate population-based prevention interventions are implemented.

Rationale: The suicide death rate for the AI/AN population has actually increased in the 1990s and is currently 72% greater than the national average. This problem has been particularly devastating for a number of AI/AN communities that have experienced dramatic increases in adolescent suicides in recent years and represents one of the greatest tragedies the IHS must address. The implementation of local suicide surveillance and prevention initiatives has been successful in reducing suicide acts in several Indian communities. The obvious goal of diffusing intervention approaches and learning from successful programs to other AI/AN settings is to reduce suicide acts in the AI/AN population as quickly as possible.

Approach: The I/T/Us will be responsible for reporting the implementation of protocols via survey to be conducted by the Division of Clinical and Preventive Services, Office of Public Health. Resources for analysis may be required from other divisions within the Office of Public Health. A suicide surveillance and prevention system was developed in the Albuquerque IHS Area (National Suicide Prevention Project with the Center for Disease Control and Prevention). A suicide surveillance instrument which identifies potential high risk individuals has been developed and is currently being used in clinics and case management systems have been piloted. Numerous clinics, hospitals and behavioral health programs are currently using suicide surveillance protocols and now simply need to be identified and counted. A suicide surveillance and prevention system is being encouraged for use in I/T/Us to assure the routine suicide screening and case management are tailored to the resources of each site. A baseline will be established via survey in 2000 and repeated in 2001.

Data Source: Local annual survey and database linked with RPMS as appropriate.

Baseline: To be determined with developed surveillance system

Type of Indicator: Impact

Linkages: These indicator supports the DHHS Strategic Plan, Strategic Objectives 3.2 *Increase the Availability of Primary Health Services*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. This indicator also directly supports several HP 2010 objectives in Focus Area 18: Mental Health and mental Disorders which address the incidence of suicide.

Program Performance FY 1999: No FY 1999 Indicator

Indicator 24: Improve physical fitness and model fitness behavior by assuring that by the end of FY 2001, at least five model Take Charge Challenge fitness programs will be organized and functioning at either IHS Area Offices or the I/T/U level.

Rationale: The benefits of exercise and physical fitness in reducing the risk of obesity, diabetes, and cardiovascular disease have become increasingly clear over the past two decades. Within segments of the AI/AN population the prevalence of diabetes is the highest in the world while other segments with historically low diabetes rates are now experiencing dramatic increases. Furthermore, the diabetes death rate for AI/AN increased by almost 13 percent between the period of 1992-94 and 1994-96, and there is no evidence from any subgroup that the problem is lessening anywhere. The approaches currently available to prevent the onset of diabetes, and in some cases reverse its early stages, is the control of diet and exercise.

Thus the intent of this indicator is to develop a sufficient number of organizational sites modeling fitness behavior which can serve as successful models for others to follow along with the communities they serve. There is also evidence that the development of such programs at work-sites can serve to dissipate stress and improve the quality of work life which could ultimately contribute to achieving indicator 37 which addresses the quality of work life. The minimum number of 5 sites is based on an estimated threshold, or seed level, needed to assure some successful models to build organizational acceptance and diffusion to other work sites and communities.

Approach: In 1983 Mr. Bruce Leonard, an IHS health educator working at the Zuni Indian Reservation in New Mexico, developed a community-based exercise program that became well integrated into the Zuni community and continues today. In 1992 Mr. Leonard transferred to the CDC to work with states addressing a variety of issues including fitness and exercise. Working in this context, he revised, updated and expanded the fitness program for use in a variety of settings including work sites and communities. The approach has been piloted in 51 work sites in 21 states since 1995 (including the IHS Tuba City Service Unit) and was successfully implemented within CDC in 1996 as part of its 50th anniversary activities sanctioned by the then CDC Director, Dr. David Satcher. It is underpinned with the most recognized theoretical approaches to behavior change including stages of change, social learning theory, the diffusion of health innovations, and social marketing. The program is now called the "Take Charge Challenge" and is packaged such that it requires minimal resources and has data collection, evaluation, and cultural sensitivity built into its implementation process.

The IHS is working with CDC to formalize an agreement to utilize this successful approach in each IHS Area and then incrementally attempting to stimulate the diffusion of the intervention to a growing number of I/T/U sites.

Data Source: The Take Charge Challenge Data set

Baseline: One known program currently functioning in I/T/U settings.

Type of Indicator: Impact

Linkages: This indicator supports the President's diabetes initiative, the Secretary's chronic disease prevention initiative, the DHHS Strategic Plan, Strategic Objectives 1.3 *Improve the Diet and the Level of Physical Activity of Americans*, 3.6 *Improve the Health Status of American*

Indians and Alaska Natives, and 4.2 Reduce Disparities in the Receipt of Quality Health Care Services. This objective also directly supports several HP 2010 objectives addressing Focus Area 22: Physical Activity and Fitness, and will require significant collaboration between IHS, CDC, and tribes.

Program Performance FY 1999: No FY 1999 Indicator

Indicator 25: Reduce childhood obesity rates by maintaining ongoing body mass index (BMI) assessments in AI/AN children 3-5 years old and/or 8-10 years old, for both intervention pilot sites and non-intervention comparison sites, as part of an overall assessment of the ongoing childhood obesity prevention project's effectiveness.

Rationale: Obesity is prevalent among AI/AN people of all ages and is increasing significantly in a growing number of communities. Obesity is an important risk factor for cardiovascular disease and diabetes, which are perhaps the greatest single health problems for the AI/AN population. Unfortunately, success in reducing the prevalence of obesity and diabetes on a population basis has not been consistently documented. Evidence supports that children who are obese beyond infancy are at risk for elevated circulating serum insulin, which may be a precursor to the development of type II diabetes later in life.

Infant nutrition is emerging as another important factor in childhood obesity. Recently published studies of Pima Indians and also of Bavarian children show that breastfeeding for at least two months provides statistically significant protection from obesity in early childhood. It has also been demonstrated that obese older children are more likely to become obese adults. Fitness promotion and obesity prevention in childhood are expected to be more effective at preventing adult obesity and its complications, including type II diabetes, than weight reduction programs for adults.

It is the intent of this objective to pilot a series of at least five multidisciplinary/multidimensional community projects to address nutrition and fitness in early childhood. Ongoing periodic surveillance of school aged heights and weights will continue to monitor overweight prevalence in older children. Insights gained from the 6-year NIH-sponsored Pathways obesity prevention intervention in third, fourth, and fifth grade students, which began in FY 1997, provides larger-scale interventions for school children. The recently released Surgeon General's Report on Physical Fitness outlines additional intervention strategies for reducing obesity. This objective directly supports the HP 2010 objectives addressing "Nutrition" and "Physical Activity and Fitness."

Approach: The responsible parties are the local I/T/U, Head Start, and WIC service sites. The IHS Area and USDA Regional offices can provide assistance in development and coordination of media campaigns. The IHS Office of Public Health is responsible for overall coordination of the effort. The linkages with the USDA-WIC program, the USDA, the DHHS Head Start Program, CDC Nutrition and Physical Activity Division, and the National Diabetes Prevention Center in Gallup, NM are critical. This objective is linked in part to Indicator 8, assurance of well child visits.

The strategies for success require effective multidisciplinary outreach and management of clinic and community programs, coordination of WIC, well child care, and education programs such as Head Start and Early Head Start. This activity is dependent upon parent education to assure they are aware of the importance of routine and periodic assessment of well children. Secondly, the effective identification of children in the intervention age groups is important. Public health nutrition, public health nursing, Community Health Representatives, WIC, and Head Start programs, and parent groups are important components in identifying children and families who are to benefit from this intervention.

Coordination of maternal and child health clinical care, community activities, and community involvement are also critical to prevent childhood obesity. Interventions will be piloted and evaluated initially at selected, interested demonstration sites, and then successful strategies and ideas will be disseminated to all programs. Data will be collected through the IHS RPMS computerized health record system using the PCC BMI reports developed to measure prevalence of obesity in the clinic population. Coordination between the Pediatric Surveillance System managers at the CDC Nutrition and Physical Activity Division and the IHS Office of Public Health is critical for data access and analysis of the IHS Service Area data subset. This objective is also consistent with the Secretary's Initiative on Improving the Health of Children.

Data Source: CDC Pediatric Nutrition Surveillance System (PDNSS), and IHS RPMS system

Baseline: Determined by FY 1999 indicator and reported below.

Type of Indicator: Impact/Outcome

Linkages: This indicator commits to halting the accelerating rates of childhood obesity and thus supports the President's diabetes initiative, the Secretary's chronic disease prevention initiative, the DHHS Strategic Plan, Strategic Objectives 1.3 *Improve the Diet and the Level of Physical Activity of Americans*, 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services*. This objective also directly supports the HP 2010 objectives addressing Focus Area 22: Physical Activity and Fitness and Focus Area 19: Nutrition and Overweight and will require significant collaboration between IHS, CDC, WIC, and Head Start.

Program Performance FY 1999: The FY 1999 performance measure was to establish Area-specific prevalence rates for obesity in children ages 3-5 and 8-10 and develop a multidisciplinary and multidimensional intervention plan to address this problem. This measure has been accomplished. A data-extraction process has been developed and successfully run that captures obesity rates from the RPMS patient record system. The use of this extraction routine will be expanded during FY 2000.

Findings from this initial run show expected high rates of childhood obesity in all age ranges determined by the criteria of being in the 95th percentile, or greater, of the Body Mass Index (BMI) based on the National Health and Nutrition Examination Survey II (NHANES II). For children in the 3-5 age group rate of obesity is about 20% and increases to about 25% for the children 8-10 years. While this method of assessing obesity may not provide research quality data, it is more than adequate for its intend of monitoring long-term trends.

The intervention plans for both age groups have come together as collaborative efforts with other HHS agencies. For the 3-5 year age group, the IHS has collaborated with Head Start in developing a Head Start- IHS Obesity Prevention Initiative entitled "Healthy Children, Healthy Families, Healthy Communities" that began in early 1999 with a "Future Search Conference" of stakeholders to begin planning the program with the broadest input. This program seeks to develop partnerships with AI/AN Head Start grantee programs, IHS and tribal health programs, and outside organizations. Interventions for this four-year initiative involve Head Start children, staff, families and AI/AN communities and address both nutrition and physical activity.

For the second age group, the IHS is assisting the Pathways intervention that is a large-scale trial for the primary prevention of obesity in 3rd-5th grade children. This project is funded by the National Institute of Health- National Heart, Lung, and Blood Institute and targets classroom curricula, physical activity, school food service, and family involvement.

Indicator 26: Reduce tobacco use by assuring that at least five regional tobacco control centers are available to assist AI/AN health facilities and organizations with tobacco prevention and cessation activities by the end of FY 2001.

Rationale: The use of tobacco represents a significant cause of preventable deaths in many AI/AN groups. Over 15 percent of all deaths in AI/ANs are related to cigarette smoking or use of other tobacco products and over \$370 million is spent annually for care of smoking-related illnesses. Experience has shown that tobacco control is best pursued at the local level. This is especially true when religious and cultural belief systems are involved, as is the case with tobacco and American Indians. To achieve meaningful progress in tobacco control, we need to empower and support AI/AN tribal organizations to work with their local communities. To this end we propose to establish regional tobacco control centers, located within existing tribal organizations, to encourage and provide technical support for local efforts.

The goal of five regional support centers to assist in tobacco control is based on current resources and program capability coupled with regional needs and anticipated growth and development. While more centers may eventually be needed, significant benefit can be anticipated with five.

Approach: Using funds already identified from CDC, issue a request for applications (RFA) for tribal organizations to develop regional support centers. Program direction will come from IHS Cancer Prevention and Control Program and CDC Office on Smoking and Health. The regional centers will become part of a national network for tobacco control among AI/AN.

Data Source: IHS Program records.

Baseline: Currently four AI/AN organizations are active in Tobacco control: Great Lakes Inter-Tribal Council, (Wisconsin); Northwest Portland Area Indian Health Board (Oregon); Alaska Native Health Board (Alaska); and the California Rural Indian Health Board (California). These centers all have a limited scope of activities and do not have resources to serve their entire region. Through this new RFA, we plan to increase the capacity of these centers and add new ones to serve multi-state and multi-tribe areas.

Type of Indicator: Process

Linkages: This indicator is new for FY 2001 and supports the Secretary's initiative to reduce tobacco use, and the DHHS Strategic Plan, Strategic Objectives 1.1 *Reduce Tobacco Use, Especially among Youth* 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 5.1 *Improve Public Health Systems' Capacity to Monitor the Health Status and Identify Threats to the Health of the Nation's Population*. It is supported by an IHS/CDC agreement, and supports several HP 2010 objectives in Focus Area 27: Tobacco Use.

Program Performance FY 1999: No FY 1999 Indicator.

Indicator 27: Reduce high risk HIV/AIDS behaviors by assuring that at least 50% of the I/T/Us will have implemented an HIV/AIDS Needs Assessment to monitor and assess risks by individuals and tribal communities and develop appropriate interventions.

Rationale: The HIV/AIDS rate of infection is 0.3% of the two million American Indian/Alaska Native (AI/AN) population. HIV/AIDS surveillance data collected in FY2000 will provide information on the infection rate on and off the reservation. A clear assessment of the current extent, patterns and trends of HIV infection among AI/ANs is necessary for public health planning, to ensure adequate prevention activities and access to health care. The IHS prevention effort is to target AI/AN youth. With average age at infection falling, and with half of the new infections occurring in individuals under the age of 25, interventions will target HIV prevention efforts at young people.

On a national survey of two groups, young gay men and young women infected through heterosexual sex, the infection rate accounted for roughly 75% of the adolescent epidemic. The epidemic in AI/AN is a microcosm, generally, of what is happening nationally. The incidence of HIV infection is growing in young people who are particularly vulnerable in society. The individual's ability to insist on safe sex or abstinence is likely to be affected by any social condition that damages self-esteem and a sense of control, limits resources, eliminates choices, or reduces access to information and tools of prevention. Young people at risk need far more than information about the biology and transmission routes of HIV. Prevention providers build on the foundations of traditional HIV prevention efforts-providing information and skills training to address the myriad of external forces challenging our AI/AN youth.

Approach: Utilization of the IHS RPMS data on HIV/AIDS within the Indian Health Service. CDC HIV/AIDS Semi-Annual Surveillance Report that gives information on American Indian/Alaska Natives. The standardized survey will be evaluated and monitored during the year. Information from this survey will identify deficiencies in HIV prevention and allow appropriate intervention by each of the I/T/U areas.

Data Source: Local annual survey and database linked with RPMS as appropriate; CDC HIV/AIDS Semi-Annual Surveillance Report.

Baseline: To be determined in FY 2000.

Type of Indicator: Process

Linkages: This supports the President's HIV/AIDS initiative and the DHHS Strategic Plan, Strategic Objectives 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 5.1 *Improve Public Health Systems' Capacity to Monitor the Health Status and Identify Threats to the Health of the Nation's Population*. It is supported by IHS/CDC agreements, and supports several HP 2010 objectives in Focus Area 13: HIV.

Program Performance FY 1999: No FY 1999 Indicator.

Indicator 28: Reduce environmental threats to health by completing community environmental assessments of 90% of American Indian and Alaska Native communities in FY 2001 by the implementation of the environmental health surveillance system.

Rationale: Community environmental health status has traditionally been determined by completing environmental health surveys of individual facilities listed on the Facility Data System (FDS) inventory. However the overall environmental health status of a community is more than a simple sum of inter-related parts. An accurate determination of a community's environmental health status must be based on a comprehensive analysis of how those parts collectively affect the overall environmental health and quality of life of the residents of the community. Overall community environmental health status will be continuously assessed through the use of the environmental health surveillance system that will be developed during FY 2000. However to effectively measure improvement in the environmental health status of a community, baseline environmental health status must be determined by conducting initial comprehensive community environmental health assessments.

Approach: The Environmental Health Services program will work with the National Center for Environmental Health (NCEH), the National Association of City and County Health Officials (NACCHO), and Tribal partners to establish a surveillance protocol and implementation during FY 2000. This protocol will be employed in conducting the initial community assessment and for ongoing surveillance. At the regional level, this project will be coordinated with the IHS Area Environmental Health Officers in partnership with the tribes and local IHS environmental health services programs.

The collection, organization, and implementation of environmental health and epidemiological data may redesign the services and activities currently provided by and recommended by the Environmental Health Services program. We are not certain that the assumptions used to build the current system are still valid (FDS vs. risk-based decision making). Data analysis is necessary to establish baseline levels of community environmental health, evaluate the effectiveness of existing programs and to plan future programs to insure that resources and activities are best targeted to most effectively reduce environmentally related disease and injury at the local level.

Data Source: IHS Environmental Health Surveillance System developed in FY 2000.

Baseline: To be established by the end of FY 2001.

Type of Indicator: Process

Linkages: This indicator is an extension of FY 2000 Indicator 26. It supports the DHHS Strategic Plan, Strategic Objectives 3.6 *Improve the Health Status of American Indians and Alaska Natives*, and 5.1 *Improve Public Health Systems Capacity to Monitor the Health Status and Identify Threats to the Health of the Nation's Population*. It also broadly supports many of the HP 2010 objectives in Focus Area 8: Environmental Health.

Program Performance FY 1999: No FY 1999 Indicator.

2.2.1 Capital Programming/Infrastructure Category: Program Description, Context and Summary of Performance

Program Description and Context

Capital Programming/Infrastructure indicators represent the physical infrastructure that contributes to a healthy environment by assuring safe water and sewage facilities, medical facilities where health services can be adequately provided, and the ability to maintain the medical facilities which are critical to our mission.

Sanitation Facilities Construction – supports the construction of water, sewage, and solid waste systems (see page IHF-14 in FY 2001 budget document).

Health Care Facilities Construction – supports the construction of new or replacement health care facilities (see page IHF-20 in FY 2001 budget document).

Maintenance and Improvement – supports ongoing health care facility maintenance, alteration, and repair (see page IHF-10 in FY 2001 budget document).

2.2.2 Capital Programming /Infrastructure: Performance Indicators

These indicators were selected and based on the following criteria:

- supports components of the Indian Health Facilities Appropriation and funding priorities of I/T/Us identified in the budget formulation process
- are supported by existing data systems that record the need for physical infrastructure or improvements to the existing infrastructure
- follows the formula-based prioritization of each project's relative need
- has demonstrable link to improved access to health services or healthier living environments

The data that support these indicators are recorded at the local level where projects are conceptualized based in strict protocols and formulas. These data are compiled at the Area and Headquarters level and reviewed for accuracy and they compare against similar projects. The validation of this information is essential to the facilities programs since it is used to distribute resources as well as measure performance. The link between funding levels and our ability to accomplish these indicators is relatively direct and supported by well-quantified and validated planning formulas.

These indicators support all of the Presidential, Departmental, and IHS initiatives by providing a foundation where health services can be effectively delivered and objectives reached. Without a healthy living environment, access to adequate medical facilities, and proper maintenance most of the objectives could not be met.

**FY 1999 Performance Summary Table 3:
Capital Programming/Infrastructure**

Performance Indicator	FY Targets	Actual Performance	Reference
Indicator 29: Address the net backlog of essential maintenance, improvement, and renovation (BEMAR) needs for health care facilities.	FY 01: address \$12 million of FY 2000 BEMAR FY 00: address \$12 million of FY 1999 BEMAR* FY 99: maintain backlog at \$243 million	FY 01: FY 00: FY 99: backlog maintained at \$243 based on FY 1998 formula FY 98: \$243 million baseline	P: p. 70 B: p. IHF-10
Indicator 30: Provide sanitation facilities to new or like-new homes and existing Indian homes.	FY 01: 3,800 New/L. New 10,930 Existing FY 00: 3,740 New/L. New 11,035 Existing* FY 99: 5,900 New/L. New 9,330 Existing Total 15,230	FY 01: FY 00: FY 99: 3,557 New/L. New 13,014 Existing Total 16,571	P: p. 71 B: p. IHF-14
Indicator 31: Improve access to health care by construction of the approved new health care facilities.	FY 01: complete scheduled phase of construction of appropriated facilities FY 00: complete scheduled phase of construction of appropriated facilities* FY 99: complete scheduled phase of construction of appropriated facilities	FY 01: FY 00: FY 99: projects completed on schedule	P: p. 72 B: p. IHF-20
Total Capital Programming/Infrastructure Funding:	FY 01: \$305,530,000 FY 00: \$277,303,000 FY 99: \$255,953,000 FY 98: \$221,009,000 * indicates revised FY 2000 measure, see Summary of Changes Table on pages 87-90		P: page # in perform. plan B: page # in budget justif.

FY 2001 Indicators

Indicator 29: To improve access to health care services, during FY 2001 the IHS will address \$12 million of the FY 2000 Backlog of Essential Maintenance, Alteration, and Repair (BEMAR) for health care facilities.

Rationale: The provision of quality health services requires effective and efficient space, including reliable supporting building systems. This indicator represents a commitment to this activity that is also fundamental to maintaining hospital and clinic accreditation (see Indicator 17 on page 50).

Approach: This initiative is part of an IHS effort to more accurately determine the resources and processes required to sustain physical surroundings which enhance the delivery of health care services. This includes maintaining both IHS and tribal health facilities in good working order, eliminating environmental and safety hazards, and modifying space as needed to facilitate changing service delivery practices. To achieve this indicator, the IHS will complete an evaluation of the current listing of the BEMAR and initiate major maintenance and improvement projects that will result in the gross reduction to the 2000 BEMAR. It is important to note that the BEMAR continues to grow with additions in space, associated operating costs, aging of facilities, and improved data gathering.

The physical condition of IHS-operated, federally-owned and tribally owned health care facilities is evaluated continuously by local facility personnel and through annual general surveys conducted by local facility personnel and IHS Area Office engineers. In addition, comprehensive "Deep Look" surveys are conducted every five years by a team of specialists, which may include IHS and tribal engineers, architects, and operations experts, and occasionally technical specialists from private sector architectural/engineering firms.

A major facet of this initiative is an improvement of the data system in which identified facilities—deficiencies are listed. The revised system will move input and querying of data to a lower level, Area Office and/or field sites, so the information may be used to support and improve decision making at those levels and the capturing of expenditures for capital improvements for buildings, as promulgated by the Federal Accounting Standards Advisory Board will be enhanced.

Data Source: Identified deficiencies recorded in the Facilities Engineering Data System.

Baseline: The 2000 backlog of identified deficiencies totaling \$446 million.

Type of Indicator: Process/Impact

Linkages: These indicators support the DHHS Strategic Plan, Strategic Objectives 3.6 *Improve the Health Status of American Indians and Alaska Natives* and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services* and generally, many of the HP 2010 objectives.

Program Performance FY 1999: The FY 1999 performance measure was to maintain the net backlog of maintenance, improvement, and renovation needs for health care facilities at the FY 1997 level. For the two-year period, FY 1997 to FY 1999, approximately one third of the annually appropriated maintenance and improvement funding (\$25 million) were utilized for

projects to reduce the BEMAR. This enabled the IHS to meet the goal of maintaining the net BEMAR deficiency level, as defined in FY 1997, with the available funding.

However, the BEMAR was greater at the end of FY 1999, increasing from \$243 million in FY 1997 to \$446 million in FY 1999. This increase occurred in part because two new data tracking elements were added to the BEMAR during the period. Seismic deficiencies identified in compliance with Executive Order 12941, "Seismic Safety of Existing Federally Owned or Leased Buildings," were added during FY 1998 in the amount of \$149 million. Also, the facilities environmental database was added in FY 1999 in the amount of \$8 million. Several other factors contributed to the remaining increase in the BEMAR: 1) Increase in space - IHS has seen a continued trend in added space being provided for health care services. During the reporting period 522,000 square feet of space were added. The impact of the added space was not factored into the original GPRA goal. 2) Improved reporting - as the IHS improves its facilities data system, accessibility and usability of the system increases improved data gathering and updating; and 3) inflation factors were applied to portions of the cost data.

Indicator 30: Improve home environmental health by providing sanitation facilities projects to serve 3,800 new or like-new homes and 11,455 existing Indian homes.

Rationale: The IHS Sanitation Facilities Construction Program, an integral component of the IHS disease prevention activity, has carried out those authorities since 1960 using funds appropriated for Sanitation Facilities Construction to provide potable water and waste disposal facilities for American Indian and Alaska Native (AI/AN) people. As a result, the rates for infant mortality, gastroenteritis morbidity, and other environmentally related diseases have been dramatically reduced, as much as 80 percent since 1973. Compelling evidence supports that many of these health status improvements are attributable to IHS' provision of water supplies, sewage disposal facilities, development of solid waste sites, and provision of technical assistance to Indian water and sewer utility organizations. Satisfactory environmental conditions (e.g., safe piped water and adequate sewage disposal) place fewer demands on IHS' primary health care delivery system. However, AI/AN homes are still seven times more likely to be without clean water than homes in the broader U.S. The current need for sanitation deficiencies as of the end of FY 1999 was \$1.753 billion. Of this total, \$770 million was considered to be technically and economically feasible projects.

Approach: The Indian Health Care Amendments (Title III, Section 302(g) 1 and 2 of P.L. 100-713) directed the IHS to identify the universe of Indian sanitation facilities deficiencies. From this process, a backlog of needed sanitation facilities was identified and regularly updated. It is feasible to provide sanitation facilities for between 95 and 98 percent of all existing Indian homes. Also included in the backlog are projects intended to upgrade existing water supply and waste disposal facilities and projects to improve sanitation facilities operation and maintenance capabilities in Indian country. Maximum health benefits will be realized by addressing needs identified and providing facilities for new/like-new homes when they are constructed.

Data Source: The Sanitation Facilities Deficiency System.

Baseline: Not Applicable

Type of Indicator: Impact

Linkages: These indicators support the DHHS Strategic Plan, Strategic Objectives 3.6 *Improve the Health Status of American Indians and Alaska Natives* and 4.2 *Reduce Disparities in the Receipt of Quality Health Care Services* and several of the HP 2010 objectives in Focus Area 8: Environmental Health.

Program Performance FY 1999: The FY 1999 performance measure was to provide sanitation facilities to 5,900 new and like-new homes and 9,330 existing homes by the end of FY 1999. In FY 1999 the IHS provided sanitation facilities to 3,557 new and like-new homes and 13,014 existing homes for a total of 16,571. These exceeded the total goal of providing sanitation facilities for 15,230 homes.

The number of new and like-new homes served was less than the performance goal. The most significant reason was the large decrease in newly constructed HUD funded homes served in FY 1999. Only 461 HUD funded homes were served instead of the projected 1300 HUD homes. This decrease was due to the changes in the HUD Indian Housing programs authorized under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). The NAHASDA increased the flexibility of tribally managed housing programs to independently meet tribal housing needs with programs beyond the traditional new HUD funded housing construction programs. As a result of NAHASDA, tribally managed housing programs are constructing new HUD funded homes, including associated sanitation facilities infrastructure, without requesting IHS assistance.

Sanitation facilities were provided for 13,014 existing homes in FY 1999, which exceeded the performance goal. This increase was the result of more projects to upgrade existing community sanitation facilities infrastructure. In spite of exceeding the goal for provision of sanitation facilities to existing homes, the backlog continues to grow. The current need for sanitation deficiencies as of the end of FY 1999 was \$1.753 billion. Of this amount, \$770 million was considered to be technically and economically feasible projects.

Indicator 31: Improve critically needed access to health care services by providing the following physical infrastructure:

Ft. Defiance, AZ Hospital	Continue construction of the replacement hospital and start design of part of the staff quarters.
Winnebago, NE Hospital	Continue construction of the replacement hospital.
Parker, AZ Health Center	Continue construction of the replacement health center.
Pawnee, OK Health Center	Start design of the replacement health center.
Small Ambulatory Construction Grants	Provide construction grants to tribes/tribal organizations.
Dental Units	Provide dental units based on priority needs.

The progress on these projects at the end of FY 2001 will be reported.

Rationale: Constructing replacement health care facilities increases access to personal medical services supported by the IHS. These medical services can be compared to medical services available to the general population (appointments to see primary care physicians, nurses, dentists, etc.). Efficient space for health care delivery allows for more appointments and for

patients to see more health care providers in one trip. People are also reluctant to use old run-down facilities but are more likely to seek needed health care when provided in modern facilities.

Likewise, modern facilities help recruit and retain health care providers that can result in improved access and continuity of health care. Once a replacement facility has been completed and fully staffed, IHS has experienced an average increase in patient visits of approximately 60% over the old facility (see page IHF-27 of budget for individual facility specifications). The designing of additional facilities is the first step in improving access for identified locations. Also, alternative methods of providing health care facilities are included (joint venture projects, small ambulatory grants, and non-IHS funds renovation projects).

Approach: The IHS developed the Health Facilities Construction Priority System (HFCPS) methodology in response to congressional directive to identify planning, design, construction, and renovation needs for the 10 top-priority inpatient care facilities and the 10 top-priority outpatient care facilities and to submit those needs through the President to the Congress. Under the three-phase HFCPS process, the IHS Headquarters solicits proposals for health facility construction from the Area Offices and ranks them according to their relative need for construction. Factors used to determine relative need are workload, age, isolation or alternatives to construction, and existing space data. The highest-ranking proposals are added to the Priority Lists.

When new projects are to be added to the Priority Lists, IHS Headquarters asks each IHS Area Office to submit proposals for Phase I consideration. The IHS uses the HFCPS methodology to review these proposals and to determine which will be considered during the more intensive Phase II review. A limited number of proposals that successfully complete Phase I are considered further during Phase II. The IHS examines these proposals in greater detail and applies the methodology to determine those proposals that will be considered during Phase III.

During Phase III, appropriate IHS Area Offices prepare a Program Justification Document (PJD) for each proposed project still being considered. IHS Headquarters reviews each PJD. If the PJD justifies construction, it is approved and the project is placed on the appropriate priority list below those already on the list. Proposed projects that have been approved and placed on a priority list remain on the list until they have been fully funded by congressional appropriations or other funding mechanism.

After projects are placed on the Priority Lists, IHS updates its 5-year planned construction budget. That budget is updated yearly and used as the basis for funding requests. The HFCPS is generally applied using existing IHS resources (staff and equipment); however, some Area Offices have procured assistance in developing the PJD and POR.

Data Source: Health Care Facilities Priority System and Health Care Facilities Planned Construction Budget (5-Year Plan).

Baseline: Not Applicable, the IHS Inpatient and Outpatient Facilities Priority List is used to determine needed construction priorities.

Type of Indicator: Process/Impact

Linkages: These indicators supports the DHHS Strategic Plan, Strategic Objectives 3.6

Improve the Health Status of American Indians and Alaska Natives and 4.2 Reduce Disparities in the Receipt of Quality Health Care Services and generally, many of the HP 2010 objectives in Focus Area 1: Access to Quality Health Services.

Program Performance FY 1999: The FY 1999 performance measure was to reach the completion phase of construction for the Hopi (Polacca), Arizona Health Center, and starting construction of the Ft. Defiance, Arizona Hospital and the Parker, Arizona Health Center by the end of FY 1999. This measure has been accomplished and can be summarized as follows:

New Hopi Health Center, Polacca, Arizona: The FY 1999 appropriation fully funded the project and allowed the tribe, under a P.L. 93-638 contract, to obligate funds for completion of the project. The construction is on schedule to be completed in the third quarter of FY 2000.

Replacement Hospital, Fort Defiance, Arizona: Using the FY 1999 appropriation, the previously completed design for the replacement hospital portion of the project was updated and construction was started in September 1999.

Replacement Health Center, Parker, Arizona: Using the funds appropriated in FY 1999, construction began in June 1999, pursuant to a P.L. 93-638 contract.

2.3.1 Partnerships, Consultation, Core Functions, and Advocacy Category: Program Description, Context and Summary Performance

Program Description and Context

The Partnerships, Consultation, Core Functions, and Advocacy aggregation encompasses the IHS' administrative and management functions, relationships with stakeholders and consumers, and strategies for collaboration in pursuit of the IHS mission. Data for these indicators come from recognized sources including budget reports and audits, a HHS survey, and a survey of the universe of stakeholders using recognized social survey methods. The two components of this aggregation are:

Partnerships, Consultation, Core Functions, and Advocacy Category Aggregation

Direct Operations - supports management and administrative functions for Area and Headquarters staff including policy development, budget formulation, health program support, and accountability requirements (see page IHS-110 in FY 2001 budget document).

Facilities and Environmental Health Support - provides administrative and management support for the construction, maintenance, and operation of health care facilities, staff housing, and sanitation facilities (see page IHF-41 in FY 2001 budget document).

2.3.2 Partnerships, Consultation, Core Functions, and Advocacy Category: Performance Indicators

The choice of indicators for this aggregation category are based on the following criteria:

- supports and encourages tribal sovereignty, the government to government relationship between tribes and the Federal government, and tribal self-determination
- supports and encourages collaboration with stakeholders, agencies, and organizations directed toward improving the health of AI/AN people
- supports and encourages sound management practices

Achieving these performance indicators, as well as the overall coordination of the GPRA and other Federal accountability requirements represent a significant challenge for the IHS and its reduce management and public health infrastructure. The reorganization of Headquarters and many Area offices has resulted in flatter organizational structures, less specialization in function, and greater use of self-directed teams in order to increase efficiency. However, it has become increasingly clear that coupled with improved data management capacity, two functions must adequately supported to assure overall program success and these are:

- assuring that continued and expanded opportunities for tribal consultation and participation in IHS endeavors is supported
- assuring effective recruitment of needed health discipline is achieved and that orientation, training, and support are available to enhance the retention these staff.

FY 1999 Performance Summary Table 4:
Consultation, Partnerships, Core Functions, and Advocacy Indicators

Performance Indicator	FY Targets	Actual Performance	Reference
Indicator 32: Improve the level of I/T/U satisfaction with the processes for consultation and participation provided by the IHS, as measured by a survey of I/T/Us.	FY 01: secure OMB clearance for instrument FY 00: revise policy and instrument * FY 99: establish policy and collect baseline	FY 01: FY 00: FY 99: policy established but baseline delayed	P: p. 77 B: p. IHS-110
Indicator 33: Improve the level of Contract Health Service (CHS) procurement of inpatient and outpatient hospital services for routinely used providers under contracts or rate quote agreements at the IHS-wide reporting level.	FY 01: 88% FY 00: no indicator FY 99: no indicator	FY 01: FY 00: FY 99: NA FY 97: 85.4% baseline	P: p. 78 B: p. IHS-62
Indicator 34: Maintain administrative infrastructure (Area and Headquarters) no higher than FY 1999 target level while maintaining full compliance with major Federal requirements (i.e., GPRA, GMRA, ITMRA, etc.).	FY 01: 1876 FTE or less FY 00: 1876 FTE or less* FY 99: at least 10% under FY 97 level or 1876 FTE	FY 01: FY 00: FY 99: -22% (1,619 FTE) FY 97: 2085 FTE baseline	P: p. 79 B: p. IHS-110
Indicator 35: Increase the number of interagency agreements and cooperative agreements with agencies and organizations that are directly linked to performance plan indicators.	FY 01: increase over FY 00 FY 00: increase over FY 99* FY 99: increase by 10% over FY97 or 73 agreements	FY 01: FY 00: FY 99: 86 total agreements FY 97: 66 agreements baseline	P: p. 80 B: p. IHS-110
Indicator 36: Continue implementation of Managerial Cost Accounting systems across IHS setting.	FY 01: secure IT capability FY 00: develop pilot sites* FY 99: begin implementation	FY 01: FY 00: FY 99: "cost centers" implemented in FY 1999	P: p. 81 B: p. IHS-110
Indicator 37: The IHS will improve its overall Human Resource Management (HRM) Index score as measured by the DHHS annual HRM survey.	FY 01: at least 95 points FY 00: at least 94 points* FY 99: no indicator	FY 01: FY 00: FY 99: 93 points FY 98: 93 points baseline	P: p. 82 B: p. IHS-110
Total Consultation, Partnerships, Core Functions, and Advocacy Funding:	FY 01: \$78,084,000 FY 00: \$72,884,000 FY 99: \$69,729,000 FY 98: \$67,038,000 * indicates revised FY 2000 measure, see Summary of Changes Table on pages 87-90		P: page # in perform. plan B: page # in budget justif.

**FY 2001 Partnerships, Consultation,
Core Functions, and Advocacy Indicators**

Indicator 32: To improve the IHS consultation process with its I/T/U stakeholders, during FY 2001 the IHS will implement the revised consultation policy and secure OMB clearance for the instrument to assess I/T/U stakeholder satisfaction with the consultation process.

Rationale: It is fundamental to the intent of the NPR and the realization of the IHS Mission and Goal that I/T/Us increasingly become participating partners in the important processes which will guide the Agency into the next century. Given the number and diversity of I/T/Us, formal policies are essential to assure broad input, a rational and equitable approach to making timely decisions, and the highest possible buy-in across I/T/Us. Equally important is securing the data to assess how well the processes are actually working, and then improving them. In addition, this indicator serves as a proxy measure of the effectiveness of the IHS Tribal Management program. Finally, during the initial reorganization of the IHS in 1995-96, the IHS was encouraged by its stakeholders to assure opportunities for local I/T/Us to evaluate the agency's progress in enhancing the consultation process and supporting recommended changes.

Approach: It is critical that the IHS form a strong and effective partnership with its I/T/U constituents in addressing the health disparities. This partnership is essential to ensure that resources are effectively and efficiently utilized to maximize the positive impact health programs have on the target I/T/U populations. Partnerships already exist with such tribal entities as the National Indian Health Board (NIHB), Regional Indian Health Boards, the Tribal Self-Governance Advisory Committee (TSGAC) and the National Congress of American Indians (NCAI).

The starting point for this initiative was with the development and implementation of the IHS consultation policy and was to be followed by the development of a survey instrument to assess I/T/U satisfaction with the consultation process. This policy was actually developed ahead of schedule and was in effect at the start of FY 1999. In addition, a survey instrument was developed and tested in the spring of FY 1999. This survey instrument was to be used in FY 1999 to establish a baseline and was to be accomplished by several tribal and AI/AN organizations. However, concerns about the how the consultation process was being implemented refocused the attention of the I/T/U stakeholders on revising the policy to address specific consultation processes. As a result the collection of data was delayed pending the revision of the policy by a team that includes the I/T/U stakeholders.

The IHS has elected to honor our stakeholders' preferences and will support the revision of the consultation policy/process for FY 2000 and concurrently revise the survey instrument to reflect changes in the policy. For FY 2001 the IHS will implement the revised policy and submit the revised instrument to OMB for clearance.

Data Source: I/T/U survey instrument and protocol

Baseline: From baseline survey completed in FY 1999.

Type of Indicator: Process

Linkages: This indicator supports the DHHS Strategic Plan, Strategic Objectives 3.6 *Improve the Health Status of American Indians and Alaska Natives* and 4.3 *Increase Consumer's Understanding of their Health Care Options*. It also underpins the IHS' commitment supporting the Self-Determination process and AI/AN community empowerment.

Program Performance FY 1999: The FY 1999 indicator committed to establishing the consultation policy, developing a satisfaction survey, and securing the baseline level of satisfaction. This performance measure has been partially completed. The policy was developed and implemented well ahead of schedule and the survey instrument was developed and tested in the spring of FY 1999. However, as described in the "Approach" section, data collection with a survey instrument has been delayed to coincide with the revised policy and the need for OMB clearance. The IHS has elected to prioritize stakeholder participation and preferences over a predetermined schedule.

Indicator 33: During the FY 2001 reporting period, the IHS will have improved the level of Contract Health Service (CHS) procurement of inpatient and outpatient hospital services for routinely used providers under contracts or rate quote agreements to at least 88% at the IHS-wide reporting level.

Rationale: It is important that IHS optimize its use of CHS resources. CHS regulations require the use of medical priorities to assure that persons with the most urgent need receive services and that alternate resources pay prior to IHS expending funds. Beyond these built-in requirements, IHS is making efforts to assure that we receive the best price available from our routine providers of care. To that end, we are seeking to ensure that contracts or rate quote agreements are in place that provide reduced rates to IHS and its patients with routinely used hospitals. While not every routinely used hospital will agree to some reduced rate schedule with IHS, many will, and it is to our advantage to continue to aggressively pursue cost-effective arrangements.

Approach: It is not feasible to pursue contracts or agreements with every hospital that provides services to IHS patients. Some hospitals are utilized on a one-time emergency basis when it is impossible for the patient to be moved to a contract facility, or when there is no contract facility in the vicinity. In other cases, the utilization of the facility is so infrequent that it is impractical to contract with that facility for a small number of patient visits per year. Therefore, IHS is only interested in obtaining contracts or rate quote agreements with frequently used providers.

Frequently used hospitals are defined as those facilities to which IHS paid more than \$50,000 for inpatient services per year and/or more than \$10,000 in outpatient services per year. Not all hospitals meet both criteria, and inpatient and outpatient service contracts and rate quotes will be tracked separately.

To calculate the percentage rate we divide the amount paid to frequently used hospital providers with contracts or rate quote agreements, by the amount paid to all frequently used hospital providers. The IHS fiscal intermediary (FI), who makes IHS' CHS payments, will provide these amounts. The FI also maintains information on contract and rate quote agreements and applies the contract or agreement rate to the payment. Records are maintained by individual provider and composite data can be provided by the FI.

Data Source: The IHS Fiscal Intermediary – Blue Cross and Blue Shield of New Mexico. The IHS will use FY 1997 claims paid data as the baseline. For this year the calculated rate is 84.4 percent. The reason why the baseline of FY 1997 is chosen is that the data are 99 percent complete.

Type of Indicator: Process

Linkages: These indicators support the DHHS Strategic Plan, Strategic Objectives 3.6 *Improve the Health Status of American Indians and Alaska Natives* the accountability requirements of a DHHS OPDIV, and support H P 2010 objectives in Focus Area 1: Access to Quality Health Services.

Program Performance FY 1999: No FY 1999 Indicator.

Indicator 34: During FY 2001, the IHS Headquarters and Areas will maintain full compliance with major Federal requirements (i.e., GPRA, GMRA, ITMRA, etc.), without expanding the administrative staff above the FY 1999 FTE target level.

Rationale: A major recommendation in the IHS reorganization plan was to downsize and streamline the IHS Headquarters and Area Offices and move from controlling and directing to providing consultation and support to I/T/Us. This recommendation supports the continued transition to local control, and the intent of the NPR, but represents a significant challenge because of the loss of economies of scale in the decentralization process. In the FY 1999 performance plan the IHS committed to reducing the number of FTE s in IHS Headquarters and Areas by 10 percent over the FY 1997 level.

For FY 2001 the IHS is committing to maintaining the reduced Area and Headquarters administrative FTE level at the target FY 1999 level (i.e., 10% below the FY 1997 level) and to focus resources at providing access to services. Further reductions in administrative positions will be considered with caution given the increasing accountability requirements for which the Agency must be responsive and the importance of field support.

Approach: To accomplish this indicator the IHS continues the process of reorganizing Headquarters to a flatter and simpler structure and integrating the use of multi-disciplinary teams to address important functions, including the GPRA. Many Areas are also reorganizing to more efficient structures. Likewise, the IHS is well along in its Y2K conversion plan addressing five mission-critical information systems and will meet the necessary requirements associated with this activity.

As described in Performance Indicator 35, we are attempting to expand the development of partnerships with outside organizations to bolster our capacity to serve the needs of AI/AN people. Doing more of what is important without expanding administrative overhead will require considerable training and improved technologies, as well as ceasing to expend resources on low value work.

The evaluation of our success in this attempt at achieving more will come from the surveys of I/T/Us described in Performance Indicator 32. Feedback will come from the Department, OMB,

and Congress relative to our level of compliance with the growing number of Federal requirements, particularly the GPRA, GMRA, ITMRA, and audits of the resources expended. In the long run, our success in this efforts will be reflected to a considerable degree in the level of realization of our component of the DHHS Strategic Plan and the IHS Mission and Goal.

Data Source: Audits of Area and Headquarters, I/T/U Survey, and feedback from HHS, OMB, and Congress.

Baseline: FY 1997 Area and Headquarters FTEs = 2085

Type of Indicator: Process

Linkages: These indicators support the DHHS Strategic Plan, Strategic Objectives 3.6 *Improve the Health Status of American Indians and Alaska Natives* and the accountability requirements of a DHHS OPDIV.

Program Performance FY 1999: FY 1999 Indicator 25 committed to reducing Area and Headquarters staff by 10% below the FY 1997 level of 2085 FTEs (i.e., 1876 FTEs) and maintaining compliance with Federal requirements. This indicator has been achieved with FY 1999 total Area and Headquarters FTEs level of 1,619 or a 22 % decrease while meeting compliance standards. However, the large reduction in FTEs that has occurred with reorganization is greater than anticipated and has left "function holes" in the IHS infrastructure that are essential to replace to assure that the IHS can meet its accountability requirements. Thus, the IHS is committing to maintaining the target level (i.e., 1876FTEs) rather than the actual FY 1999 levels for this performance measure for FY 2000 and FY 2001 (see summary of changes to FY 2000 plan on pages 87-90 of appendix).

Indicator 35: To increase collaborative support for improved health status of AI/AN people, the IHS will have increased the number of interagency agreements and cooperative agreements with agencies and organizations that are directly linked to performance plan indicators over the FY 2000 level.

Rationale: Given the demands in health care that the IHS continues to face, it has become increasingly important to the IHS's advocacy role to seek collaborative partnerships with other organizations which can assist in efforts to achieve the IHS Mission and Goal. While the number of agreements was initially identified as the most appropriate indicator, it has become clear that number is less significant than the area of focus and level of commitment spelled out in the agreement. Thus, this indicator was revised to address increasing the number of agreements specifically directed at performance indicators.

Approach: For many years the IHS has worked collaboratively with other organizations, particularly other HHS agencies (e.g., NIH, CDC, AHCPR), in efforts to improve the quantity and quality of services we provide. The IHS is currently in the process of proactively seeking additional and broader partnerships with organizations directed at setting in place long-term strategic approaches to addressing the interactive effects of health and social services, community empowerment, and economic development directed towards improved quality of life for AI/AN people.

Clearly opportunities exist for expanding agreements with existing organizations as well as developing new ones with other Federal, State and local agencies, as well as private sector organizations. In this light, our Director is currently spearheading a Domestic Policy Council multi-departmental initiative for AI/AN children and youth around two themes:

1. Ensuring a safe and healthy home and community
2. Ensuring personal development within the context of developing communities

Response thus far has been encouraging with active participation from HUD, DOI, DOA, DOT, and several HHS OPDIVs. The ultimate goal for the initiative is to improve the status of AI/AN children and youth relative to indicators reflecting the two themes. The approach is to collaborate with agencies that serve AI/AN people to improve coordination of services and increase access to services for AI/AN communities (including urban areas). In addition, the initial workgroup of this initiative embraced the importance of agencies documenting their commitment to the initiative through identifying appropriate specific GPRA performance indicators.

Many additional opportunities exist to address major health problems through collaboration. These will be pursued with intent to include joint performance indicators as part of the collaborative process (e.g., see Indicator 11 on page 44).

Data Source: Audit of existing agreements.

Baseline: The FY 1999 total number of agreements was 86. The baseline for those FY 1999 agreements linked to performance measures will be determined by February 2000.

Type of Indicator: Process

Linkages: This indicator broadly supports the DHHS Strategic Plan, Strategic Objective 3.6 *Improve the Health Status of American Indians and Alaska Natives*.

Program Performance FY 1999: The FY 1999 indicator committed to increasing the total number of agreements with other agencies and organizations by 10% over the FY 1997 level that was originally reported at 71. Review of the documentation of FY 1997 revealed that only 66 were actually in effect. This indicator has been accomplished with 86 agreements for FY 1999 for a total of \$12.9 million compared to the 66 agreements in FY 1997 for a total of \$11.6 million. This represents a 30% increase in the number of agreements.

Indicator 36: During FY 2001, the IHS will expand Managerial Cost Accounting (MCA) capacity through the investment in necessary information technology in accord with DHHS and OMB guidance.

Rationale: The Federal Financial Management Improvement Act of 1996 (The Brown Bill) requires IHS to achieve the linkage of resources to results through MCA. This legislation requires each agency to maintain financial management systems that comply with Federal financial management systems requirements, applicable Federal accounting standards, and the U. S. Standard General Ledger at the transaction level. As mentioned in the *Program Aggregation* section on page 24, caution must be exercised in applying manufacturing

accounting approaches to a comprehensive public health program. Attempting to cost account for outcomes for complex chronic disease processes (i.e., diabetes) addressed by many health disciplines in diverse settings, with long time lags in effect, is plagued with threats to validity, and would probably represent an exercise in futility.

Approach: The IHS has contracted with the Mitretek Systems to analyze technical alternatives for IHS cost reporting/cost accounting. This will be a detailed analysis of technical alternatives and include a cost benefit and trade off analysis of alternatives. The results will be provided to a steering committee to support strategic decision making regarding the implementation of cost reporting and cost accounting at IHS. This system is necessary to assist IHS leadership to maximize the effective use of available resources and ensure that patient care can be provided to its customers. Perhaps the most significant benefit or goal for establishing MCA is to increase collections from private insurance, Medicare, and Medicaid.

Type of Indicator: Process

Linkages: This indicator supports the management and accountability requirements of GPRA, GMRA, Clinger-Cohen and a DHHS OPDIV.

Program Performance FY 1999: The FY 1999 indicator committed to begin implementation of cost accounting during FY 1999. This measure was accomplished with the implementation of "cost center" accounting practices which began operating at IHS health facilities, Area Offices, and Headquarters and have contributed to improved management particularly at hospitals and clinics.

Indicator 37: To improve job satisfaction and the quality of work life for IHS employees, the IHS will improve its overall Human Resource Management (HRM) Index score to at least 95 as measured by the DHHS annual HRM survey.

Rationale: The DHHS Quality of Work Life Initiative is based on social-psychological principles which are associated with both organizational effectiveness and improved quality of life for members. As part of this initiative, the Department has developed and refined a HRM Index employee survey as a valid measure of management practices that are important to organizational performance. These practices include Morale, Climate for Innovation, Planning and Organization, Communication, and Operational Efficiency. Since the DHHS started conducting the HRM Index surveys in 1991, the IHS sample scores have consistently averaged below the overall average DHHS score. Given that the elements assessed in this survey are fundamental to achieving the IHS Mission and Goal, the Agency is committed to improving this trend.

Approach: The IHS is now in the process of actively tailoring the implementation of the Department's Quality of Work Life Initiative to its unique and diverse setting. Furthermore, some of the additional resources in the requested FY 2001 IHS Budget will be used to improve supporting functions such as training, equipment and supplies, and improved communications networks. The Agency believes these enhancements, coupled with the Quality of Work Life Initiative, will improve morale, communications, job satisfaction, and other factors sufficiently to be reflected in an improved HRM Index score for the IHS in FY 2001.

Data Source: FY 2000 DHHS HRM Survey

Baseline: FY 1998 and FY 1999 DHHS HRM Survey Scores were 93 for the IHS

Type of Indicator: Process/Impact

Linkages: This is a new indicator for FY 2000 which directly supports the Secretary's Quality of Work Life Initiative and generally supports the DHHS Strategic Plan, Strategic Objective 3.6 *Improve the Health Status of American Indians and Alaska Natives.*

Program Performance FY 1999: No FY 1999 indicator

APPENDIX TO THE IHS 2001 PERFORMANCE PLAN

A.1 Approach to Performance Measurement

Data Verification and Validation

The IHS utilizes outside (non-IHS) and IHS data sources to manage its diverse programs and assess Indian health status. The two principal outside data sources are the Bureau of the Census and the Centers for Disease Control and Prevention, in particular, the National Center for Health Statistics (NCHS). The Census Bureau is the source of Indian population counts and social and economic data. However, reliable Indian census data at the county level are only available from the Decennial Census, once every 10 years. The IHS prepares AI/AN population estimates for years between the Census.

The NCHS provides IHS with natality and mortality files that contain all births and deaths for USA residents, including those identified as American Indian or Alaska Native. The NCHS obtains birth and death records from the State departments of health, based on information reported on official State birth and death certificates. The IHS receives these records with essentially the same basic demographic information as the records maintained by NCHS, but with names, addresses, and record identification numbers deleted as required by the Privacy Act. It should also be noted that tribal identity is not recorded in these records by the States. The State of New Mexico does identify tribal affiliation for 23 indigenous tribes of that state. However, the IHS does not obtain this tribal identification from the automated records provided by NCHS. The data are subject to the degree of accuracy of reporting by the States to NCHS. The NCHS does perform numerous edit checks and imputes values for non-responses. The IHS assigns IHS organizational (Area and service unit) identifiers to the birth and death records in setting up its Indian database. The IHS computer routines for accomplishing this have been thoroughly verified, and the results are continuously monitored.

Several studies have shown considerable miscoding of Indian race on State death certificates, understating Indian mortality especially in areas not associated with Indian reservations. The IHS now utilizes factors based on a National Death Index study to adjust Indian mortality rates for race miscoding. Another major problem with mortality data is the time lag in receiving data. These data are not typically available from NCHS until two years after the events occur, and mortality data are often slow in showing the impact of health interventions. Due to these constraints, IHS has chosen not to use mortality data for annual performance plan indicators except in special circumstances. The IHS will continue to use mortality data for tracking long-term trends in Indian health status and to make comparisons with other population groups. However, having to wait two years to link activities in an annual performance plan with mortality findings is of limited value in the ongoing implementation and evaluation process. The IHS would like to see greater emphasis on long-term strategic planning in the future, which could more effectively link the GPRA and HP 2010 process and depend, to considerable extent, on mortality data.

IHS Automated Data Systems

The IHS has its own program information systems to collect data on the services provided by IHS and tribal direct and contract programs. The software used by IHS facilities and most tribal facilities is the Resource and Patient Management System (RPMS). Data are collected for each inpatient discharge, ambulatory medical visit, and dental visit (all patient specific) and for community health service programs including health education, community health representatives, environmental health, nutrition, public health nursing, mental health and social services, and substance abuse (all activities reporting systems). The patient-specific data are collected through the Patient Care Component (PCC) of the RPMS. These data are subject to recording, inputting, and transmission errors. However, IHS software systems have extensive edits built in at the facility and central database levels to detect and correct a large part of the errors. Others that cannot be detected by computer are often discovered through the monitoring for reasonableness that is performed in the field and IHS Headquarters.

Each facility that utilizes PCC has a facility-level database that contains the detailed PCC data collected at that site. A subset of the detailed PCC data (to meet the routine information needs of IHS Headquarters) is transmitted to the IHS central database. The PCC data are the source of most of IHS' GPRA measures since they reflect prevention activities and morbidity and do not have the time lags described previously for mortality data. However, many of IHS' proposed measures rely on detailed PCC data not currently transmitted to the IHS central database.

The IHS is developing software to transmit some of these needed data items to the central database. In the meantime, IHS will need to use sampling routines to collect the required data from the individual facility-level databases. A stratified sampling approach will be used to include different types and sizes of facilities and Indian populations with different health characteristics. In some cases, the required data for a measure may not be part of PCC or, if it is, may not be coded at some facilities. Local surveys may need to be utilized in these areas to capture the required data. Standard survey questionnaires and procedures will be used whenever possible. The degree to which these activities will be achieved depends on the available infrastructure to address these demands in the face of the many competing priorities.

IHS Diabetes Audit

A final important data set that underpins the diabetes treatment indicators 2-5 is the IHS Diabetes Audit. Since 1986 a yearly medical record review to assess diabetes care has been conducted in more than 75% of the IHS and tribal facilities, representing care to nearly 70,000 AI/AN people with diabetes. Staff at participating facilities are encouraged to maintain active diabetes registries using uniform definitions. Each registry is maintained in the IHS computerized medical record system and includes information about individuals with diagnosed diabetes who have been seen at least once in the past three years. Each year a systematic random sample is drawn from each facility's registry, using a sample size sufficient to provide estimates of $\pm 10\%$ of the true rates of adherence for that facility with a confidence of $>90\%$.

The medical record review measures selected clinical interventions, performance measures, and intermediate outcomes using the uniform set of definitions. Chart reviews are conducted by the Area diabetes consultants and other professional staff trained by them in accordance with written instructions and definitions provided by the IHS Diabetes Program. The abstracted data are entered into a microcomputer-based epidemiologic software program. Summary reports are printed for immediate use by facility staff in their quality improvement and program planning

activities. Regional and national rates are constructed for each item of the medical record review after data are aggregated from all participating sites.

During the period 1995-1997, 150 sites submitted data to be compiled for the IHS total. Indian health facilities and tribally contracted facilities that do not provide direct patient services did not participate in the audit. Participation from each of the 12 IHS administrative regions varied by year and by federal or tribal management. All regions were represented in each year and approximately 2/3 of all the facilities contributed data in a given year. Tests of trend over the 3-year period were performed by the Mantel-Hanzel test except as noted in the text.

A.2 Changes and Improvements

The IHS FY 2000 Performance Plan and its 34 performance indicators have been revised based on updates in baselines and other data related issues that have been identified as part of implementing the FY 1999 plan. In addition, targets have been adjusted for certain treatment and infrastructure related indicators based on the actual FY 2000 IHS appropriation which was lower than the President's proposed IHS budget for FY 2000 in several categories.

The IHS FY 2001 Performance Plan include a management-related indicator for increasing the number of cost-saving contracts with vendors who provide services through the Contract Health Services mechanism and indicators to track suicide attempts and assure appropriate referrals for people at risk. In addition, the IHS is negotiating with CDC regarding collaboration on a pilot exercise/fitness initiative and performance indicator to support health promotion/disease prevention for obesity, diabetes, and heart diseases.

FY 1999 Performance Reporting

IHS has report on 20 of its 27 (74%) FY 1999 performance measures in the FY 1999 performance report included in this document. Data will be available on the remaining indicators by August of 2000, with the exception of Indicator 22 that will not be until December of 2002.

Revision to FY 2000 Performance Plan

The iterative process of developing the FY 1999-FY 2001 performance plans has required the IHS to audit many different data sets to assess current access to health services (coverage) and baseline rates of various conditions. During this process it has become increasingly clear that the continued diversion of available resources toward maintaining patient care in response to continued funding shortfalls has resulted in continued loss of the public health infrastructure that support data collection and analyses. Data sets that were previously well enumerated and maintained are now incomplete or under analyzed.

In light of these findings, the IHS has revised several indicators for FY 2000 to assure more reliable, timely and valid performance data. Furthermore, analyses of recent workload data have revealed continued declines in access to some services. Based on these trends and Congressional committee marks for the IHS FY 2000 budget below the President's request, we have reduced the target levels of a few indicators to reflect more realistic probabilities of accomplishment for FY 2000. The table that follows summarizes the significant changes in content or magnitude to FY 2000 indicators submitted with the FY 2000 budget.

Summary of Changes to the FY 2000 IHS Performance Indicators

Original FY 2000 Indicator	Revised FY 2000 Indicator	Rationale for Change
Indicator 2: By the end of FY 2000, increase by 3% the proportion of I/T/U clients with diagnosed diabetes who have improved their glycemic control over the FY 1999 level.	Indicator 2: Reduce diabetic complications by demonstrating a continued trend in improved glycemic control in the proportion of I/T/U clients with diagnosed diabetes in FY 2000.	It has been determined that three year running trend data (i.e., add the most recent year of data and drop the oldest year of data) is a more reliable for an ongoing measure.
Indicator 3: By the end of FY 2000, increase by 3% the proportion of I/T/U clients with diagnosed diabetes and hypertension who have achieved blood pressure control standards over the FY 1999 level.	Indicator 2: Reduce diabetic complications by demonstrating a continued trend in improved glycemic control in the proportion of I/T/U clients with diagnosed diabetes in FY 2000.	It has been determined that three year running trend data (i.e., add the most recent year of data and drop the oldest year of data) is a more reliable for an ongoing measure.
Indicator 4: By the end of FY 2000, increase by 3% the proportion of I/T/U clients with diagnosed diabetes who have been assessed for dyslipidemia over the FY 1999 level.	Indicator 4: Reduce diabetic complications by demonstrating a continued trend of improvement in assessing the proportion of I/T/U clients with diagnosed diabetes for dyslipidemia (i. e., cholesterol and triglyceride) in FY 2000.	It has been determined that three year running trend data (i.e., add the most recent year of data and drop the oldest year of data) is a more reliable for an ongoing measure.
Indicator 5: By the end of FY 2000, increase by 3% the proportion of I/T/U clients with diagnosed diabetes who have been assessed for nephropathy over the FY 1999 level.	Indicator 5: Reduce diabetic complications by demonstrating a continued trend of improvement in the proportion of I/T/U clients with diagnosed diabetes who have been assessed for nephropathy in FY 2000.	It has been determined that three year running trend data (i.e., add the most recent year of data and drop the oldest year of data) is a more reliable for an ongoing measure.
Indicator 6: By the end of FY 2000, increase the proportion of women who have annual Pap screening to 55%.	Indicator 6: By the end of FY 2000, increase the proportion of women who have annual Pap screening by 3% over the FY 1999 baseline.	Performance level adjusted based in FY 2000 appropriation and need to establish new baseline independent of the diabetes audit formerly used.
Indicator 7: By the end of FY2000, assure that at least 30% of the AI/AN female population 50-69 years of age have had screening mammography during the previous year.	Indicator 7: By the end of FY2000, assure that at least 30% of the AI/AN female population 40 years of age and older have had screening mammography during the previous year.	The CDC has changed its recommended age range for regular mammography from women 50 and older to women 40 and older.
Indicator 13: By the end of FY 2000, assure that the percentage of AI/AN children 6-8 and 14-15 years who have received protective dental sealants on permanent molar teeth is increased by 5% over the FY 1998 GPRA Dental Pilot Dental Project. level.	Indicator 13: By the end of FY 2000, assure that the percentage of AI/AN children 6-8 and 14-15 years who have received protective dental sealants on permanent molar teeth is increased by 3% over the FY 1999 IHS Oral Health Survey rate.	Performance level adjusted based in FY 2000 appropriation. The baseline has been changed to allow comparison with the more accurate 1999 Oral Health Survey findings.

Original FY 2000 Indicator	Revised FY 2000 Indicator	Rationale for Change
Indicator 16: By the end of FY 2000, at least 25% of the Urban Indian health care programs will have implemented mutually compatible automated information systems which captures health status and patient care data.	Indicator 16: By the end of FY 2000, the Urban Indian health care programs will have field tested in at least one site, a mutually compatible automated information systems which captures health status and patient care data.	Performance level adjusted based in FY 2000 appropriation.
Indicator 18: By the end of FY 2000, implement the OMB approved IHS-wide consumer satisfaction survey protocol and determine baseline level of satisfaction with the acceptability and accessibility of health care.	Indicator 18: By the end of FY 2000, obtain OMB clearance for IHS-wide consumer satisfaction survey and protocol and determine baseline level of satisfaction with the acceptability and accessibility of health care.	Submission for OMB clearance was delayed in FY 1999, but it is anticipated that it will occur in time to achieve baseline levels for FY 2000.
Indicator 19: Assure that by the end of FY 2000, the total number of public health nursing services (primary and secondary treatment and preventive services) provided to individuals in all settings and the total number of home visits are increased by 15% over the FY 1997 workload baselines.	Indicator 19: Assure that by the end of FY 2000, the total number of public health nursing services (primary and secondary treatment and preventive services) provided to individuals in all settings and the total number of home visits are increased by 7% over the FY 1997 workload baselines.	Performance level adjusted based in FY 2000 appropriation.
Indicator 20: During FY 2000, increase by 3% the proportion of AI/AN children who have completed all recommended immunizations by the age two over the FY 1999 rate.	Indicator 20: During FY 2000, increase by 2% the proportion of AI/AN children who have completed all recommended immunizations by the age two over the FY 1999 rate.	Performance level adjusted based in FY 2000 appropriation.
Indicator 21: By the end of FY 2000, increase by 3% overall pneumococcal and influenza vaccination levels among adults aged 65 years and older to 60%.	Indicator 21: By the end of FY 2000, increase by 2% the overall pneumococcal and influenza vaccination levels among adults aged 65 years and older over the FY 1998 rate.	Performance level adjusted based in FY 2000 appropriation.
Indicator 22: By the end of FY 2000, reduce deaths by unintentional injuries for AI/AN people to no more than 90 per 100,000 people.	Indicator 22: By the end of FY 2000, reduce injury-related hospital discharges for AI/AN people to no more than 71.5 per 10,000 people.	Injury mortality data have been difficult to secure in reasonable timeframes. The rate of hospitalization for injuries is probably a better proxy for actual injury rate and is available directly through IHS data sets.

Original FY 2000 Indicator	Revised FY 2000 Indicator	Rationale for Change
Indicator 28: By the end of FY 2000, develop and implement an environmental health surveillance system to provide the information needed to identify environmental health issues, establish local and regional priorities, and develop and evaluate environmental interventions and programs.	Indicator 28: By the end of FY 2000, develop the protocol and implementation plan for an environmental health surveillance system to provide the information needed to identify environmental health issues, establish local and regional priorities, and develop and evaluate environmental interventions and programs.	Performance level adjusted based in FY 2000 appropriation.
Indicator 29: By the end of FY 2000, IHS will reduce 1998 Backlog of Essential Maintenance, Alteration, and Repair (BEMAR) by 6%.	Indicator 29: By the end of FY 2000, IHS will have completed an evaluation of the current \$445,759,000 listing of the Backlog of Essential Maintenance, Alteration, and Repair (BEMAR) and addressed \$12 million of the FY 1999 BEMAR listing.	Performance level adjusted based in FY 2000 appropriation.
Indicator 30: By the end of FY 2000, provide sanitation facilities projects to serve 5,900 new or like-new homes and 9,930 existing Indian homes.	Indicator 30: By the end of FY 2000, provide sanitation facilities projects to serve 3,740 new or like-new homes and 11,035 existing Indian homes.	Performance level adjusted based in FY 2000 appropriation.
Indicator 31: Improve critically needed access to health care services by continuing construction of the Ft. Defiance, Arizona Hospital and the Parker, Arizona Health Center; completing the designs of facilities at Red Mesa, Arizona and Pawnee, Oklahoma; and providing new or replacement dental units by the end of FY 2000.	Indicator 31: Improve access to health care by continuing construction of the replacement hospital in Fort Defiance, Arizona; starting construction of the replacement hospital in Winnebago, Nebraska; continuing construction of the replacement health center in Parker, Arizona; designing the new health center in Red Mesa, Arizona; designing and starting construction of the staff quarters to support the hospital in Zuni, New Mexico; and continuing the design and construction of dental units.	Performance level adjusted based in FY 2000 appropriation.
Indicator 32: By the end of FY 2000, the IHS will have improved the level of consultation and opportunities for participation for its I/T/U partners as demonstrated by a 5% increase in score over the FY 1999 satisfaction survey.	Indicator 32: During FY 2000, the IHS will work with I/T/U stakeholders to revise the consultation process and develop an appropriate survey instrument and protocol to assess I/T/U satisfaction with the IHS consultation process.	Stakeholder interest in revising the IHS consultation policy and including guidance for the implementation process resulted in a delay of using the instrument developed in FY 1999 to collect baseline rates. Thus for FY 2000 the instrument will be revised in concert with the revisions to the consultation process. In addition, the survey will be submitted to OMB for clearance to allow the IHS to support the process.

Original FY 2000 Indicator	Revised FY 2000 Indicator	Rationale for Change
Indicator 34: During FY 2000, the IHS Headquarters and Areas will maintain full compliance with major Federal requirements (i.e., GPRA, GMRA, ITMRA, etc.), without expanding the administrative staff above the FY 1998 FTE level.	Indicator 34: During FY 2000, the IHS Headquarters and Areas will maintain full compliance with major Federal requirements (i.e., GPRA, GMRA, ITMRA, etc.), without expanding the administrative staff above the FY 1999 FTE target level of 10% below the FY 1997 level.	The reduction in FTEs that occurred in FY 1998 and FY 1999 were more than anticipated (22% below FY 1997) leaving "functional holes" in the IHS infrastructure. Some of these functions must be restored to meet accountability requirements so the target FTE level will be at the FY 1999 target level (i.e., 10% below the FY 1997 level).
Indicator 35: By the end of FY 2000, the IHS will have increased the number of interagency agreements and cooperative agreements with agencies and organizations that are directed at improving the health status and/or the quality of life of AI/AN people by 5 % over the FY 1999 level.	Indicator 35: By the end of FY 2000, the IHS will have increased the number of interagency agreements and cooperative agreements with agencies and organizations that are directly linked to performance plan indicators over the FY 1999 level.	The number of agreements is not a reliable and valid measure of the level of collaboration relative to the performance effort. For example, several agreements have been folded into a single larger agreement. This reflects a decrease in the number of agreements, but a higher level of collaboration.
Indicator 36: By the end of FY 2000, the IHS will have fully implemented Managerial Cost Accounting (MCA) in accord with DHHS and OMB guidance.	Indicator 36: By the end of FY 2000, the IHS will continue the implementation of Managerial Cost Accounting (MCA) through the development of transitional pilot sites in accord with DHHS and OMB guidance.	Performance level adjusted based in FY 2000 appropriation and an anticipated delay the implementation of needed data systems across local health care facilities.
Indicator 37: For FY 2000, the IHS will improve its overall Human Resource Management (HRM) Index score to at least 95 as measured by the DHHS annual HRM survey.	Indicator 37: For FY 2000, the IHS will improve its overall Human Resource Management (HRM) Index score to at least 94 as measured by the DHHS annual HRM survey.	Performance level adjusted based in FY 2000 appropriation.

A.3 Linkage to HHS and OPDIV Strategic Plans

The IHS FY 2001 Plan was developed in the context of the IHS component of the HHS Strategic Plan and the four broad strategic objective described in Section 1.1. From the perspective of the HHS Strategic Plan, every indicator selected directly or indirectly supports Objective 3.6 *Improve the Health Status of American Indians and Alaska Natives*. Furthermore, most indicators also address multiple other Department objectives and are listed in the "Linkages" section of each individual indicator.

A.4 Performance Measurement Linkages with Budget, Cost Accounting, Human Resources, Information Technology Planning, Capital Planning and Program Evaluation

Performance Measurement Linkages with Budget

One of the greatest challenges of implementing the GPRA in a public health program is responding to the requirements of demonstrating an outcome focus on one hand and better linkages to funding (and hence, costs) on the other. These are difficult and in some cases impossible goals to mutually accomplish. The IHS has integrated the use of process, impact and a few outcome indicators but because many health outcomes cannot be realized in a one-year plan, we have predominantly focused on activities that have an evidenced-based association with positive health outcomes over time (impact).

To attempt to enhance short-term detailed cost accounting as well as discipline specific outcome assessment capability would require the reprogramming of a significant proportion of resources away from patient care into administrative infrastructure. Such an effort would run against current trends and directives from the Department, Congress, OMB and our stakeholders. We contend given these realities, our plan meets the requirements and intent of the GPRA and more than adequately strengthens the connection between showing how health care funding is annually prioritized to the problems of greatest concern of our consumers. Health outcomes (i.e., mortality and morbidity) are well articulated annually in our publication *Trends in Indian Health*, but which present data that are two to three years old because of delays in the Nations data system infrastructure.

The IHS has elected to keep general reference to funding levels in the plan and built estimated accomplishment around the request funding level. We can identify which requested funding enhancements are generally linked to supporting specific indicators in some cases. While the linkage would be relatively clear and direct in the case of public health nursing or dental care related indicators, it would get more complex with the diabetes-related indicators and extremely vague in the case of consumer and employee satisfaction related indicators. Applying a linear single path manufacturing accounting model to many health problems and management issues in a comprehensive public health program such as the IHS is not feasible.

We have selected an aggregation approach largely based on the way our programs are managed and have selected four functional areas for the aggregation of the 24 budget categories identified in the IHS "Detail of Change Table": 1.) Treatment, 2.) Prevention, 3.) Capital

Programming/Infrastructure, and 4.) Consultation, Partnerships, Core Functions, and Advocacy. While this approach may appear to be an overly simplistic "lumping" of categories, it is important to realize that there is no aggregation or disaggregation that allows mutually exclusive activities linked to mutually exclusive health problems. For a more detailed discussion of these issues, see the *Program Aggregation* section on page 24 of this document.

Cost Accounting

Beginning in FY 1997, the IHS contracted with the Mitretek Systems to analyze technical alternatives for IHS cost reporting/cost accounting. This provided a detailed analysis of technical alternatives and a cost benefit and trade off analysis of alternatives. The results have been provided to a steering committee to support strategic decision making regarding the implementation of cost reporting and cost accounting at IHS. This system is necessary to assist IHS leadership to maximize utility of diminishing resources, be cost effective, and ensure that patient care can be provided to its customers.

Most recently, the steering committee met during the week of August 2, 1999, in Portland, Oregon. The immediate objective of this workgroup was to review, revise and expand the cost center structure of the agency. All the current 95 cost center specifications were reviewed for content and current applications. The workgroup has recommended that some of the current cost centers be deleted in future years.

Likewise, several new cost centers will be recommended for development. These reflect current technology, terminology and healthcare practices that will further help to delineate the agency's costs. It is anticipated that a larger workgroup will further revise the cost center in FY 2000 as well as look at other cost accounting issues and direction.

Human Resources

The IHS is committed to human resource development as an essential component of performance planning and performance management. Historically, we have consistently invested in long and short-term training in the clinical, public health, and management/leadership areas to assure capable providers and public health leaders. In recent years we have reduce these investments to in order to support other priorities. The effects of these reductions in training are undoubtedly multiple but perhaps most evident in growing staff retention difficulties. That these two problems are related was confirmed in surveys of employees leaving the IHS, who indicated that a lack of training opportunities was a significant determinant in their decision to leave.

Across budget categories in the requested FY 2001 IHS budget is a renewed commitment to find cost effective approaches to better meeting human resource development needs including clinical, public health, management, information technology, and teamwork. Through our Quality of Work Life initiative, the IHS has attempted to align its performance goals with its human resource management efforts in several ways. One, IHS has began a process by which future executives are identified and trained to take over top leadership positions one they become available. Primarily, the use of candidate development programs at all levels is the process that we will be using. Two, there is a large push to train our present and future leadership cadre at the lower levels by offering courses like Leadership in Context which focuses on leadership behaviors at all levels, and Leadership 2000 which focused on leadership behaviors at the individual contributor level. Three, we are planning to train a cadre of internal consultants/coaches to offer support and infrastructure to the change in culture that will be

needed for the future of Indian health. Four, there is a major push toward flexibility in working conditions for all employees, like flexiplace, flextime, etc.

We use the Human Resource Management Index (HRMI) to determine if our Human resource program is meeting employee and management expectations. The HRMI measures 14 different work related issues ranging from management culture to employee morale. The IHS HRMI score has been identified as a performance measure in both the FY 2000 and FY 2001 IHS Performance Plans (see Indicator 37 on page 82) and we expect to raise the HRMI score by at least one point each year to document performance improvement.

Information Technology Planning

The Clinger-Cohen Act (CCA) of 1996 (formerly the Information Technology Management and Reform Act), established new requirements for the information technology (IT) planning process that emphasize the management of IT resources as a "capital investment" and link these IT planning activities to budget and performance measures. The Act reflects the growing importance that the management of IT resources plays in contributing to efficient government operations. The IHS is working to integrate CCA activities in support of GPRA efforts and visa versa.

The IHS budget formulation process is the mechanism through which the portfolio of IT investments is selected and funded. Increased attention needs to be given to the economic and business justification of major investments. During the budget execution phase, an intensified management control process will be established to ensure performance goals are achieved, and that IT projects are delivered on time, within budget, and perform as intended.

The establishment of an IT investment review process as required by CCA represents a major paradigm shift in IT planning, acquisition and management. Because of this, IHS efforts have focused on educating IT/Us in the new IT management process and providing technical guidance in the development of IT management processes consistent with their operational and management environments.

During FY 2001, the IHS will establish an agency-wide IT Investment Review Board (ITIRB) and policies and procedures on IT capital planning and investment control processes in accordance with CCA requirements and Departmental guidelines. The IHS' approach to CCA implementation will follow the example of the Department in delegating responsibility and authority to the Area Directors for Area IT capital planning and investment control.

As part of the requirements of GPRA and the CCA, performance measurement is an essential part of effective management. CCA requires IHS to measure the contribution of IT investments to mission results. A key goal of the CCA is for agencies to have processes and information in place to ensure that IT projects are implemented at acceptable costs, within reasonable and expected time frames, and are contributing to tangible, observable improvements in mission performance. To effectively link strategic and IT capital planning along with the budget process, IT performance measurement efforts must monitor the performance of IT investments/projects to address whether they are effectively supporting the mission and programs of IHS.

Capital Planning

Capital asset planning for health care facilities construction is done in accordance with the IHS Health Care Facilities Priority System Methodology and submitted to OMB through Circular A-11, Preparation of Budget Estimates, Section III for reporting capital assets. These issues are represented in this performance plan by the three Capital Programming/Infrastructure Indicators 29-30 beginning on page 70.

Program Evaluation

In recognition of the growing importance of evaluation in supporting the IHS Mission, Goal and GPRA performance planning, the IHS has elected to add this section addressing program evaluation for FY 2000. The IHS evaluation process seeks to include American Indians and Alaska Natives as primary stakeholders in defining the purpose, design, and execution of evaluations. Stakeholders are the users of the end product of evaluations and typically are the population or groups most likely to be affected by the evaluation findings. The IHS has worked with it stakeholders in identifying and implementing principles of responsive evaluation practice and setting evaluation priorities.

The purposes of IHS evaluation efforts are:

- to advise the Director of the IHS on policy formulation; to conduct and manage program planning, operations research, program evaluation, health services researches, legislative affairs, and program statistics
- to develop the long-range program and financial plan for the IHS in collaboration with appropriate agency staff
- to coordinate with HHS, Indian Tribes, and organizations on matters that involve planning, evaluation, research and legislation
- to develop and implement long-range goals, objectives, and priorities for all activities related to resource requirements and allocation methodologies and models.

The Office of Public Health (OPH) serves as the principal advisory office to the IHS on issues of national health policy and coordinates these four evaluation functions:

- *Health Program Evaluations*--Collect and analyze information useful for assisting IHS officials in determining the need for improving existing programs or creating new programs to address health needs.
- *Policy Analysis*--Conduct analyses when a change in the IHS health service delivery system must be considered, when issues emerge in an area where no policy currently exists, or when current policies are perceived as inappropriate or ineffective.
- *Health Services Research*--Undertake analyses of the organization, financing, administration, effects, and other aspects of the IHS.
- *Special Studies and Initiatives*--Conduct studies and prepare special reports required by Congress in response to pending legislation or policies, often using a roundtable whenever an issue or a health problem requires immediate action and it is unclear what type of action should be taken.

The OPH meets part of the IHS evaluation needs with two major types of short-term studies: policy or program assessments and evaluation study. The policy study contributes to IHS decision making about budget, legislation, and program modifications and includes background

information to support IHS initiatives. Evaluation studies are carried out at the program level, or area offices, and focus on specific program needs.

Annually, OPH identifies the high-priority health care and health management issues and concerns through the submission of headquarters and area office proposals for assessment or evaluation. IHS area and associate directors submit proposals for possible areas of evaluation study. These proposals are reviewed and rated by a panel of subject-matter experts and evaluation experts and also reviewed by IHS staff for more specific concurrence with IHS strategic goals, objectives, and priority areas. The proposals are then ranked by priority and forwarded to the OPH for review and approval. The Director of the IHS reviews the final proposals and decides the respective funding levels.

Summary of Relevant Evaluations Activities

Several recent evaluation projects have significant direct and/or indirect implications for IHS performance planning and are thus summarized below:

Level of Need Funded Study Part 1: Benefit Package Costs for All Indians: This study, which is currently in draft report status, was designed to answer the question: *What would it cost to provide an equitable level of health care services to all eligible Indian people?* The research team used an actuarial analysis approach to address factors that affect the cost of providing health care benefits. The Federal Employee Health Benefits Plan was used as the benchmark for coverage and cost (i.e., premiums, co-payments, and deductibles) and adjustments were made for the population's age, health status, location, and estimated payments by other insurers (i.e., Medicare, Medicaid, and private).

The finding revealed that a health care package comparable to the Federal employee's provided to all 2.4 million AI/AN would cost \$2,980 per person for a total cost of \$7.4 billion annually. This same coverage applied to the current 1.34 million using the IHS system would cost approximately \$4 billion with about 25% of the cost expected to come from other sources (i.e., Medicare, Medicaid, and private). IHS appropriations provide only 59% of net funding needed for the 1.34 million Indian users and an additional \$1.2 billion would be needed to raise the level of need funded to 100%. The cost to expand coverage to the 1 million eligible Indians not now served by the Indian health care system would be an additional \$3 billion.

Diabetes in the Native American Population: The purpose of this project is to evaluate the effects of intensive counseling and drug management on the lowering of HgA1c's hypertension control and compliance with annual exams through a pharmacy practitioner diabetes program. The current Santa Fe Service unit (SFSU) HgA1c average is 8.3%. This is a reduction from 9.4% in 1995. It has been suggested that this reduction is due to the increased use of metformin at the SFSU. The cost of this agent for the past 2 years at SFSU alone totaled \$45,303. The estimated cost of all diabetic medication in FY 97 was \$31,750. The proposed use of another new agent troglitazone has the potential of triple this dollar amount. The project will attempt to limit these expenses by providing intensive counseling on the use of medications, reinforcing dietary and lifestyle changes and recommended by the dietician, reinforcing the use of self-blood glucose monitoring, and adjusting medication per protocol or doctors orders. The findings from this study underpin many of the strategies used in to achieve Indicators 2-5.

Evaluation of the Behavioral Risk Factor Surveillance System's Results and their Applicability to the Native Population of Anchorage: The purpose of this evaluation study is to determine the relative accuracy, validity and reliability of the Behavioral Risk Factor Surveillance System (BRPSS) risk estimates of the Anchorage Native population compared with data collected using other techniques that include (a) door-to-door household surveys, (b) key informant surveys, and (c) intercept data collection from Natives seeking primary care services in Anchorage from the Alaska Native Medical Center and the Primary Care Center.

The findings have significant implications for the most efficient and effective approaches to delivering health services and thus achieving many of the performance measures in this plan.

Evaluating the impact of primary intervention techniques on the dental caries rate in children living in southwest Alaska Native villages: The project will identify the reason why some communities in Bristol Bay have significant higher/lower caries rates in children than do other children in other Bristol Bay communities. Children aged 6-8 have been selected for the project. Since there are multiple contributing factors from caries, multiple risk factors must be reviewed to properly assess the risk for disease. The results of the project will be used to identify the factors that create high risk communities. A community model will be developed for use in allocating specific techniques including use of fluoridated water, consistent topical fluoride application, village education and support will reduce decay by an average of 2-3 surfaces per child at the end of those years.

Alaska Native Teen Tobacco Cessation Project: The purpose of the Alaska Native Teen Tobacco Cessation Project is to (1) help the youth who participate in the project to quit tobacco, 2) motivate the youth to become tobacco prevention and cessation advocates in their communities, and 3) determine the effectiveness of the cessation camp model in helping youth to quit tobacco. The utility of the study is to provide health educators, parents, teachers, community health aids, and other community health workers with information about the effectiveness of this particular approach to teen tobacco cessation.

This project will provide important information and strategies relevant to the development of Tobacco Control Centers as outlined in Indicator 26.

Assessing Substance Abuse Treatment Outcomes for Native Americans Residing on the Reservation: This study will provide a description of the severity of the participants' problems across eight domains (medical, legal, employment, social, drug use, psychological and spiritual) prior to intervention, and for up to 24 months after intervention. This description will provide the basis upon which improvements of the treatment program can be made. Areas that should be targeted for specific populations will be identified. In addition, the study will produce a set of manuals documenting the interventions provided by Indian Rehabilitation, Inc., in a manner that will allow replication by other facilities.

Methodology for Adjusting IHS Mortality Data for Inconsistent Classification of Race-Ethnicity of American Indian and Alaska Natives Between State Death Certificates and IHS Patient Registration Records: The findings in this study indicate that on 10.9 percent of IHS Indian records matched to national death records, the race reported for the decedent was other than American Indian or Alaska Native. The percentage of records with inconsistent classification of race varied considerably among the IHS Areas. Recommendations included replicating the study using data on deaths occurring since 1988, using the adjustment factors developed in the study, and working with States to decrease inconsistent race reporting. While the significance of the study is not profound in terms of the performance indicators in this plan (i.e., the indicators are not based on State death certificates), the long-term significance in monitoring mortality disparities for the AI/AN population is critically important. The adjustments factors developed from this investigation are now being utilized in calculating AI/AN mortality rates in all the IHS publications.

Evaluation of the Indian Health Service (IHS) Adolescent Regional Treatment Centers: The principal conclusion based on this study's findings is that regional treatment centers have developed effective adolescent alcohol and substance abuse programs. The continuity of care and aftercare, however, is the biggest problem. The regional treatment centers need additional mental health staff resources, client charting improvements, and innovative ways to increase family involvement. Recommendations include improving the continuum of care to adolescent substance abusers, self-evaluation, and regional treatment center effectiveness and efficiency. This evaluation effort served as a major determinant in selecting Indicator 9 for this plan that addresses follow-up care for youths returning from regional treatment centers.

Evaluating the Effectiveness of Alcohol and Substance Abuse Services for Native American and Alaska Native Women: Phase II Final Report: This evaluation provides both qualitative and quantitative information about a group of women that has been traditionally underrepresented in research. The life conditions of women about whom information was gathered are extreme, and for many women, adverse or abusive childhood experiences and conditions have carried through to adulthood. The vast majority of women were exposed to various types of abuses—such as physical, sexual, and emotional abuse—from childhood to adulthood. Women entered treatment through a variety of ways. Those who were mandated tended to enter treatment as an alternative to incarceration. Women hear about the availability of services through the court system, word-of-mouth, or through a community or an American Indian and Alaska Native social service agency. Women in the focus groups tended to select their current alcohol and other drug treatment program over alternatives because of its focus on American Indian and Alaska Native tradition and culture. The women and staff also espoused the benefits of the family-like environment that the treatment centers promoted. The availability of women-centered, family-focused approaches to alcohol and other drug treatment is severely limited in the United States. Several barriers to services for potential participants exist. The leading obstacle for parenting women is the lack of child-care for their children while in treatment. It was strongly emphasized that a woman's recovery was dependent on three key factors: herself, her social networks, and her community.

Partially based on the findings of this evaluation, this plan includes indicators which address policies and procedures for dealing with substance abusing women (Indicator 10) and for identifying, treating and/or referring victims of family violence, abuse or neglect (Indicator 14).

Prior Trauma Care of Intoxicated Patients as a Predictor of Subsequently Fatal Injury: The IHS has funded a study that includes the preliminary data collection, crude data reporting, and initial death certificate-hospital record linkage for alcohol related fatalities. The purpose of this study is to identify intervention opportunities associated with nonfatal, alcohol-related injuries reported in IHS emergency departments and clinics that could, over time, decrease alcohol-related injury death in the Billings, Montana, Service Units. This study is providing baseline data for post-intervention comparisons by expanding the existing database about alcohol-related injuries and death. The findings are being used to identify different intervention and prevention strategies directed at decreasing alcohol-related injuries and deaths in the Billings, Montana, Service Units. Injury-control efforts include a new policy regarding referrals by emergency room treatment staff to alcohol treatment staff. Prevention of alcohol-related injuries and deaths will also include activities focused on informing youth about the relationship between alcohol consumption and high-risk behavior. The findings of this evaluation effort underpin the interventions that are being used in achieving Indicator 22 in this plan addressing the reduction of unintentional injury mortality rates.

Resource Requirements Methodology Update: In the early 1970's, the IHS formulated the Resource Requirements Methodology (RRM) as a management tool to provide a comprehensive, systematic, and uniform process for estimating the level of resource requirements necessary to provide adequate health care to IHS customers and to assist in the allocation of non-earmarked resources. To reaffirm the purpose of the RRM, a study was conducted in 1995 to determine the validity and accuracy of the present methodology for use in today's health care environment. Preliminary findings support the need to update the current methodology to meet the future program demands of the IHS. The will consist of the following phases: (1) Update Staffing Criteria and Modules, (2) Formulate Needs Assessment Cost Model, and (3) Needs Assessment Model Training. This methodology is critical to planning the achievement of most of the health service related indicators identified in this plan.

Development of a Health Services Research Agenda for American Indian and Alaska Native Populations: The IHS and the Agency for Health Care Policy and Research cosponsored a health services research conference as a first step in a long-term agenda-setting process to identify the most important health services research issues facing AI/AN communities and their health care systems over the next 5 to 10 years. The health services research agenda is intended to promote collaboration among American Indian or Alaska Native organizations, tribal and urban health systems, medical communities, foundations, and government agencies to increase communications and produce research information on health program services for the American Indian or Alaska Native patient. The health services research agenda is also intended to provide a forum for discussing health care reform changes that are creating new directions in the Indian health care system.

The agenda developed from this conference will serve as a priority guide in achieving Indicator 35 in this plan that seeks to increase collaborative partnerships with other organizations.

New Directions for Evaluation

The IHS is responding to dramatic changes taking place inside and outside the Government including greater involvement of tribal governments in the Indian health care system, technological innovations, the changing patterns of disease to more chronic conditions, and the transfer of many Federal programs and resources to individual States. These changes will affect the IHS evaluation strategy in the coming years. Nevertheless, the IHS remains committed to comprehensively community-based, preventive, and culturally sensitive projects that empower tribes and communities to overcome health issues. Specific research and evaluation proposals currently in process include the following topics: evaluation of the effects of medical nutrition therapy on patient outcomes among Native Americans with newly diagnosed type II diabetics, evaluation of the elders clinic at the Zuni (New Mexico) Ramah Service Unit, and the evaluation of the impact of the Northern Cheyenne End-Stage Renal Disease Prevention Project.

In addition, the Director of the IHS has increased emphasis on several areas consistent with the Secretary's initiatives and the DHHS Strategic Plan. These initiatives focus on women's health, youth, traditional medicine, elder care, and establishment of working relationships with Federal and State governmental agencies. These initiatives will undoubtedly affect new directions for evaluation.

NAVAJO AND HOPI INDIAN RELOCATION

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATIONFISCAL YEAR 2001APPROPRIATION SUMMARY STATEMENT

The Office budget request for fiscal year 2001 is \$15,000,000. The funds requested will support the Operation of the Office, Relocation Payments (Housing Acquisition and Construction), Incentive Bonus Payments, and Discretionary Funding to facilitate and expedite resettlement activities.

Component elements of the Budget Proposal include: (thousands)

- Operation of the Office	\$5,500
a. Office of the Commissioner	
b. Executive Direction	
c. Administration	
- Relocation Payments (Housing)	7,800
- Incentive Bonus Payments	400
- Discretionary Funds (Individual Infrastructure)	<u>1,300</u>
Total Budget Request	<u>\$15,000</u>

Consistent with the provisions of PL 93-531 and its associated Amendments Act of 1980, PL 96-305, 1988, PL 100-666, and 1991, PL 102-180, the Office will continue efforts towards the final settlement of the long standing dispute between the Navajo Nation and the Hopi Tribe.

General Restrictions:

Prior to the details of this budget being further explained, the Office wants Congress to understand that the requested funding level allowed by the Administration will only be sufficient to operate the Office and move 92 clients. There is a certain amount of work that must be done before people are willing and able to move into a new area, i.e. archaeology, power lines, water and sewage systems, roads, etc. These continuing projects will all have to be put on hold until funds are available for them. Current clients will only be able to move into areas that are fully ready for houses to be built, or to off-reservation areas. It is also necessary to understand that without the money for completion of these collateral projects, there may be a slowdown in our ability to move people in the future. We can't move a client into an area where the group infrastructure has not been completed. On the other hand, in FY2001, if the Office has a client that cannot wait to move until a project is completed,

we will be forced to complete whatever project is necessary, with a corresponding decrease in the number of relocations that can be accomplished.

Operation of the Office

Mission Statement: The mission of the Office of Navajo and Hopi Indian Relocation is to provide quality services to eligible households and others impacted by the Relocation Act, in such a way that our clients have the opportunity to re-establish their lives in a positive and productive manner.

Long-Range Goal: The long-range goal of the Office is to assure that all relocation-resettlement activities conducted by the Office are consistent with the intent of Congress and the Executive Branch as expressed by PL 93-531, and the Navajo and Hopi Indian Relocation Amendments Act.

Major Objectives

1. Conduct meetings and support various other activities of the Commissioner, as necessary, to insure the proper review and oversight of the Office of Navajo and Hopi Indian Relocation.
2. Maintain an effective management structure for the direction, implementation, and management of Office policy by agency staff.
3. Provide necessary research and evaluation of ongoing and new program proposals for dissemination by agency management.
4. Maintain an effective program of federal and legislative coordination to insure that the necessary resources from appropriate federal participants are included in the overall relocation implementation efforts.
5. Provide ongoing engineering and technical support to relocation planning and implementation activities.
6. Conduct a comprehensive program of Relocation Services for Navajo and Hopi families participating in resettlement activities. This will include necessary family counseling assistance, the payment of incentive bonuses, the acquisition of decent, safe, and sanitary replacement housing, the disposal of abandoned property and improvements on the former Joint Use Area, and various other activities necessarily associated with relocation-resettlement.
7. Conduct a comprehensive program of new construction and resale dwelling building inspections. Through ongoing inspections, decent, safe, and sanitary housing for relocatee families shall be provided within the prevailing benefit ranges.

8. Conduct planning and evaluation programs directed towards determining the feasibility of involving the private business sector in developing workable commercial alternatives for lands acquired for occupancy by relocatee families.
9. Utilize discretionary funding assistance for projects designed to facilitate and expedite relocation efforts through practical land usage alternatives.
10. Conduct administrative and financial management programs in support of all agency activities.

Program Objectives: To provide effective relocation assistance to families subject to resettlement as a result of partition. To complete the necessary development of the New Lands to accommodate those who have chosen a site thereon, in accordance with the wishes of the Appropriations Committee. To coordinate activities with other federal participants. To utilize Office resources to mitigate the impacts of relocation through sound economic development planning.

Program Accomplishments Since Inception: The Office has operated a program of relocation operations since 1977. As of the end of FY1999, a total of 3,082 families had received relocation assistance, and a total of 433 certified heads of household remained to be relocated. Approximately 73 of these families still resided on the partitioned lands and 360 resided elsewhere.

- A total of 2,980 Navajo families had relocated from the Hopi Partitioned Lands, 1,940 to on-reservation homesites and 1,040 to off-reservation. (361 of the on-reservation homesites are located on the New Lands.) 426 Navajo families remain to be relocated, approximately 73 residing on the HPL and 353 residing elsewhere.
- A total of 26 Hopi families had relocated from the Navajo Partitioned Lands, 23 to on-reservation homesites and 3 off-reservation. 1 Hopi NPL family remains to be relocated.
- A total of 76 Navajo families, who were forced to move from District Six as a consequence of the decision in U.S. vs. Kabinto, have received relocation benefits. The replacement homes of 54 of those families are located at on-reservation homesites (19 of these homesites are located on the New Lands), and 22 are off-reservation. 6 District Six families remain to receive benefits.

The Office has been instructed to limit new development of the New Lands, and, in fact, this budget submission contains no funding request to finish projects that are not at this time completed on the New Lands. These projects will, however, need to be completed in the future so that the funds already spent will not have been wasted. In addition, the needs for future development on the New

Lands are difficult to predict since they are influenced by factors over which the Office has no control. Future budgets will include requests for new developments as the needs arise.

One of the factors that may force additional new development on the New Lands is the Accommodation Agreement signed by most Navajo families currently living on the HPL and the Hopi Tribe. This instrument gives families who signed the Agreement a 75-year lease on the HPL. Any of these families who have signed leases can change their minds before February 1, 2000 (or within three years of their original lease signing), give up their lease, and still receive relocation benefits from the Office. As of the end of FY1999, the Hopi Tribe has indicated that 209 leases had been signed by potential relocates under this Agreement. Of these signers, 60 have also now signed relinquishments. (They now intend to accept relocation.) It is likely that as the final date for relinquishment of these leases is reached, the Office may need to develop new homesites and/or subdivisions with their accompanying infrastructure. This budget for FY2001, however, does not include any funds for this contingency. As this issue unfolds, the Office may have to request supplemental funding to handle these projects.

Program Accomplishments for FY1999: The Office's primary program accomplishments during FY1999 are identified in the table "Output/Workload Measures." Additional information about activities and accomplishments during FY1999 is provided below:

- 90 Navajo families, in the following categories, were relocated in FY1999: 68 to on-reservation homesites (76%), and 22 to off-reservation (24%).
- 1 Navajo family who was evicted from District Six as a consequence of the decision in the case of the U.S. vs. Kabinto, 1972, received benefits as provided for in Public Law 96-305.
- 5 HPL families who formerly resisted relocation and failed to file an application for benefits by July 7, 1986, were provided with relocation homes pursuant to 25 CFR 700.
- 40 on-reservation homesite leases were approved and received from the Navajo Nation. There are an additional 58 leases at the Navajo Nation Office of Land Development or BIA awaiting final approval. These are for individual homesites.
- As of the end of FY1999, a total of 2,813 cases had been closed because of the end of the 2-year post-move follow-up period. There was an active/open caseload of 269 cases.

The following illustrates the status of the families who have been certified eligible for benefits as of the end of FY1999:

Certified Eligible	3,515	There are 53 active appeals of denied applications.
Relocated	<u>3,082</u>	
Relocation in Progress	<u>433</u>	Includes 73* full-time residents of the HPL.
Homes Being Built	32	Includes 1 full-time resident of the HPL.
Seeking Homes	74	Includes 5 full-time residents of the HPL.
Remaining	<u>327</u>	Includes 67 full-time residents of the HPL.
Total to be relocated	<u>433</u>	

(* As of September 30, 1999, 70 of these HPL residents had signed the Accomodation Agreement with the Hopi Tribe. Of these seventy leases, 18 have signed relinquishments and will be moving under the auspices of the relocation program.)

As of the end of FY1999, there are 53 pending appeals of the total of 1,038 denied cases. It is estimated that 20 of these denials will be reversed by administrative appeal or District Court, which will bring the certified total to approximately 3,525.

<u>Output/Workload Measures:</u>		Actual	Estimated	Estimated
<u>Function:</u>		<u>FY1999</u>	<u>FY2000</u>	<u>FY2001</u>
1.	Eligibility Appeals Hearings & Administrative Case Reviews			
	With Reversals	26	47	0
2.	Pre-move Counseling Sessions	1600	1400	1100
3.	Housing Counseling Sessions	315	280	322
4.	Homesite Feasibility Studies	180	160	194
5.	Construction Inspections	634	560	650
6.	Properties Disposed	51	20	20
7.	Post-Move Home Contacts	167	170	160
8.	Post-Move Referrals to Outside Agencies	13	10	10
9.	Home Warranty Inspections	278	250	285
10.	Families Relocated	90	80	92

Program Objectives for Proposed Funding Level:

1. The Office, during FY2001, plans to relocate 92 families, for a program total of 3,254.
2. The Office will be working jointly with IHS and NTUA to furnish utilities to homesites chosen by relocatees on the big reservation. Any other group infrastructure projects to service future relocatees will not be funded in FY2001. This may bring a slowdown in the process in the future.
3. Relocatee families, remaining to be relocated, will continue to be contacted individually to give them additional information on the New Lands and other subdivision sites being developed, and to request that they choose a relocation site.
4. The Office will continue to work closely with various other federal agencies with statutory responsibility for provision of services to Indian communities. The Office will continue to coordinate planning and development efforts with these agencies so that these services will be made available to the relocatees on the New Lands and existing reservation sites.

Justification

Title of Activity: *Operation of the Office* (Decrease of \$51 from Base).

Authorization: P.L. 93-531; 88 Stat. 1712 Sec. 12; 25 U.S.C. 640d.

(dollar amounts in thousands)

Program Element	FY2000 Approp.	FY1999 Carryover	FY2000 Base	FY2001 Estimate	Change To Base
Operation of the Office	\$1,010	\$4,541	\$ 5,551	\$5,500	-\$51
FTE	(71)		(71)	(61)	(-10)

Base Program: The operations of the Office of Navajo and Hopi Indian Relocation can be broken down into three program areas:

- A. Office of the Commissioner.
- B. Executive Direction: New Lands Management & Coordination, Legal & Community Relations, & Personnel.

C. Operations & Administration: Relocation Operations & Administrative Coordination.

A. Office of the Commissioner: The Commissioner has the authority and responsibility for the formulation of all agency management and operational policy and the oversight of all agency programs.

B. Executive Direction: This branch oversees all of the Office's operational and administrative programs, the coordination of legal services, the implementation of Office policy, and the development and implementation of program initiatives. Monitoring and review of joint venture proposals from other federal, state, and tribal entities engaging in relocation program activities are also undertaken.

1) New Lands Management and Coordination:

This department provides the technical analysis attendant to the planning and development of lands for relocation purposes and assesses the development necessary for facilities and services. Such analyses include negotiations with current permit or lease holders, engineering analyses, grazing capability analyses, and reviews of the sites by potential relocatee occupants. Utilization of existing federal and state agency surveys and studies in the area of soil composition, water development, and mineral composition is stressed to avoid duplication of efforts.

a) New Lands Cultural Resource Protection Program:

The Office employs a Cultural Resources Manager to oversee the extensive archaeological survey and site mitigation work that is required of the Office to fulfill its responsibility as "lead federal agency" in the development of the New Lands.

The Office's role is primarily administrative. Actual on-site field work is conducted by staff from the Navajo Nation Archaeological Department, the Zuni Archaeological Program, and numerous other contractors, through cooperative agreements executed between these organizations and the Office. Relationships have been developed between the Office and the Museum of Northern Arizona for curation of artifacts.

b) Range Improvement and Management Component:

During FY1989, The Office assumed the responsibility for range improvement and management on the New Lands, under the provisions of P.L. 100-666. The monies thus transferred from the BIA

were almost sufficient to fund this component through FY1994. Since FY1994, this range program has been funded entirely out of funds designated for Operation of the Office. We estimate a total of 14 FTE will be necessary to run this program during FY2001.

2) Legal and Community Relations:

During FY1990, due to the Sands vs. NHIRC decision, our eligibility appeal caseload increased by approximately 550 denied applications. All administrative appeals that are currently on hand should be processed prior to the start of FY2001.

C. Operations & Administration: This branch oversees the actual relocation of clients as well as all administrative support services.

1) Relocation Operations:

Relocation Operations provide ongoing consultation with the relocate family from the beginning to the end of the process. These services include pre-move counseling to inform the families of various options available in the selection of a home, evaluation of economic and social status of the relocatees, coordination of other federal and state agency assistance activities for relocatee families, post-move counseling, and referral assistance to existing service providers upon completion of the relocation process.

This department also provides for a full range of real estate acquisition activities and includes new construction contracting, acquisition of new and resale dwellings, and monitoring of any necessary warranty or housing repair programs. Coordination of group moves and other innovative approaches to housing acquisition are also encompassed within this activity. Within this department, the Inspections and Compliance branch provides engineering and technical assistance to other agency components. This includes engineering reports, engineering and support service coordination with other agencies, analysis of proposed construction plans, and on-reservation building site feasibility analysis. The primary mission of this unit is to insure that relocatee dwellings meet all applicable decent, safe, and sanitary standards, and that building sites offer families the best possible structural alternatives.

2) Administration:

All necessary administrative and financial management services are provided to the agency within this branch. This includes the preparation and presentation of the Office's budget proposals, all internal financial management programs and reports, all supply and equipment maintenance systems, personnel services, vehicle fleet management, data and word processing, and all procurement services including contracting for services, grant management, and managing agreements with other

agencies.

Title of Activity: Relocation Operations (Decrease of \$673 from Base)

Authorization: P.L. 93-531, 88 Stat. 1712, Sec. 27; 25 U.S.C. 640d

(dollar amounts in thousands)

Program Element	FY2000 Approp.	FY1999 Carryover	FY2000 Base	FY2001 Estimate	Change To Base
Relocation Operations	\$6,186	\$2,287	\$8,473	\$7,800	-\$673
FTE	(0)		(0)	(0)	(0)

Base Program: Relocation Operations encompasses three components: relocation payments for housing, cultural resources protection program, and funds for road construction. In FY2001, the requested funds would underwrite the cost of relocating a maximum of 92 families.

Housing:

The relocation payments for housing include: disposal of acquired property on the HPL/NPL, costs of obtaining homesite leases and other permits from the Navajo Nation and Hopi Tribe, the acquisition of housing for relocatee families through resale dwelling purchases in existing communities or the construction of new homes on or off reservation, and payments associated with the relocation process including moving expenses. It also includes certain engineering costs necessary to developing sites, both on the existing reservation and the New Lands.

Our request for this activity is for 92 moves at an average of \$85,000 each, totaling \$7,800,000. These funds will support (1) the acquisition of replacement housing, (2) payments due families for reasonable search and moving expenses to new locations, (3) necessary payments for miscellaneous expenses such as title and escrow fees and homesite acquisition costs, and (4) costs directly associated with engineering and planning for housing construction.

Housing and related costs	\$7,800,000
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Cultural Resource Protection Program:

In past years, the costs associated with archaeology have included funds for the Office's in-house operations through various contractors, funds transferred to the Navajo Nation to address the indirect

impacts to cultural sites as the result of developing and moving families to the New Lands, and funds transferred to the Hopi Tribe for both cultural preservation and property dismantling on the HPL. With the current passback approved by OMB, there will be no funds available for these archaeology programs. In FY2001, any archaeology performed will have to come from any carryovers from FY2000. If there are no amounts carried over, there will be no new archaeology performed. Clients who request a move to an area that has not already been cleared for archaeology will have their relocation put on hold until FY2002 when additional funding will hopefully be given.

Road Construction:

Again, due to the budget constraints, there will be no road projects included in the budget request for FY2001. There are roads that need to be finished on the New Lands, and maintenance including chip-sealing that needs to be performed on the existing New Lands roads. These projects likewise will be deferred until FY2002.

The following is a summary of Housing Funds requested for FY2001:

Estimated costs:	
Housing & related costs	\$7,800,000
Cultural resource protection	0
Road construction	0
Total Housing Request	<u>\$7,800,000</u>

Title of Activity: *Assistance Payments* (Increase of \$150 from Base)

Authorization: P.L. 93-531,88 Stat. 1712, Sec. 27; 25 U.S.C. 640d

(dollar amounts in thousands)

Program Element	FY2000 Approp.	FY1999 Carryover	FY2000 Base	FY2001 Estimate	Change To Base
Assistance Payments	\$222	\$28	\$250	\$400	\$150
FTE	(0)		(0)	(0)	(0)

Base Program: The Assistance Payment (Bonus) component provides for the payment of an incentive bonus for clients who volunteered for relocation prior to July 7, 1986. In FY2001, we expect bonus payments for the move of 92 clients to amount to approximately \$400,000.

\$400,000

Title of Activity: *Discretionary Funds Management* (Increase of \$290 from Base.)

Authorization: P.L. 93-531, 88 Stat. 1712, Sec. 27; 25 U.S.C. 640d.

(dollar amounts in thousands)

Program Element	FY2000 Approp.	FY1999 Carryover	FY2000 Base	FY2001 Estimate	Change To Base
Discretionary Funds	\$582	\$428	\$1,010	\$1,300	\$290
FTE	(0)		(0)	(0)	(0)

Base Program: Public Law 96-305 authorized a Discretionary Fund. The purpose of this fund, as defined by Congress, is "...to facilitate and expedite the relocation efforts of the Office..." The Office anticipates utilizing these funds to underwrite the cost of a broad range of activities designed to support land development, group moves, economic development, water development, utility extensions, and other activities which will facilitate and expedite the program.

During previous years, the Office has coordinated specific group infrastructure development projects with the Navajo Nation, the Navajo Tribal Utility Authority, the Indian Health Service, and other organizations to "cost share" a variety of construction efforts. In all cases, the projects have been directly related to the provision of services and community facilities for relocatee families at their resettlement sites. Efforts to provide basic services to existing communities during this process has aided the host chapters in absorbing the pressures of an increased population from relocatee families on already limited or under-developed resources and service capabilities. However, with the limited funding proposed for FY2001, the Office will forego these projects, as well as grants that have aided the Nahata Dził Chapter, various livestock associations on the New Lands, and the continuing education of the New Lands relocatees. In FY2001, the Office recommends and proposes to participate in the following projects with Discretionary Funds:

Housing Infrastructure Cost:

At the request level, the expenses of providing individual infrastructure, in addition to the individual housing benefit, for 92 relocations would approximate \$1,200,000. This is based on an average infrastructure cost of \$13,000/house.

\$1,200,000

Uncommitted Discretionary Funds

When the authorization for the Discretionary Fund was originally passed, it was clearly anticipated that the Office would spend a set amount of money that would not be line-item budgeted, that would allow the Office the discretion to make decisions on a case-by-case basis of applications for worthwhile projects that reduce the adverse impacts of relocation. If the Office were required to justify all of its discretionary funding on a line-item basis, no projects which were not anticipated by the applying party could be considered unless they had approximately two years advance time to get into the budget process with the Office. Congress has instructed the Office to be especially responsive to Tribal requests for matching funds for worthy projects. This request will allow the Office the latitude to respond to current requests for small worthwhile projects.

\$100,000

The summary of Discretionary Funds requested is as follows:

Housing infrastructure	\$1,200,000
Uncommitted funds	<u>100,000</u>
Total Discretionary Request	<u>\$1,300,000</u>

RECAP OF BUDGET REQUEST FOR FY2001

Operation of the Office	\$5,500,000
Housing	7,800,000
Bonus	400,000
Discretionary Funds	<u>1,300,000</u>
Total	<u>\$15,000,000</u>

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

RESOURCE REQUIREMENTS (Dollars in Thousands)

	FY1999 Actual	FY2000 Approp.	FY1999 Carryover	FY2000 Base	FY2001 Estimate	Change To Base
Operation of the Office	5,518	1,010	4,541	5,551	5,500	(51)
Relocation Operations (housing, roads, & archaeology)	14,400	6,186	2,287	8,473	7,800	(673)
Incentive Bonuses	312	222	28	250	400	150
Discretionary Funds	3,180	582	428	1,010	1,300	290
TOTAL	23,390	8,000	7,284	15,284	15,000	(284)

OFFICE OF NAVAJO AND HOPINDIAN RELOCATION

SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amount in thousands)

Appropriation: Salaries and Expenses	FY2000 Approp.	FY1999 Carryover	FY2000 Base	FY2001 Request	Change To Base
11.1 Full-time permanent positions	1,990	1,660	3,650	3,620	(30)
11.3 Other than full-time permanent					
11.8 Special personnel services payments					
11.9 Total personnel compensation	1,990	1,660	3,650	3,620	(30)
12.1 Personnel benefits: Civilian	315	488	803	797	(6)
21.0 Travel and transportation of persons	211	54	265	260	(5)
22.0 Travel and transportation of things	(13)	14	1	1	0
23.0 Rental payments to other, communications utilities, and miscellaneous charges	352	114	466	466	0
24.0 Printing and reproduction	(135)	150	15	16	1
25.0 Other services	(614)	895	281	270	(11)
26.0 Supplies and materials	(951)	1,011	60	60	0
31.0 Equipment	(145)	155	10	10	0
32.0 Lands and structures	6,186	2,287	8,473	7,800	(673)
41.0 Grants and bonuses	804	456	1,260	1,700	440
TOTAL REQUIREMENTS	8,000	7,284	15,284	15,000	(284)

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATIONSALARIES AND EXPENSESProgram and Performance

The Office of Navajo and Hopi Indian Relocation was established by Public Law 93-531 to plan and conduct relocation activities associated with the settlement of a land dispute between the Navajo Nation and the Hopi Tribe. The three-member Commission which was appointed in July 1975, submitted a plan for such relocation to the Congress. The Office is continuing to conduct relocation activities under a single Commissioner.

Amending legislation, P.L. 96-305, authorized the Office to grant Life Estates to eligible applicants, conduct a program of Discretionary Funding, and engage in land evaluation/analysis for possible acquisition as relocation sites, and provide for its own administrative, fiscal and housekeeping services.

Amending legislation, P.L. 100-666, reorganized the Commission to replace the Board of three Commissioners, appointed by the Secretary of Interior, with a single Commissioner appointed by the President of the United States with the advice and consent of the United States Senate. Additionally, P.L. 100-666 addressed several other policy concepts regarding the allowability of some improvement to properties in the 1934 Dispute Area, clarified the authority of the Commissioner for final planning authority on the New Lands, addressed certain legal expenditures for tribal expenses related to the relocation dispute, and other miscellaneous housekeeping issues. P.L. 100-666 also increased the Office's annual housing authority from \$15,000,000 to \$30,000,000, increased the total amount of money available for incentive payments to \$13,500,000, and provided an additional authority for the expenditure of Discretionary Funds which requires no match from outside sources when such expenditures are directly in the interest of the relocatees and in support of provision of infrastructure and related facilities to relocatees.

Amending legislation, P.L. 102-180, extended the authorization of housing appropriations through FY1995, and clarified the status of the employees, most of whom were reclassified to Competitive Service.

Amending legislation, P.L. 104-15, extended the authorization of housing appropriations through FY1997.

Amending legislation, P.L. 104-301, extended the authorization of housing appropriations through FY2000.

Legislation is needed in FY2001 to extend the authorization of housing appropriations (25 U.S.C. Sect 640d-24 (A) (8)).

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATIONFEDERAL FUNDS

General and Special Funds:

For necessary expenses of the Office of Navajo and Indian Relocation as authorized by Public Law 93-531. (\$8,000,000) \$15,000,000 for operating expenses of the Office. (Department of the Interior and Related Agencies Appropriations Act, Public Law 106-113)

Program and Financing
(in thousands of dollars)

Identification Code 48-1100-0-1-806	1999 Actual	2000 Estimate	2001 Estimate
Obligation by Program Activity:			
Operation of the office	5,518	5,551	5,500
Relocation payments (housing)	14,400	8,473	7,800
Incentive bonus payments	312	250	400
Discretionary fund payments	3,160	1,010	1,300
Total obligations	23,390	15,284	15,000
Financing:			
Recovery of prior year obligations	(458)	(1,000)	
Unobligated balance, start of year	(17,216)	(7,284)	(1,000)
Unobligated balance, end of year	7,284	1,000	1,000
	13,000	8,000	15,000
Appropriation	13,000	8,000	15,000
Transfer from other accounts			
Appropriation (adjusted)	13,000	8,000	15,000
Relation of obligations to outlays:			
Obligations incurred, net	23,390	15,284	15,000
Obligated balance, start of year	6,265	7,982	7,266
Obligated balance, end of year	(7,982)	(7,266)	(4,266)
Adjustment in expired accounts	(458)	(1,000)	
Outlays	21,215	15,000	18,000

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION
SALARIES AND EXPENSES

Identification Code 48-1100-0-1-806	1999 Actual	2000 Est.	2001 Est.
Personnel Compensation:			
11.1 Full-time permanent	3,505	3,650	3,620
11.3 Other than full-time permanent			
11.8 Special personal service payments			
11.9 Total personnel compensation	3,505	3,650	3,620
12.1 Personnel benefits: Civilian	773	803	797
13.0 Benefits of former personnel			
21.0 Travel and transportation	271	265	260
22.0 Transportation of things	1	1	1
23.0 Rental payments to others, communications, utilities, and miscellaneous charges	579	466	466
24.0 Printing and reproduction	22	15	16
25.0 Other services	287	281	270
26.0 Supplies and materials	64	60	60
31.0 Equipment	16	10	10
32.0 Lands and structures	14,400	8,473	7,800
41.0 Grants and bonuses	3,472	1,260	1,700
99.9 Total Obligations	23,390	15,284	15,000
Personnel Summary:			
Total number of full-time permanent positions	70	71	61
Total compensable workyears: Full-time equivalent employment	70	71	61

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION**EMPLOYMENT AS OF 9/30/99 BY GRADE LEVEL**

EX	Vacant
ES	2
GM15	1
GM14	2
GS15	2
GS14	3
GS13	3
GS12	6
GS11	8
GS10	3
GS9	12
GS8	1
GS7	12
GS5	4
WS	1
WG	10
Total	<u>70</u>
Projection-FY2000	71
Projection-FY2001	61

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

STRATEGIC PLAN for the GOVERNMENT PERFORMANCE & RESULTS ACT for the Fiscal Years of 1999-2004

1. **Mission Statement** - The mission of the Office of Navajo and Hopi Indian Relocation is to provide quality services to eligible households and others impacted by the Relocation Act, in such a way that our clients have the opportunity to re-establish their lives in a positive and productive manner.

2. **General Goals & Objectives** - The long-range goal is to assure that all relocation-resettlement activities conducted by the Office are consistent with the intent of Congress and the Executive Branch, as expressed by PL93-531 and the Navajo and Hopi Indian Relocation Amendments Acts. Specifically, the Office will relocate the remaining balance of certified clients (446 as of 9/1/99), and such others as may be added to this list by the judicial system, at a pace of 100 client moves per year.

3. **How The Goals & Objectives Will Be Achieved** - There will be a comprehensive program of Relocation Operations for Navajo and Hopi families participating in resettlement activities. This will include necessary family counseling assistance, the payment of incentive bonuses, the acquisition of decent, safe, and sanitary replacement housing, the disposal of abandoned property and improvements on the former Joint Use Area, and various other activities necessarily associated with relocation-resettlement. The acquisition of replacement housing will include a comprehensive program of resale dwelling and new construction building inspections to assure proper housing is obtained.

The New Lands will see the completion of infrastructure projects necessary to allow relocatees to move into the area and establish a new life. In addition, other areas on the Navajo Reservation will be targeted for subdivision developments and the related necessary infrastructure. These developments will come when there is a reasonable level of relocatees desiring to move into these areas.

ONHIR is in the process of using up a carryover that has arisen because projects and client moves were delayed in prior years by Congressional mandate, Department of Justice requests, and court cases. Taking this carryover into account, the budget request for FY1999 was \$15,000,000. We were allotted \$13,000,000 and had obligations totalling \$23,000,000 for that year. In FY2000, we requested \$15,000,000, were allotted \$8,000,000, and estimate obligations at \$15,000,000. By FY2001, however, the carryover funds should all be depleted, so the total budget request to OMB was \$24,000,000 to fully cover all programs and projects. Of this amount, we have only been allowed to request \$15,000,000 per the passback from OMB.

In this most recent passback, OMB allocated 81 FTE for FY1999, 71 FTE for FY2000. The Office is asking for 61 FTE for FY2001. The Office intends to ask OMB for no further cuts to the FTE for the outyears, since the number of client moves, and therefore the main workload, should remain fairly

constant through FY2004. On a yearly basis, the Office will have a dialog with OMB discussing the current year's results, and deciding what FTE will be necessary for the workload to be accomplished in the next fiscal year.

There will be an effective management structure maintained for the direction, implementation, and management of Office policy. Appropriate technical and engineering support will be provided for planning and implementation of agency activities. Efforts will be made to ease the impact of relocation on both the Navajo Nation and the Hopi Tribe by close communications with these two partners.

4. Relation of Performance Goals to General Goals and Objectives of the Strategic Plan - The specific performance goals to be attained in the next 5 years are outlined below as projected client moves per year:

FY2000 -	80 moves
FY2001 -	92 moves
FY2002 -	100 moves
FY2003 -	100 moves
FY2004 -	74 moves
Total	- 446 moves

The estimate for FY1999 was 100 moves. As of 9/7/99, the Office actually had 90 closings (meaning the house is ready for the client to occupy) for the year ended 9/30/99. There were 11 houses that were delayed due to heavy rains during July, August, and September 1999. These houses all closed by December 1999.

5. Factors Beyond The Control Of The Office - One of the most immediate factors is the uncertainties involving the Accommodation Agreement between the Hopi Tribe and the Navajo people living on the Hopi Partitioned Lands. Any certified client that has signed a lease with the Hopi Tribe has the option of changing his or her mind between 12/31/1999-3/1/2000, depending upon the actual signing date of the individual agreements. On that date, the client can still receive the benefits for which he has been certified. In addition, there are individuals living on the HPL who have resisted certification by ONHIR, but who may in fact have the credentials to be certified. These resistors could also be added to our pool of clients that need to be relocated.

Another uncontrollable factor is the number of additional cases that may be approved for certification by the court system. The Office is estimating an additional 250 cases may be ordered to be certified by the courts for various reasons. This number is our best estimate of the results of future court proceedings.

An additional factor affecting the performance of the agency will be the attrition of staff as the Office gets closer to "sunset." The need for key employees to remain until the end is a given and incentives must be established that will allow this.

6. Program Evaluations - The basic performance indicator will be a calculation of how many moves are made each year versus the number of moves estimated to be possible. This calculation will be a

composite of many smaller indicators such as how many clients were certified, how many completed the basic counseling, how many actually chose their contractor and built their home, how many miles of roadway were completed, how much archaeology was performed, how many subdivision lots were prepared, etc. All of these smaller indicators are also affected by various uncontrollable items.

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION**ANNUAL PERFORMANCE PLAN**

for the Fiscal Year 2001

1. Performance Goals and Indicators - The specific performance goal to be attained in FY2001 by the Office is 92 moves of clients that have been certified consistent with PL93-531 and the Navajo and Hopi Indian Relocation Amendments Acts.

2. Resources Needed to Meet Goals - To move 92 clients, the Office will use the Relocation Program services of staff to counsel clients, to secure homesites on the Navajo reservation, to dispose of abandoned property on the former Joint Use Area, and to acquire replacement housing either through new construction or purchase of resale homes, on or off reservation.

The New Lands staff will provide services, such as fence-building, water-line and windmill maintenance, biological counseling in range and herd management, and other personal services to relocatees in the New Lands area.

The remaining Administrative staff will provide support to these two programs in the areas of Contracting, Information Systems, Policies & Personnel, and Finance.

To accomplish all these various duties, the Office has requested an FTE of 61 for FY2001 from OMB. Funds to carry out the required work will come from an OMB recommended appropriation of approximately \$15,000,000.

3. Verification and Validation of the Plan - The means used to verify and validate the actual performance of the Office will, first and foremost, be a tally of the actual cases closed during the fiscal year, as well as a scrutiny of the list of clients awaiting relocation. In addition, the Office will still rely on an audit of financial performance for the year.

INSTITUTE OF AMERICAN INDIAN
AND ALASKA NATIVE
CULTURE AND ARTS DEVELOPMENT

Santa Fe, New Mexico



Submitted to the
Committee on Appropriations
Subcommittee on Interior and Related Agencies

February 7, 2000

(361)

EXECUTIVE SUMMARY

Fiscal Year '99 has been a historically significant year for the Institute of American Indian and Alaska Native Arts and Cultural Development (IAIA). The IAIA reached out to its native constituents and began an initiative to determine how IAIA can better serve the higher educational needs of those constituents. An assessment of the needs and how IAIA might work in collaboration with the local tribes as they strive to improve their economic situation was conducted. From this assessment IAIA will develop new programs in the applied arts, cultural tourism and other key areas. This assessment will guide IAIA in its efforts to partner with tribes in their efforts and to improve their respective economies.

After many years of planning for a much needed campus, construction has finally begun for IAIA's first permanent home. In FY '99, 49% of the students beginning their education at IAIA in 1997 received their AA or AFA degrees. The IAIA is extremely proud to report this success rate. Members of the same class will graduate in the winter of 1999 with a double major, making the graduation rate somewhat higher. Of this graduating class, 39% have moved on to other colleges to seek bachelors degrees.

The IAIA has strengthened the Institute in all facets in order to provide quality education.

IAIA's other current accomplishments include:

- Raising the required match of \$500,000 for the Fall FY'99 appropriation of \$4.25 million
- New earned income opportunities by the marketing and sales of products using images from the Museum's permanent collection
- Increase in enrollment
- Renewed accreditation for five years
- Implementation of the second year of a five year academic plan
- Implementation of the second year of a five year business plan
- Renewal of funding from the W. K. Kellogg Foundation Grant
- Renewal of funding from the Ford Foundation in implementing the Working Capital Fund Grant
- Implementation of a partnership bridge program with New Mexico State University. The program provides for IAIA graduates to pursue a bachelors degree after leaving IAIA. It also provides for faculty exchanges.
- Receipt of a \$600,000 Lila Wallace Reader's Digest Grant to implement a community arts partnership with the Albuquerque and Denver Indian Centers focusing on developing artists through art and identity
- Starting an Outreach Program, involving two projects, Arts & Material Culture (AMC) and Weaving & Fiber Arts (WFA), whose ultimate goal is to assist Tribal communities in New Mexico in reviving and strengthening their traditional art forms.

This will be accomplished through workshops on campus and at the tribal site which will provide expertise in marketing traditional art products as a tribal enterprise.

IAIA has begun a major fundraising effort entitled the "IAIA's Campaign for the New Millennium". The IAIA Board of Trustees is reorganizing the college's development function by enlisting the support of top professionals in fundraising to lead the national campaign. A fundraising structure that has been assembled will enable IAIA to raise the dollars needed to support student scholarships, increase its endowment and build the new campus. This challenging fund raising initiative will secure the future of the Institute.

The budget request for Fiscal Year 2001 remains at the current level of funding for FY'99, \$4.25 million. With this level funding providing its operating base, IAIA will continue to solicit funds from private sources so that the campus can be completed. This is in keeping with our move to become a public/private partnership. Continued investment of federal resources in the Institute of American Indian Arts will not only sustain the school but will promote the continuance of quality Indian art produced by native artists and the preservation and promotion of Indian arts and culture to ensure their place in the history of this Nation.

The Fiscal Year 2001 budget requests continued Federal support for operations of \$4.25 million, which sustains the level of appropriation of the previous year. This will allow us:

- to assure the continuance of the Institute during the next academic year;
- to seek private funding solicitation in FY 2001;
- to provide the basis for continued educational programs which will meet accreditation standards;
- to operate the IAIA Museum which houses the "National Collection of Contemporary Indian Art" and serves as a teaching museum and provides public programming in native arts and culture; and
- to fulfill the Federal responsibility to Indian students, tribes and nations.

Request for Federal Matching Funds

A special gift of 140 acres of land south of Santa Fe has been privately donated to build a new campus. IAIA is currently housed in substandard quarters, built a half century ago as a temporary war hospital. Our current facilities hamper our ability to expand academic opportunities which limits student enrollment. Historically, American Indians and Alaska Natives have created communities in harmony with nature. In developing a new campus IAIA will encompass the spirit and vision of American Indian and Alaska Native peoples. Plans have been developed to construct the new campus and funds are being raised to cover the cost of construction. As IAIA moves forward on the construction of the new campus, we realize the project will have to be completed in phases based on the funds that are available. Phase One of construction started this summer, with anticipated completion in the summer of the year 2000. Phase One will include student housing, administration

building and the academic/studio building. Although resources are being raised for Phase One, we still need funding for the administration building which has a projected cost of \$4.0 million. IAIA is requesting \$2.0 million be added to our FY 2000 federal budget request as matching funds for the construction of the administration building. The \$2.0 million would be matched dollar for dollar with funds from private funding sources.

The new campus administration building will be approximately 32,000 square feet, housing the following:

- Library / Educational Research Center
- Student Cafeteria / Dining Room with Kitchen
- Student Classrooms
- Lecture Hall
- Conference Room
- Administrative Office Space

IAIA is requesting \$2.0 million be added to the Fiscal Year 2001 budget to be matched dollar for dollar from private funds raised for the construction of the administration building on our new campus.

Summary of Total Fiscal Year 2001 Request

The total Fiscal Year 2001 Federal Budget Request for continued operating support and matching funds for construction of the administration building is as follows:

Fiscal Year 2001 Continued Operating Support \$ 4.25 million

Fiscal Year 2001 Dollar for Dollar Matching Funds \$ 2.0 million

Total Request of Fiscal Year 2001 \$ 6.25 million

GENERAL BACKGROUND ON IAIA

The Institute of American Indian and Alaska Native Culture and Arts Development (IAIA) is the only national center of research, training and scholarship for American Indians and Alaska Natives devoted solely to the study and practice of American Indian and Alaskan Native arts and cultures. Federally chartered by Congress, IAIA's faculty, staff, student body and alumni come from many of the 547 federally recognized tribes throughout the United States. Its unique location in Santa Fe, New Mexico places it in one of the most diverse concentrations of Native peoples in North America, at the heart of the nation's oldest multi-cultural community and in one of the largest art markets in

the country. The Institute's programs of post-secondary instruction, research, and creative skills and scholarship enable its students to preserve and practice traditions and contemporary expressions of Indian history, culture, and visual arts.

The mission of The Institute of American Indian and Alaska Native Culture and Arts Development (IAIA), federally chartered by Congress in partial fulfillment of treaty and trust obligations, is to serve as a multi-tribal Native center of higher education for Native Americans. IAIA is dedicated to the study, creative application, preservation and care of Indian arts and culture. Approved by the Board of Trustees, October, 1997.

In 1995, IAIA's federal appropriation was reduced by almost 50%. As we focused on managing the change in federal support, it was necessary to downsize programs, reduce faculty, staff and services to accommodate the new level of funding. As we explored avenues of replacing federal dollars, we implemented a new tuition/room and board policy which generated revenue but led to a decrease in enrollment. A majority of the students attending IAIA do not have the financial capability to personally cover their educational costs.

There was an additional decrease in federal support in 1998. In a matter of three years our federal appropriation was reduced by 47%. As IAIA struggles during one of the most critical periods in its 37-year history, survival is dependent on the ability to face this challenge. IAIA has met the challenge and is optimistic about its future.

IAIA's internal community (students, faculty, and staff) and its external community (alumni, donors and tribes) remain committed to IAIA, its mission and its vision. IAIA's alumni have been and continue to be the leading voices of the contemporary Indian art movement. The IAIA has nurtured a spirit of innovation in thousands of young artists. Because of the commitment to the mission of IAIA and the belief in the importance of providing a quality education to aspiring native artists, as well as non-natives, IAIA has made great strides in meeting its challenges.

IAIA's new leadership, and success in restoring its programs to fully-accredited status with its two accrediting associations, has contributed strongly to the Institute's renewed support from the tribes and the general public.

The Institute is currently developing plans to expand its culture and arts curriculum to include Certificate, A.A.S. and eventually B.F.A. programs in art product design and marketing. The programs are intended to strengthen local tribal economies by providing their artists and craftsmen with the vocational and marketing skills needed to insure that individual members can make a living from their craft, and that tribes can build on the artist's expertise to develop successful on-site enterprises.

GOVERNANCE

Federally chartered by PL 99-498, as amended, IAIA exists as testimony to the fact that "Indian art and culture ...have contributed greatly to the artistic and cultural richness of the Nation." (20 USC

4401, SEC. 1502.1). and that consequently, "it is appropriate and necessary for the federal government to support research and scholarship in Indian art and culture...for the advancement of such art and culture..." (20 USC 4401, SEC. 1502.5). IAIA operates under the direction and control of a Board of Trustees (Board) appointed by the President and confirmed by the Senate.

ACCREDITATION

IAIA is accredited by the North Central Association of Colleges and Schools and the National Association of Schools of Art and Design. Last spring IAIA underwent a comprehensive reaccreditation visit which resulted in our accreditation being extended to the year 2003. The IAIA has just completed celebrating activities of its 37th Anniversary since its inception in 1962. The IAIA is looking forward to a promising future based upon utilizing opportunities to rebuild and strengthen this important institution.

PLANNING

During the past two fiscal years, IAIA has focused on strategic business planning. Toward strategic business planning, IAIA developed a five-year business plan with the assistance of funding from the Ford Foundation's Working Capital Fund for Minority Cultural Institutions (WCF). This unique grant represented a tremendous public affirmation of the IAIA's mission and strategies. IAIA has already used its completed business plan to great advantage to secure a third grant from the Ford Foundation. The business plan has served as our road map to the future.

Our business plan provides the structure for IAIA to stabilize its operations in order to become a viable and sustainable center of Native American higher education. Each functional area of IAIA has defined goals, strategies and outcomes with attendant time lines which will guide the execution of the plan. Focusing on enrollment management and revenue diversification, the IAIA has been awarded a second grant to provide funding for:

- aggressive recruitment efforts
- distance learning initiatives
- community-based outreach programs
- increased revenue from educational product and service sale
- fund-raising

Academic Programs

Toward program development, the entire faculty, under the direction of the Dean designed a five-year academic plan. This plan, endorsed by the Board, will serve as a guide for the future academic direction of IAIA. By the year 2002, IAIA will be a four-year college of arts and design accredited not only by the NCA but also by the National Association of Schools of Art and Design to offer BA and B.F.A. degrees. Toward this end, IAIA plans to add courses in applied arts, such as fashion and furniture design, and business courses focusing on merchandising, the artist as entrepreneur, and tribal economic development.

Library

The Institute's Library houses the Computer Lab, the Learning Resource Center, book collections, and the photographic archives. The collection and computer resources are readily available to students, faculty, staff and national researchers. Access to the World Wide Web provides expanded resources, such as information on Native American tribes, indigenous cultures around the world and the arts. Additionally, students are able to correspond with other tribal college students, friends and family. The library's collection is available locally and internationally via the online catalog on our Web site. With our resources and technology we are ready to offer courses globally via Internet.

Museum

The IAIA Museum has a dual purpose. Not only does it serve as a resource, research and training facility for faculty and students (its educational purpose), but it also defines contemporary Indian artistry - through its exhibits and programs - for the broader public (its presentation purpose). The five year business plan provides strategies for the museum to realize its potential as the nation's only Indian-run institution that curates/exhibits a national collection of Indian art while continuing to support and add value to IAIA's academic program. Once these strategies have been accomplished, joint strategies will be developed between the museum and the academic faculty to further enhance IAIA's academic curriculum.

Enrollment Management

The Institute's primary mission is to enhance the knowledge and understanding of the Cultural traditions of American Indians, Alaska Natives and the general public with a special focus on traditional and contemporary native art. The Admissions Office has initiated an aggressive enrollment and recruitment goal for the years 1999 through 2002. We are projecting 300 students, our highest enrollment, by the year 2002. Under the Institute's Business Plan and with the assistance from the Working Capital Fund, Enrollment Management will be strengthening student recruitment, creating recruitment information on the Internet through our web-site targeting the Institute's market, developing and implementing a 3-5 year enrollment plan to increase student enrollment and upgrade the outdated automated information and student management systems.

Many current students and a majority of prospective IAIA students come from low-income families who are unable to meet the cost of higher education. A recent census poll shows that 31 % of American Indian/Alaska Natives fall below the poverty level which is nearly twice the national average. Currently, about 80% of the students enrolled at IAIA are receiving some form of financial assistance including IAIA scholarships. A majority of the students attending IAIA lack sufficient resources to be able to graduate. Efforts are being initiated to raise scholarship funds from foundations, corporations and the private sector to meet the unmet financial needs of the students.

Student Life Center

The function of the Center is to assist in the student's academic, social, personal and cultural growth. The Center provides direction and coordination for all areas related to student life including:

- Associated Student Government
- Counseling
- Housing
- Student Enrichment
- Activities and Recreation

The Center accomplishes its mission through a predominantly American Indian and Alaska Native staff to maintain a supportive cultural atmosphere. The staff provides a wide range of services including advising, counseling, residential hall management, encouraging student involvement in organizations, and providing numerous wellness and recreational activities.

New Campus

IAIA continues to make great strides on the new campus development. IAIA is proceeding on new campus development with a \$17 million budget and completion scheduled for the summer of the year 2000. At this time we have \$9 million of the \$17 million budgeted cost which leaves \$8 million to be raised. The first phase for development addresses the current goals, objectives and direction of IAIA while considering the funds in place for development and the urgency to operate in their own facilities on their site for the new campus.

IAIA contracted the services of Weller Architects, a Native American architectural firm located in Albuquerque, NM, to design the first phase of the new campus. Lou Weller is a member of the Native American Design Collaborative that designed the Smithsonian's Cultural Resource Center for the Museum of the American Indian. Weller Architects just completed the Design Development Phase of the new campus development and will soon begin the Construction Documents Phase. The first phase, as programmed and designed includes classrooms, art studios, faculty administrative spaces, and student housing.

In addition to the design of the site and facilities, IAIA continues its efforts to complete the installation of off-site utilities. Natural gas and electricity are scheduled to be installed by the end of the year. Currently IAIA is planning to become a customer of a new waste water treatment plant currently being developed and scheduled to be operational this year.

Development

IAIA's Board of Trustees, faculty and staff have recommitted themselves to the survival of the Institute with a renewed focus on education and enrollment and completion of Phase I construction for the new campus in 2000. This has given the development office the direction needed to begin planning major fundraising efforts. The following priorities have been established.

IAIA Scholarship Funds: Scholarship funds must be available so that Native students can receive IAIA scholarships. A scholarship endowment fund of \$650,000 currently exists. Meeting the short term need for scholarships AND the long term goal of increasing the scholarship endowment fund is the challenge. Raising scholarship funds will be an early focus of the National Fundraising Campaign and will include funds for scholarships in 1999 and 2000, as well as for a Scholarship Endowment Fund.

Increased Government and Foundation Grants:

While IAIA has received some significant grants such as the Kellogg Foundation's \$1.5 million award, there are additional opportunities to receive funds from both government and foundations to support the development of specific programs and activities. The most important time for this to occur is in the next 18 months. Therefore, significant increases are projected during that time, with percentage increases diminishing over the next four years.

In FY '99, IAIA was awarded a \$600,000 grant from the Lila Wallace Reader's Digest Fund to work with at risk Native American youth in urban areas.

General IAIA Endowment

IAIA must begin to seriously build its unrestricted endowment. With government funding at its current level, interest income from the endowment must be used sparingly to allow as much growth as fast as possible. In addition, IAIA must actively begin to raise major dollars for the endowment. A national fund raising effort is being launched to raise funds for an operating endowment, a scholarship endowment, and to complete the new campus. The goal for Phase I of this campaign is to raise \$30 million over the next five years.

Capital Campaign for Phase 2 of New Campus

Phase I of new campus construction is only the beginning. The entire plan is estimated to cost approximately \$17 million. A campaign will be developed to raise the additional \$8 million needed over the next five years.

IAIA FUNDING HISTORY**INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT****REVENUE TREND LINE**

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	Budgeted <u>1999</u>
REVENUES						
Federal Appropriation	13,713,000	11,913,000	5,500,000	5,500,000	4,250,000	4,250,000
Other Support and Earned Revenue	<u>4,351,277</u>	<u>4,712,587</u>	<u>4,219,700</u>	<u>3,504,672</u>	<u>4,333,364</u>	<u>1,551,827</u>
Total Revenue	18,064,277	16,625,587	9,719,700	9,004,672	8,583,364	5,801,827

FIVE YEAR FINANCIAL PROJECTIONS

As part of the five year business plan the Institute developed income and expense projections for Fiscal Years 2000 through 2004. The summarized projections are included under the supplemental section, page 2.

**INSTITUTE OF AMERICAN INDIAN ARTS
APPROPRIATION REQUEST FISCAL YEAR 2001**

SUMMARY TABLE

	FY 2000 Appropriation Request	Changes	FY 2001 Appropriation Request
Ctr. For Arts & Cultural Studies	\$1,130,779	\$ 117,346	\$ 1,248,125
Museum	485,389	-15,389	470,000
Student Life	426,212	-145,156	281,056
Enrollment Management	362,064	18,398	380,462
Facility Operations	770,022	16,739	786,761
Administrative Services	417,142	10,092	427,234
Development	306,123	-16,123	290,000
Office of the President	162,769	77,593	240,362
Board of Trustees	189,500	-63,500	126,000
Operations Supported by Appropriation	<u>\$4,250,000</u>	<u>\$ 0</u>	<u>\$4,250,000</u>

*Despite a 23% reduction in the federal appropriations for 1998, programs have been maintained through fundraising and earned revenue without cutting faculty and staff.

Justification of Program and Funding Request

Activity: CENTER FOR ARTS AND CULTURAL STUDIES
 Sub-Activity: ACADEMIC PROGRAMS AND LIBRARY

Academic Programs:

The Center for Arts and Cultural Studies sponsors and supports academic programs and activities in the arts, museum studies, and cultural studies, including library services. The Center offers Associate of Fine Arts (AFA) degrees in Two Dimensional Arts, Three Dimensional Arts, and Museum Studies. An Associate of Arts (AA) degree is offered in Creative Writing. The Center is the focus of the Institute's five year academic plan to offer a baccalaureate-level curriculum, continuing education, tribal outreach, and technology-based distance learning (e.g., internet, intranet, broadcast satellite). Baccalaureate degree programs planned in the future include Two Dimensional Arts, Three Dimensional Arts, Museum Studies, Native American Studies, and Creative Writing. In addition, two-year degree programs are planned in Graphic Arts and Environmental Arts.

Library:

The Institute's Library houses the Computer lab, the Learning Resource Center, the book collections, and the photographic archives. The collection and computer resources are readily available to students, faculty, staff and national researchers. The library's collection is available locally and internationally via the online catalog on our Web site. The collection of books, videos, music, periodicals, and interactive multimedia support individual learning by providing information in a variety of formats.

Base program (\$1,130,079)

The base program includes the cost of faculty and staff salaries and equipment and supplies for operations of the academic and library programs.

Changes from FY 2001 (\$117,346)

Changes for Fiscal Year 2001 represent increased programming in core programs, including Cultural Studies, Creative Writing/Communications, Foundation Arts, Two Dimensional Arts, Three Dimensional Arts, and Critical Studies in response to a planned increase in enrollment. New two-year degree programs in Graphic Arts and Environmental Arts will be introduced during this period. Costs for the above include faculty and staff, instructional supplies, and general operating expenses. Additional changes reflect a shift in operating costs for the distance learning program and the community-based outreach programs, which are being expanded and will require staff and operating expenses. Finally, some additional costs are due to planning activities in support of the intended baccalaureate degree programs.

Justification of Program and Funding Request

Activity: CENTER FOR ARTS AND CULTURAL STUDIES
 Sub-Activity: MUSEUM

The Institute of American Indian Arts Museum holds the largest collection of contemporary Native American art in the country. The collection of 6,500 objects includes paintings, sculpture, pottery, textiles, basketry, jewelry, prints and photographs. In addition, the museum's archives contain 40,000 slides and 30,000 black and white photos. These photos document many of the student activities during the life of the Institute. Also included are 700 videos, 11,000 monograph titles and 350 audio cassettes, all covering contemporary and traditional Native art and culture. The museum serves an important function in the academic programs offered by IAIA. Its facilities and collections provide hands on training for students, provide an outlet to showcase exemplary work and provide ongoing connections with alumni. It also gives the Institute a highly visible venue for public relations efforts.

Base program (\$485,389)

The base program includes the cost of staff and students salaries; collection and exhibit cost; museum educational outreach programs; and security, maintenance and repairs for the museum building.

Changes from FY 1999 (\$ -15,389)

The change for FY 2001 reflects a shift of some of the operational costs to other revenue sources such as admission fees and funds raised by development efforts. Some of these added resources will allow for adding an Education Curator, PR and Marketing Specialist and a Product Production Manager.

Justification of Program and Funding Request

Activity: STUDENT LIFE
Sub-Activity: STUDENT SERVICES, COUNSELING AND HOUSING

The Director of Student Life is responsible for student counseling and guidance, extracurricular student activities, and student housing. Student Life personnel are predominately Native American who provide a wide range of student service programs, which include student involvement in clubs, organizations and community service programs.

Base program (\$ 426,212)

The base program includes salaries and wages for staff and work-study student workers; supplies and printing for student handbooks; repairs and upkeep for the dormitory; and activities costs.

Changes from FY 1999 (\$ -145,156)

Changes for fiscal year 2001 reflect a significant overall decrease in the Student Life budget; but there will be an increase in housing staff and food costs due to projected enrollment increases. The housing staff will increase by two full-time positions, a Housing Director and Activities Coordinator. The increase in staff salaries and fringe benefits will be \$85,000, but there will be a substantial decrease in facilities rental costs of \$230,000 due to leaving the College of Santa campus and moving to our new campus.

Justification of Program and Funding Request

Activity: OFFICE OF ENROLLMENT MANAGEMENT
 Sub-Activity: RECRUITMENT, RECORDS AND FINANCIAL AID

The Office of Enrollment Management encompasses the offices of Admissions, Registrar and Financial Aid. Admissions is responsible for student recruitment, printing and publication of recruitment materials and admitting qualified Native American and Alaska Native students from the 587 federally-recognized tribes. The Registrar develops and maintains the student record systems and controls all activities relating to degree plans course schedules, student transcripts, pre-registration and registration. The Office of Financial Aid obtains, awards and manages scholarships and other financial aid to enrolled IAIA students each academic year. Nearly half of the students enrolled each semester fall below the poverty level.

Base program (\$ 362,064)

The budget covers staff salaries, supplies, equipment, maintenance and staff development. Recruitment programs include travel, mailing out information, advertisement (newspapers and art magazines), printing and publication of the school catalog and recruitment materials. Information is shared with prospective students at high schools and college career fairs throughout the country with significant Indian populations. The IAIA college fairs include program planning and travel expenses to the local schools and Pueblo communities.

Changes from FY 1999 (\$ +18,398)

FY 2001 reflects an increase in the planning and development of an Upward Bound program as IAIA moves to the new campus. The IAIA will invite and house students from Indian nations for a college-prep summer program. Additional equipment and computers will be purchased to accommodate the annual college-prep program.

The office anticipates increased visitation and communication with parents, local schools and tribal communities throughout the country for program planning and development and printing of program announcements.

Justification of Program and Funding Request

Activity: FACILITY OPERATIONS
Sub-Activity: PLANT MANAGEMENT

Facilities Operations is responsible for the maintenance and safeguarding of all campus buildings and equipment. The department is also responsible for campus planning and maintaining computer services as well as for telephone, utility and vehicle operations.

Base program (\$ 676,418)

The base program includes rent payments to the College of Santa Fe for the lease of classroom and office space, salaries, janitorial services, security, repairs, and utility costs.

Changes from FY 1999 (\$ +1,176)

Changes for fiscal year 2001 reflect a projected decrease in occupancy costs by moving from the College of Santa Fe to our new campus in the summer of 2000. Much of the savings will be used to pay for new utility costs currently included in our lease at the College of Santa Fe. Planning and competitive bidding for services will keep facility costs relatively constant. We are projecting a slight increase due to additional programs and enrollment increases.

Activity: FACILITY OPERATIONS
Sub-Activity: SYSTEMS MANAGEMENT

Base program (\$ 93,604)

The base program includes cost for salaries, contract support services, software licenses, and maintenance for systems hardware.

Changes from FY 1999 (\$ +15,563)

Changes for Fiscal Year 2001 reflect increases in customer support services as projected new programs come on line. As additional academic programs are implemented, services and equipment will have to be extended for new staff. Our goal is to continuously improve system performance while our customer base increases.

Justification of Program and Funding Request

Activity: ADMINISTRATIVE SERVICES
 Sub-Activity: FINANCE

The Financial Services Department performs accounting, procurement, cash management, budgeting, and reporting functions for the Institute. This department is responsible for managing the procurement and purchasing activities of the Institute in accordance with established policy and the approved budget. The department also prepares and compiles financial information for management, the Board of Trustees, auditors, funding agencies and Congress.

Base program (\$ 318,410)

The base program includes salaries for staff, maintenance of the automated systems, supplies, printing, and services.

Changes from FY 1999 (\$ +1,444)

Changes for Fiscal Year 2001 reflect steps taken in the previous year to modernize and increase operational efficiency by implementing a new accounting system. This new system allows for enhanced reporting capabilities along with improving report timing. We plan for increases in the cost of supplies and contract services but most of the increase will be offset by changes allowing staff to be more productive.

Activity: ADMINISTRATIVE SERVICES
 Sub-Activity: PERSONNEL

The Personnel Department is responsible for the recruiting of staff and faculty, review and revision of personnel policies and procedures, administration of employee benefits, training and the enforcement of Federal, State and Institute mandates.

Base program (\$ 98,732)

The base program includes salaries, printing of handbooks, orientations, training and advertising and travel for personnel searches.

Changes from FY 1999 (\$ +8,648)

Changes for Fiscal Year 2001 reflect an increase in benefit administration, costs to bring on staff for new programs and planned expansion of human relations training.

Justification of Program and Funding Request

Activity: DEVELOPMENT
Sub-Activity: FUNDRAISING, ALUMNI RELATIONS AND PUBLICATIONS

The Development Office provides for the design and implementation of programs that address the short- and long-term goals of the fundraising efforts of the Institute. The emphasis for the current activities of the Department are capital fundraising for the new campus in addition to fundraising for scholarships, endowments, and operations.

Base program (\$ 306,123)

The funds used in this area support salaries, fundraising programs, publications, donor cultivation and solicitation, operating supplies and materials, training and travel.

Changes from FY 1999 (\$ -16,123)

Changes for Fiscal Year 2001 reflect a shift in some staffing positions and contract services to other funding sources. This will allow for a more efficient use of resources in our National Fund-raising Campaign to raise funds for our New Campus, Scholarship and Program Endowment. Areas projected to increase will be off-set by private fundraising.

Justification of Program and Funding Request

Activity: OFFICE OF THE PRESIDENT
Sub-Activity: EXECUTIVE OFFICE OF THE INSTITUTE AND PUBLIC RELATIONS

The President of the Institute is appointed by the Board of Trustees and serves as the Chief Executive Officer. The Office of the President is responsible for implementing institutional-wide goals and the formulation and execution of strategic planning initiatives in concert with Board policy. Other areas under the Office of the President are tribal and legislative advocacy, communications and public relations, planning, research and assessment. The President's support staff provides assistance to the Board of Trustees and makes preparations for its functions.

Base program (\$ 162,769)

The funds for this area covers salaries, professional services, supplies, materials, travel, and general costs which cannot be allocated elsewhere.

Changes from FY 1999 (\$ + 77,593)

Changes for FY 2001 reflect increases due to moving key areas such as communication, planning, research and assessment under the Office of the President. Some contractual services have been moved from the Board of Trustees to the Office of the President.

Justification of Program and Funding Request

Activity: BOARD OF TRUSTEES
Sub-Activity: NONE

The Board of Trustees is composed of 13 voting members and six non-voting members. The voting members are appointed by the President of the United States, with the advice and consent of the United States Senate. The non-voting members include two members of the United States Senate, two members of the House of Representatives and two ex-officio members. The Board of Trustees is charged with the approval of policies, goals and objectives, all matters of governance, and programs for the Institute.

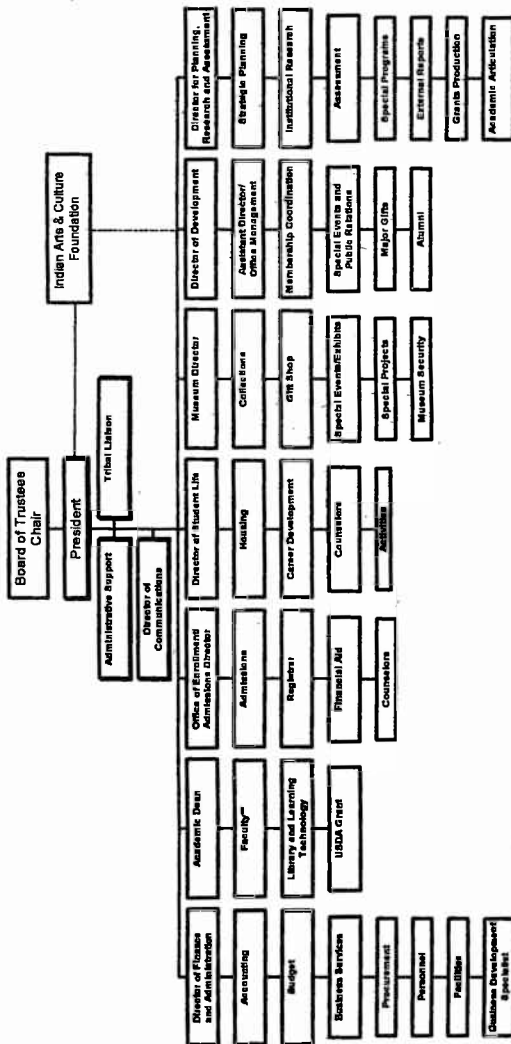
Base program (\$ 189,500)

The funds for this office provide for travel costs to Board of Trustees meetings, legislatively mandated stipends, transcription and recording of meeting minutes, and incidental expenses.

Changes from FY 1999 (\$ - 63,500)

Changes for Fiscal Year 2001 reflect a shift of audit and professional services to the Office of the President with a slight increase in board meeting travel costs.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT Organization Chart By Function



Note: Not all positions are funded with Federal appropriations.

Legend:
 ----- Direct Reporting Responsibility
 - - - - - Coordination
 ** ANA Project Faculty

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

PROJECTED INCOME AND EXPENSE TREND LINE

	Projected <u>2000</u>	Projected <u>2001</u>	Projected <u>2002</u>	Projected <u>2003</u>	Projected <u>2004</u>
REVENUES AND OTHER ADDITIONS					
Federal Appropriation	4,250,000	4,250,000	4,500,000	4,750,000	5,000,000
Other Support and Earned Revenue	<u>2,535,000</u>	<u>2,857,740</u>	<u>3,320,240</u>	<u>3,725,240</u>	<u>4,660,000</u>
Total Revenue and Other Additions	<u>6,785,000</u>	<u>7,107,740</u>	<u>7,820,240</u>	<u>8,475,240</u>	<u>9,660,000</u>
EXPENDITURES AND OTHER DEDUCTIONS					
Scholarships	190,000	250,000	330,000	420,000	550,000
Educational and General	4,735,430	5,289,850	5,490,000	5,700,000	6,300,000
Museum	767,419	847,306	875,000	930,000	1,000,000
Auxiliary Enterprises	393,170	400,000	500,000	600,000	800,000
Depreciation	<u>450,000</u>	<u>300,000</u>	<u>600,000</u>	<u>800,000</u>	<u>1,000,000</u>
Total Expenditures and Other Deductions	<u>6,536,019</u>	<u>7,087,156</u>	<u>7,795,000</u>	<u>8,450,000</u>	<u>9,650,000</u>
Surplus/(Deficit)	<u>198,981</u>	<u>20,584</u>	<u>25,240</u>	<u>25,240</u>	<u>10,000</u>

PAGE 2

Source: IALA Five Year Business Plan

Smithsonian Institution
Fiscal Year 2001
Budget Request to Congress

February 2000

(383)

Smithsonian Institution
Fiscal Year 2001 Budget Request To Congress
TABLE OF CONTENTS

INTRODUCTION

The Year in Review.....	1
FY 2001 Budget Request Summary	5

PERFORMANCE PLAN

Introduction to the FY 2001 Performance Plan	9
FY 2001 Performance Plan	11

SALARIES & EXPENSES

Summary of FY 2001 Change	23
Non-recurring Costs	26
Mandatory Increases for Sustaining Base Operations	27
Summary of Program Changes.....	32
No-Year Funding Request to Congress	33

Museums and Research Institutes

Anacostia Museum and Center for African American History and Culture	35
Archives of American Art.....	38
Arthur M. Sackler Gallery/Freer Gallery of Art.....	42
Center for Folklife and Cultural Heritage	45
Cooper-Hewitt, National Design Museum.....	48
Hirshhorn Museum and Sculpture Garden	51
National Air and Space Museum.....	54
National Museum of African Art.....	59
National Museum of American Art.....	62
National Museum of American History	65
National Museum of the American Indian.....	69
National Museum of Natural History	77
National Portrait Gallery	81
National Zoological Park.....	84
Smithsonian Astrophysical Observatory.....	88
Smithsonian Center for Materials Research and Education	92
Smithsonian Environmental Research Center	95
Smithsonian Tropical Research Institute	98

Program Support and Outreach

Communications and Educational Programs	102
Institution-wide Programs	106
Office of Exhibits Central	112
Major Scientific Instrumentation	114
Museum Support Center	117
Smithsonian Institution Archives	119
Smithsonian Institution Libraries	121
Smithsonian Institution Traveling Exhibition Service	125

Administration	129
-----------------------------	------------

Facilities Services

Office of Protection Services	132
Office of Physical Plant	136

CAPITAL PROGRAM

Repair, Restoration and Alteration of Facilities	139
Construction	148

APPENDIX

Smithsonian Institution Organizational Chart	153
Strategic Plan	155
Visits to the Smithsonian, FY 1995–FY1999	174
Special Foreign Currency Program	175
Nonappropriated Resources	177
Appropriation Language and Citations	180
Adjustments to FY 2000 Funding	190
Capital Program Supplemental Materials	

THE YEAR IN REVIEW

Unique within the Federal establishment, the Smithsonian Institution is a charitable trust with a statutory charter. The Smithsonian—created by the Government, yet without a governing function—has a story that brings together more than a century and a half of the Nation's history and the standards imposed by law on managers of charitable trusts. Those standards guide every Institutional activity, be it interaction with Congress, management of resources, or relationships with the myriad constituencies that are the ultimate beneficiaries of the Trust.

On October 23, 1826, James Smithson, an English man of science who had never visited the United States, drew up his will. Near its end, he described a residual bequest, framed it by identifying a trustee and beneficiaries, and outlined its purposes:

...to the United States of America, to found at Washington, under the name of the Smithsonian Institution, an establishment for the increase and diffusion of knowledge...

In 1829, Smithson died, as did his heir six years later. His property then passed to the United States which, in the Act of July 1, 1836, accepted the bequest. The Act of August 10, 1846 incorporated the language of the will, established the Institution, and delegated to a Board of Regents the obligation of the United States as trustee for management of the Trust independent of the Government.

During the years that followed, Mr. Smithson's idea has become the world's largest museum, education, and research complex, pre-eminent in astrophysics, tropical and environmental biology, the history of science, art history, aeronautics and space science, natural history, anthropology, and materials conservation.

The Smithsonian Institution today includes 16 museums and galleries and the National Zoological Park that together received over 35 million visits this past year. Its traveling exhibitions and website—www.si.edu—have attracted millions more visitors through their gateways to new worlds of information transmission and sharing. The collections that form the basis for the knowledge that Mr. Smithson sought to increase and diffuse contain more than 141 million objects, works of art, and specimens from nature, 122 million of which are in the National Museum of Natural History. The Institution also holds over 139 million archival and library documents. The Smithsonian conducts research in its museums, at specialized facilities in

eight states and the Republic of Panama, and at field sites around the world.

The most familiar products of Smithsonian research are its exhibitions. Specific examples of such exhibitions are the recently-opened *African Voices* exhibition and the *Forces of Change* project at the National Museum of Natural History. *African Voices* examines the diversity, dynamism, and global influence of Africa's peoples and cultures within the realms of family, work, community and the natural environment. It draws on the museum's vast collections, as well as commissioned sculptures, textiles, and pottery. *Forces of Change* will examine the science and dynamics of global change through publications, computer products, public programs, and a 6,500-square-foot exhibition. At the National Zoological Park, the new *American Prairie* exhibition opened in 1999, featuring bison, prairie dogs, native grasses, and an interpretive program on grassland biology and the culture and challenges of human life on the prairie.

Another aspect of Institutional research is reflected in the Chandra X-ray Observatory, which carries a high-resolution camera built by the Smithsonian Astrophysical Observatory. Chandra was launched aboard the Space Shuttle July 23, 1999, on a five-year mission expected to produce unprecedented images of a host of objects, ranging from comets in our own solar system to quasars at the very edge of the observable universe. SAO is also the site of the Chandra X-ray Science Center, which receives, analyzes, and archives data from the telescope and makes them available to the world's astronomical community. This is the first space science mission of such magnitude to be operated by a non-NASA center.

In the context of the fundamental scientific questions posed by the tropics, the opening of the new marine research station at Bocas del Toro in western Panama has made accessible for study a spectacular array of tropical coastal habitats. Scientists at the Smithsonian Tropical Research Institute have underway basic research programs, baseline biological surveys, and monitoring of coral reefs, sea grass, and mangrove systems.

At the National Air and Space Museum, the gondola from the Breitling Orbiter 3, which in 1999 became the first balloon to complete a nonstop flight around the world, was added to the *Milestones of Flight* gallery. Under its Blueprint program, the National Museum of American History opened *Communities in a Changing Nation: The Promise of 19th-Century America*, which explores the promise and reality of life in the 1800s through the experience of three different American communities. In September, a traditional Native American ceremony officially opened the

ground-breaking for the National Museum of the American Indian on the National Mall. Sitework is continuing, with the opening scheduled in 2002.

Over the past year, the Smithsonian has continued to present an astonishing variety of events and exhibitions to its visitors. Among these have been the annual Folklife Festival that featured the state of New Hampshire, the opening of the new Discovery Center and 3-D IMAX® theater in the National Museum of Natural History, and a wide-ranging selection of performances, lectures, and activities offered as part of the National Millennium celebration in Washington DC. The exhibitions offered have included, as a representative but far from exhaustive sampling, the following:

Locating the Spirit: Religion and Spirituality in African American Art, Anacostia Museum

Treasures from the Royal Tombs of Ur, Sackler Gallery

Unlimited by Design, Cooper-Hewitt, National Design Museum

Regarding Beauty: A View of the Late Twentieth Century, Hirshhorn Museum

Wrapped in Pride: Ghanaian Kente and African American Identity, National Museum of African Art

Edward Hopper: The Watercolors, National Museum of American Art

Theodore Roosevelt: Icon of the American Century, National Portrait Gallery

Tales of the Blue Crab, Smithsonian Environmental Research Center

Posted Aboard RMS Titanic, National Postal Museum

Make the Dirt Fly! Building the Panama Canal, Smithsonian Institution Libraries

The Smithsonian continued to benefit from many gifts and donations, including the very generous gift of Steven Udvar-Hazy towards the construction of the Dulles Center, the new aviation and space flight facility that will house many of the National Air and Space Museum's collections now in storage or undergoing restoration. The gift is the largest in the Institution's history, and one of the largest ever to any museum.

At the Sackler Gallery, the Paul Singer Collection, composed of more than 5,000 objects, mostly from ancient China, recently became the Gallery's largest acquisition to date. In another kind of acquisition, the National Zoo welcomed three Sumatran tiger cubs, a living testament to the Sumatran Tiger Species Survival Program, and to endangered species preservation.

Outreach and education activities continued to expand in 1999. The National Museum of Natural History is actively collaborating with five new partners to deliver electronically information about the Smithsonian's natural history collections and research to various locations across the Nation. The Smithsonian Astrophysical Observatory continued work on a discovery-based elementary school curriculum using astronomy as a unifying theme, as well as on middle school curricula relating to engineering designs and communications technology. The Smithsonian Environmental Research Center expanded its public offerings in 1999; over 10,000 individuals participated in its onsite programs, and thousands more participated through website activities.

The Institution's affiliations program continued to grow in 1999, with agreements now numbering a total of 25 institutions in Texas, Arizona, Florida, California, Rhode Island, Missouri, Tennessee, Puerto Rico, Pennsylvania, Washington DC, Kansas, New York, and Maryland. Projects involved include the Centro Alameda in San Antonio, TX, Inventure Place (the National Inventors Hall of Fame) in Akron, OH, and the B&O Railroad Museum in Baltimore, MD, to name a few.

To become part of communities around the world, the Smithsonian is continuing to move objects, databases, research and collections information, virtual exhibitions, lesson plans, and visitor services to the Internet. The astonishing acceleration of its use promises fulfillment of the global mandate expressed in the single sentence that Mr. Smithson wrote in 1826.

**SMITHSONIAN INSTITUTION
FY 2001 BUDGET REQUEST SUMMARY**

<i>Account</i>	<i>FY 2000 Appropriation</i>	<i>FY 2001 Request</i>
Salaries and Expenses	¹ \$371,230,000	\$396,800,000
Repair, Restoration and Alterations	47,900,000	² 62,200,000
Construction	<u>19,000,000</u>	<u>³4,000,000</u>
Total Accounts	\$438,130,000	\$463,000,000

¹Includes rescission of \$1,671,000.

²The FY 2001 request also includes \$17 million to become available on October 1, 2001, and \$18 million to become available on October 1, 2002 to complete the renovation of the Patent Office Building.

³The FY 2001 request also includes \$2.5 million to become available on October 1, 2001 to complete the Hilo base building.

The Smithsonian's FY 2001 budget request is based on the Institution's strategic plan, which is included in the Appendix, and its FY 2001 performance plan, which follows this section. Consistency between the Smithsonian's budget request and its mission, goals, strategies, and measures is the most effective way of ensuring that anticipated results are met.

For FY 2001, the Smithsonian's request for all operating and capital accounts totals \$463 million, an increase of \$24.9 million above the FY 2000 appropriation.

The Institution's FY 2001 request includes \$396.8 million for Salaries and Expenses, \$62.2 million for Repair, Restoration, and Alteration of Facilities, and \$4 million for Construction. A detailed summary of the request is provided in the table at the end of this section.

SALARIES AND EXPENSES - The Salaries and Expenses (S&E) request includes \$14.4 million in mandatory increases to sustain daily operations of the Institution. These increases are for additional costs associated with necessary pay, utilities, postage and communications, and rental space. These increases are beyond the Institution's control and account for approximately 53 percent of the total S&E increase requested for FY 2001.

In addition, the Smithsonian has identified priority program requirements for FY 2001 as follows:

National Museum of the American Indian (\$8,695,000) - to continue research and development, begin production of inaugural exhibitions, and provide essential furnishings and equipment for the Mall Museum; and to support operations at the Cultural Resources Center (CRC) and the move of collections from New York City to the CRC in Suitland, Maryland.

Dulles Center - Collections Preparation and Program Planning (\$2,580,000) - to prepare artifacts for relocation from the Paul E. Garber facility to the Dulles Center of the National Air and Space Museum and to plan educational and public programs for the Center.

Information Technology and Collections Access (\$3,000,000) - to make more of its collections and knowledge accessible to a broader audience, including the electronic access to its collections, information and images; access to virtual exhibitions and educational materials; and support of expansion of affiliate relationships.

Security System Modernization and Maintenance (\$2,000,000) - to continue replacement of the outdated, automated Smithsonian Institution Proprietary Security System and to begin the maintenance and upgrading of the modernized system components

Specific details of each requirement are provided in the Salaries and Expenses section of this request.

CAPITAL PROGRAM - The request for Repair, Restoration and Alteration of Facilities (\$62.2 million) will help correct the unacceptable condition of four of the oldest buildings at the Smithsonian and maintain the current condition of other Institutional facilities through systematic renewal and repair. For FY 2001, this request includes the National Zoological Park and National Museum of American Art/National Portrait Gallery renovations, as well as repair, restoration, and alteration of other facilities.

The Smithsonian's Construction request (\$4 million) includes funding to complete construction of the National Zoological Park's Water Exhibit; for Phase I of the construction and equipping of a base facility in Hilo, Hawaii for the Smithsonian Astrophysical Observatory's Submillimeter Array; and to design and begin construction of infrastructure improvements at the Smithsonian Environmental Research Center.

Specific details of each requirement are provided in the Capital Program section of this request.

SMITHSONIAN INSTITUTION FY 2001 BUDGET REQUEST BY APPROPRIATION ACCOUNT

	New Positions	
SALARIES AND EXPENSES		
FY 2000 Congressional Appropriation		¹ \$371,230,000
FY 2001 Changes		
<i>Non-recurring Costs</i>		
One Less Compensatory Workday		-949,000
Museum Support Center Equipment		-1,000,000
NMNH East Court		-650,000
NMNH-Arctic Studies		-2,500,000
<i>Mandatory Increases for Sustaining Base Operations</i>		
Salary and Related Costs		
• Annualization of FY 2000 Pay Raises		4,050,000
• Panama Canal Treaty Implementation		330,000
• Proposed FY 2001 Pay Raises		7,376,000
• Workers' Compensation		138,000
Utilities, Postage, and Communications		871,000
Rental Space		1,629,000
<i>Program Changes</i>		
National Museum of the American Indian	35	8,695,000
Dulles Center - Collections Preparation and Program Planning	19	2,580,000
Information Technology and Collections Access		3,000,000
Security System Modernization and Maintenance		2,000,000
FY 2001 Salaries and Expenses Request	54	\$396,800,000
REPAIR, RESTORATION AND ALTERATION OF FACILITIES		
National Zoological Park		10,000,000
National Museum of American Art/National Portrait Gallery (Patent Office Building)		17,000,000
All Other		35,200,000
FY 2001 Repair, Restoration and Alteration of Facilities		\$62,200,000
CONSTRUCTION		
National Zoological Park Water Exhibit		1,000,000
Smithsonian Astrophysical Observatory-Hilo Base Building, Phase I		2,000,000
Smithsonian Environmental Research Center Infrastructure		1,000,000
FY 2001 Construction Request		\$4,000,000
FY 2001 REQUEST, ALL ACCOUNTS	54	\$463,000,000

¹Includes \$1,671,000 rescission.

INTRODUCTION TO THE FY 2001 PERFORMANCE PLAN

The Institution has a five-year strategic plan and associated performance plans for FY 1999, FY 2000, and FY 2001 that are consistent with the guidelines of the Government Performance and Results Act of 1993. The strategic plan builds on the mission of the Smithsonian, established for the increase and diffusion of knowledge, by setting three goals:

- **increase knowledge** through research activities and use of Smithsonian collections
- **diffuse knowledge** through exhibitions, publications, programs, electronic communications, and affiliations and through improvements in education and museum training opportunities
- **support increased knowledge and diffusion** through improvements in finance, management, and physical infrastructure

The FY 2001 performance plan includes seven goals that are tied directly to programs: research and collections management; education, public programs and exhibitions; administration; and facilities and security. Each of the performance goals is also directly related to the strategic goals and objectives of the Institution. A copy of the strategic plan is included in the Appendix.

The goals cited in the FY 2001 performance plan reflect specific activities in which the Institution and its units will engage during FY 2001 in order to progress toward achieving the Institution's strategic goals. The measures and milestones included in the plan will enable the Smithsonian to gauge its progress during FY 2001 in reaching its strategic goals, and will also provide important information about whether strategic goals need to be adjusted in future years. Performance measured against the goals and targets for FY 2001 will be reviewed by Smithsonian management at the end of the fiscal year, and results will be reported to OMB and the Congress.

As the process matures, it is anticipated that the annual performance plan will serve two critical purposes. First, as a tool to assess performance and progress in key areas, it will enable Smithsonian managers to make strategic and operational decisions based on accurate and relevant data. Second, it will enable the Institution to communicate to the public, the

Executive Branch, and Congress the results and achievements of the Smithsonian's programmatic efforts in support of its mission.

The following section outlines goals and strategies for performance in FY 2001, as well as measures to assess the Institution's success. Also provided is an update of FY 2000 strategies, as well as accomplishments achieved with the FY 1999 plan.

SMITHSONIAN INSTITUTION PERFORMANCE PLAN FISCAL YEAR 2001

i. Research and Collections Management

Goal #1: Maintain and enhance research

<i>Strategy</i>	<i>Results for FY 1999</i>	<i>Measure for FY 2000</i>	<i>Measure for FY 2001</i>	<i>Source of Funding</i>
<i>Enhance Scientific Instrumentation</i>				
Continue to work toward full operational status of the submillimeter telescope array	Two antennas were made fully operational on Mauna Kea (SAO)	Deploy one additional antenna and begin scientific observations on three frequency bands	Have a total of six antennas operational	Federal & Trust
Establish laboratory to analyze extraterrestrial material			Prepare Focused Ion Beam and related equipment for lab (NMIH)	Federal

I. Research and Collections Management (continued)

Goal #1: Maintain and enhance research (continued)

Strategy	Results for FY 1999	Measure for FY 2000	Measure for FY 2001	Source of Funding
Capitalize on SI Strengths in Conservation Biology				
Develop research program on causes, patterns, and effects of alien invasive species	Established a national database on alien invasive species in three U.S. coastal ecosystems, and a national database on ballast water delivery to all U.S. ports from foreign ports. (SERC)	Analyze and synthesize major patterns of alien invasive species in U.S. coastal ecosystems, and publish findings in several major books and journals. (SERC)	Develop methods to coordinate marine invasive species data within patterns of ballast water delivery to all U.S. ports (SERC)	Federal & Trust
Develop research program on ecological changes and impacts of El Niño and La Niña in marine ecosystems	Established Bocas Del Toro Research Station with setup of a temporary marine lab and modification of an existing dock. Also established a series of environmental monitoring sites. (STRI)	Work on a master plan for the entire Bocas Del Toro site. Continue operation of the environmental monitoring sites. (STRI)	Complete the Bocas Del Toro master plan and begin upgrade of existing facilities. Continue operation of the environmental monitoring sites. (STRI)	Federal & Trust

I. Research and Collections Management (continued)

Goal #2: Provide improved access to collections, including expanded use of electronic technology

Strategy	FY 1999		Measure for FY 2000	Measure for FY 2001		Source of Funding
	Baseline as of 10/1/98	Results for FY 1999	Target for FY 2000	Target for FY 2001	Target for FY 2001	
Increase the amount and availability of automated collection records	5,800,000 records in automated information systems	6,250,000 records in integrated automated information systems	6,600,000 collection records in integrated automated information systems	Continue to automate collection records for increased access		Federal & Trust
Increase the number of digitized images of collection objects online	74,000 digitized images online	121,000 digitized images online	400,000 digitized images online	Continue to digitize images for increased access		Federal & Trust
Assess integration and availability of collection data in automated collection information systems across the Institution				Establish baseline of each collecting unit in 5 objectives used to measure progress: • Status of CIS • Control of collections • Integration of research data • Images and other multimedia • Public access		Federal & Trust

I. Research and Collections Management (continued)

Goal #3: Provide effective collections care, including improved storage

Strategy	FY 1999		Measure for FY 2000	Measure for FY 2001		Source of Funding
	Baseline as of 10/1/98	Results for FY 1999		Target for FY 2000	Target for FY 2001	
Move collections items into improved and more accessible storage	65% of move completed (Museum Support Center)	66% of move completed (Museum Support Center)	74% of move completed (Museum Support Center)	82% of move completed (Museum Support Center)		Federal
		Moved 28,000 collection items from New York to Suitland (American Indian, Cultural Resources Center)		Move 185,000 collection items (American Indian, Cultural Resources Center)		Federal
		Conservation lab operational, Star-Spangled Banner de-installed and treatment begun (American History)		Complete dye analysis and begin stitching removal (finish 30% of flag conservation) (American History)	Complete removal of linen support and cleaning of flag (the remaining 70% of treatment) (American History)	Federal & Trust

I. Research and Collections Management (continued)

Goal #3: Provide effective collections care, including improved storage (continued)

Strategy	Results for FY 1999	Measure for FY 2000	Measure for FY 2001	Source of Funding
Move collections items into improved and more accessible storage (continued)	Completed asbestos removal from objects in Building 17; Building 17 renovation delayed (American History)	Issue contract for and complete renovation of Building 17 (American History)	Explore options for asbestos removal in Building 18 (American History)	Federal
	Relocated insect collections (inspected, cleaned, stabilized, packed, and moved to new location) (Natural History)	Complete Mollusk Division move (Natural History)	Complete 95% of East Court move (Natural History)	Federal
	4% of the work to prepare large aircraft to be moved from Suitland to Dulles has been completed (Air and Space)	Categorize, preserve and prepare an additional 4% of the large aircraft for the move from Suitland to Dulles (Air and Space)	Prepare an additional 30% of the large aircraft for the move from Suitland to Dulles (Air and Space)	Federal

II. Education, Public Programs and Exhibitions

Goal #1: Provide new and updated exhibits that serve a wider audience

Strategy	Results for FY 1999	Measure for FY 2000	Measure for FY 2001	Source of Funding
Update or renew permanent exhibits	Installed <i>On Time</i> exhibition (American History)	Begin installation of <i>American Legacies</i> exhibit in place of <i>Material World</i> (American History)	Open <i>American Legacies</i> exhibit (American History)	Federal & Trust
	Completed Star-spangled Banner laboratory (American History)	Open <i>Ipswich House</i> exhibit (American History)	Complete construction of new flag hall (American History)	Trust
	o c		Fabricate and install new welcome center in Taylor Gallery (American History)	Trust
	Installed new Hall of African History and Culture and upgraded cases in North American Indian Hall (Natural History)	Open the FossilLab, complete design and script for Human Origins upgrade, and update the focus gallery in the <i>African Voices</i> exhibit (Natural History)	Complete Human Origins upgrade, begin production of Mummies, and complete design for reinstallation of Mammal Hall (Natural History)	Federal & Trust

II. Education, Public Programs and Exhibitions (continued)

Goal #1: Provide new and updated exhibits that serve a wider audience (continued)

<i>Strategy</i>	<i>Results for FY 1999</i>	<i>Measure for FY 2000</i>	<i>Measure for FY 2001</i>	<i>Source of Funding</i>
Achieve progress in making public exhibits accessible to all visitors	Completed design for an accessible kiosk to provide alternative interpretation for locations where walkway slopes exceed 8.3% (National Zoological Park)	Have a full-service program in effect to accommodate visitors needing assistance on demand or by advance request (National Zoological Park)	Complete design of an accessible entrance for the south side of NIMNH (Natural History & Ofc. of Physical Plant)	Federal & Trust
	Completed installation of accessible new exhibits, such as <i>African Voices</i> and reinstallation of the elephant in the Rotunda (Natural History)	Require that all new exhibit designs and installations meet accessibility requirements (SI Wide)	Provide improved accessibility to most Smithsonian publications by offering alternative formats (SI Wide)	Federal & Trust

II. Education, Public Programs and Exhibitions (continued)

Goal #1: Provide new and updated exhibits that serve a wider audience (continued)

Strategy	Results for FY 1999	Measure for FY 2000	Measure for FY 2001	Source of Funding
Increase and diversify visitor audience	Established baseline measures for the number of SI exhibits developed/distributed to rural locations and underserved audiences (SITES)	Increase by 20% the number of rural communities hosting exhibitions; increase by 30% the number of libraries, train depots, parks, malls and other locations that host traveling exhibits (SITES)	Continue to produce exhibits aimed at diverse audiences and measure impact and attendance (SI Wide)	Federal & Trust
	Sampling audience diversity is now a component of each study conducted on specified exhibits (SI Wide)	Continue to monitor attendance of diverse audiences to exhibits and programs (SI Wide)		Federal & Trust

III. Administration

Goal #1: Improve the efficiency of Institution-wide administrative work processes

<i>Strategy</i>	<i>Results for FY 1999</i>	<i>Measure for FY 2000</i>	<i>Measure for FY 2001</i>	<i>Source of Funding</i>
Increase the data available from and availability of systems and subsystems which are aimed at improving the efficiency of Smithsonian work processes	Implemented spending plan modules for all fund sources in automated budget system, except capital accounts	Evaluate the use of spending plan modules for all fund sources; finalize capital accounts module	N/A	Federal & Trust
	Developed Smithsonian Financial System reports for management use	Assess the extent to which financial system reports are used by and useful to management for decision making	N/A	Federal & Trust
		Define the requirements for a new and expanded administrative Management Information System	Begin implementation of financial modules	Federal & Trust
		Develop personnel reform policies that are responsive to the needs of the Institution	Implement pilot projects in performance management and recruitment	Federal & Trust

III. Administration (continued)

Goal #2: Seek opportunities to improve fundraising and increase revenues

<i>Strategy</i>	<i>Results for FY 1999</i>	<i>Measure for FY 2000</i>	<i>Measure for FY 2001</i>	<i>Source of Funding</i>
Develop capital campaign	Developed the Case Statement based on museums, research institutes, and Institution-wide needs and priorities	Test umbrella case statement, develop museum/research case statements, develop gift tables of support by museum and research institute	Finalize umbrella case statement, test museum/research case statements, and finalize gift tables of support by museums and research institutes	Trust
	Developed campaign policies, prospect management, tracking and coordination, campaign gift counting, stewardship, and donor relations	Implement campaign volunteer structure, recruit and train volunteer leadership	Determine campaign goal, public announcement of campaign, and continuation of campaign marketing/communications strategy	Trust
	Implemented a program for Institution-wide staff development to focus on major gift activity	Identify and evaluate prospects, execute marketing/communication strategy, solicit leadership gifts and Smithsonian staff/volunteers	Continue the identification and evaluation of prospects, the solicitation of leadership and major gifts, and the utilization of volunteer leadership	Trust

IV. Facilities and Security (Salaries and Expenses Only)

Goal #1: Maintain, preserve and upgrade the quality, condition and security of existing facilities

Strategy	Measure for FY 1999		Measure for FY 2000	Measure for FY 2001	Source of Funding
	Baseline as of 10/1/98	Results for FY 1999	Target for FY 2000	Target for FY 2001	
Continue planning and implementing the systematic renewal and repair of facilities to ensure all major buildings are within an acceptable performance range, as defined by the Building Research Board of the National Research Council	Two buildings below the acceptable level	No additional buildings fell below the acceptable level	No additional buildings fall below the acceptable level	No additional buildings fall below the acceptable level	Federal
			Begin work on Patent Office Building; asbestos removal begins	Patent Office Building emptied and major renovation begins	Federal
Provide improved electronic security system	Developed and delivered written standards for system Delivered master design plan Delivered acceptance procedures plan Delivered and accepted card access master database, photo pass and ID system Met milestones for becoming Y2K ready by the end of calendar year 1999		Continue planned renovation of NMNH	Continue planned renovation of NMNH	Federal
			System Design (Mail Wide) 100% System construction and installation (Mail Wide) 50% Achieve 100% Y2K Compliance by 12/31/99	Complete installation	Federal

SMITHSONIAN INSTITUTION SALARIES AND EXPENSES

Summary of FY 2001 Change

FY 2000 Appropriation	\$372,901,000
FY 2000 Rescission	<u>(1,671,000)</u>
	<u>\$371,230,000</u>

FY 2001 Change:

Non-Recurring Costs—

One Less Compensable Workday	(949,000)	
Museum Support Center Equipment	(1,000,000)	
NMNH East Court	(650,000)	
NMNH Arctic Studies	<u>(2,500,000)</u>	
Total Non-Recurring Costs		(\$5,099,000)

Mandatory Increases—

Salary and Related Costs	\$11,894,000	
Utilities, Postage and Communications	871,000	
Rental Space	<u>1,629,000</u>	
Total Mandatory Costs		\$14,394,000

Program Increases—

National Museum of the American Indian	\$8,695,000	
Dulles Center – Collections Preparation and Program Planning	2,580,000	
Information Technology and Collections Access	3,000,000	
Security System Modernization and Maintenance	<u>2,000,000</u>	
Total Program Increases		<u>\$16,275,000</u>

FY 2001 Request	<u>\$396,800,000</u>
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**SMITHSONIAN INSTITUTION
SALARIES AND EXPENSES
SUMMARY OF THE 1999 APPROPRIATION AND THE 2000 AND 2001 ESTIMATES**

Dollars in Thousands
FTE = Full-Time Equivalent

PAGE #		FY 1999 ACTUAL /1		FY 2000 ESTIMATE /2		FY 2001 ESTIMATE		ANALYSIS OF CHANGE		
		FTE	Amount	FTE	Amount	FTE	Amount	FTE	Costs	Program
	MUSEUMS AND RESEARCH INSTITUTES									
35	Anacostia Museum and Center for African American History and Culture	25	1,902	25	1,875	25	1,922	0	47	0
38	Archives of American Art	24	1,618	24	1,680	24	1,736	0	56	0
42	Arthur M. Sackler Gallery/Freer Gallery of Art	77	6,077	77	6,059	77	6,250	0	191	0
45	Center for Folklife and Cultural Heritage	14	1,746	14	1,780	14	1,798	0	48	0
48	Cooper-Hewitt, National Design Museum	43	2,784	43	2,866	43	2,970	0	104	0
51	Hirshhorn Museum and Sculpture Garden	71	4,461	71	4,615	71	4,766	0	151	0
54	National Air and Space Museum	214	12,574	214	13,228	233	16,317	19	508	2,580
59	National Museum of African Art	54	4,071	54	4,253	54	4,365	0	112	0
62	National Museum of American Art	123	8,252	123	8,624	123	8,929	0	305	0
65	National Museum of American History	313	19,558	315	20,560	315	21,390	0	830	0
69	National Museum of the American Indian	224	13,761	235	22,090	270	31,175	35	390	8,895
77	National Museum of Natural History	582	40,833	582	45,218	582	43,603	0	1,535	(3,150)
81	National Portrait Gallery	85	5,403	85	5,626	85	5,835	0	209	0
84	National Zoological Park	317	19,885	317	20,453	317	21,175	0	722	0
88	Smithsonian Astrophysical Observatory	141	18,753	141	19,885	141	20,578	0	693	0
92	Smithsonian Center for Materials Research and Education	36	2,974	36	3,165	36	3,265	0	100	0
95	Smithsonian Environmental Research Center	45	3,147	45	3,208	45	3,310	0	104	0
98	Smithsonian Tropical Research Institute	175	9,167	176	9,930	176	10,545	0	815	0
	Subtotal	2,563	176,876	2,577	196,083	2,631	209,929	54	6,721	8,125

**SMITHSONIAN INSTITUTION
SALARIES AND EXPENSES
SUMMARY OF THE 1999 APPROPRIATION AND THE 2000 AND 2001 ESTIMATES**

Dollars in Thousands
FTE = Full-Time Equivalent

PAGE #		FY 1999 ACTUAL /1		FY2000 ESTIMATE /2		FY 2001 ESTIMATE		ANALYSIS OF CHANGE		
		FTE	Amount	FTE	Amount	FTE	Amount	FTE	Mandatory Costs	Program
	PROGRAM SUPPORT AND OUTREACH									
102	Communications and Educational Programs	72	4,837	71	5,379	71	5,533	0	154	0
106	Institution-wide Programs	0	4,080	0	5,693	0	8,693	0	0	3,000
112	Office of Exhibits Central	40	2,237	40	2,319	40	2,414	0	95	0
114	Major Scientific Instrumentation	0	9,984	0	7,244	0	7,244	0	0	0
117	Museum Support Center	69	4,698	69	4,491	69	3,562	0	71	(1,000)
119	Smithsonian Institution Archives	24	1,451	24	1,493	24	1,559	0	66	0
121	Smithsonian Institution Libraries	109	6,711	109	7,273	109	7,489	0	218	0
125	Smithsonian Institution Traveling Exhibition Service	46	2,991	45	3,047	45	3,149	0	102	0
	Subtotal	360	36,969	358	38,939	358	39,643	0	704	2,000
129	ADMINISTRATION	383	34,000	381	34,816	381	35,874	0	1,258	0
	FACILITIES SERVICES									
132	Office of Protection Services	773	32,248	775	33,554	775	36,889	0	1,336	2,000
136	Office of Physical Plant	516	63,234	516	71,038	518	74,465	0	3,427	0
	Subtotal	1,289	95,482	1,291	104,592	1,291	111,354	0	4,762	2,000
	UNUSED ALLOCATED FTES /3	(236)	0	(307)	0	(307)	0	0	0	0
	GRAND TOTAL	4,369	343,327	4,300	371,230	4,354	396,800	54	13,445	12,125

Notes:

1/ Reflects authorized FTEs.

2/ Total estimate includes FY2000 rescission of \$1,871 million.

Distribution reflects reorganizations and permanent reprogrammings. (See "Adjustments to FY 2000 Funding" in the Appendix.)

3/ Reflects total actual and anticipated lapse of allocated workyears.

SALARIES AND EXPENSES

FY 1999 Appropriation ¹	\$ 351,854,000
FY 2000 Appropriation ²	\$ 371,230,000
FY 2001 Estimate	\$ 396,800,000

¹FY 1999 Salaries and Expenses includes \$4,700,000 emergency supplemental appropriation to replace non-Y2K-compliant components of the Smithsonian Institution Proprietary Security System.

²FY 2000 Salaries and Expenses includes the \$1,671,000 rescission.

This section provides specific details about the Institution's Salaries and Expenses budget request for FY 2001. Of the total increase requested, approximately 53 percent is attributable to mandatory costs for sustaining base operations and the remainder is for priority program requirements for critical ongoing projects within the Institution.

NON-RECURRING COSTS - Fiscal year 2001 non-recurring costs include the following:

One Less Compensatory Workday (\$949,000) - to return base funding for one less workday in FY 2001 for employee salaries and benefits costs

Museum Support Center Equipment (\$1,000,000) - to reduce base funding as the final equipment is procured for the Museum Support Center

National Museum of Natural History East Court (\$650,000) - to reduce base funding as the East Court infill project nears completion with funds made available in FY 2000

National Museum of Natural History Arctic Studies Center (\$2,500,000) - to eliminate base funding added to the FY 2000 appropriation for the National Museum of Natural History's Arctic Studies Center to include assistance to other museums

MANDATORY INCREASES FOR SUSTAINING BASE OPERATIONS - This request includes funds for mandatory costs, as shown below.

Salary and Related Costs:

Annualization of FY 2000 Pay Raises	\$4,050,000
Panama Canal Treaty Implementation	330,000
Proposed FY 2001 Pay Raises	7,376,000
Workers' Compensation	<u>138,000</u>
Subtotal, Salary and Related Costs	\$11,894,000

Other Costs:

Utilities, Postage, and Communications	\$871,000
Rental Space	<u>1,629,000</u>
Subtotal, Other Costs	\$2,500,000

Total Mandatory Increases	<u>\$14,394,000</u>
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Salary and Related Costs - The Institution requests \$11,894,000 for higher projected salary and benefits costs in FY 2001 for staff as described below. A line-item display of the Necessary Pay components of these costs, including FY 2000 pay annualization and the proposed FY 2001 pay raise, minus the costs for one less compensatory day, is also provided.

- **Annualization of FY 2000 Pay Raises (\$4,050,000)** - to annualize the costs of the 4.94-percent January 2000 pay raise, for one-quarter of a year.
- **Panama Canal Treaty Implementation (\$330,000)** - to annualize the cost to the Smithsonian Tropical Research Institute of adjusting to the local employment system of Panama (\$319,000), and an additional \$11,000 to fund the increased costs of payroll processing.
- **Proposed FY 2001 Pay Raises (\$7,376,000)** - to fully fund the anticipated 3.7-percent January 2001 pay raise for three-quarters of a year.
- **Workers' Compensation (\$138,000)** - is required as specified in the provisions of Section 8147(b) of Title 5, United States Code, as amended April 21, 1976 by Public Law 94-273. The FY 2001 bill for the Institution's Federal portion (\$2,122,000) covers the actual expenses incurred for the period July 1, 1998, through June 30, 1999. With an amount of \$1,984,000 in its FY 2000 base for workers' compensation, the Institution requests an additional \$138,000.

FY 2001 Necessary Pay Costs

(Dollars in Thousands)

LINE ITEM	FY 2000 Pay Raise	FY 2001 Pay Raise	One Less Workday	Total Necessary Pay
Anacostia Museum and Center for African American				
History and Culture	19	32	(4)	47
Archives of American Art	22	39	(5)	56
Arthur M. Sackler Gallery/Freer Gallery of Art	76	133	(18)	191
Center for Folklife and Cultural Heritage	19	33	(4)	48
Cooper-Hewitt, National Design Museum	45	68	(9)	104
Hirshhorn Museum and Sculpture Garden	60	105	(14)	151
National Air and Space Museum	199	357	(47)	509
National Museum of African Art	45	77	(10)	112
National Museum of American Art	121	213	(29)	305
National Museum of American History	308	596	(74)	830
National Museum of the American Indian	156	271	(37)	390
National Museum of Natural History	574	1,098	(137)	1,535
National Portrait Gallery	80	148	(19)	209
National Zoological Park	288	502	(68)	722
Smithsonian Astrophysical Observatory	226	348	(47)	527
Smithsonian Center for Materials Research and Education	40	69	(9)	100
Smithsonian Environmental Research Center	40	73	(9)	104
Smithsonian Tropical Research Institute	114	198	(27)	285
Communications and Educational Programs	60	108	(14)	154
Office of Exhibits Central	35	68	(8)	95
Museum Support Center	28	50	(7)	71
Smithsonian Institution Archives	23	48	(5)	66
Smithsonian Institution Libraries	86	150	(20)	216
Smithsonian Institution Traveling Exhibition Service	41	71	(10)	102
Administration	406	810	(96)	1,120
Office of Protection Services	502	952	(119)	1,335
Office of Physical Plant	437	759	(103)	1,093
TOTAL NECESSARY PAY	4,050	7,376	(949)	10,477

Utilities, Postage, and Communications - The Institution requests a net increase of \$871,000 for utilities, postage, and communications in FY 2001 to cover additional costs attributable to increased consumption and projected rate increases. The following table displays estimates from FY 1999 through FY 2001. Detailed explanations of each line item follow.

**Federal Utilities, Postage, and Communications Costs
FY 1999-FY 2001**

(Dollars in thousands)	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
Electricity	9,787	10,617	11,120
Steam	3,249	3,432	3,396
Gas	1,170	1,468	1,628
Fuel Oil/Water	340	354	365
DC Gov't Water/Sewer	2,055	5,139	3,976
Postage	2,100	2,317	2,466
Communications	9,848	8,773	10,020
Total	28,549	32,100	32,971
Base	28,749	32,100	32,100
Surplus/(Deficit)	200	0	(871)

- **Electricity** - A major component of the utilities account is electricity. In addition to lighting and office equipment, electricity powers the machinery that provides cooling for Smithsonian buildings. A vigorous energy management program has allowed the Institution to maintain consistent electrical consumption levels throughout most facilities. The most significant element of the program is the installation of automated central controls on most building systems that limit consumption during high-use or high-rate periods and during unoccupied hours.

Electrical energy consumption will increase due to the initial start-up of the National Museum of the American Indian as it nears completion, and as preparation of the inaugural exhibitions proceeds. Remote sites with new facilities will also require increased electricity, such as the lab modules at the Smithsonian Environmental Research Center in Edgewater, Maryland. An inflation factor of three percent has been included in the FY 2001 estimate.

These needs are offset in part by a reduction of electrical consumption at the Patent Office Building in FY 2001 resulting from the relocation of its occupants and collections during the major capital renewal project for that facility.

- **Steam** - Steam is used primarily for heating Smithsonian facilities on the Mall and in New York, year-round humidification, and hot water production. Maintaining an interior environment conducive to the preservation of artifacts requires a great deal of steam consumption. Because of new metering techniques used by the General Services Administration, the Institution anticipates steam consumption remaining at current levels. The FY 2001 estimate includes a three-percent inflation factor.

These needs are offset in part by a reduction of steam consumption at the Patent Office Building in FY 2001 resulting from the relocation of its occupants and collections during the major capital renewal project for that facility.

- **Natural Gas** - Natural gas costs will increase when the boilers at the National Museum of the American Indian are brought online to heat the facility. The FY 2001 estimate also reflects a three-percent inflation factor.
- **Fuel Oil/Water** - Because natural gas is used as the primary heating and cooling fuel in most facilities, oil is now used as a back-up heating fuel. No increase in consumption is expected. Water consumption at satellite facilities in Maryland and Virginia should remain constant. The FY 2001 estimate includes a three-percent inflation factor.
- **DC Government Water/Sewer** - The FY 2001 estimate for water and sewer costs levied by the District of Columbia Government is based on cost projections provided by the District in 1999. The estimate includes a five-percent rate increase effective in 2001 and an anticipated increase in water consumption due to the completion of the National Museum of the American Indian.

These needs are offset by funds received in FY 2000 for one-time costs to cover deferred charges for FY 1997-1999 based on the 42-percent rate increase that became effective in FY 1997.

- **Postage** - The FY 2001 estimate reflects a three-percent adjustment to cover the cost of an anticipated increase in volume

for the Institution and the increase in costs associated with the National Museum of the American Indian.

- **Communications** - The FY 2001 estimate for communications includes funds to support inflationary increases in voice and data communications and infrastructure and to support services in new facilities at the Smithsonian Tropical Research Institute and the National Museum of the American Indian.

Chiller Plant - Equipment for cooling Smithsonian buildings on the south side of the Mall—the Castle, the Arts and Industries Building, the Hirshhorn Museum and Sculpture Garden, the National Air and Space Museum (NASM), and the Quadrangle—has reached and, in some cases, exceeded its useful life. At the same time, the building on the south side of the Mall, east of NASM, that will house the National Museum of the American Indian (NMAI) and is scheduled to open in December 2002, needs a source of chilled water.

The General Services Administration (GSA) has expressed an interest in meeting the Institution's chilled water needs. It submitted an engineering report and cost proposal in late January 2000 that the Smithsonian is reviewing. If GSA can meet these needs and schedule, driven by the NMAI opening, negotiations will begin. Budgetary impact will be determined during these negotiations. The Board of Regents has authorized the Secretary to pursue a strategy in conjunction with a major energy provider if GSA cannot meet the Institution's needs and schedule.

Rental Space - \$1,629,000 is requested for necessary rental increases in FY 2001, as described below.

- **Smithsonian Astrophysical Observatory (SAO)** - \$166,000 is requested for increased costs of rent for SAO operations in Cambridge, Massachusetts. This amount is necessary to cover uncontrollable rental increases of existing space at Cambridge facilities.
- **Central Rent** - \$1,463,000 is requested for increased expenses in the central rent account. Leased space in the Washington DC, New York and Boston areas provides critical collection housing and storage, as well as space for the Institution's exhibition, education, research, and administrative offices. The request reflects projected cost increases in base rent, operating, and real estate charges. The increase includes \$575,000 for the annualization of leased swing space for occupants of the Patent Office Building (National Museum of American Art and National

Portrait Gallery), and a projected inflationary increase of \$888,000 for the rental of office and storage space for Federal activity in the Washington DC area.

The following table reflects projected costs for Federal central rental space for FY 1999 through FY 2001.

**Federal Central Rental Costs
FY 1999-FY 2001**

(Dollars in thousands)	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
Office Space	3,196	3,386	3,897
Warehouse Space/Other	2,985	2,323	3,598
NMAA/NPG Relocation	--	2,598	2,275
Total	6,181	8,307	9,770
Base	6,233	8,307	8,307
Surplus/(Deficit)	52	0	(1,463)

SUMMARY OF PROGRAM CHANGES - The Institution requires funding for the following projects in FY 2001. Details are provided in the line-item narratives for each respective project.

National Museum of the American Indian (\$8,695,000) - to support operations at the Cultural Resources Center; the move of collections from New York City to Suitland, Maryland; and requirements associated with the opening in 2002 of the Mall Museum, including Mall exhibits development.

Dulles Center - Collections Preparation and Program Planning (\$2,580,000) - to prepare artifacts for relocation from the Garber facility to the Dulles Center of the National Air and Space Museum and to plan educational and public programs for the Center.

Information Technology and Collections Access (\$3,000,000) - to make more of its collections and knowledge accessible to a broader audience, including the electronic access to its collections, information and images; access to virtual exhibitions and educational materials; and support of expansion of affiliate relationships.

Security System Modernization and Maintenance (\$2,000,000) - to continue replacement of the outdated, automated Smithsonian Institution Proprietary Security System and to begin the maintenance and upgrading of the modernized system components.

The following table provides the details of the FY 2001 request for No-Year funding.

**SMITHSONIAN INSTITUTION
FY 2001 S&E NO-YEAR FUNDING REQUEST TO CONGRESS**

Program	FY 2000 Enacted	FY 2001 Request
	(Dollars in Thousands)	
Major Scientific Instrumentation	7,244	7,244
Collections Acquisition	1,078	1,078
Museum Support Center - Equipment and Move ¹	3,128	2,157
National Museum of Natural History		
East Court Project Move ¹	850	200
Exhibition Reinstallation	1,071	1,071
Arctic Studies	<u>2,500</u>	<u>0</u>
Total	4,421	1,271
National Museum of the American Indian	22,090	31,175
NMNH Repatriation Program	1,472	1,515
Institution-Wide Programs		
Research Equipment	1,885	1,885
Information Technology and Collections		
Access	2,810	5,810
Latino Programming	<u>998</u>	<u>998</u>
Total	5,693	8,693
Security Modernization and Maintenance (OPS)	0	2,000
TOTAL, S&E NO-YEAR FUNDING	<u>45,126</u>	<u>55,133</u>

¹FY 2000 enacted includes rescission for MSC Move (\$542,000) and East Court Project Move (\$150,000).

ANACOSTIA MUSEUM AND CENTER FOR AFRICAN AMERICAN HISTORY AND CULTURE

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	25	1,902	6	869	0	129	0	0
FY 2000 ESTIMATE	25	1,875	4	544	0	150	0	0
FY 2001 ESTIMATE	25	1,922	4	688	1	250	0	0

ABSTRACT - The Anacostia Museum and Center for African American History and Culture explores the historical and social heritage and cultural expressions of people of African descent living in the Americas. The Museum presents exhibitions in the Arts and Industries Building and at its facility in Southeast Washington. The Museum also sponsors scholarly programs and a variety of educational activities, and assists in the planning and development of African American and multi-cultural exhibits or projects nationwide.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Anacostia Museum and Center for African-American History and Culture. The Institution requires \$47,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - The Anacostia Museum and Center for African American History and Culture studies and interprets Black contributions to customs, traditions, social fabric and history of the Americas. The Museum collects, preserves, and exhibits historical and cultural artifacts, photographs, and archival materials including organizational records and personal histories. The Museum develops exhibitions and publications, and often serves as the venue for traveling exhibitions developed at other museums across the country. The Museum's educational and scholarly programs reach an audience that ranges from elementary school students to those with advanced degrees working in academic institutions.

From December 1999 through the spring of 2001, the Museum's Southeast Washington facility will be closed to the public while it undergoes renovation. During the renovation, the Arts and Industries Building will continue to be the Museum's primary site for exhibitions.

Research - The Museum is actively engaged in research projects that will result in exhibitions, publications, and programs. Explorations of African American dance and African American cooking and culinary traditions are ongoing. New initiatives include an examination of family and community celebrations and African American contributions to the film and entertainment industries. Staff members are also engaged in photographic research that will result in a pictorial history of African American community life in Washington DC. Plans for a research project focusing on Carnival traditions in the Caribbean and in European and American cities with large Afro-Caribbean populations are in the early stages of development.

Exhibitions - *Locating The Spirit: Religion and Spirituality in African American Art*, a multi-faceted photographic and art exhibition, was installed at the Anacostia Museum facility. It continued the examination of the role of religion in African American community life highlighted in *Speak to My Heart: Communities of Faith and Contemporary African American Life*, which is on view in the Arts and Industries Building until December 2000. Retrospective exhibitions featuring the works of noted African American photographer P. H. Polk and Alma Thomas, the Washington-based abstractionist, were also installed at the Southeast facility. The Museum also mounted three additional exhibitions in the Arts and Industries Building, two of which were developed by Washington-based photographer and collector Roland Freeman. *Mule Train Remembered* was a photographic essay on the Poor Peoples' Campaign and March of 1968; *Communion of the Spirits* celebrated the lives and artistry of African American quilt makers, and featured some prominent collectors such as Dr. Camille Cosby and Dr. Bernice Johnson Reagon. *Africa By Africans*, an exhibit developed by the Paris-based publication *Revue Noire*, showcased the first photographic survey of African life featuring all African-born photographers.

Education, Outreach, and Special Events - The Museum continued its annual Black History Month tradition of presenting Carnival, a black tie fund-raising gala. More than 500 supporters enjoyed the festivities at the Castle and in the Arts and Industries Building. The Museum also sponsored the Capital Children's Carnival, which is expected to become an annual event. Co-sponsored by the *Washington Post*, this event attracted more than 14,000 people.

The Museum continues to coordinate the Institution's main Martin Luther King observance, which in 1999 featured classical vocalist Jubilant Sykes and jazz musician Terrance Blanchard.

In addition to a number of workshops and educational activities, the Museum enhanced its outreach profile by co-sponsoring the James A. Porter Colloquium on African American Art with Howard University. Drawing upon works in the exhibit, *Locating the Spirit*, this three-day event attracted standing-room-only audiences and featured participation by scholars and artists from around the country.

The Museum continued its long-term partnership with the Lucy Ellen Moten Elementary School and also began focus-group discussions with community civic and educational leaders about the development of a museum-based after-school program.

NONAPPROPRIATED RESOURCES – General Trust Funds provide support for salaries and benefits of administrative personnel, development activities and exhibition-related costs. Donor/Sponsor designated funds provide support for specific exhibitions, programs, projects, and events.

ARCHIVES OF AMERICAN ART

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	24	1,618	0	119	12	638	0	0
FY 2000 ESTIMATE	24	1,680	0	122	12	677	0	0
FY 2001 ESTIMATE	24	1,736	0	107	10	635	0	0

ABSTRACT - The Archives of American Art (AAA) is the world's largest repository of primary source documentation on the history of visual arts and culture in America. For more than 45 years, the Archives has collected, preserved, and made available for study such diverse materials as letters and diaries of artists and craftspersons; manuscripts of critics and scholars; records of art museums, galleries, and schools; photographs; works of art on paper; and recorded oral and video interviews. More than 14 million documents provide an indispensable resource for researchers, who, in addition to consulting original papers at the Washington DC headquarters, may access selected holdings on microfilm worldwide through interlibrary loan or at Archives centers in Washington DC, New York, and San Marino, California, and affiliated research facilities in Boston and San Francisco. The Archives also provides Internet access to its resources and services through its website and online catalog.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Archives of American Art. The Institution requires \$56,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - AAA collects, preserves, and makes available for study the records, original papers, photographs, diaries, and oral history interviews of artists, craftspersons, collectors, dealers, critics, museums, and other arts institutions. In FY 1999, AAA continued to meet its goal of increasing accessibility to the collections through a variety of means, including the processing of papers, the publication of finding aids, the display of original documents in exhibitions, website enhancement, and other forms of outreach.

Research - In FY 1999, AAA continued to employ technology to increase access for its Internet users. Among the enhancements was *A Preliminary Guide to Resources on Asian American Artists at the Archives of American Art*. The guide, presented in conjunction with Asian-Pacific American Heritage Month, provides documents and photographs online. A published guide comparable to those already published by the Archives for the papers of African American and Latino artists is in preparation.

The Archives is currently engaged in a pilot project using Encoded Archival Description (EAD) to encode fifty of its finding aids. EAD is a digital format that will make the finding aids accessible to researchers worldwide on the Web. A researcher can search encoded finding aids individually or in combination with the growing number of similarly encoded finding aids contributed by other archival repositories throughout the world. Once encoded in EAD, the finding aids will be contributed to the Research Libraries Group Archival Resources, providing even greater accessibility to the Archives' rich holdings.

Collections Acquisitions - In FY 1999, the Archives made significant additions to its holdings of over 14 million documents. Among these was the final installment of the papers of Marcel Breuer (1902-1981), including financial records and personal and professional correspondence with his colleagues from the Bauhaus. AAA also acquired the complete records of the Byron Gallery, 1960-1971, which specialized in Surrealist masters and younger Pop, Op, Conceptual, and Minimal artists. Other new acquisitions include the papers of Mildred Baker (1905-1999), which document her work on the Federal Art Project from 1935-1943. Also in FY 1999, AAA collected additions to the Beatrice Wood (1893-1998) papers; and papers of Abbott Handerson Thayer (1849-1921), who corresponded with numerous contemporaries, including Samuel Clemens, Daniel Chester French, William James, and N. C. Wyeth.

Funds from the Institution-wide program for Latino programming enabled the Archives to complete its Puerto Rican Art Documentation Project, including a comprehensive survey of art-related material in Puerto Rico and a survey of Puerto Rican art-related primary source material in New York City. These funds also supported the Cuban-American Oral History Interview Project, which funded the transcribing and final editing phase of oral history interviews of ten prominent Cuban-American artists in Miami. The transcripts were made available online through the Archives' website in October 1999. Funding also supported the Chicano Art Documentation Project, with oral histories being conducted with artists in San Francisco and Los Angeles. Also underway is the publication of a

revised, expanded research guide to the papers of Latino and Latin American artists in the Archives.

Collections Management - AAA made significant progress in its goal to increase accessibility to collections with several processing projects. Among these were the papers of Cuban art historian Giulio V. Blanc (d. 1995), dating from 1923 to 1995, which contain extensive files on both major and lesser-known contemporary Cuban artists. The Archives also processed the records of the American Federation of Arts (AFA), dating from AFA's founding in 1909 through 1993. The collection is particularly valuable for its documentation of twentieth century American art history and the wealth of information about the numerous programs and exhibitions supported and implemented by the AFA to promote and study contemporary American art. AAA is publishing a finding aid to this collection, as well as a finding aid to the Downtown Gallery papers, which the Archives has recently processed and microfilmed. The Downtown Gallery specialized in contemporary American art as well as pioneering in the field of American folk art, and its founder, Edith Halpert (1900-1970), was deeply involved in fostering the efforts of African American artists to gain recognition for their work.

Publications and Outreach - The Archives of American Art *Journal* publishes scholarly articles showcasing AAA's collections, as well as book reviews and reports on recent important acquisitions. In FY 1999, AAA presented the exhibit *In Sight: Portraits of Folk Artists by Chuck Rosenak*. The show, comprising photographs and selected documents from the folk art collectors Chuck and Jan Rosenak, included objects from the National Museum of American Art's Rosenak Collection that complemented the Archives' documents. The Rosenaks had previously donated to the Archives their extensive research files, including letters, more than a thousand photographs of folk artists, printed material, and tape-recorded interviews. *In Sight* afforded an excellent opportunity for the Archives to reach a broad audience of folk art aficionados and to make contacts that may lead to acquisitions. An online version of the show is found on the Archives website. The Archives also presented the exhibit *Eyre de Lanux: Designs of a Muse*, chronicling the life and works of little-known American artist Eyre de Lanux (1894-1996), whose papers span 80 years and highlight her friendships with Picasso, Brancusi, and Louis Aragon.

The Archives manages an active program of outgoing loans to museums and other scholarly institutions, and continues its tradition of providing educational opportunities to an ethnically diverse population through internships and fellowships.

NONAPPROPRIATED RESOURCES - Trust funds provide partial support for Archives operations and finance a variety of projects and programs. In FY 1999, grants funded by The Henry Luce Foundation, Inc. and the Getty Grant Program enabled AAA to process several major collections. Throughout the year, donors made numerous gifts toward the matching of a \$500,000 challenge grant from The Brown Foundation, Inc., to endow Archives' publications. Among these were a \$100,000 gift from The Beinecke Foundation, Inc., and a gift totaling \$50,000 from Agnes Gund, former President of the Board of the Museum of Modern Art, which will also be used to support Archives' operations. The Archives also received a gift of \$12,000 from the Gerta Charitable Trust for the processing, microfilming, and publication of a finding aid to the Marcel Breuer papers.

ARTHUR M. SACKLER GALLERY/FREER GALLERY OF ART

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	77	6,077	0	466	46	5,549	0	0
FY 2000 ESTIMATE	77	6,059	0	340	46	5,370	0	0
FY 2001 ESTIMATE	77	6,250	0	390	46	6,048	0	0

ABSTRACT - The Arthur M. Sackler Gallery was founded in 1982 (opened to the public in 1987) to house a gift of Asian art from Dr. Arthur M. Sackler and to develop an active program of loan exhibitions. The Freer Gallery of Art, founded in 1906 (opened to the public in 1923) as the first art museum of the Smithsonian Institution, had its origin in Charles Lang Freer's gift to the Nation of Asian art and a specialized collection of American art. Both museums actively seek to study and celebrate the historical and contemporary achievements of the arts of Asia. Together they form the national museum of Asian art for the United States.

Administered by a single staff, the combined resources for the Freer and Sackler galleries form an important international center dedicated to ongoing collection, preservation, study, and exhibition of Asian art, as well as to educational programs that increase public awareness of the arts of Asia. While the Freer Gallery neither lends objects nor exhibits works borrowed from museums or individuals, the Sackler Gallery both lends from its collections and borrows works to augment its own holdings.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Arthur M. Sackler Gallery and the Freer Gallery of Art. The Institution requires \$191,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - The Sackler and Freer galleries together focus on the artistic traditions of Asia. The Sackler Gallery extends this focus to the present day, embracing a wider range of media and artistic expression, while the Freer Gallery emphasizes the major historical artistic traditions from the beginnings of history through the 19th century. In addition to the Freer Gallery's program on American art and its interrelationship with Asian traditions, the major goal of the Freer and Sackler galleries together is to

expand both knowledge and appreciation of Asian artistic traditions through exhibitions, education, research, conservation, and acquisitions. In addition, the galleries, with the aid of a significant number of public programs related to the collections or exhibitions, provide wide cultural and physical contexts that aid in understanding the forms and complexities of Asian art. A continuing calendar of public programs explores both the living arts of Asia and in-depth aspects of individual Asian societies.

Exhibitions - Exhibitions provide the primary link between the public and the diverse cultures of Asia. Exhibitions at the Sackler Gallery draw from public and private collections. FY 2000 exhibitions include *Treasures from the Royal Tombs of Ur*, a look at royal life and death in the Sumerian city state of Ur nearly 5,000 years ago, and *Imaging the Word: Selections of Calligraphy from the Islamic World*, recent purchases, gifts and loans of Islamic calligraphy from the 9th to the 20th century. *Constructing Identities: Recent Work by Jananne al-Ani* included 4-x-6-foot photographs and a related slide projection addressing the provocative issue of Orientalism, especially the representation of women in the Orient. Two others are *Antoin Sevruguin and the Persian Image*, an important pictorial record of pre-modern Persian social history and visual culture, and *Music in the Age of Confucius*, an exploration of the social, cultural and musical meanings of the oldest-known (500 B.C.E.) examples of ancient musical instruments that were discovered in China in the late 20th century. FY 2001 exhibitions will include *The Hauge Gift of Asian Ceramics* (ancient and mostly Middle Eastern); *India Through the Lens: Photography 1840-1911*; *Recording Persepolis 1931-1935*; and *Worshipping Ancestors: Ritual and Commemorative Portraits in Late Imperial China*. At the Freer Gallery, regularly changing exhibitions occur throughout the year featuring presentations that draw from the rich resources of the Gallery's collections. In-depth, small, focused exhibitions such as *The Idea of China in Japanese Art* and *The Dragon's Moan*, featuring 3 qin representing the qin in its classical form as it evolved from the ancient prototype, are hallmarks of Freer exhibitions.

Education - The staff develops, in a variety of media, curriculum materials that are related to the national collections and loaned exhibitions. These materials are distributed nationally. Public programs for both galleries reach out to varied and diverse audiences as a way to develop and expand the participation in the museum and to enhance the collections and exhibitions by means of film, family programs, Asian music and dance, chamber music, and lectures. Teacher workshops and teacher in-service programs are conducted locally and nationally. The museum's website features resources specifically developed for teachers, including programs

and materials for use in the classroom. The website also provides programs for families, including online activities for children.

Research - The Freer and Sackler Galleries share research staff and support facilities that together constitute an international center for advanced scholarly research in Asian art, as well as in specific areas of American art in the Freer Gallery. Research provides the basis for exhibitions, publications, and collections acquisitions. The galleries disseminate research results to the public through lectures, symposia, collections research files, book-length studies, translations, monographs, exhibitions, exhibition catalogues, gallery guides, and brochures.

Conservation - Treatment of the collection continues in order to ensure and improve the physical well-being of the objects. Conservation research, which uses scientific methods to determine and explain the origins and physical nature of works of art, is carried out in tandem with the galleries' overall research effort and facilitates the care and treatment of the collections.

Collections - In FY 1999, the two galleries together acquired 363 objects for the collections. Among these acquisitions were important collections of 5th- to 1st-century B.C.E. Iranian and Iraqi earthenware vessels; a 13th-century Kameyama-ware jar from Japan's Kameyama kiln complex; a 17th-century illustrated album page to a *Ragamala*; and an Iranian charger from the Timurid (15th century) period.

Publications - The publications program of the Freer and Sackler galleries encompasses exhibition-related books and catalogues; *Asian Art & Culture*, a collateral book series; *Occasional Papers*, a series of substantial scholarly papers; collections catalogues; educational materials for teachers; a calendar of events; and numerous brochures and gallery guides.

NONAPPROPRIATED RESOURCES - General Trust funds are generated from memberships, museum shop sales, special events, unrestricted and restricted gifts and grants, and endowment income. This income provides support for salaries and benefits for certain personnel, fund raising activities, various programmatic activities, scholarly research, and collection acquisitions.

CENTER FOR FOLKLIFE AND CULTURAL HERITAGE

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	14	1,746	14	1,098	0	1,137	0	0
FY 2000 ESTIMATE	14	1,750	14	1,054	0	1,125	0	0
FY 2001 ESTIMATE	14	1,798	15	1,154	0	700	0	0

ABSTRACT - The Center for Folklife and Cultural Heritage conducts scholarly research and public programs that promote understanding and continuity of traditional grass roots regional, ethnic, tribal, and occupational heritage in the United States and abroad. The Center maintains the Ralph Rinzler Folklife Archives and Collections and produces the annual Smithsonian Folklife Festival; Smithsonian Folkways Recordings; documentary films, videos, and print publications; training programs and educational materials; and museum and traveling exhibitions. The Center cooperates with Federal and state agencies to advance the Nation's interest in cultural matters.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Center for Folklife and Cultural Heritage. The Institution requires \$48,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - Research - Research projects document and study the continuing practice of local traditions among diverse communities in contemporary society. Current projects examine the relationship between culture and grassroots economic development; cultures of immigrants to the United States; traditional builders; and cultural traditions in the Mississippi Delta, New York City, Washington DC, and United States/Mexico borderlands. Center staff work with teams of researchers from local communities and generate documentation for the collections. Center scholars research American regional music; American craftspersons; the cultural impact of technological change; urban Latino culture; and African American, Asian American, and Native American traditions.

Smithsonian Folklife Festival - The Smithsonian Folklife Festival, held outdoors on the National Mall for two weeks every summer since 1967, educates a broad public about American and human cultural heritage and encourages tradition bearers by giving national recognition to their artistry, knowledge, and wisdom. The Festival provides a national and international model for the research-based presentation of cultural traditions. Over one million people visit the Festival each year, and millions more are reached by media coverage. In addition, the Festival produces programs on selected topics for the World Wide Web. In 1999, the Festival featured New Hampshire, South Africa, and Romania. In 2000, the Festival will feature Washington DC, Tibetan culture, and a Rio Grande Basin program.

Archives and Collections - The Rinzler Archives and Collections contains audiotapes, records, videotapes, photographic images, film, and paper files documenting cultural traditions from all parts of the United States and most regions of the world. Holdings include the original master recordings of Woody Guthrie performing *This Land is Your Land* and original master tapes of Dr. Martin Luther King, Jr., as well as speeches and songs of major cultural importance. The collection contains documentation of music, occupational lore, family folklore and immigration stories. The Archives contains research documentation for the Festival, as well as sound recordings from Folkways and other recording companies.

Smithsonian Folkways Recordings - Folkways Recordings includes the recordings of such American icons as Woody Guthrie, Leadbelly, Sonny Terry, Josh White, Mary Lou Williams, Mahalia Jackson, Bob Dylan, Albert Einstein, Margaret Mead, Langston Hughes, and thousands of others. Folkways annually produces 20-25 documentary recordings of American and worldwide music, performance, and verbal arts for retail and educational markets, and makes audio clips and data on its collection available to the public through the Center's homepage on the Smithsonian website. Folkways received two Grammy awards in 1998 for the *Anthology of American Folk Music*. In 1999 recordings of Franco American, Mexican American and African American music were released and two independent record labels were donated to Folkways.

Publications and Documentary Films - The Smithsonian Folklife Studies series consists of scholarly monographs coupled with documentary films, most of which are released to colleges and universities. Videos such as *Wisconsin Powwow* and *Workers of the White House* are distributed to schools and aired on public television. In 1999 Center staff published three books, including *Creating a Latino Identity in the Nation's Capital*, and produced *Earl's Canoe*, a film about an American Indian canoe builder, which was awarded a CINE Gold Eagle.

Training Programs and Educational Materials - The Center develops curriculum materials and offers teacher training for understanding American cultural traditions. Teacher and student guides, recordings, and videotapes have been developed in partnership with state education departments and organizations in Hawaii, Iowa, Wisconsin, and New Hampshire, among many others. A multimedia kit on traditions of the Mississippi Delta will be distributed in 2000.

Traveling Exhibitions - The Center cooperates with the Smithsonian Institution Traveling Exhibition Service to produce modest traveling exhibitions developed from research and Festival programs. Exhibits on the music of Woody Guthrie and on Maroon cultures of the Southern United States and the Caribbean are traveling in 1999. A major exhibit of American folk art, *Spirited Objects*, will tour U.S. cities in 2001.

Public Service - The Center collaborates with economic development, tourism, culture, and education departments of states to develop Festival programs and remount them "back home." The New Hampshire program, first mounted on the National Mall in 1999, will be restaged in Hopkinton, New Hampshire in May 2000. The Festival of Michigan Folklife, based on a 1988 program on the National Mall, continues on an annual basis in East Lansing. These programs catalyze local cultural efforts and include the development of educational materials and the sharing of archives.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits of personnel, fund raising, and general program support. Donor/sponsor designated funds provide support for costs related to specific programs and projects. Income from sales of Smithsonian Folkways Recordings pays staff salaries, as well as direct and indirect costs.

COOPER-HEWITT, NATIONAL DESIGN MUSEUM

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	43	2,784	26	2,631	1	1,327	0	17
FY 2000 ESTIMATE	43	2,866	31	2,957	3	4,311	0	0
FY 2001 ESTIMATE	43	2,970	32	2,974	4	2,461	0	0

ABSTRACT - Cooper-Hewitt, National Design Museum explores the creation and consequences of the designed environment. Design, a process of shaping matter to a purpose, is a fundamental activity. The National Design Museum investigates the structures and effects of these products of design and their roles as forces for communication and change. The Museum is interested in all aspects of design, including urban planning, architecture, industrial design, landscape design, interior design, textiles, advertising, and graphic arts. It is a public trust founded on the principle that understanding the past and present will shape the future. Today the scale and pace of change require a new understanding—one that recognizes that individuals, societies, and the natural environment are linked through design.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for Cooper-Hewitt, National Design Museum. The Institution requires \$104,000 for Necessary Pay for existing staff funded by this line item.

PROGRAM - Cooper-Hewitt, National Design Museum, is the only museum in America devoted exclusively to historical and contemporary design. The Museum pursues its mission through exhibitions, publications, provisions for collections study, and research, as well as educational programs for design professionals, the adult public, and schoolchildren. In addition, the Museum jointly offers with the Parsons School of Design a master's degree program in the history of decorative arts.

Renovation - During 1999, the Museum began the renovation of the 4th floor of the Carnegie Mansion, which houses the Museum's Drawings and Prints collection. This undertaking is the final phase of a \$20 million accessibility and renovation project, and will result in the opening in 2001

of the renovated Drue Heinz Study Center for Drawings and Prints, and the new Henry Luce Study Room for American Art.

Exhibitions - Highlights of the Museum's FY 1999 schedule included *The Architecture of Reassurance: Designing the Disney Theme Parks*, which explored the influence of the Disney theme parks and was the first major public exhibition to feature drawings, photographs, models and videos from the Walt Disney Imagineering Collection. *Unlimited by Design* featured 150 contemporary products, services and environments at the forefront of universal design—design that seeks to enhance the daily activities of the greatest number of people. *Graphic Design in the Mechanical Age: Selections from the Merrill C. Berman Collection* featured over 200 works of graphic design produced by the avant-garde in the early twentieth century. *The Huguenot Legacy: English Silver 1680-1760* showcased the domestic silver produced in the workshops of Huguenot silversmiths active in London from the late seventeenth century to the middle of the eighteenth century. *El Nuevo Mundo/The New World: The Landscape of Latino LA* presented 104 photographs by Camilo José Vergara that documented the cultural and physical transformations in Los Angeles County as its population has become increasingly Latino. *The Window Show* was a unique collaboration between the Museum and fifteen of Manhattan's most prestigious retail establishments, in which a prominent window of each store became a satellite gallery for the window designer's interpretation of an object from the Museum's collection.

Collections Activity - More than 1,053 objects were added to the collections in FY 1999. A total of 179 objects were loaned to a variety of institutions for exhibition, conservation, and study purposes and 872 objects were borrowed for exhibitions from museums and private lenders. During the fiscal year the Museum acquired several objects designed and produced by members of the Vienna Weiner Werkstatte early in the twentieth century. These items included a glass cup and saucer (1907) designed by Otto Prutscher (1918-1949), and two examples of bobbin lace and a length of printed fabric designed by Franz von Zulow (1883-1963) which matched a design already in the Museum.

Educational Programs - Some of the highlights of the Museum's school programs included Design Career Days focusing on the design of the Disney theme parks with designers from Walt Disney Imagineering, and a Studio After School program on feature film production design. Highlights of the adult programs included a lecture by Roy Disney, a panel discussion featuring prominent architects and designers on kitchen design, and a series of lectures and concerts celebrating Mexican and Mexican-inspired music and dance.

Research - The Museum's Library receives approximately 250 queries per month from scholars, private individuals, designers, and corporate interests. About 2,000 people visit the Library each year.

NONAPPROPRIATED RESOURCES - The Museum's General Trust funds are generated from membership, museum shop sales, admissions, special events and unrestricted donations, and these revenues support exhibitions, publications, and general operating expenses. Donor/Sponsor Designated funds provide support for specific programs and projects. Government grants and contracts provide support for research.

HIRSHHORN MUSEUM AND SCULPTURE GARDEN

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	71	4,461	1	573	0	3,920	0	0
FY 2000 ESTIMATE	71	4,615	1	1,380	2	4,466	0	0
FY 2001 ESTIMATE	71	4,766	3	667	3	3,490	0	0

ABSTRACT - The Hirshhorn Museum and Sculpture Garden (HMSG) is dedicated to developing a greater public understanding and appreciation of modern and contemporary art through the collection, preservation, study, exhibition, and interpretation of modern and contemporary works of fine art.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Hirshhorn Museum and Sculpture Garden. The Institution requires \$151,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - The Hirshhorn Museum and Sculpture Garden celebrated its 25th anniversary in 1999. The Museum continues to serve its regional, national and international visitors by developing and furthering a greater public understanding and appreciation of modern and contemporary art through acquisition, exhibition, public programs, and collections management, including conservation, and research.

Acquisitions - During FY 1999, the Museum acquired, among other works, Yves Klein's painting, *Untitled Anthropometry (ANT 100)*, 1960; Mark di Suvero's monumental sculpture, *Are Years What? (For Marianne Moore)*, 1967; Jeff Koons' chrome-plated sculpture, *Kiepenkerl*, 1987; and Gerhard Richter's painting, *Waterfall*, 1997. These works bring the Hirshhorn Museum and Sculpture Garden collection to more than 11,700 objects.

Exhibitions - The Museum presents six changing exhibitions per year, in addition to exhibitions of its permanent collection. The exhibition program includes three large exhibitions produced by the Museum's own staff or loan exhibitions from other museums, and three *Directions*

exhibitions, one-gallery presentations featuring the work of individual contemporary artists. The Hirshhorn opened the FY 2000 season with its 25th anniversary exhibition *Regarding Beauty: A View of the Late Twentieth Century*, curated by Museum staff. That exhibition will be followed by *Robert Gober: Sculpture and Drawing*, organized by the Walker Art Center; *Dali: Optical Illusions*, organized by the Wadsworth Atheneum; and *Edward Ruscha*, which is being organized by the Hirshhorn in conjunction with the Museum of Modern Art, Oxford, England. The exhibition will travel to the Museum of Contemporary Art, Chicago; the Miami Art Museum; and the Museum of Modern Art, Fort Worth, as well as Oxford. The *Directions* series will feature the works of Shazia Sikander, Leonardo Drew, and Cathy de Monchaux, artists from Pakistan, the United States, and England, respectively. Major projects under development will feature the work of American painter Clyfford Still, South African artist William Kentridge, and Spanish sculptor Juan Muñoz.

The Museum interprets its collections and exhibitions through daily gallery tours, elementary-age, family and adult programs, film, lectures, and teachers' workshops. In FY 1999, the Hirshhorn introduced the redesign of its expanded calendar and enhanced its Young at Art program to include Improv Art, a drop-in program for elementary-aged children and their families. Tours for the sight-impaired were reinstituted and an Art Explorers Workshop for Adults was also offered for the first time. All Museum publications (brochures and catalogs) are available in audio, large print, and Braille format, upon request. In addition to exhibition brochures for each exhibition, the Museum also produced an exhibition catalog, *Regarding Beauty: A View of the Late Twentieth Century*, to accompany the exhibition of the same name.

Collections Management - The Museum prepared for the move of its print collection in 2000 to renovated space in the Museum's painting storage area. This move will not only consolidate collections storage but will free some necessary office space. The Museum System (TMS) database was fully implemented in 1999 and staff now have online access to current information about all Smithsonian art collections at their desks. Addition of archival information about the collection continued and staff began to add scanned images of collection objects to the database. Both projects will continue through FY 2000.

Research - Research activity continues to focus on future exhibitions (Edward Ruscha, William Kentridge, Clyfford Still, Juan Muñoz) and the concomitant publications that will be produced. In addition, staff pursued research on Georgia O'Keeffe watercolors, Raymond Duchamp-Villon and

the American Avant-garde, Willem deKooning, Elie Nadelman, Magdalena Abakanowicz, and Thomas Eakins' photographs in the Hirshhorn collection.

NON-APPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits of personnel and related travel costs. In addition, these funds provide general support for exhibitions, public programs, and fund raising (including the Museum's first Donor Recognition Board). Donor/Sponsor Designated funds provided support for costs related to specific programs and projects, such as collections acquisitions; public programs such as the Young at Art program for children and families; exhibitions such as the 25th anniversary exhibition held in the fall of 1999 and entitled, *Regarding Beauty: A View of the Late Twentieth Century*; and the establishment of the Museum's first Development Office. The Hirshhorn's first gala fund-raising benefit, *A Celebration of Art*—a dinner/dance which benefited the Museum's exhibitions and public programs—not only raised the Museum's public profile and introduced a new constituency to the Museum, but also yielded much-needed support for the Hirshhorn.

NATIONAL AIR AND SPACE MUSEUM

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	214	12,574	37	3,333	20	4,502	25	338
FY 2000 ESTIMATE	214	13,228	36	6,324	20	5,837	25	300
FY 2001 ESTIMATE	233	16,317	37	1,584	18	107,136	25	138

ABSTRACT - The mission of the National Air and Space Museum (NASM) is to memorialize the national development of aviation and space flight. It serves as the repository for, preserves, and displays aeronautical and space flight equipment and data of historical interest and significance to the progress of aviation and space flight. The Museum provides educational materials and performs the necessary research for the study of aviation and space flight and their related technologies. In addition to its Mall location, NASM maintains the Paul E. Garber Preservation, Restoration and Storage Facility in Suitland, Maryland. Design work continues on the Dulles Center in Virginia which will house the Museum's collection and restoration facilities, enabling the Museum to exhibit much more of its collection, including its largest aircraft and spacecraft.

For FY 2001, the Smithsonian requests \$2,580,000 and 19 term positions for collections preparation and program planning for the Dulles Center. The Institution requires \$509,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - During FY 1999, NASM had over 10 million visitors and its website was accessed between five and six million times per month.

Research - During 1999, curators and researchers at the Museum presented the results of historical and scientific research at several meetings and conferences, such as the Society for the History of Technology and the American Geophysical Union. The curatorial staff took a lead role in organizing the 50th Anniversary of NATO Conference and a National Aerospace Conference. In addition to monographs, results published in the scientific literature include discussions of the causes of dark terrain in the highlands of Venus, the newly determined contraction

measurements of Mercury, the origin of desert dunes in the Mojave, and the timing of flooding in central Australia.

Collections Management - During FY 1999, the first 25 NASM employees were trained on the new Collections Management Information System, and all the original Smithsonian mainframe-based collection files were converted and moved into the system, along with over 17,000 of the original images and documents.

Preservation and Restoration - In FY 1999, work continued on the Aichi Seiran, the Hawker Hurricane, the SA-2 surface to air missile and transporter, the S-1 Pitts Special *Little Stinker*, and the Nieuport 28. These major aircraft projects range from 92% to 100% completed. The engine preservation project is over 60% complete, with 145 of 240 engines mounted, preserved and ready for transfer to the Dulles Center. The MiG-15, a Korean-War period Soviet fighter, is being preserved in preparation for the move to the Dulles Center. During the summer of 1999, the aft fuselage of the Enola Gay was moved into the shop to complete restoration of the aircraft, and the final painting is underway. Also in 1999, the Museum completed the cleaning and transfer of 35 large artifacts and well over 1,500 smaller ones from an asbestos-contaminated storage area to a safer area within the Garber Facility. In August 1999, staff traveled to Lucerne, Switzerland and prepared the Breitling Orbiter 3 for transport to NASM. A flown Spacelab module and related components were acquired and transported from the National Aeronautics and Space Administration to NASM.

Publications and Electronic Outreach - In FY 1999, NASM published Tom Crouch's *Aiming for the Stars: The Dreamers and Doers of the Space Age* (Smithsonian Institution Press). Also, *A History of Modern Computing* by NASM curator Paul Ceruzzi was published by MIT Press. The Museum's heavily visited website continued to expand its online information, educational activities, resources, and information on public programs and special events. Special features added include a new educational resources area, a live web camera in the artifact restoration shop, increased information on the planned Dulles Center facility, and, in conjunction with the 30th anniversary of the Apollo 11, an online exhibition, events, and resources, including the new virtual gallery, *Apollo to the Moon*.

Exhibitions - In October 1999, a new show, *And a Star to Steer Her By*, opened in the Planetarium. It explores the tools used—from stars to satellites—to meet the challenges of navigation. Complementing the planetarium show is *GPS: A New Constellation*, a new exhibition that explores the Global Positioning System, the most significant recent advance

in technology for determining position. Two temporary exhibitions were added to *Space Race* in June. One, *The Soviet Challenge in Space: Illustrating the Threat* is a display of 12 paintings created for the Defense Intelligence Agency to illustrate Soviet weapons systems and advanced technology during the Cold War. The other, the Faint Object Spectrograph (FOS) was part of the Hubble Space Telescope when it was launched in 1990 and was retrieved by Space Shuttle astronauts during a servicing mission in 1997. The gondola from the Breitling Orbiter 3, which in 1999 became the first balloon to complete a nonstop flight around the world, was added to *Milestones of Flight* in September. Planning and development work continued on several other major projects, notably *Explore the Universe*, the redesigned Air Transportation Hall, the new IMAX® film, *Up, Up, and Away*, and the design of the Dulles Center. Presented in a state-of-the-art digital theater, the exhibition *Earth Today* is updated several times daily to show near real-time satellite views of the Earth's atmosphere, oceans, and land masses.

Education - During FY 1999, NASM started a new, national education program on remote sensing and air transportation. As part of the remote sensing *Reflections on Earth* program, a teaching poster that helps students understand the use of space technology in the study of the Earth and its environment was distributed to 40,000 middle schools. On Discover the Moon Day, a variety of educational activities was presented to commemorate the 30th anniversary of the Apollo 11 landing on the Moon. In celebration of National Geography Awareness Week, visitors participated in the popular *Geography from Space*, an activity that lets them identify various geographic land formations from space photos. Educational Services collaborated with the Smithsonian Center for Education and Museum Studies and two universities to offer 10 teacher workshops for 227 teachers. Two family programs—NASM's general population outreach Family Nights, and the Challenger Center's Family Science Nights—had more than 6,000 participants. Education staff exhibited at the National Science Teachers Association and the Smithsonian Teachers' Night, expanded the education homepage and produced the School Program Guide.

Dulles Center - In FY 1999, significant progress was made on the Dulles Center. The design is 100 percent complete, the Commonwealth of Virginia will release the initial site preparation work contracts in spring 2000, the 50-year lease with the Metropolitan Washington Airports Authority was signed, and construction fund raising is ahead of schedule, having achieved more than 70 percent of goal. A working artifact layout has been developed using CAD/CAM systems and the exhibit kiosks have been designed.

EXPLANATION OF PROGRAM CHANGE - The Institution requests an increase of \$2,580,000 and 19 term positions in FY 2001 in support of collections management and program planning for the opening of the new Dulles Center in 2003.

The National Air and Space Museum—Dulles Center will house, display and provide a facility for restoration and preservation of the majority of the Smithsonian Institution's air and space-related artifacts. At the Dulles Center, these artifacts will be accessible to current and future generations of museum visitors and will form the basis for aviation and space education programs. The new Dulles Center will provide museum-quality housing for objects in NASM's collection not on public display on the Mall and provide public access to most of these collections.

NASM's most urgent need is to prepare the collection for transfer to the new facility. At this time there are thousands of artifacts disassembled and packed in crates that must be inspected, inventoried and conserved. Of the requested increase, 15 positions and \$1,166,000 (of which \$263,000 is one-time) are needed to prepare the aircraft, spacecraft and related artifacts for the move to the Dulles Center. This is a labor-intensive effort that cannot be met by contractual support. The requested funds will be used to obtain expertise and equipment required for air and space collections management, restoration, and transport. The initial focus will be to inventory, document and ascertain the stored collection's status. In conjunction with that effort will be conservation of key artifacts planned for display at the Dulles Center.

Equally as important is planning the Dulles Center's educational and public programs. One position and \$82,000 are needed to begin preparing the educational and outreach programs for the Center in the sciences and history. This position will develop the national and regional educational partnerships that will establish a major component of the Center, and result in a comprehensive program. Two positions and \$118,000, along with \$1,136,000 for one-time expenses, are required for the extensive design and testing needed in order to provide sufficient time to contract and build the exhibit systems for the Center's opening. Finally, one position and \$78,000 are needed for additional contract management support, as the Dulles Center examines outsourcing support operations.

These funds are vitally needed to prevent further deterioration of one of the world's most valuable and irreplaceable collections of artifacts representing the history of aviation and space flight. These funds will also serve to educate students throughout the country on the science and

history that have made air and space flight possible. This initial investment in collection preservation and education will ensure that the national air and space treasures will be available for future generations.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for research activities, educational programs, exhibitions, and fund raising, including the associated personnel salaries and benefits. Donor/Sponsor Designated funds provide support for costs related to specific programs and projects, such as research, exhibitions, collections care, and education programs. The Dulles Center capital campaign is raising the funds to build the museum extension, and has received the \$60,000,000 gift from Steven Udvar-Hazy as a kick-off of the \$130,000,000 campaign. Government Grants and Contracts provide support for research and other scientific activities.

NATIONAL MUSEUM OF AFRICAN ART

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	54	4,071	1	316	0	43	0	0
FY 2000 ESTIMATE	54	4,253	2	440	0	42	0	0
FY 2001 ESTIMATE	54	4,365	2	407	0	130	0	0

ABSTRACT - As a leading center for the visual arts of Africa, the National Museum of African Art (NMAfA) fosters and sustains through exhibitions, collections, research, and public programs an interest in and an understanding of that continent's diverse cultures. The Museum's collection represents the visual arts of the entire continent, crossing time from the ancient through the contemporary.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the national Museum of African Art. The Institution requires \$112,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - The National Museum of African Art educates and instills an appreciation for the cultures and visual arts of Africa through the acquisition, care, research, exhibition and interpretation of works of art in the context of African history, culture and aesthetics.

Research - In FY 1999, in addition to research on proposed acquisitions, curatorial staff conducted research on South African contemporary art, children's masquerades, African adornment, and other collection-related subjects. A collections-based research grant supported research in South Africa on the work and career of photographer Constance Stuart Larrabee that will result in a publication. Conservation staff conducted research on concrete deterioration and devised a treatment protocol for four contemporary, figurative concrete screens.

Collections Management - During FY 1999, NMAfA expanded its implementation of The Museum System, NMAfA's collections information system. Also, the Museum began implementation of its main storage renovation project, the goal of which is to utilize efficiently available

storage space to house the aggressively expanding collection of both classical and modern African art. The Museum deaccessioned 35 bronzes by Jacob Epstein, netting more than \$250,000 for future acquisitions. The Eliot Elisofon Photographic Archives, a research and reference center for visual materials, had preservation negatives made for 400 vintage prints in two historic photographic albums and 4,930 study prints made from negatives in the Constance Stuart Larrabee collections. The Archives added about 6,000 images of collections objects, installations and events to its collection.

Collection Acquisitions - In FY 1999, the Museum added 63 important works to its permanent collection through gift and purchase. Highlights among the gifts were a collection of early Zulu beadwork and a Baga *d'mba* mask (ca. 1925) from Guinea. Purchases included a rare set of early 20th-century, polychrome Nkanu initiation wall panels; an Mbala maternity figure from the Democratic Republic of the Congo; and a cast bronze abstract figure by South African artist Ezrom Legae (1938-1999). The Elisofon Archives added a total of 8,531 historic and contemporary images to its holdings.

Exhibitions/Public Programs/Education - During FY 1999, NMAfA presented seven temporary exhibitions. Among them were *South Africa, 1936-1949: Photographs by Constance Stuart Larrabee*; *New Acquisitions: Gifts from the Lawrence Gussman Collection*; and *Baule: African Art/Western Eyes*, which contrasted how Baule experience their art with how Western museums have presented them. *Sokari Douglas Camp: Church Ede, A Tribute to Her Father* presented a monumental kinetic funerary sculpture from the Museum's collection; *Hats Off! A Salute to African Headwear* and *Claiming Art/Reclaiming Space: Post-Apartheid Art from South Africa* presented works from the permanent collection. *Wrapped in Pride: Ghanaian Kente and African American Identity* was a collaborative presentation with the Anacostia Museum and Center for African American History and Culture. Smaller exhibitions of kinetic sculpture and African ceramics augmented the Museum's four permanent gallery installations.

The Museum complements its exhibition program and interprets its collection through a lively program of gallery tours, lectures, school programs, workshops for teachers and youth, outreach programs, and conservation clinics. In FY 1999, NMAfA offered more than 1,500 public programs serving 33,000 individuals. *Great African Films of the 90s*, co-sponsored by the Arthur M. Sackler Gallery/Freer Gallery of Art, included an international panel discussion on the future of African cinema in North America. *South African Cinema: Past, Present and Future* and 5 films from

Côte d'Ivoire were also presented. A Family Day, held in conjunction with the *Wrapped in Pride* exhibition, presented Ghanaian food, song, dance and other activities. Hands-on learning activities were incorporated into both the *Hats Off!* and *Wrapped in Pride* exhibitions. The Museum continues to refine its website and include electronic versions of each of its exhibitions.

Publications - In FY 1999, the Museum published *Olowe of Ise: A Yoruba Sculptor to Kings*, the first monograph including a catalogue raisonné of a traditional African artist. The Museum produced booklets, brochures, and flyers for its exhibitions and a *Family Guide* activity booklet for the *Wrapped in Pride* exhibition. NMAfA also produced program notes for the music and film programs as well as slide kits for teacher workshops. The Museum's *Educational Programs* brochure, published annually, continues to have wide local and national distribution.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for the director's salary, benefits, and travel, as well as general operations, exhibitions and related public programs, collections acquisitions, and fund raising. Funds from the Smithsonian's Collections Acquisitions Program supported the purchase of an Mbala maternity figure. The Special Exhibition Fund supported both the Kente and Baule exhibitions. Donor/Sponsor Designated funds provided support for a publication as well as publicity and programming related to the Kente exhibition. A collections-based research grant funded research in South Africa.

NATIONAL MUSEUM OF AMERICAN ART

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	123	8,252	9	1,256	4	2,120	0	0
FY 2000 ESTIMATE	123	8,624	11	1,122	4	3,900	0	0
FY 2001 ESTIMATE	123	8,929	11	1,265	6	3,385	0	0

ABSTRACT - The National Museum of American Art (NMAA) is the Nation's museum dedicated to the arts and artists of the United States from colonial times to the present. The Museum promotes art as a source of enrichment for general audiences and scholars alike and serves as a resource in the broadest possible sense for American visual arts. The Museum's programs make American art available to national audiences and beyond, as well as to those who visit its two historic landmark buildings in Washington DC. Outreach takes the form of circulating exhibitions, educational materials, publications, automated research resources, and a vast and growing offering of online and educational services which reflect the diversity of the country's citizenry and art.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the National Museum of American Art. The Institution requires \$305,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - NMAA stimulates an understanding of American visual expression in its broadest contexts through interpretive exhibitions; publications; online, print, and media outreach; and public programs. As a national institution, NMAA explores and serves the heritage of diverse communities in the United States.

Research - Thirteen scholars-in-residence enjoy research privileges through fellowships awarded for the 1999-2000 academic year. During FY 1999, the public made over 112,000 searches to the Art Inventories through the Smithsonian Research Information System (SIRIS), up considerably from the 67,000 searches reported the previous year. The Museum's popular online reference service, *Joan-of-Art*, answers an

average of 400 questions per month from the public on questions in American art.

Collections - The Museum's collections of approximately 38,000 objects encompass painting, sculpture, graphic art, photography, and folk art, as well as modern crafts at its Renwick Gallery. NMAA's most important acquisition during the past year was Richard Diebenkorn's painting *Ocean Park #6*, an early example of this California artist's best known series of paintings. Other objects acquired in FY 1999 include a major painting by Horace Pippin and a collage by Romare Bearden, both of whom are among the country's most famous African American artists. An exquisite group of 94 nineteenth-century portrait miniatures by members of Philadelphia's Peale family and George Catlin, among others, was received as a bequest. NMAA also acquired significant works by several Latino artists, including landmark examples by Amalia Mesa-Bains and Judith Baca, as well as sculptures by Jesús Morales and the folk artist Felix Lopez. Among the Renwick's notable acquisitions was *!Guerra!*, a flag-tapestry by the New Mexican Hispanic artist Arturo Sandoval.

Exhibitions - Highlights of FY 1999 exhibitions on view included *Picturing Old New England*, *Abbott Thayer*, and *Woodcuts by Hiratsuka*, a tribute to the life and art of a celebrated Japanese American artist. For FY 2000, *Edward Hopper: The Watercolors*, received great reviews and large audiences as NMAA's final exhibition before it closed for a three-year renovation. An extensive website called *An Edward Hopper Scrapbook* complemented this exhibition and its catalog. A major exhibition at the Renwick was *Daniel Brush: Gold without Boundaries*, which was publicized by the media nationwide, showcased on national television, and received the Smithsonian's Exhibition Award for Design and Installation.

After the Museum closed in January 2000, more than 500 of the Museum's best paintings and sculptures began a national tour in eight exhibitions to 70 venues under the title *Treasures to Go*. A media launch for this three-year national tour has generated strong national publicity, and ambitious plans are in place to generate interest in the Museum and the Smithsonian as the tour proceeds.

Publications - The Museum published two major catalogs in 1999. *Picturing Old New England: Image and Memory* chronicles the development of the region's identity from the Civil War through the close of World War II. *Edward Hopper: The Watercolors* is the companion book for an exhibition jointly organized by NMAA and the Montgomery Museum. The Museum continued to publish its journal, *American Art*, now offered both in print and online, which recently included discussions of Scheeler, Hassam, Rungius,

Warhol, Wyeth, and Thayer. Four gift books will accompany the *Treasures to Go* exhibitions.

National Outreach and Education - The Museum's largest outreach project, apart from the *Treasures to Go* tour, is entitled *Save Outdoor Sculpture!*—a multiyear project dedicated to encouraging preservation of the nation's outdoor monuments. Grant funding from Target Stores and the National Endowment for the Arts supported 57 awards to conserve public sculptures in 32 states and the District of Columbia, with 42 percent of the awards made to communities with populations below 100,000.

The Museum conceived and implemented a variety of multicultural public programs and educational projects to attract a broad range of visitors. The use of new Internet applications, the publication and distribution of interpretive materials, and visits to local institutions enhanced the Museum's continued distance-learning efforts.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits of personnel, fund raising, and other related costs. Donor/Sponsor Designated funds provide support for specific programs and projects. Exhibitions and education programs receive support from individuals, foundations, and corporations. In FY 1999, a significant gift was received from the Principal Financial Group to support the *Treasures to Go* exhibitions as they tour the United States while the Museum is closed for renovation.

NATIONAL MUSEUM OF AMERICAN HISTORY

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	313	19,658	18	2,719	93	11,338	0	18
FY 2000 ESTIMATE	315	20,560	19	3,024	28	10,886	45	2,900
FY 2001 ESTIMATE	315	21,390	22	3,714	27	5,665	46	2,900

ABSTRACT - The National Museum of American History (NMAH) dedicates its collections and scholarship to inspiring a broader understanding of our nation and its many peoples. It creates learning opportunities, stimulates imaginations, and presents challenging ideas about the country's past. This mission statement serves as a guide to NMAH staff as they develop public programs, open new and update existing exhibitions, conduct research, and enrich the collections.

This line item also includes the National Postal Museum. Its mission is to preserve and interpret the material and intellectual heritage of postal communications and philately through its collections, exhibits, publications, and educational programs.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the National Museum of American History or the National Postal Museum. The Institution requires \$830,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - The following are highlights of the National Museum of American History's recent achievements.

Research and Publications - Extensive research led to many important publications in FY 1999, including *Between a Rock and a Hard Place: A History of American Sweatshops, 1820 to the Present* by Peter Liebhold and Harry Rubenstein; *The British Museum Encyclopedia of Native North America* by Rayna Green (with Melanie Fernandez); *Life In Republican Rome on its Coinage* by Elvira Clain-Stefanelli; and *Public History: Essays from the Field*, edited by James B. Gardner (with Peter S. LaPaglia). In partnership with the Salzburg Seminar, the Museum also launched a new research

initiative by bringing scholars together from around the world to share work on *Public History and National Identity*.

Collections - In FY 1999, the Museum received a wide array of objects and archival materials through donation, purchase, transfer, and bequest. They included objects and archival materials from Goya Foods, a rare 10-kopek note issued by the Russian American Fur Company in the 19th century, photographs by Richard Avedon and Fred Maroon, Alexander Fleming's penicillin mold, components of two supercomputers, seismology instruments of the Cold War period used to monitor nuclear tests, and a black leather outfit worn by Tejano singer Selena.

Collections Management - In FY 1999, renovation plans for the newly asbestos-abated Silver Hill Building 17 were completed, as were the plans for new roofing for Silver Hill Buildings 15, 16, and 18. Unfortunately, during recent work on building 18, elevated asbestos levels were detected, making the building inaccessible while the contamination is assessed. Approximately 700 objects requiring extensive pre-move documentation were transferred to the Museum Support Center. The Museum continued to convert collections information in existing automated systems to the new automated central collections information system, MultiMIMSY, and reached a system total of 150,000 records in the process. Deinstallation of NMAH's technology exhibit at the Arts & Industries Building was completed. The largest technology objects were loaned long-term to the National Museum of Industrial History in Bethlehem, Pennsylvania, as part of NMAH's first affiliation agreement. NMAH also contracted for a comprehensive preservation assessment of storage, housing, and general physical conditions of the armed forces history collection.

In FY 1999, the Star-Spangled Banner was taken off display and is undergoing conservation treatment in the special on-site conservation laboratory that has been constructed for this 30-x-34-foot artifact. This lab has a 50-foot window wall so visitors can see the work in process, as well as an exhibit in the adjoining space describing the flag's origin in the War of 1812, the creation of the poem that became the National Anthem, and the preservation project. Also in FY 1999, the project team produced a major website and with the History Channel, produced an hour-long documentary, including a teachers' manual distributed to 90,000 teachers all across the country. Plans call for reinstallation of the flag in an environmentally controlled enclosure with accompanying permanent exhibit and educational programs in late 2002. This project has been made part of the Save America's Treasures Program of the White House for their Millenium

initiative, and it inaugurates the Museum's Blueprint—its long-range program to improve public spaces and provide new exhibitions.

Exhibitions and Public Programs - Under the Blueprint program, the Museum opened *Communities in A Changing Nation: The Promise of 19th-Century America*, a well received exhibit which explores the promise and reality of life in the 1800s through the experiences of three different communities—factory owners and workers from Bridgeport, Connecticut; Jewish immigrants in Cincinnati, Ohio; and African Americans in the South Carolina low country.

The Story in History and *Our Story* were two new programs featuring children's literature and hands-on learning for families and at-risk school audiences. Both programs reflected new thinking about the benefits of teaching history through stories to school-aged children. The Museum's Lemelson Center for the Study of Invention and Innovation explored history, public policy, and technological innovation through a series of programs entitled *Inventing for the Environment*. The Museum also celebrated the centenary of Duke Ellington's birth with a special exhibition of historical photographs, the Duke Ellington Youth Art Project, and a series of concerts presented by the Smithsonian Jazz Masterworks Orchestra.

In early FY 2000, the Museum continued to advance its Blueprint program by opening *On Time*, a major new permanent exhibition that explores the changing ways Americans have measured, used, and thought about time over the last 300 years. The exhibition features more than 200 clocks, watches and other objects which demonstrate how and why we have come to equate time with the clock. *Fast Attacks and Boomers*, scheduled to open in the spring of 2000, represents the most recent addition to the Armed Forces Hall. The exhibition honors the centenary of the submarine and presents a detailed look at the role of submarines and their crews during the Cold War. The 300th anniversary of the piano will be noted by a display of rare and historic pianos from the Museum's collection in the S. Dillon Ripley Center, and an accompanying series of concerts, demonstrations, television specials, and gala performances.

In FY 2001, the Museum expects to unveil another significant element of its Blueprint plan by opening *American Legacies* and the Museum Welcome Center. The exhibition and the center are key elements in the Museum's plan to offer more comprehensive orientation to American history and to the collections. Also, in FY 2001 the Museum will recognize the 100th anniversary of the Nobel Prize through exhibitions and public programs which honor the accomplishments of American Nobel Prize winners.

National Postal Museum - FY 1999 marked a year of major exhibitions, including five variations of the Museum's *Posted Aboard RMS Titanic* exhibition. One version of the *Titanic* opened in Melbourne, Australia, while other variations were displayed in San Antonio, Texas; Chicago, Illinois; and Las Vegas, Nevada. The full *Titanic* exhibit opened at the National Postal Museum in September, 1999. Other new exhibitions included *As Precious as Gold*, which commemorates the centennial of the Klondike/Alaska Gold Rush, and *Mayhem by Mail*, which honors the United States Postal Inspection Service. The National Postal Museum also inaugurated two new award programs in FY 1999. The first Great American Post Office Award was presented to the citizens of Galena, Illinois, in recognition of having the nation's oldest government-owned postal facility. The other new award program honors Americans Making a Difference. The first award recipient was Buck O'Neil, who played and managed in the Negro Baseball League.

NONAPPROPRIATED RESOURCES - National Museum of American History General Trust funds provide support for salaries and benefits of personnel. In addition, these funds provide general support for research activities, conservation, publications, exhibitions, fund raising, and acquisitions. Donor/Sponsor Designated funds provide support for specific programs and projects, such as collections maintenance, special events, education programs, acquisitions and exhibitions. Government grants and contracts provided support for collections, exhibitions, and research.

The National Postal Museum receives annually major operating and program support from the United States Postal Service. These funds provide support for salaries and benefits of Trust fund employees, utilities and maintenance, security services, exhibitions, publications, fund raising, conservation, and public programs. Donor/Sponsor Designated funds provide support for specific programs and projects, such as special events, education programs, acquisitions, and exhibitions.

NATIONAL MUSEUM OF THE AMERICAN INDIAN

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	224	13,761	5	1,411	1	3,406	0	62
FY 2000 ESTIMATE	235	22,090	6	1,403	2	541	0	6
FY 2001 ESTIMATE	270	31,175	6	1,181	2	584	0	0

ABSTRACT - The National Museum of the American Indian (NMAI), established in 1989 by Public Law 101-185, recognizes and affirms to Native American communities and the non-Native American public the historical and contemporary cultures and cultural achievements of the native peoples of the Western hemisphere. This is achieved through development and use of its collections and nationwide innovative public programming, research, and exhibitions executed in consultation with native peoples.

NMAI operates administrative offices in Washington DC, an exhibition center in New York City at the George Gustav Heye Center in the Alexander Hamilton U.S. Custom House, the Cultural Resources Center (CRC) in Suitland, Maryland, and the Research Branch located in the Bronx, New York. The Research Branch temporarily houses most of the Museum's collections. Beginning in March 1999, NMAI began to move its collection of 800,000 artifacts from New York to the newly constructed CRC in Suitland, Maryland. The CRC will house reference, collections, and program support for NMAI. A groundbreaking ceremony was held in September 1999 for the museum building on the Mall, which is planned to open in 2002.

For FY 2001, the Smithsonian requests \$8,695,000 and 35 positions primarily for programmatic increases associated with the opening of the CRC in Maryland, moving collections from New York City to the CRC, and developing exhibitions and operations plans for NMAI's Mall museum. The Institution requests that the funds for this line item remain available until expended. The Institution requires \$390,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - The Museum of the American Indian, located in New York City, opened its doors to the public in 1922. On June 24, 1990, the collection was transferred to the Smithsonian Institution to form the base of the National Museum of the American Indian. The collection, initiated near the turn of the century, is one of the world's largest assemblages of artifacts of the indigenous cultures of the Western Hemisphere.

Collections Management and Services - The Cultural Resources Center provides for the care and use of the Museum's collections including curatorial and conservation services, registration and collections management, photo and paper archives, photographic services, a resource center, and NMAI's research program. These services provide research and content development for the exhibitions for the Mall Museum and safe housing and documentation for the collection.

In FY 1999, 28,000 objects in the Museum's collection were moved from the Research Branch in New York to the CRC with priority on the artifacts needed for Mall exhibit planning and development. As part of the packing process, digital images are being produced to help create a new electronic catalog of the NMAI collection, and objects are also cleaned and stabilized.

Once objects are shelved and safely housed at the CRC, the staff will provide assistance to visiting scholars, tribal delegations, and interested public visitors who want to research the collection, including the library collection to be housed at the CRC.

Public Programs - The George Gustav Heye Center interprets the NMAI mission through daily gallery tours and demonstrations, elementary and secondary school programs, theatrical presentations, film and video screenings, festivals, symposia, art talks, and community outreach programs. At over 600,000 visits last year, attendance has far outpaced initial expectations, with the Heye Center now ranked as the sixth-most-visited museum in New York City. In addition, the interactive Resource Center seeks to remove the Museum's walls by reaching a global Internet audience through its website.

Planning for the Mall Museum educational programs and visitor services has begun. Dance, music, storytelling presentations, gallery demonstrations and interpretive programs, lectures, symposia, film screenings, and cultural festivals will be presented to an expected audience of over 2 million visitors each year.

One of the most exciting projects is a 20-minute film that will be shown several times each day in the 400-seat Mall Museum theater. This powerful and informative film will put forth the main messages of NMAI and will have a narrative style showing contemporary Native life and traditions. The film will have a life of at least 10 years and could be shown after-hours in the Museum and at other sites outside of NMAI. Necessary pre-production of the film will begin in FY 2001.

The Potomac Center will be the central gathering space in the Mall Museum. Projected to be the hub of the wheel of activities in the Museum, this dynamic space is being planned as an interactive program and exhibit space. NMAI will open the Mall Museum with a program/exhibit about Native boat building traditions, with a Northwest Coast canoe, a Plains skin-covered boat, and a South American reed boat under construction by makers. Visitors will be able to watch and talk with makers and climb into a finished birch-bark canoe. A video about contemporary canoe races in Native communities will be available at an interactive media station. Explanatory labels will inform visitors about the continuity of the traditions of Native boat building. The design of exhibit component modules will begin in FY 2001.

Community Services - In 1999, NMAI finalized several important projects that will serve as springboards to future activities. Two radio programs to accompany exhibits were released over AIROS (American Indian Radio on Satellite): *Memory and Imagination: The Legacy of Maidu Indian Artist Frank Day* and *Indian Humor*. The *Living Voices* radio series will be completed and begin airing in 2000. Approximately 45 Native profiles will be featured, including individuals from Alaska to New York to Mexico. The Museum also conducts a Native Artist Fellowship program in New York.

NMAI held the first Generation-to-Generation symposium, *American Indian Origins: Cultural, Historical, and Scientific Understandings* at the George Gustav Heye Center in New York. A second on contemporary Indian leadership is being planned for 2000, with a third on economics for 2001. Workshops for children in creative writing and photography were conducted in 1999. Planned 2000 workshops include Pomo basket weaving, technical museum assistance in Panama, repatriation in Oklahoma, and exhibit research in Washington DC. The bilingual publication, *Starting a Community Museum: Perspectives from Indigenous Peoples*, will be completed in 2000.

The Museum is also working on a new outreach project, the forthcoming *Indigenous Geography* website, which will be a collaboration with American Indian communities throughout the Western Hemisphere.

Eventually the site will become a cross-cultural dialogue that spans the disciplines of linguistics, literature, history, philosophy, and religion, usable by teachers, college and university faculty, students and the general public. Building on this, NMAI will work with other museums to offer a gateway to Native American collection resources in the context of community.

Publications - In 1999, the Museum published its first anthology of children's poetry: *When the Rain Sings: Poems by Young Native Americans*, in collaboration with Wordcraft Circle of Native Writers and Storytellers. Also scheduled for early 2000 is *The Changing Presentation of the American Indian: Museums and Native Cultures*.

NMAI also managed the production of a series of publications created in conjunction with the Gala fundraiser in December 1998. Two significant pieces were *Native American Voices*, a photo journal, and the Honor-a-Treasure Portfolio. In 2000, in addition to support for the publications needs at the Heye Center and the CRC, NMAI will continue development of printed materials for the 2002 opening on the Mall.

Exhibitions - For the years 2000, 2001, and 2002, one of the Museum's highest priorities is the development, design and production of the opening series of permanent exhibitions for the Mall Museum. This work is being coordinated with the architectural design and construction of the building and is based on extensive work with Native communities. In addition, work will continue on the exhibit introduction presentation, open study collections, and smaller scale exhibitions throughout the building. Exhibition design will be completed in 2000 and production will begin in 2001 with installation occurring in late 2002.

The galleries at the Heye Center in New York continue to support changing exhibitions with current projects including *Spirit Capture*, which will open in 2002, and *Plains Shirts*, a collections-based show that will open in 2000.

National Campaign/External Affairs - Recent accomplishments include raising funds to support conservation during the move of the collection, initiating the first phase of the feasibility study for integrated marketing, and organizing the groundbreaking for the Mall Museum. Fund raising and external affairs goals for FY 2000 include raising additional funds for Mall construction and opening activities, formalizing a corporate membership program in New York, initiating an Inaugural Committee for the Mall Museum, and finalizing the study for integrated marketing.

EXPLANATION OF PROGRAM CHANGE - For FY 2001, the Smithsonian requests \$8,695,000 and 35 positions for programmatic increases associated with the opening of the Mall Museum (\$6,208,000 and 14 positions) and continuing the move of the collections from New York and operations at the Cultural Resources Center (\$2,487,000 and 21 positions). The Institution requests that resources for this line item remain available until expended.

NMAI FY 2001 REQUESTED INCREASE	Positions	\$000
Mall Museum:		
• Exhibits Development		\$ 2,300
• Research/Acquisition		731
• Film Production		850
• Publications		74
• Potomac Center		150
• Technology		400
• Furniture/Equipment		479
Mall Museum Operations:		
• Education	1	92
• Exhibition	5	539
• Publications	1	157
• Resource Center	1	65
• Performance/Media	2	109
• Visitor Services	1	65
• Administration/Facility Management	3	197
Subtotal, Mall Museum	14	6,208
Collections Move to Cultural Resources Center		1,100
Cultural Resources Center Operations:		
• Research & Curatorial	4	262
• Archives Unit	2	186
• Conservation	1	65
• Photo Services	1	65
• Community Services	1	94
• Resource Center	2	145
• Information Resource Mgt. And Technology	2	236
• Facility Management	7	290
• Smithsonian Institution Libraries	1	44
Subtotal, Cultural Resources Center	21	2,487
Requested Increase	35	\$ 8,695

The increases requested for FY 2001 are primarily directed at two Museum priorities: (1) Mall Museum opening needs, and (2) improved public

access to the collections. Both efforts will increase the accessibility of Native American artifacts and information about the cultures that the collection represents. The museum-going public, Indian communities and individuals throughout North and South America, and Native and non-native scholars will benefit from this increased access to the Museum's treasures.

Mall Museum Exhibitions and Museum Operations (\$6,208,000 and 14 positions) - The Institution requests \$2,300,000 for production and fabrication of exhibitions at the Mall Museum, and \$731,000 to complete the curatorial research and development of the Mall exhibitions, supporting extensive coordination and liaison with thirty-five communities throughout the hemisphere as well as supporting the acquisition of contemporary objects and art for the Mall exhibitions. The production of an educational film to be shown daily at the Museum to inform the public about the diversity of the Native cultures of the Americas, and to underscore the vitality of contemporary Native American culture is estimated to cost \$850,000. Also needed is \$74,000 to provide contract editorial and photographic services for the two major books to commemorate the Museum's opening. The working titles of these books are *The Native Universe* and *The Soul of A New Museum*. A total of \$150,000 is requested for the Potomac Center exhibit, including \$60,000 for the design and fabrication of reusable, portable exhibit modules. This includes text panels, video programs, hands-on activities, and interactive computer programs. The opening exhibit/program is about Native boats and includes acquisition (\$90,000) of such items as a Northwest Coast canoe, a birch bark canoe, and a Plains skin-covered boat. Furnishings and technology needs as the building is prepared for opening will require \$879,000.

Six public programs positions are requested to prepare for operating a fully staffed museum in 2002. These positions include an education manager to plan and supervise the educational programs; an editor to support the increased demands for editorial assistance throughout the Museum's projects and education endeavors; a Resource Center program manager to plan and manage the Museum's public reference center; a media program manager to plan and manage film programs and audiovisual services for the theater and other program spaces; an administrative assistant to assist the program managers; and a visitor services manager to plan and manage ticketing and visitor crowd-control for galleries and all other public spaces.

The Institution also requests two administrative technicians and one facilities manager to prepare for the opening of the Museum and the increase in services required. It is essential to have a facilities manager on staff and available for constant consultation during the construction

process of a new building, particularly with regard to mechanical and other specialized systems.

Five positions are requested to develop and coordinate the design and production of the Mall Museum exhibits. A media producer will work with the exhibit project teams and designers to ensure efficient and unified solutions to all exhibit media needs; a writer/editor will provide editorial oversight to the exhibit authors; a graphic designer will provide the design services for the Mall exhibits, visitor guidance aids and special events and program graphic needs; a production supervisor will help solicit, select, and monitor the work of all exhibition production contracts; and an administrative assistant will provide support for the management of the exhibit labs, staff, and procurement.

Collections Move and Cultural Resources Center requirements (\$2,487,000 and 21 positions) - The Institution requests \$1,100,000 for additional contract services for relocating the collection, an increase critical to keeping on track with the move plan and to accommodate the Mall Museum opening.

The Institution also requests four curatorial positions to fulfill NMAI's plan for developing and sustaining exhibitions in New York, Washington, and the "fourth museum" in addition to funding to assist the staff in performing research on a virtually unknown and undocumented collection, greatly facilitating production of exhibitions and publications.

Five positions are requested to augment the archive, photo service and library units responsible for integration of the Huntington Library materials and cataloging, digitizing and researching the collection. The five positions are a library technician (for the Smithsonian Institution Libraries), two archivists, one photographer and a paper conservator position. These staff members are essential to acquiring film and video collections, documenting current events, and the preservation of photo, paper and fine arts objects.

A program specialist is requested to plan and implement the NMAI's Community Services training and consultation programs with particular focus on the NMAI's radio programming. This will allow for full implementation of a successful pilot program, which has broadened the scope of community services and strengthened the relationship between NMAI and its constituents.

Two additional staff would develop and maintain the content, computer programs and databases for interactive computers for the Mall

Museum Resource Center. This increase is key to utilizing technology to provide information and data to visitors to NMAI, either in person or via technology.

Two positions for technology would provide a programmer/analyst to develop data handling systems for curatorial information and a data technician to work with registration data management. Funds for systems software and contract services are needed to develop and expand a customized museum information system.

Three positions for facility management would meet the full operational needs of the CRC, a state-of-the art facility with a wide range of specialized environmental needs. Finally, four positions for the Institution's Office of Physical Plant would provide maintenance services for building systems and structures, grounds maintenance, and transportation services for CRC.

The increases requested will move NMAI much closer to its goal of providing first-rate care and wide public access for the extensive and significant collections entrusted to it in the legislation of 1989. By continuing the relocation of the collection from New York and providing the needed program and support staff at the CRC, the long-term preservation of the artifact, archive, and library collections will be assured. Applying current technology to the recording of collections data during this relocation will improve management of the collections, expand security and inventory efforts and make broadly accessible both text and image information for multiple users in on-site and distant locations. Community services staff will help link the CRC's resources to specific users and encourage collaborative projects. Finally, the funds will help begin the crucial work of producing the inaugural exhibitions and related educational publications and materials that will make NMAI's collections directly accessible to millions of visitors to the new Mall Museum.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits of personnel, a portion of the National Campaign costs, and specialized program activities. NMAI continued its collaboration with the Neues Publishing company, producing both a wall calendar and an engagement calendar for 2000. A 2001 wall calendar is being finalized. Donor/Sponsor Designated funds provide support for costs related to specific programs and projects, including educational programs, exhibits, and outreach.

NATIONAL MUSEUM OF NATURAL HISTORY

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	582	40,833	17	2,569	35	10,330	12	3,276
FY 2000 ESTIMATE	582	45,218	14	3,275	30	18,329	10	2,560
FY 2001 ESTIMATE	582	43,603	15	3,022	27	5,294	11	1,189

ABSTRACT - The National Museum of Natural History (NMNH) enhances the understanding of the natural world and humanity's place in it. The Museum's researchers study natural and cultural diversity by collecting and identifying specimens of nature and human invention, establishing relationships among them, and explaining the underlying processes that generate, shape, and sustain their diversity. The Museum interprets this scientific understanding to a national audience through research reports, exhibitions, and education programs. Stewardship of the national collections underpins Museum activities and ensures preservation and global access to these world resources in perpetuity. The close linkage between research, outreach, and collections stewardship is a hallmark of the Museum, lending perspective and authenticity to its research and authority to its outreach.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the National Museum of Natural History. FY 2001 Non-recurring Costs include \$650,000 for the East Court infill project and \$2,500,000 for the Arctic Studies Center including assistance to other museums. The Institution requires \$1,535,000 for Necessary Pay for existing staff in this line item.

PROGRAM - The National Museum of Natural History (NMNH) is one of the leading international centers for research on natural history and anthropology. More than 100 Smithsonian and 50 affiliated-agency scientists working worldwide in the field conduct research using the Museum's unparalleled collections and laboratory facilities. Public exhibits at NMNH attract about six million visits annually. Outreach programs, including traveling exhibits, interactive electronic classrooms and field trips, and informational websites serve millions more, nationally and internationally. The Museum is committed to maintaining its intellectual and

institutional leadership in its scientific disciplines, to conserving and expanding access to its irreplaceable collections, to training the next generation of scientists and technicians, to developing and implementing innovative and virtual educational materials and methodologies to expand and enhance public use of its resources, and to continuing its recognition as America's authoritative source of knowledge of humanity's place in the natural world.

Research - In order to provide context for issues such as global change and biological diversity, the Museum's research emphasizes both historical and contemporary approaches to critical research questions. During FY 1999 Museum scientists' contributions in the area of research were many and varied, from the discovery of *athene blewitti*, the Indian forest owl previously believed to be extinct, to providing a scientific foundation for the discussion of the first Americans in both *Discover* magazine and *Newsweek*.

Museum researchers annually produce over 600 papers per year; two paleobiologists published an influential report in *Science*, providing the first demonstration in the fossil record of a long-term insect herbivore response to a major shift in paleoclimate. In addition to articles in peer-reviewed journals, Museum scientists also produced articles for the general public. Two stories penned by NMNH scientists appeared in the *Washington Post's* educational supplement *Horizon* section: one on the discovery of a coelacanth, a rare and ancient fish; and the other an extensive feature article on human evolution.

NMNH botanists participated heavily in producing the *International Union for Conservation of Nature and Natural Resources Red List of Threatened Plants*, the result of a massive 20-year effort to compile worldwide data on plant diversity. The Red List, which lists all of the endangered, extinct and/or vulnerable plants in the world, is the product of a global partnership that combined the research and resources of the NMNH with those of other national and international organizations in an unprecedented effort to document the status of 270,000 known plant species. This information is critical for the ultimate conservation of rare and endangered plants both in the United States and abroad.

A Museum researcher received the National Science Foundation's prestigious Partnership for Enhancing Expertise in Taxonomy (PEET) grant.

Museum researchers are increasingly using new technologies to explore the past. Museum paleobiologists are working with private sector

partners to produce the world's first 3D-digital dinosaur, a model of NMNH's *Triceratops*, that can be examined and manipulated by computer.

Collections Management - In FY 1999 approximately 326,000 specimens were added to the Museum's collections. Among the highlights are a paleoarctic beetle collection imported from Belarus and a large collection of moths and butterflies from the British Museum, as well as a significant group of textiles collected in Mexico and several important meteorites with excellent documentation of their arrivals on earth.

For the first time, all collecting units are using the transaction management section of the Museum's computerized Collections and Research Information System (CRIS), which facilitates oversight of the collections management practices of the Museum. The central collections staff can now monitor the huge number of incoming and outgoing loans and acquisitions. Additional oversight has been made possible through implementation of on-going cyclical inventories that will help the collections staff adequately monitor the day-to-day care and condition of the collections, as well as confirm location and accountability.

The Museum nearly completed its survey of needs and requirements for a computerized multimedia catalogue, which is the second major component of CRIS. This component is expected to be acquired in FY 2000 for implementation throughout the Museum.

A Collections Health Unit, to begin in FY 2000, was designed to allow the staff to begin tracking the relative health of the collections in storage by examining physical condition, non-destructive association of data, and a set of fundamental questions designed to give the Museum a snapshot of the collections' health.

Public Programs - The Museum is continuing its renovation and upgrade plans for exhibitions. In FY 1999 NMNH opened to the public several research exhibit cases, and opened two major permanent installations, the Kenneth E. Behring Family Rotunda with its new elephant diorama, and the *African Voices* exhibition. In FY 2000, the Museum will open the highly acclaimed *Vikings: The North Atlantic Saga* which commemorates the millennial anniversary of the Vikings' arrival in North America. In FY 2001, the Museum will continue the development and design of the new Mammals complex, scheduled to open in 2003. NMNH also plans to finish design, script, and installation of a complete upgrade of the Human Origins exhibition.

Building on the successful traveling exhibition on agricultural changes in North America, *Listening to the Prairie*, NMNH will continue to develop the *Forces of Change* project and its permanent exhibit scheduled to open in the fall of 2001. Through publications, computer products, public programs, and the 6,500-square-foot-exhibition, the project examines the science and dynamics of global change.

Again in 2001, the Museum will present several exciting temporary exhibitions. For the very first time the impressive colored diamond, the Dresden Green, will come to America and be displayed with the Hope Diamond. At the same time the Museum will display the work of the famous Italian silversmith Buccellati. Later in the year, the Museum will be home to the successful British exhibition, *Voyages of Discovery*.

Electronic outreach continues to be a high priority for the Museum. Natural Partners is currently planning electronic fieldtrips and remote sensing expeditions for FY 2001. NMNH is actively collaborating with five new partners to deliver electronically the Smithsonian's natural history collections and science to various locations across the nation.

Major Facility Expansion and Renovation - While the East Court renovation and expansion project has been completed, related moves of staff and collections will continue through FY 2001. Included in this work is the relocation of millions of delicate insect collections. These moves will require the continued use of supplemental contract labor, supplies, and equipment. These relocations are critical to the continued progress of the Major Capital Renewal Project. The Major Capital Renewal Project, continuing through the next decade, will provide the Natural History Building with a new heating, ventilating, and air conditioning system.

In the West Court, the Discovery Center opened to the public May 12, 1999. The museum shops, Atrium Café, and the Johnson IMAX® Theater are now in operation.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits, general program costs, and fund raising. Donor/Sponsor Designated funds provide support for cost related to specific program and projects, such as *African Voices*, and the restoration of the Rotunda. Government Grants and Contracts provide support for research and exhibitions.

NATIONAL PORTRAIT GALLERY

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	85	5,403	0	340	1	329	0	0
FY 2000 ESTIMATE	85	5,626	1	375	1	210	0	0
FY 2001 ESTIMATE	85	5,835	0	145	1	405	0	0

ABSTRACT - The National Portrait Gallery (NPG) is dedicated to the exhibition and study of portraits of people who have made significant contributions to American history and culture and to the study of the artists who created such portraiture. NPG collects, documents and preserves portraits in all media as both historical and artistic artifacts.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the National Portrait Gallery. The Institution requires \$209,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - The Gallery explores the heritage and accomplishments of the American people by collecting, documenting and preserving, studying, and exhibiting portraits in all media as both historical and artistic documents.

Research - The Center for Electronic Research and Outreach Services continues to bring NPG collections, programs, and exhibitions to researchers and the public via the World Wide Web. Ten exhibitions and a feature on The Peale Papers were added this year. Overall visitor hits to NPG's award-winning website average approximately one million per month.

The Peale Papers staff submitted the final page proofs and index to Yale University Press for volume 5 of the *Selected Papers of Charles Willson Peale and His Family: The Autobiography of Charles Willson Peale*. Publication is scheduled for spring 2000. Plans for volumes 6 and 7, to comprise selected letters and documents from the children of James and Charles Willson Peale, have been approved by the Gallery's Advisory Board.

Collections Management - More than 4000 digital images now accompany records on the Gallery's newly implemented Collections Information System with various scanning projects in progress. American portraits in major European collections have been surveyed and are included in the new database. Work is underway to increase public access by creating a Web interface with the collections database.

Collection Acquisition - During FY 1999, NPG acquired approximately 224 objects. Among the most important were portraits of Thomas Jefferson by Mather Brown; General George S. Patton Jr. by Boleslaw Czedekowski; Henry James by Ellen Emmet Rand; Richard Watson Gilder by Cecilia Beaux; Washington Irving by Charles Loring Elliott; John F. Kennedy by Elaine de Kooning; a drawing of Jamie Wyeth by Andy Warhol; photographs of Mohammed Ali, Malcolm X, and Stokely Carmichael by Gordon Parks; and Ernest Hemingway by Yusuf Karsh.

Exhibitions - An important exhibition, *Franklin & His Friends: Portraying the Man of Science in Eighteenth-Century America*, was organized in conjunction with the National Museum of American History. Other major exhibitions included *Theodore Roosevelt: Icon of the American Century*; *Philippe Halsman: A Retrospective*; *Paul Robeson: Artist and Citizen*; *George and Martha Washington: Portraits from the Presidential Years*; *Hans Namuth: Portraits*; *Picturing Hemingway: A Writer in His Time*; *Edward Sorel: Unauthorized Portraits*; *A Durable Memento: Portraits by Augustus Washington, African American Daguerreotypist*; and *Tête à Tête: Portraits by Henri Cartier-Bresson*.

In January 2000, the Gallery closed its doors to the public for approximately three years while the Old Patent Office Building undergoes major renovation. Eight exhibitions drawn from more than 18,000 images in the Portrait Gallery's collection will travel throughout the United States, Japan, and Europe while the Gallery is closed. The exhibitions include a major group of portraits of U.S. presidents based on the Gallery's Hall of Presidents; 75 paintings spanning more than two centuries, including works by the most important portrait artists the Nation has produced; a wide-ranging group of 60 photographs of notable American women of the 20th century portrayed by the preeminent photographers of our time; and a collection of extraordinary portrait drawings beginning with a luminous watercolor self-portrait by Mary Cassatt.

Publications - All of the books published by the Gallery in FY 1999 were produced to accompany the major exhibitions mentioned above. *Picturing Hemingway: A Writer in His Time*, published in association with

Yale University Press, was the Book-of-the-Month Club's main selection for June.

Education - A major grant has been received to develop, implement, and evaluate an expanded menu of outreach programs for the Washington DC metropolitan area and national audiences. A series of 48 living history performances drew a combined audience of 3,230 and Hispanic Heritage Month programs featured a series of panel discussions and U.S.-made Latino films, shorts, and documentaries. Close to 3,000 visitors enjoyed the varied sounds of July's Courtyard Concert series, *The Age of Elvis: The Roots of Rock & Roll*.

Development - A new Director's Circle has been launched, and an NPG Council is being planned to encourage foundations, corporations, and individuals to support programs. The Director's Circle is a new program designed to encourage participation and financial support from a broad range of contributors including civic, cultural, and commercial leaders in the greater Washington DC community and across the Nation.

NONAPPROPRIATED RESOURCES - General Trust funds provide support to help defray costs of publications, public lectures, symposia, special events for exhibition openings, loan exhibition development, fund raising, management and research. Donor/Sponsor Designated funds provide support for costs related to specific programs and projects including support of NPG's Director's Circle. Donors included The Morris and Gwendolyn Cafritz Foundation, Eastman Kodak Charitable Trust, and Thomasville Furniture Industries, Inc.

NATIONAL ZOOLOGICAL PARK

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	317	19,695	5	1,445	2	1,469	11	851
FY 2000 ESTIMATE	317	20,453	6	1,903	2	1,478	11	875
FY 2001 ESTIMATE	317	21,175	6	1,925	2	1,512	11	900

ABSTRACT - The National Zoological Park's (NZIP) mission is the advancement of science, biological conservation, education, and recreation. NZIP serves the public and specialized audiences by promoting conservation of life on Earth through informal and formal education, research, and animal health programs. More than a zoological park concerned only with living animals, NZIP is a biological park whose scope extends to the whole living world.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the National Zoological Park. The Institution requires \$722,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - NZIP's educational efforts center on biological literacy, with special emphases on evolution, complex adaptive interactions, origins and importance of biodiversity, global change, and the impact of humans on the world. NZIP exhibits a wide range of living plants and animals on its 167-acre facility in Rock Creek Park in Washington DC. It also maintains the Conservation and Research Center as a major facility for endangered species propagation, conservation, training, and research located on 3,150 acres near Front Royal, Virginia. A highly skilled staff develops, manages and sustains NZIP's unique living exhibits and diverse research and education programs, as well as information systems and technology which are now an integral part of all NZIP functions. NZIP also participates in the International Environmental Science Program, which supports long-term studies of the endangered Golden Lion Tamarin.

Research - Zoo pathologists discovered that the same virus that killed the elephant calf Kumari in 1995 was also responsible for 15 other elephant deaths in European and North American zoos in the past decade. The virus is a new type of herpes virus carried without illness by African

elephants but fatal to Asian elephants. The virus was identified by DNA amplification from preserved tissues. This led to use of an anti-herpes virus drug to successfully treat three other sick elephants. These findings, published in *Science*, are a breakthrough in herpes virus biology that improves understanding of these pathogens in humans and other animals.

NZP scientists are integrating conservation of migratory birds with tropical agro-systems, particularly coffee and cacao (chocolate). Field research in Peru, Panama, and Mexico refine our understanding of how to grow these crops profitably under a canopy of native trees that support wintering migratory songbirds. The findings help to establish international guidelines for certifying shade-grown coffee in a rapidly expanding marketplace. In some places, such as the Peruvian Andes, this work allows farmers to support their families without growing illegal drugs for export.

Living Exhibits - The new *American Prairie* exhibit opened in 1999, featuring bison, prairie dogs, native grasses, and an interpretive program on grassland biology and the culture and challenges of human life on the prairie. A new zebra exhibit opened near the Cheetah Conservation Station to expand the African grasslands presentation. A farming and domestication exhibit is in concept development. It will explore the impact of the discovery of agriculture on human history, and production and processing of the many agricultural products that enrich our daily life. The *Great Cats* exhibit, opened in 1998, was enlivened by the birth of three endangered Sumatran tiger cubs. In a BioPark tradition, NZP is planning development of a world heritage garden, building upon, and partially replacing existing American Indian and African American Heritage Gardens with a complex of agricultural and medicinal plants from around the world. The new water exhibit, scheduled for final design in 2000, will explore current and historical human impact on the world's fresh water and create an interactive parent/child watersheds exhibit.

Conservation - NZP staff initiated a detailed three-year biomedical survey of captive giant pandas in an effort to improve breeding in Chinese zoos in cooperation with the San Diego and St. Louis Zoos. Zoo staff provided technical training to more than 35 veterinarians from Chinese zoos and panda reserves. Staff also participated in a special workshop at the Wolong Nature Reserve in China, the largest giant panda reserve in the world, to develop a long-term strategy for monitoring and conserving giant panda populations in the wild.

Zoo staff initiated the mapping of one of the last intact grassland ecosystems in the world—the steppes of eastern Mongolia—using a combination of ground surveys, satellite imagery, and geographic information system technologies. Because many of the species native to

this region are seasonally migratory, accurate mapping is essential for their long-term conservation.

Education - In 1999, NZP developed its educational mission and vision for the next five years. Emphasis is on the visitor experience and teacher training at Rock Creek Park and outreach at Front Royal, Virginia. NZP launched a coordinated program to upgrade its public exhibit programs through training, additional staff support, and equipment. NZP's goal is to ensure that by 2004 every visitor has a direct opportunity to interact with NZP biological staff, scientists, and volunteers. Exhibits continue to highlight Smithsonian scientists throughout NZP. A new series of graphics gives visitors insights into artistic, scientific, and historical links between living plants and animals, and other Smithsonian exhibits. NZP continues to expand Latino initiative programs through a larger Hispanic Festival, setting attendance records in 1999, and collaboration between the Latino Community Center in Washington DC and the Community Science Project of California. In 2000, NZP expects to help create and advise a Community Science Center in Washington DC. This is all done in the context of existing programs such as public lectures, special events such as the African American Celebration, research lectures, public demonstrations, film dissemination, publications, and field trip guides.

NZP also expanded its professional training and education programs in conservation. Over 200 individuals from 40 countries participated in specialized training courses in the U.S. and abroad, and more than 50 school teachers received training in establishing hands-on biodiversity monitoring programs for secondary students. Additionally, NZP launched several elementary education programs for students in Northern Virginia, and a community lecture series dealing with key issues in conservation and science.

Facilities - NZP maintains over 700,000 square feet of space at Rock Creek and over 300,000 square feet of space at Front Royal. Facilities and exhibits include indoor and outdoor space and specialized environments that receive heavy use and wear. A computer-aided facilities management (CAFM) system is being implemented to improve efficiency, administration, and tracking of these activities and costs. This system is consistent with other Smithsonian CAFM systems, and is mission-critical to ensure safe facilities for the collection, visitors, and staff.

Information Technology - Use of latest information technology (IT) is critical to all parts of NZP mission. An ever-growing development of the NZP website features live coverage of unique zoo events like the birth of the Sumatran tiger cubs. NZP uses IT for animal collection inventories and

monitoring of animal diet and medical histories. Building support systems and all administrative functions are dependent on IT, and during 1999 NZP has reduced its reliance on paper and increased efficiency through online systems support.

NONAPPROPRIATED RESOURCES - General Trust funds support salaries and benefits of personnel, general support, fund raising, outreach, and acquisitions. Donor/Sponsor Designated funds support costs related to specific programs and projects, such as conservation, research, and training. Government grants and contracts support research.

SMITHSONIAN ASTROPHYSICAL OBSERVATORY

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	141	18,753	98	11,422	14	2,804	285	53,640
FY 2000 ESTIMATE	141	19,885	98	13,867	14	2,769	286	56,119
FY 2001 ESTIMATE	141	20,578	98	13,967	14	3,263	285	56,000

ABSTRACT - The Smithsonian Astrophysical Observatory (SAO) conducts research to increase understanding of the origin and nature of the universe and to communicate this information through publications, teaching, and public presentations. SAO studies diverse systems, including the large-scale structure of the universe, clusters of galaxies, quasars, the sun, and planets. SAO also conducts research in laboratory astrophysics, atmospheric physics, geophysics, medical physics, and pre-college science education. SAO research has a major impact in the worldwide scientific community and has helped the United States maintain worldwide leadership in science.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Smithsonian Astrophysical Observatory. An increase of \$166,000 justified in the Mandatory Increases section of this budget will support increased rental cost for SAO facilities in Cambridge, Massachusetts. The Institution requires \$527,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - SAO is a member of the Center for Astrophysics, headquartered in Cambridge, Massachusetts. In collaboration with the Harvard College Observatory, SAO pursues a broad program of research organized by the following disciplines: atomic, molecular and medical physics; high-energy astrophysics; optical and infrared astronomy; planetary sciences; radio and geoastronomy; solar and stellar physics; theoretical astrophysics; and science education.

SAO's observation facilities include the Fred Lawrence Whipple Observatory in Arizona, the Oak Ridge Observatory in Massachusetts, the Submillimeter Array under construction in Hawaii, and a millimeter-wave

radio telescope at Cambridge, as well as instruments occasionally launched aboard balloons, rockets, and spacecraft.

Research - The Chandra X-ray Observatory, which carries a high-resolution camera built by SAO, was launched aboard the Space Shuttle Columbia July 23, 1999, on a five-year mission that is expected to produce unprecedented images of a host of objects, ranging from comets in our own solar system to quasars at the very edge of the observable universe. Chandra's scientific program and all observations are being coordinated from a control center in Cambridge, MA, operated by SAO for the National Aeronautics and Space Administration (NASA). In addition to controlling flight operations and developing the spacecraft's primary imaging instrument, SAO made critical contributions to the design, fabrication, and testing of the special mirrors that form the heart of the Chandra telescope. SAO is also the site of the Chandra X-ray Science Center, which receives, analyzes, and archives data from the telescope and makes them available to the world's astronomical community.

On March 25, 1999, staff from the Smithsonian's Whipple Observatory and the University of Arizona's Mirror Laboratory lifted the 10-ton, 6.5-meter-diameter replacement mirror for the Multiple Mirror Telescope (MMT) by crane, over the MMT building, and into the mirror's awaiting support cell. With the successful insertion of the new mirror, the conversion of the MMT from an instrument with six separate mirrors to one with a single monolithic piece of glass met a major milestone in a conversion that will more than double its light-gathering capability and increase its field of view some 400 times. Testing of the converted telescope continued into the fall of 1999, with first light achieved before the end of the year, and an official dedication planned for spring of 2000.

SAO astronomers and their colleagues used the National Radio Astronomy Observatory's continent-spanning Very Long Baseline Array (VLBA) to make the most precise measurement ever to a faraway galaxy, finding a distance of 23.5 million light-years to the galaxy NGC 4258 in Ursa Major. The measurement is thought to be accurate to within 4 percent and calls into question the stated accuracy of other size and age estimates of the universe. Using the VLBA radio telescope system, SAO astronomers measured much more precisely than previously the motion of the sun in the Milky Way and found it to be orbiting about our galaxy at a speed of nearly 500 thousand miles per hour.

Launched in December 1998, the SAO-designed Submillimeter Wave Astronomy Satellite (SWAS) has provided evidence that large amounts of water seem to pervade the interstellar medium, with especially copious

amounts found in the huge molecular clouds thought to be the incubators of newborn stars. By contrast, SWAS has found no trace of molecular oxygen in those same interstellar clouds.

The development of low-field magnetic resonance imaging (MRI) by SAO scientists was cited by the American Institute of Physics as one of the outstanding developments in physics last year. A typical MRI device uses a huge magnet to polarize hydrogen nuclei inside water molecules in human body parts, and the spinning molecules produce radio signals that can image tumors. The SAO innovation, developed in cooperation with a Boston-area hospital, uses lasers to increase the nuclear spin-polarization of certain inert gases, thus enhancing MRI's imaging potential in body cavities, such as the lungs and sinuses, where MRI had previously been ineffective. More significantly, perhaps, the process uses low-field magnets, which promises the development of much simpler, less intimidating MRI units in hospital settings, as well as low-cost, portable instruments for use in remote, cramped environments, such as space vehicles.

Education - In FY 1999, SAO continued work on a discovery-based elementary school curriculum using astronomy as a unifying theme, as well as on middle school curricula relating to engineering designs and communications technology. The first curriculum is being published and the other two are expected to be published for use in schools. The Education Forum at SAO is one of four major centers for space science education established this past year by NASA, to bring stories and concepts relating to the structure and evolution of the universe to the widest possible audience. SAO's Summer Intern Program brought a dozen college undergraduates to Cambridge to work with SAO scientists on a variety of research projects.

Outreach - In addition to its formal education efforts, SAO offers a broad range of informal outreach programs for students, amateur astronomers, and the general public. In Cambridge, MA, these programs include free monthly Observatory Nights featuring a nontechnical lecture and telescopic observing, with similar programs offered twice a year specifically for children aged six through twelve. A weekly recorded telephone message provides information on backyard astronomy, and a broad and diverse selection of general astronomical information is available on SAO's website. In Arizona, the Visitors Center at SAO's Fred Lawrence Whipple Observatory in Amado features displays and exhibits on astronomy and astrophysics, natural science, and cultural history. Special Star Parties, featuring lectures and telescopic viewing, are held quarterly at the Center, public lecture series are sponsored in local communities, and reserved-seat bus tours are conducted three times weekly from early spring to late fall. A

special outreach program for the Hispanic community offers bilingual lectures, demonstrations, and tours, as well as teachers' workshops. Similar community programs are now being planned for Hawaii to complement the astronomical research of the Submillimeter Array.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits of personnel and general operations. In addition, these funds provide support for research, fellowships, and business expenses. Donor/Sponsor Designated funds provide support for costs related to specific programs and projects. Government grants and contracts provide support for major research in SAO's areas of expertise and experience, which is often carried out in cooperation with both governmental and academic institutions in the United States and abroad.

SMITHSONIAN CENTER FOR MATERIALS RESEARCH AND EDUCATION

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	36	2,974	0	-18	0	4	0	-1
FY 2000 ESTIMATE	36	3,165	0	120	0	0	0	0
FY 2001 ESTIMATE	36	3,265	0	35	0	18	0	0

ABSTRACT - The Smithsonian Center for Materials Research and Education (SCMRE), located at the Museum Support Center in Suitland, Maryland, is the Smithsonian's specialized research facility for the conservation and technical study of museum objects. SCMRE staff examine the conservation-related properties of materials, extract contextual information from their technical record, and improve conservation treatment technology. Experience with a wide range of materials and expertise in analytical and technological studies enables SCMRE to engage successfully in collaborative research with anthropologists and art historians. SCMRE also conducts a conservation training program that includes basic and advanced conservation theory and technique, supports and organizes workshops and seminars, and disseminates the latest knowledge in the field of conservation and cultural materials research to museums and research professionals as well as more general audiences throughout the United States and the World.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Smithsonian Center for Materials Research and Education. The Institution requires \$100,000 for Necessary Pay for existing staff funded in this line-item.

PROGRAM - SCMRE's program areas include research and development, education and training, and support and collaboration.

Research and Development - A newly initiated study based on SCMRE's expertise in provenance studies of archaeological ceramics through elemental composition characterization is focused on the history of the missions in California. By studying ceramics excavated at these missions, and attributing these either to local production or to exchange

and import, researchers may shed additional light on the relationships between the missions and the Spanish settlements in California and Mexico, as well as the missions' move to self-sustainability. The results of this study, which is part of a program of joint activities between SCMRE and the Santa Clara University in Santa Clara, California, will be the basis for community-based outreach projects for specific target audiences, including exhibits at the missions and California high school curriculum packages.

SCMRE collaborated with the Carnegie Institution of Washington to establish a shared facility for light-element-isotope-ratio spectrometry. This equipment, which came online in the summer of 1999, allows a much higher sample processing than was possible before, and thus significantly enhances the research capabilities of SCMRE's biogeochemistry specialists in biomolecular studies of archaeological, paleological and biological collection materials. In addition to research already in progress on subjects such as prehistoric dietary habits and the utility of natural history collections as base line materials for ecological stress studies, a new pilot study showed great promise of this technique for provenance attribution of some organic archaeological and historic materials.

Education and Training - Fundamental to educational programming at SCMRE is pursuit of dissemination of knowledge to new and wider audiences, extending beyond our traditional constituency of museum conservation professionals, without abandoning them. During the past year, SCMRE education programming has continued development in several areas of major emphasis.

One of these is the program of education, outreach, and technical studies on characterization and preservation of Hispano-American polychrome wood veneration art (Santos, or Imagenes). Building on the wide appeal of the successful workshops on the preservation of Santos at SCMRE and in Puerto Rico in May 1998, a small exhibition on the materials and techniques of these objects was organized. Hosted by the de Saisset Museum at Santa Clara University in the summer of 1999, the three-month exhibition centered around four objects from the de Saisset and National Museum of American History collections, and dealt with issues surrounding artist materials and techniques, scientific methodologies involved in technical studies of these objects, and the significance of the findings of such studies for a better understanding and appreciation of the living cultural tradition that these objects represent. Some other California missions have expressed interest in hosting this exhibition, and plans are underway for the design of a larger, enhanced version.

Based on the expertise gained over the duration of the Research Collections, Libraries and Archives (RELECT) training program in archives preservation, SCMRE, in collaboration with the Rome-based International Centre for the Study of the Preservation and Restoration of Cultural Property, organized and hosted a six-week international course on the preservation of paper-based archival materials in July and August 1999. Attended by an audience of archivists, historians, curators, and conservators from all continents, this course was taught with a newly designed, SCMRE-created Web-based curriculum. Participants in this course are also now able to access the curriculum materials through the Web and use these in teaching professionals in their own countries and institutions.

In addition to these initiatives, SCMRE continued in FY 1999 with more traditional offerings through the Furniture Conservation Training Program, the RELECT program in archives preservation, and the Archaeological Conservation Program. Additional courses, including several in the now fully operational program in optical microscopy as well as internships and fellowships in material characterization and preservation studies, were offered, and the expansion of electronic media outreach continued.

Support and Collaboration - SCMRE's technical support staff continued to provide analytical and technical assistance to conservation and curatorial staff in various Smithsonian museums, as well as to ongoing research and educational efforts at SCMRE. During FY 1998, the staff performed almost 2,400 analyses of which 33 percent were for other Smithsonian units. They often were consulted and offered advice on diverse technical and analytical matters, including x-ray radiography, optical and electron microscopy, and organic materials characterization. Technical support staff also operated, maintained, and upgraded as necessary SCMRE's extensive research and computing equipment. Staff provided answers to over 1,100 requests for information from the general public and museum professionals, both nationally and internationally. The staff also assisted with the production and distribution of SCMRE technical guidelines and other publications for museum professionals and, in collaboration with SCMRE's education coordinator, maintained and updated SCMRE's website.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for research and education activities. Donor/Sponsor Designated funds provide support for costs related to specific programs and projects. Government Grants and Contracts provide support for special projects that use SCMRE's expertise and experience.

SMITHSONIAN ENVIRONMENTAL RESEARCH CENTER

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	45	3,147	1	258	3	254	28	1,968
FY 2000 ESTIMATE	45	3,206	1	248	0	193	31	1,100
FY 2001 ESTIMATE	45	3,310	1	235	0	150	31	1,200

ABSTRACT - The Smithsonian Environmental Research Center (SERC) advances stewardship of the biosphere through interdisciplinary research and education. SERC scientists study a variety of interconnected ecosystems starting from its base on the shore of the Chesapeake Bay and radiating out to comparative landscapes throughout the world. Research findings are communicated to diverse audiences through public programs and professional training.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Smithsonian Environmental Research Center. The Institution requires \$104,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - The Smithsonian Environmental Research Center is dedicated to increasing knowledge of the biological and physical processes that sustain life on Earth. SERC's interdisciplinary research includes long-term studies to examine the ecological questions about landscapes of linked ecosystems, especially those affected by human activities. Located on the shore of the Chesapeake Bay, SERC uses the geographic features of the nation's largest estuary to investigate interconnections among aquatic, terrestrial and atmospheric components of complex landscapes. These studies are then compared on regional, continental and global scales. For improved stewardship of the biosphere, SERC's research provides data, publications and expert consultation in support of conservation, environmental policy and management of natural resources. Connected to an international network of collaborators, SERC trains future generations of scientists to address ecological questions of the Nation and the globe. SERC's education programs use exposure to a natural environment to demonstrate to the public both the active process of research and also the value of scientific approaches to environmental issues.

Research - SERC's research on the effects of increased carbon dioxide on plants shows how global change in the atmosphere is affecting marshes, coastal scrub, and forest communities. The Department of Energy uses SERC research in large-scale biosphere models of complex interactions of nutrients and water with altered plant production. SERC scientists also study the effects of increased ultraviolet rays in sunlight at a network of sites from Antarctica to Hawaii to Maryland.

Research on landscape ecology at SERC determines the effects of agriculture, forests, and topography on the transfer and transformation of nutrients flowing into the Chesapeake Bay and other estuaries that suffer from too much nitrogen and phosphorus. For example, SERC scientists completed a study of constructed wetlands, which reduce runoff from farmland and help restore water quality.

SERC is a national center for research on introduced marine species that are invading coastal ecosystems at unprecedented rates throughout the world. One of the main causes of these biological invasions is plankton transferred in the ballast water of ships. In FY 1999, SERC implemented the National Ballast Water Information Clearinghouse (as provided for in the National Invasive Species Act of 1996), which gathers data on all commercial ships from foreign ports releasing ballast water to all U.S. ports. SERC is also developing a database of biological invasions of all major coastal regions in the United States.

During FY 1999, SERC's research program on population dynamics and community ecology expanded its research on mangrove forests, a crucial ecosystem of tropical coastlines. SERC's mangrove research shows that these plants restrict nutrient and sediment flow from the land into fragile nearshore habitats, including sea grasses and coral reefs.

Education - SERC expanded its public offerings in FY 1999 to include presentations to regional school groups, workshops for teachers, public lectures for interested citizens, and innovative educational offerings to diverse constituencies, including disabled citizens. Over 10,000 individuals participated in programs at SERC in FY 1999, and thousands more participated through website activities. Students in grades K-12 participated in a variety of aquatic and terrestrial activities involving inquiry, exploration, data collection, and student cooperation. Undergraduate and graduate students received professional training in the Work/Learn program at SERC. Educators and education administrators from the Washington metropolitan area attended 12 workshops, discussion groups, and forums on SERC's research findings related to ecological issues.

SERC educators continued to offer field and research opportunities for teachers and students from Gallaudet University. In its professional training program, SERC trained 26 interns, 6 graduate student fellows, 8 post-doctoral fellows, 3 pre-doctoral fellows and 20 visiting scientists from 23 states, the District of Columbia, and 14 countries during the past fiscal year. The increasing numbers of students and scientists visiting SERC from many foreign countries and all parts of the United States provide crucial avenues for disseminating SERC's research findings and expertise.

Public Outreach - In FY 1999, a 10-part evening lecture series, *An Ecological History of the Chesapeake Bay*, attracted over one thousand attendees to SERC's Philip D. Reed Education Center. In May 1999, an open house for the local community drew 700 people, including first-time visitors from the low-income neighborhoods adjacent to the Center.

Exhibitions - In FY 1999, SERC took the traveling exhibition, *Tales of the Blue Crab*, to the Arts & Industries Building on the Mall. The exhibition provided scientific information on the morphology, life cycle, and habitat requirements of this important fishery species, along with its ecological importance in the Chesapeake Bay. Subsequently, the exhibition toured many classrooms and school fairs throughout Maryland. A companion teacher's guide and a student curriculum package were developed. A Web-based version of the exhibition came online in December 1999.

Publications - SERC staff published 65 articles in FY 1999. One of the most significant of these, published in *Ecology*, described the nutrient dynamics of wetlands with special emphasis on mangrove ecosystems in coastal zones of the tropics.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits of personnel, research, fund raising, interns, and fellowships. Donor/Sponsor Designated funds provide support for costs related to specific programs and projects, such as research, public education, and professional training. Government grants and contracts provide significant support for special projects at SERC that use the expertise of the staff to meet national goals for environmental research and education.

SMITHSONIAN TROPICAL RESEARCH INSTITUTE

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	175	9,167	6	1,203	3	1,837	1	1,690
FY 2000 ESTIMATE	176	9,930	5	538	3	1,400	1	1,500
FY 2001 ESTIMATE	176	10,545	7	903	9	1,820	1	1,500

ABSTRACT - The unique, 75-year-long cooperation between the Smithsonian Institution and the Republic of Panama has provided one of the rare occasions where developed, temperate zone knowledge and funding have been applied consistently to tropical, developing zone diversity and complexity. With the implementation of the Panama Canal Treaty, the Smithsonian Tropical Research Institute (STRI) is now the largest U.S. presence in Panama. STRI maintains a core of resident scientists and enables several hundred visiting scientists and research fellows from around the world to address the fundamental scientific questions posed by the tropics in the disciplines of anthropology, archeology, geology and biology. Modern field facilities are available for marine and terrestrial research supported by one of the leading research libraries for tropical studies, a cutting-edge molecular facility, and a fully equipped research vessel. STRI has also pioneered special projects such as forest canopy research using construction cranes and field and laboratory experiments, including the first tropical, large scale, free air carbon dioxide enhancement project (FACE rings), to understand the role of elevated carbon in tropical forest ecology.

For FY 2000, the Smithsonian is not seeking additional funding for programmatic increases for the Smithsonian Tropical Research Institute. Included in the STRI line item, but justified in the Mandatory Increases section of this budget request, are funds to annualize the FY 2000 increase in personnel costs at STRI resulting from implementation of the 1977 Panama Canal Treaty (\$330,000). This is being carried out through the establishment of a Smithsonian-specific employment program applicable to those employees covered by the labor laws of Panama. The Institution requires \$285,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - STRI provides a remarkable array of field sites and laboratory and experimental facilities to ask a broad sweep of fundamental questions

about how the tropics function. Thirty-three full-time researchers and between 400 and 500 visiting scientists generate a diverse array of about 250 important scientific publications every year that help to offset the lack of data for this most diverse and crucial region of the globe.

Research - STRI scientists underpin their work with insight provided by geological and prehistorical research, especially the role of tropical peoples in the recent past and present. Knowledge about these fundamentals of tropical biological organization are applied to assessing and evaluating regional and global changes through long-term monitoring of key marine and terrestrial species, as well as the growing human impact on these changes. Much of this research can be directly applied to how to use and manage the forests and coral reef systems wisely.

One of the major areas of research today is the way in which the hydrologic cycle of the earth is affected by vegetation. STRI research involves the role of carbon in the different photosynthetic pathways of tropical plants, which also affect water loss and gas exchange—factors that on large regional scales modify climate and rainfall. Single-plant studies and small-scale open-top-chamber experiments will now be expanded to include large-scale 30-meter-diameter free air carbon dioxide enhancement (FACE) rings in which entire segments of forests can be grown in ambient and elevated CO₂ conditions.

Building upon more than 70 years of field research at Barro Colorado Island, STRI is now adding a unique array of molecular, physiological, and ecological research techniques to understanding how the extraordinary tropical forest diversity is generated and maintained, and how tropical forests function as ecosystems. This research incorporates the use of two construction cranes to contrast the biological role of the canopy of wet and dry tropical forests, and also includes a census of about three million trees worldwide (17 plots in 14 countries) every five years. These studies provide, for the first time, globally comparable data that should play a crucial role in guiding tropical forest conservation, management, and agricultural exploitation, as well as in answering fundamental research questions.

With the opening of the new marine research station at Bocas del Toro, in western Panama, a spectacular array of tropical coastal habitats have become accessible for study. Basic research programs, baseline biological surveys, and monitoring of coral reefs, seagrass, and mangrove systems—the three key habitats of tropical marine coastlines—are now well under way. Molecular and reproductive studies of the highly precise timing of spawning in corals and their complex relations with a newly discovered

range of algal symbionts are shedding new light on the basic ecology and functioning of coral reefs. The fact that corals in one area may have developed from larvae that come from populations thousands of kilometers distant requires regional coordinated monitoring and policies across large stretches of the ocean. The Bocas del Toro station is now an element of the Caribbean Coastal Marine Productivity Program's reef-monitoring system for the Caribbean.

Genetic relations, established through DNA testing, are defining transisthmian and Caribbean-wide patterns of speciation for echinoids, shrimp, birds, and fishes, as well as how and when some of these species have colonized remote Pacific islands and crossed the enormous marine barrier of the eastern Pacific. These fundamental studies are addressing basic questions of how species evolve and how these extended populations—meta populations—pose special conservation problems because they cross many national boundaries, and may involve the problems associated with invasive species.

Geological and anthropological studies at STRI seek to understand the historical events of natural and cultural change that have determined the present world. A cooperative research project, involving 32 scientists in several countries, is attempting to reconstruct the timing and paleogeography of the rise of the Isthmus of Panama and to understand how these changes have affected the surrounding oceans and the evolution and ecology of species in the sea. This is an example of how regional and global environmental changes occur and provides constraints on predictive models of global change for the future.

Education/Outreach - STRI also trains students in tropical research, and promotes greater public understanding and awareness of the importance and fragility of tropical flora, fauna and cultures to promote their conservation. The training of students is provided through fellowships in support of students and researchers from the undergraduate to the postdoctoral level. Some internships are also provided to give hands-on tropical research training, and are usually supported by funds from individual research programs. In addition STRI provides logistical and content support for several tropical field programs in Panama run by universities in North America, such as the University of Pennsylvania, McGill University, and Princeton University.

STRI's public education program for members of the community and visitors to Panama includes weekly guided tours to Barro Colorado Island, a monthly lecture series by researchers at STRI in the Metropolitan Natural Park, daily visits by school groups and the general public to STRI's Marine

Exhibition Center, and public exhibits on view at STRI's Tupper Exhibit Hall. STRI also has exhibits on the Web and produces publications based on its research for public audiences. STRI's outreach programs to the community have expanded in the last five years and are increasingly important to ensure that its research is understood and appreciated by the public and that its work sites are protected for the future.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits of personnel. In addition, these funds provide general support for research, fellowships, publications, and fund raising. Donor/Sponsor Designated funds provide support for costs related to specific programs and projects, such as research and the purchase of scientific equipment. Government grants and contracts provide support for research, internships, and symposia.

COMMUNICATIONS AND EDUCATIONAL PROGRAMS

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	72	4,837	48	5,264	9	1,421	0	1,810
FY 2000 ESTIMATE	71	5,379	54	8,723	9	2,432	6	2,129
FY 2001 ESTIMATE	71	5,533	54	8,680	8	1,381	6	2,214

ABSTRACT - The Smithsonian's communications and educational programs promote the building of academic, scholarly, and community-based ties with the public, educational centers, and institutions throughout the Nation. This line item includes the National Science Resources Center, the Office of Fellowships and Grants, the Office of Public Affairs, Smithsonian Institution Press, the Smithsonian Center for Education and Museum Studies, Smithsonian Productions, and the Visitor Information and Associates' Reception Center.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for communications and educational programs. The Institution requires \$154,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - National Science Resources Center (NSRC) - The National Science Resources Center (NSRC) works to improve the quality of science education in the nation's elementary and secondary schools. NSRC's programs place a special emphasis on stimulating an interest in science among women and minorities, and on assisting school districts that serve large numbers of minority students. NSRC supports systemic science education reform efforts in communities across the nation through its materials development, information dissemination, and outreach programs.

NSRC's *Science and Technology for Children (STC)* is a complete classroom science education program for grades one through six, which uses simple, inexpensive materials to teach science through hands-on investigations. NSRC is developing a *Science and Technology Concepts for Middle Schools* project for grades seven and eight. NSRC's information dissemination activities are designed to make information on high-quality science curriculum materials and related resources accessible to teachers,

administrators, and scientists working to improve science education. NSRC is also developing a website to enable local school districts to access information and resources often not otherwise available. NSRC's outreach programs provide science education leadership development and technical assistance; since 1989, NSRC has sponsored 27 Science Education Leadership Institutes with attendance from over 400 school districts located in 45 states and Puerto Rico. NSRC has begun a five-year Leadership and Assistance for Science Education Reform initiative that, through partnerships, will provide a comprehensive program of science education training programs, publications, and technical assistance to 300 school districts nationwide.

All National Science Resources Center programs stress the involvement and collaboration of teachers, and scientists and engineers from business and industry, as well as academia, in the development and implementation of NSRC programs.

Office of Fellowships and Grants - The Office of Fellowships and Grants manages the Institution's centralized fellowship and internship programs, all other stipend appointments, and competitive Trust-funded grant programs that support research and other scholarly activities of Smithsonian staff and their collaborators. One of its primary objectives is the facilitation of the Smithsonian's scholarly interactions with students and scholars at universities, museums, and other research institutions around the world.

The fellowship programs, such as the Latino Studies Fellowship Program and the Smithsonian Institution Fellowship Program, provide students and scholars with opportunities to pursue independent research projects in association with members of the Smithsonian professional research staff. The internship programs, such as the Minority Internships and Native American Internships, are a prearranged, structured learning experience that is relevant to the interns' academic and professional goals, and to research and museum activities of the Institution.

Office of Public Affairs (OPA) - The Office of Public Affairs acquaints the public and staff with the programs and policies of the Institution through a variety of publications and by working with newspapers, magazines, television, and radio to gain media exposure for its exhibits, public events, and research. Publications issued by OPA include a visitor information brochure in seven languages; *Smithsonian Access*, for disabled visitors; a series of four brochures describing resources for African American, Latino, Native American and Asian Pacific American audiences; a quarterly newsletter, *Research Reports*; the monthly employee

newspaper *The Torch*; and a biweekly newsletter with news for staff. OPA produces *Smithsonian Year*, the Institution's annual report, in conjunction with the Smithsonian Institution Press, and a monthly full-page advertisement in *The Washington Post* on events and exhibitions around the Institution. A major goal of OPA is to encourage culturally diverse audiences to take advantage of the many resources of the Smithsonian.

Smithsonian Institution Press (SIP) - The Smithsonian Institution Press disseminates the highest quality scholarship and research to academic and educated lay readers through the publication of well-crafted books in fields reflecting the research and collections strengths of the Smithsonian Institution. These publications support the programmatic, education, outreach, and audience development goals of the Institution. SIP is a leading publisher in American studies and popular culture, anthropology and archaeology, aviation and space history, museum studies, and the natural sciences, including biodiversity studies. SIP published 40 books in 1999, receiving numerous awards which included the Wildlife Society's Outstanding Book Award (*Salamanders of the United States and Canada*, by James Petranka); Outstanding Edited Book Award (*Bat Biology and Conservation*, edited by Thomas Kunz and Paul Racey); and the American Recorded Sound Collections Book Award for Excellence in Historical Research, for *Making People's Music: Moe Asch and Folkways Records*, by Peter D. Goldsmith.

Smithsonian Center for Education and Museum Studies (SCEMS) - The Smithsonian Center for Education and Museum Studies interprets the collective knowledge of the Smithsonian and serves as a gateway to the Institution's educational resources. Through publishing and professional development programs for the education and museum communities, the SCEMS promotes the understanding and use of museums. SCEMS also serves and provides leadership to the Smithsonian education community and coordinates outreach initiatives to diverse audiences.

SCEMS, along with Brent Elementary and Stuart Hobson Middle Schools in the District of Columbia, cosponsors two museum magnet schools. These magnet schools use museum visits to build students' math, reading, writing, and problem-solving skills. An innovative year long school-wide exhibition process unifies student investigations and provides measurable evidence of student learning. *Teacher's Night at the Smithsonian* introduces representatives of area schools to museums and research units, giving participants new ideas about making use of the Smithsonian's resources. SCEMS publishes *Smithsonian Field Guide for Educators*, which details tours and programs for students and professional development opportunities for educators. The *Smithsonian Education*

website delivers the content of the print publications and includes several Web-only features. Visits to the website average 2,500 per day.

Smithsonian Productions - Smithsonian Productions is the electronic media production center for the Smithsonian, supporting and presenting the research and exhibition activities of the Institution's museums and research institutes. The unit develops and creates television and radio programs, exhibition videos, and online media, sharing the Smithsonian's vast resources with millions in the United States and abroad.

The office provides planning, production, and consulting services to all Smithsonian units in the creation of media programs for exhibitions and education; and develops, secures funding for, and manages production of television and radio projects for national and international distribution, that reflect the Institution's programmatic goals and interests. In addition, Smithsonian Productions provides production, digitization, and compression services for the development of video materials for Smithsonian websites. Using new hardware and software, Smithsonian Productions staff are selecting material from their vast archive and editing segments for use on the Institution's new site, *The Virtual Smithsonian*, set to debut in 2000. The spread of broadband Internet connections, along with the convergence of Web and video technologies, will make this area the vehicle for expansion in public access to Smithsonian resources.

Visitor Information and Associates' Reception Center (VIARC) - The Visitor Information and Associates' Reception Center seeks both to broaden the public's knowledge, appreciation, and enjoyment of the Smithsonian and to facilitate and promote participation in its programs and activities. As a central support organization and the principal contact point for information about the Institution, VIARC's work is carried out through the Smithsonian Information Center; 17 information/member reception desks; response services for public and member mail, telephone, and electronic inquiries; outreach to the tourism industry; outdoor way-finding stations; and volunteer programs that provide primary support for the Institution's public information activities and for behind-the-scenes staff project assistance.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits of personnel and other related costs. In addition, these funds provide general support for information dissemination, outreach, publications, and general operations. Donor/Sponsor Designated funds support costs related to specific programs and projects. Government grants and contracts provide additional support for resource materials development, information dissemination, and outreach.

INSTITUTION-WIDE PROGRAMS

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	0	4,060	0	0	0	0	0	0
FY 2000 ESTIMATE	0	5,693	0	0	0	0	0	0
FY 2001 ESTIMATE	0	8,693	0	0	0	0	0	0

ABSTRACT - As part of the restructuring plan reviewed and approved by Congress in 1993, the Smithsonian reallocated funds to create two Institution-wide funding programs: one supports the units' needs to replace, upgrade, and acquire new research equipment; the other enables the myriad of information technology needs across the Institution to be addressed systematically. In FY 1995, the Institution began to receive funds to support the development of a third Institution-wide program for Latino programming. These funds are important to meet the on-going need to acquire state-of-the-art research equipment, continue to improve the information infrastructure and systems, and increase Latino programs, research and collections.

For FY 2001, the Smithsonian requests an increase of \$3,000,000 to make more of its collections and knowledge accessible to a broader audience, including the electronic capture, storage, and access to its collections, information and images in the museums, archives, and libraries and to support expansion of affiliate relationships across the country. The Institution requests that the funding in this line item remain available until expended.

CURRENT PROGRAMS

Research Equipment - The research equipment program continues to fund basic research equipment needs of the Institution. Requirements to replace outdated and dysfunctional equipment and acquire new research tools far exceed the existing base funds of \$1,885,000. Each year, unit directors in the museums, research centers and research support offices determine the most effective application of the funds to meet the highest priority needs.

Examples of recent purchases include:

- Scientists at the Smithsonian Tropical Research Institute (STRI) in Panama have benefited from the purchase of night vision imaging and infra-red video recording equipment. Nocturnal animals and plants represent one of the last frontiers in tropical biology, and their activities were difficult to study until technology provided scientists with the capability to see in the dark. Studies exploring the behavior of nocturnal bees have begun in Panama.
- A very high-quality 3-chip camera that produces high-resolution details and color will be used in the conservation laboratories for analysis, treatment, teaching and documentation at the Cooper-Hewitt, National Design Museum in New York City.
- A scanning electron microscope which allows the study of botanical specimens for greatly extended periods was among the items purchased by the National Museum of Natural History.
- An automated DNA sequencer adds a significant dimension to the ability of the National Zoological Park's (NZP) Molecular Genetic Lab to conduct analyses of biological diversity. One such project on the genetics of an introduced mosquito that transmits avian malaria to native Hawaiian birds has revealed that there has been a secondary invasion from Asian populations, which may have caused the increased virulence of the malaria parasite in Hawaii. In addition, a new laboratory microscope for the Department of Pathology was instrumental in monitoring blood cell elements using phase microscopy for the NZP's recently deceased 28-year old giant panda, Hsing-Hsing. This led to new treatments that prolonged and improved the panda's quality of life and added to the knowledge base of exotic-carnivore medicine.

Information Technology and Collections Access – In order to improve management of its vast resources and to share them with researchers, other museums, educators, parents, students and the public at large, the Smithsonian is greatly increasing its use of technology and expanding its affiliate relationships across the country. In FY 1999, base funds of \$2,810,000 supported an Institution-wide network, various automated resources management systems, collections information systems and related digitization projects, as well as software application development and upgrades. A portion of this program provides an infrastructure upon which the Institution's programming for the Web can be extended to all

electronic visitors. Schools, libraries, and homes across the Nation now have the ability to make electronic visits to their National museums via the Smithsonian's popular websites. Programming for the Web is an important new responsibility of each museum, research institute and program office. Public expectations of website offerings increase daily.

The Smithsonian Institution Research Information System (SIRIS) is an integrated information system containing over 1.2 million records serving the public access, cataloging, circulation, and acquisitions needs of the Smithsonian Institution Libraries, seven Smithsonian archival units, inventories of American painting and American sculpture, and several Smithsonian research databases. In 1999, the Institution signed a contract to replace the existing mainframe-based system with a more flexible and effective client-server-based system. Intensive planning, testing, configuration, and conversion followed. The Libraries' database was converted and operational on December 15, 1999. The remaining databases will follow shortly.

Also in 1999, the Institution began an aggressive process to digitize images of the collections. Funds were distributed to the museums to deliver 250,000 images. These images will be archived for permanent use and made available to the public through the Smithsonian On-Line Collections System to be launched early in 2000.

Latino Exhibitions, Acquisitions, and Educational Programming - The Institution has \$998,000 in its base to support exhibitions, research, and educational initiatives that illuminate and highlight Latino contributions to America and permit a wider sharing of Latino accomplishments in the sciences, humanities and performing arts. Designated as the Latino Initiatives Fund, these funds are dispersed annually to Smithsonian units on a competitive basis, with an emphasis on projects with the potential to attract matching and, ultimately, sustaining funds from non-Federal sources.

During FY 1999, the Smithsonian Center for Latino Initiatives administered a call for proposals and granted awards to 45 projects. Grants ranged from \$2,000 to \$97,000, covering initiatives in research, collections enhancement and preservation, exhibitions, recognition and performances of Latino artists, education, outreach, and training, as well as the creation of national networks and information systems for communicating the programs at the Smithsonian.

The Center for Latino Initiatives hosted the sixth *Interpreting Latino Cultures: Research and Museums* seminar on qualitative methodology. The

seminar is organized by the Center and co-sponsored by the Inter-university Program for Latino Research (IUPLR) with support from the Rockefeller Foundation. Fifteen Latino graduate students from universities around the country participated in the program, as well as invited faculty and keynote speakers. The fund and the Center support all participants and faculty travel costs. These funds allow the Center to continue to expand research opportunities for Latino scholars in the humanities by sponsoring humanities fellowships in Latino cultural research.

Among the other projects funded were:

- Postdoctoral research awards for study at the Smithsonian and internship awards for hands-on experience within the museums and research institutes
- Hands-on summer workshop for museum specialists and scholars
- A variety of exhibitions including: Latino pioneers in aviation history at the National Air and Space Museum; Los Angeles Latino communities at the Cooper-Hewitt, National Design Museum; *A Collector's Vision of Puerto Rico and Americanos: Latino Life in the USA* at the National Museum of American History
- Promotion of over 10 programs aimed at Latino youth and communities involving specific events and outreach efforts
- A series of lectures/panels to complement the Smithsonian Associates performances on the *Musica de las Americas* which recognized legendary performers of Latin music

EXPLANATION OF PROGRAM INCREASE – Increasingly, the Smithsonian has been under pressure to share the National collections and associated research information with the Nation. For FY 2001, the Smithsonian requests an increase of \$3,000,000 to support ways to make more of its collections and knowledge accessible to a broader audience. The Institution requests that the funding in this increase remain available until expended.

The Smithsonian is the world's largest repository of taxonomic specimens. Scores of scientists and explorers have left their research findings and collections with the Institution. With present concerns over biodiversity, this information is ever more crucial, and it too needs to be converted electronically to a medium that will allow widespread access. The educational value of the Institution's scholarship and collections is obvious. Access to Smithsonian objects, experience, and scholarship has always proven valuable, and increasing the scope and reach of these resources will expand the benefits. This vast storehouse of knowledge can, and should be, shared with significantly more people.

The Smithsonian has been responding to this challenge. In 1995, the Institution established its initial website. Since then, collections information systems have been upgraded and expanded in order to make them more widely available.

- In FY 1998, Congressional funding of \$960,000 allowed Institution-wide automation of these systems to begin.
- In FY 1999 and FY 2000, selected records for all of the objects recorded in CIS databases are being extracted into a single central database. In FY 1999, Freer-Sackler received funding to digitize its entire collection, as were the National Zoological Park's collection and some 8,000 of the National Museum of Natural History's objects. Digitized images are captured both for public display on the Institution's website and for central archival purposes.
- The National Museum of American History opened an exhibit, *Digilab*, that features state-of-the-art techniques. As part of the exhibit, some 25,000 objects from the Vidal collection will be digitized and several corporations that have funded the exhibition or donated hardware will use the exhibit to showcase emerging digitization technology.
- The Hirshhorn Museum and Sculpture Garden has on-site digitization of its collections underway.
- Smithsonian Libraries use digitization both to broaden their user base and to make rare books available to greater numbers of researchers. This practice has the ancillary benefit of protecting rare manuscripts, because it eliminates repeated handling of them.

Public exhibitions, the mainstay of the museum world, are taking on a new dimension in the age of the Internet. Physical exhibitions can be enhanced electronically, while virtual exhibitions become common adjuncts of physical ones. Museums also are beginning to experiment with exhibitions that occur only in cyberspace, and which are usually much less expensive than physical ones. This also makes collections available to even more people.

With electronic access has come increased awareness of the breadth and depth of the National Collections. Increasingly, communities across the country are seeking affiliate relationships with the Institution to gain greater

long-term access to collections, exhibits, programs, and related Smithsonian expertise. Building on an increasing Web presence and strong programs already in place, such as those of the Smithsonian Institution Traveling Exhibition Service, the Smithsonian Associates, the annual Folklife Festival, and the science and museum programs of the Smithsonian Center for Education and Museum Services and the National Science Resources Center, these relationships, formalized by action of the Board of Regents in September 1996, continue to evolve in myriad forms. Coordinated planning is underway to broaden this outreach and expand access to the richness of our heritage.

The \$3,000,000 requested in FY 2001 will be used to continue the effort to make Smithsonian resources more widely available. Additional items will be digitized, the Digital Library will be upgraded and maintained to handle the additional records digitized each year, and the search capability and public interface will be improved to assist with specific searches as the number of records available increases. The selection of images and associated information from individual Collections Information Systems in a central server results in the Smithsonian's On-Line Collections System (SOCS), adding a new dimension to the Internet audience's ability to find and learn from the Smithsonian's vast collections of research and educational materials. It will provide the raw material for the website, content for educational materials and research projects, and for entertainment and unstructured investigation. Linking resources from throughout the Institution will provide a more exciting and useful panorama of information and provoke even greater interest in the Institution's collections. The ability to locate information from all the Smithsonian's collections with a single, consolidated search capability will facilitate a more comprehensive understanding of related materials. It will also complement the linkages available through more conventional Web links, provide greater access to the public and encourage more exploration and use of the Smithsonian's materials.

OFFICE OF EXHIBITS CENTRAL

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	40	2,237	1	99	0	88	0	0
FY 2000 ESTIMATE	40	2,319	1	105	0	20	0	0
FY 2001 ESTIMATE	40	2,414	1	106	0	30	0	0

ABSTRACT - The Office of Exhibits Central (OEC) is the Smithsonian Institution's most comprehensive exhibit producer. OEC is expert in the specialized needs of traveling, temporary, and permanent exhibitions, including design, editing, graphics, model-making, fabrication, crating, and installation. OEC is also involved in concept development, object selection, product research, and prototype testing; makes recommendations about the need for conservation assistance; and conducts training in exhibit design and production with museums across the country and abroad.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Office of Exhibits Central. The Institution requires \$95,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - The Office of Exhibits Central is a full-service organization with specialized teams in design, editing, graphics, model-making, and fabrication. The design and editing team works with a curator's preliminary ideas to develop an overall exhibition plan. Exhibit designers are responsible for all aspects of visual presentation. OEC's exhibit editors work closely with designers and subject specialists to ensure that words, design, graphics, and artifacts work together to create an effective presentation. The graphics team provides silk-screening, typesetting, photo mounting, vinyl lettering, and conservation matting and framing. The model-making team creates scientifically and historically accurate dioramas, models, and mannequins. It also brackets artifacts for display and offers taxidermy services. The fabrication team constructs fine cabinetry and exhibit components. The packing and shipping team builds crates and packs exhibitions that travel across the country and around the world.

The Smithsonian Traveling Exhibition Service (SITES) was OEC's main client for 1999. OEC designed and produced the exhibitions, *On Miniature Wings: Model Aircraft from the National Air and Space Museum*; *The Jazz Age in Paris, 1914-1940*; and *Creativity and Resistance: Maroon Cultures in the Americas*. OEC also produced a large portion of the exhibition *This Land is Your Land: The Life and Legacy of Woody Guthrie*. OEC provided extensive exhibition dispersal and refurbishment services for the many SITES exhibitions traveling throughout the United States.

A few of the other major exhibition design and production services OEC provided in 1999 are: the design and production of the exhibition *Between a Rock and a Hard Place*; the design and fabrication of the Clockman, the signature exhibition piece for the *Time Out* exhibition; and the production of the full-size interactives for the *Piano 300* exhibition for the National Museum of American History. For the National Museum of Natural History, OEC produced a life-size re-creation of an Ainu traditional house (chise) for *Ainu: Spirit of a Northern People* and produced a new elephant diorama for the renovation of the Museum's Rotunda.

Some other highlights include the design, model making and installation for the Smithsonian venue of *Microbes: Invisible Invaders*, *Amazing Allies* for the International Gallery; *Make the Dirt Fly! Building the Panama Canal* for the Smithsonian Institution Libraries; *Vanishing Amphibians* (Spanish-language version) for the Smithsonian Tropical Research Institute (STRI); exhibit cases for *Instrument of Change: James Schoppert Retrospective* at the George Gustav Heye Center of the National Museum of the American Indian; and the design and creation of the award for the Smithsonian Exhibition Award program.

OEC also provided specialized services such as long-term-design consultation for the Arts and Industries Building and the design and fabrication of the donation boxes for the National Air and Space Museum. OEC furthered the Institution's website and digitization initiatives by offering consultations, editing, and/or content development expertise on several projects, including The Millennium Project website.

Future projects for OEC include the *Burgess Shale: Evolution's Big Bang* exhibition for SITES; an inaugural exhibition for the National Museum of the American Indian; and the extensive renovation of exhibitions in the mammal halls at the National Museum of Natural History.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits of personnel and associated costs.

MAJOR SCIENTIFIC INSTRUMENTATION

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	0	9,984	0	0	0	0	0	0
FY 2000 ESTIMATE	0	7,244	0	0	0	0	0	0
FY 2001 ESTIMATE	0	7,244	0	0	0	0	0	0

ABSTRACT - The development of major scientific instrumentation is vital to Smithsonian scientists remaining at the forefront of their fields. Because of the magnitude of the costs and the time required to fabricate major new instruments and to reconfigure existing ones, the Institution requests funding for such projects under this line item, rather than under individual ones. Since these projects require long-term development and multi-year funding, the Institution also requests that funds in this line item remain available until expended.

For FY 2001, base funds will be used by the Smithsonian Astrophysical Observatory (SAO) to continue construction of the submillimeter telescope array (\$3,269,000), and development of instrumentation for the converted Multiple Mirror Telescope (\$3,500,000). The remaining base funds of \$475,000 will be redirected from the submillimeter telescope project and used by the National Museum of Natural History to purchase Focused Ion Beam instrumentation. The Institution is not seeking additional programmatic increases for Major Scientific Instrumentation.

PROGRAM - Since FY 1989, the Smithsonian has received funding under this line item for two SAO projects: development of an array of submillimeter telescopes and conversion of the Multiple Mirror Telescope (MMT). SAO began operation of the Submillimeter Telescope Array in Hawaii with two elements in September 1999.

Construction of an Array of Submillimeter Wavelength Telescopes - The last frontier of ground-based astronomy consists of observing the skies with telescopes sensitive to submillimeter waves—light with wavelengths between those of infrared and radio waves. SAO plays a major role in emerging submillimeter astronomy. Since FY 1992, SAO has been

constructing components for its submillimeter array (SMA) of telescopes that is being located on Mauna Kea in Hawaii. When completed, the SMA will consist of eight movable antennas, two of which will be provided by the Academia Sinica Institute of Astronomy and Astrophysics, Taiwan. The first two antennas have been erected and checked out on Mauna Kea. They were first operated as an interferometer on September 29, 1999. Additional antennas will be inserted into the array and preliminary astronomical observations will begin in FY 2000.

The submillimeter array, with its unprecedented combination of wavelength coverage and ability to resolve fine spatial details, will enable SAO scientists to play a major role in understanding the processes by which stars and planets form and the mechanisms that generate prodigious amounts of energy in quasars and in active galaxies. When operational, the SMA will be a major scientific instrument of international stature. The array will be unique in the world in its combination of wavelength coverage and resolving power, and it will measurably enhance the scientific competitiveness of the United States.

In FY 2001, funding will be used for assembly and testing of the remaining two antennas and shipment to Hilo; pad preparation at the site on Mauna Kea; construction of the receivers; building of the electronics/correlator systems; and equipment and supplies. By the end of FY 2001, SAO will operate a total of six antennas on the top of Mauna Kea.

Conversion of the Multiple Mirror Telescope - In March 1999, the staff of the MMT Observatory installed the 6.5-meter primary mirror for the conversion of the Multiple Mirror Telescope. The delicate procedure of lowering the giant 10-ton mirror into the telescope building and through the telescope structure proceeded smoothly, thanks to careful preparations and tests with a surrogate mirror. Since March, the MMT staff has brought into operation the mirror support system, the motors and software required to point the telescope and track celestial objects, and the equipment required to deposit the aluminum reflective coating on the 6.5-meter mirror. In the fall of 1999, the primary mirror support system was adjusted using star images at its focus. In late 1999, the first secondary mirror was installed and tested, clearing the way for the first scientific use of the telescope in early 2000.

FY 2001 funding will be used for procurement of major detectors and components of the camera, and to complete design and procurement of optics for the BINOSPEC, a dual-beam, wide-field spectograph.

Focused Ion Beam - In FY 2001, the Natural Museum of Natural History (NMNH) will use major scientific instrumentation base funding of \$475,000 for Focused Ion Beam (FIB) instrumentation. It is anticipated that funding for this purpose will be one-time only. FIB instrumentation is a mission-critical technology used by the semiconductor industry to both visualize and analyze ever-shrinking components that comprise microelectronic devices. The possibilities for applying FIB technology to reveal the intricacies of natural materials are vast. The National collections of Meteorites, Gems/Minerals, Rocks/Ores, as well as those curated by biological departments at the NMNH, are of unparalleled quality. It is these unique collections that offer Smithsonian scientists the ability to exploit this cutting-edge tool in ways unattainable in other research environments. The FIB will be applied to problems involving some of the most precious extraterrestrial specimens, those from Mars, to diamond synthesis, and to the origin of life on Earth. Early leadership in this embryonic field means the NMNH is uniquely poised to utilize and develop the imaging and analysis capabilities for frontier studies of inorganic and organic materials from Earth, as well as samples of our solar system and universe.

The FY 2001 funds will be used to purchase a mass spectrometer to analyze extremely small regions of specimens, as well as additional hardware to modify the spectrometer for enhanced chemical sensitivity. The additional hardware includes a gas injection system (for etching or depositing on sample surfaces), an optical microscope (for specimen viewing at low magnification), a micromanipulator and microscopy workstation (to remove sectioned samples for further study by transmission electron microscopy), a software package to automate for unattended work, and a cryogenic stage to freeze specimens during analysis. Funds will also be used for contract software engineering required by the development of new instrumentation. The Institution will use restricted endowment funds for approximately one-third of the costs of this effort.

Two examples of results from reconnaissance work display the power of FIB microscopy and analysis: examination of a Martian meteorite has led to the discovery of evidence for multiple episodes of liquid water flowing beneath the red planet, precisely the environment one would search for extraterrestrial life; and the delicate cell walls of some of the earliest well-preserved life forms on Earth have recently been visualized by mapping carbon with the analytical FIB. It is clear from these early studies that the FIB will undoubtedly play a leading role in addressing the long sought-after goal of learning whether life is unique to planet Earth. With the acquisition of the equipment and resources listed above, coupled with development efforts at the Smithsonian, a new class of scientific problems at near atomic length-scales can now be approached for the first time.

MUSEUM SUPPORT CENTER

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	69	4,698	0	9	0	0	0	0
FY 2000 ESTIMATE	69	4,491	0	0	0	0	0	0
FY 2001 ESTIMATE	69	3,562	0	0	0	0	0	0

ABSTRACT - The Museum Support Center (MSC) provides state-of-the-art technology for scientific research, conservation, and collections storage in a specially equipped and environmentally controlled facility located in Suitland, Maryland.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Museum Support Center. FY 2001 Non-recurring Costs include \$1,000,000 for MSC equipment. The Institution requires \$71,000 for Necessary Pay for existing staff funded in this line item. As in prior years, the Institution requests that the funds for MSC collections storage equipment and move costs remain available until expended.

PROGRAM - Specially-designed, state-of-the-art storage equipment is available at MSC to house the more than 31 million objects and object parts being relocated from the National Museum of Natural History (NMNH) and the National Museum of American History (NMAH). MSC accommodates collections storage in four sections (or pods) for three general types of needs: collections storage in cabinets, open shelving for biological specimens in alcohol, and high bay storage for very large objects. The facility also houses the Smithsonian Center for Materials Research and Education, as well as NMNH laboratories for molecular systematics, conservation, and other specialized research.

MSC Operations - The MSC staff provide administrative and shipping and receiving services, oversees safety and security operations, and maintains strict environmental and cleaning services required for the proper storage of museum collections. Staff also provide computer support services for administrative, research, and collections management data needs at MSC, the National Air and Space Museum's Paul E. Garber

Facility and the National Museum of the American Indian's Cultural Resource Center.

MSC Collections Storage Equipment - At the end of 1999 storage equipment was installed in 95 percent of Pod 2 and 100 percent of Pod 4, with installation of high bay storage equipment in Pod 4. The Institution is continuing to procure and install the balance of the collections storage equipment for Pod 2. Design continues on the shelving system to house collections stored in alcohol in Pod 3. Twenty-five percent of Pod 3's storage equipment is presently installed.

MSC Collections Move - The characteristics, variety, volume and scope of the move of Smithsonian collections to MSC, considering the extensive preparation and traveling distance of millions of objects and specimens from the nine curatorial departments in two different museums, is unprecedented in the museum world and poses special challenges that must be addressed as part of the move. MSC Move staff technicians inspect the objects for pests and conservation problems, clean them, and stabilize them prior to their move. The collections relocated to MSC are properly curated, less crowded, and subject to better environmental control than collections in many other museum storage areas. Further, the relocation of collections to MSC provides improved access to those collections, including expanded use of electronic collections information technology. As a result, they have far better prospects for long term preservation and are significantly more accessible to researchers.

During FY 1999, the Smithsonian continued to make progress on the transfer of collections and will continue to move collections to MSC in FY 2000. In FY 2000, collections from Anthropology, Vertebrate Zoology, Paleobiology in NMNH, and NMAH collections are to be relocated to the high bay area of Pod 4. Preparation of oversized specimens, such as Native American boats and totem poles and stone figures from Central and South America that will be stored on the new shelving equipment system, is currently underway and scheduled to be completed in FY 2001.

SMITHSONIAN INSTITUTION ARCHIVES

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	24	1,451	3	144	1	49	0	0
FY 2000 ESTIMATE	24	1,493	3	261	1	57	0	0
FY 2001 ESTIMATE	24	1,559	2	231	0	10	0	0

ABSTRACT - The Smithsonian Institution Archives (SIA) assures historical accountability for Institutional actions and programs, provides a resource for the study of American science, culture, and museum development, and fosters sound management of the National Collections.

For 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Smithsonian Institution Archives. The Institution requires \$66,000 for Necessary Pay for existing staff funded by this line item.

PROGRAM - The Archives maintains the historical records of the Institution, creates tools and products providing access to Smithsonian history, assists offices in managing their paper and electronic records, and oversees the collections management policy of the Institution.

Research - Scholars, curators, and administrators increasingly drew upon the resources of the archives with over 4,000 research inquiries during FY 1999. Topics ranged from the history of the *First Ladies Collection* to the relationship between Joseph Hirshhorn and Alexander Calder. Among the users were the Discovery Channel, the Learning Channel, and *The American Experience* on PBS which researched pandas, the Hope Diamond, and the explorer John Wesley Powell, respectively.

Throughout the year, the Archives hosted research associates and collaborators, and supervised numerous fellows, interns and volunteers. The annual *Research in Progress* lecture series continued, with presentations by scholars throughout the Institution as well as SIA staff.

Collections Management - Consistent with the Institution's goal of providing improved storage, staff completed a disposition schedule for the

Cooper-Hewitt, National Design Museum, rehoused over 900 cubic feet of high value collections, and instituted a program of integrated pest management. The staff also rewrote the procedures manual on acquisition, retention, and disposal of official Smithsonian records, and coordinated the preparation of the Institution's guidelines on collections management, which were reviewed by the Board of Regents in May 1999. In conjunction with its electronic records program, the Archives tested and planned for the move of core collections data to new online systems and conducted a pilot program for managing email in the National Museum of American History.

The Archives added new oral histories as well as 560 cubic feet of records and personal papers to its existing holdings. Staff began work on preserving deteriorating tapes from older oral history interviews and continued to appraise and preserve thousands of film and video materials held by Smithsonian Productions. The Archives also transferred 1,500 cubic feet of SIA records and over 700 feet of other Smithsonian records to National Underground Storage, a remote facility in Pennsylvania which provides environmentally secure storage for overflow archival collections.

Publications - Staff compiled and published the *1998 Smithsonian Institution Collections Statistics*, and began work on *Smithsonian Institution Annals*. Responsibility for the *Annals* was transferred from the Smithsonian Institution Press to SIA in 1999, and compilation of the 1997 and 1998 *Annals* began during this fiscal year. In addition, Volume 8 of *The Papers of Joseph Henry* was published in FY 1999.

Outreach/Public Programs - New electronic initiatives included digitizing and placing on line 3,000 photographs from Archives' holdings, and creating a website of documents relating to the origin and history of the Smithsonian Institution from 1829 to 2000. In addition, the Archives joined the multi-institutional *Model Editions* project, which is designed to explore standards and methods for moving documentary publications to the digital environment.

To facilitate electronic outreach, the Archives redesigned the home page of its website and added many new features, including an exhibit entitled *Baird's Dream: History of the Arts and Industries Building*, and a guide to *United States Fish and Wildlife Service, Field Reports, 1860-1961*.

NONAPPROPRIATED RESOURCES - General Trust funds provide partial support for the Joseph Henry Papers project, appraisal of audio-visual materials, special preservation projects, specialized databases, and other programmatic activities.

SMITHSONIAN INSTITUTION LIBRARIES

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	109	6,711	9	884	1	185	0	0
FY 2000 ESTIMATE	109	7,273	11	913	1	268	0	0
FY 2001 ESTIMATE	109	7,489	11	943	1	454	0	0

ABSTRACT - The Smithsonian Institution Libraries (SIL) acquires, organizes, and delivers scholarly, scientific, and educational resources and information in all forms, including digital and electronic, to Smithsonian and affiliated staff and to libraries, researchers, and the general public worldwide. The Libraries also exhibits, studies and interprets its collections, researches and provides factual information in response to queries, and sponsors scholarly and educational activities through public programs and print and electronic technologies.

For 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Smithsonian Institution Libraries. The Institution requires \$216,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - The SI Libraries supports the increase and diffusion of knowledge by building, organizing, managing, housing and preserving collections in all forms, and by providing access to them through reference services, consultation, navigational tools, exhibitions, publications, and scholarly and educational programs. Staff in SIL's eighteen branches in Washington DC, Maryland, New York, Massachusetts, and the Republic of Panama deliver content and research tools to SI staff and, through the Internet, to researchers, educators, and students throughout the Nation and abroad. Through its international exchange program, SIL exchanges Smithsonian publications for those of over 4,000 scientific and learned societies, museums, and educational organizations worldwide.

The Libraries opened its eighteenth branch at the National Museum of American Indian's Cultural Resources Center at Suitland, MD, and began planning for transfer of the Museum's library collection from New York.

Construction should be completed by 2000 on the Natural History Rare Books Library in the National Museum of Natural History, which will provide improved security and environmental controls for the most costly, fragile, and rare items in SIL's collections.

The Smithsonian became a member of the Research Libraries Group (RLG), whose 166 members include most of the largest research and specialized libraries in Western Europe and Australia, as well as archives, historical societies, and museums. RLG programs enable SIL to provide better services to users through resource-sharing arrangements among members and through scholarly databases and other collaborative activities. SIL also works with JSTOR, a nonprofit organization devoted to producing high-quality electronic versions of the backfiles of scholarly journals, and the Scholarly Publishing and Academic Resources Coalition, an alliance of libraries that fosters expanded competition in scholarly communication.

In 1999, the Libraries produced six electronic editions of rare books, originally published from the 16th to 19th centuries, in the fields of astronomy, physical science and natural history. To make the editions more useful to researchers and facilitate their use on the Web, staff created new introductions, indexes and other navigational tools.

Collections Management - SIL staff acquire and manage collections of more than 1.2 million volumes that include 7,000 journal subscriptions, nearly 500 electronic journals, 40,000 rare books and manuscripts, 185,000 microforms, and an array of films, sound recordings, photographs, electronic databases, and other materials. The collections support scientific, historical, and cultural research and educational programs and provide context and documentation for the works of art and artifacts contained in the national collections.

Smithsonian staff and the general public locate SIL resources through the Smithsonian Institution Research Information System (SIRIS) on the World Wide Web, and through the Online Computer Library Center, Inc., an international bibliographic database. In 1999, SIL began to implement the Ameritech Library Systems Horizon software as the new foundation for the SIRIS system. The software supports diverse catalogs for the Libraries and the Institution's many archives, as well as for art inventories and research bibliographies.

The Libraries' Imaging Center opened in March 1999. SIL produced 1,718 digitized images of rare books and other items, as part of its target included in the Institution's FY 2000 Performance Plan.

SIL completed a 10-year project to improve documentation of collections by converting all manual bibliographic records to electronic form, upgrading records, and cataloging 35,000 titles in older, unprocessed collections. To improve access to collections, SIL implemented authority control in the database, which allows researchers to find all available materials related to a single author, place, or subject, regardless of changes over time in forms of names or terms. Project staff added over 325,000 authority records to the online library catalog.

Renovations of space and of heating, ventilation, and air conditioning systems in the National Air and Space Museum (NASM) and Anthropology Branch Libraries improved accessibility to the collections as well as environmental and storage conditions. Planning for compact shelving for the SIL Research Annex on North Capitol Street in Washington DC continued.

To enhance collections information, SIL added 2,144 records to the online index of the literature of African arts and culture, bringing that project to a close with over 24,000 new records. The Libraries and the National Museum of African Art began to collaborate on a project to link databases of digitized images of artifacts, photographs, and texts with an African Art Thesaurus to create a coherent collection of electronic materials that can be used from any desktop.

Collection Acquisitions - SIL acquired 39 titles published from the 16th to 19th centuries for its special collections. These included Guido Guidi's *Chirurgia è Graeco in Latinum conversa* (Paris, 1544) and Joseph Lister's *Lancet* articles, published in 1867, which established him as the founder of modern antiseptic surgery. Other subjects included Native American linguistics (including the first novel published in the Mayan language), international expositions, medicine, color theory, mathematics, voyages, and natural history.

Education and Public Programs - With assistance from the National Anthropological Archives and the National Museum of the American Indian, SIL organized a public symposium, *Edward S. Curtis and "The North American Indian" Re-viewed*, complementing SIL's exhibition, *Edward S. Curtis, Frontier Photographer*. The 1999 Dibner Library Lecture featured Charles Brownell on *Horrors! Changing Views of the American Victorian House*. With The Smithsonian Associates, SIL launched a series of lectures featuring authors whose works were based on research done in SIL collections. The first two focused on the Cooper-Hewitt, National Design Museum Branch Library and its collections on the industrial designer Henry

Dreyfus and American painted furniture.

SIL staff organized a website entitled *Anthropology on the Internet for K-12*, which was designated best online resource for anthropology students by the WWW Virtual Library. The Libraries was especially pleased to be included in the new Smithsonian education publication, *Smithsonian Field Trip Guide for Educators*. A new Libraries website, *Library and Archival Exhibitions on the Web*, garnered several best-website notices.

SIL increased access to holdings of the Education Division located in NASM by organizing and cataloging the department's print collections. Records for the collection are now available on the SIL online library catalog.

During FY 1999, SIL reference librarians answered over 55,000 information requests from Smithsonian staff and the general public. The Libraries loaned collections to every state in the U.S. and to 15 countries.

Exhibitions - The Libraries' Exhibition Gallery featured *Make the Dirt Fly! Building the Panama Canal* to mark this engineering feat and the transfer of the Canal from the U.S. to the Republic of Panama. Under development are online versions of several existing and new SIL gallery exhibitions on the laying of the Atlantic cable and *Voyages of Discovery*, which in 2001 will display highlights from SIL collections at the Grolier Club in New York.

NONAPPROPRIATED RESOURCES - General Trust funds help defray costs of providing information services to the Trust-funded units and support exhibitions, publications, public programs, and fund raising. Designated funds from donors support specific projects and programs, such as the SIL/Dibner Library Resident Scholar Program, lectures and publications. Income from endowment supports acquisitions and preservation activities.

SMITHSONIAN INSTITUTION TRAVELING EXHIBITION SERVICE

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	46	2,991	9	738	0	2,141	0	21
FY 2000 ESTIMATE	45	3,047	8	752	0	1,450	0	175
FY 2001 ESTIMATE	45	3,149	8	607	0	1,173	0	0

ABSTRACT - The Smithsonian Institution Traveling Exhibition Service (SITES) sends exhibitions to cities and towns all across America. As a leading Smithsonian outreach operation, SITES offers millions of people beyond Washington DC the chance to experience the Institution's collections and research expertise. For many, it is a once-in-a-lifetime opportunity. Museums, historical societies, science centers, zoos, and aquariums are among the many institutions that host SITES exhibitions. A growing number of libraries, schools, community centers, municipal buildings, shopping malls, and transportation terminals also feature SITES programs, enlivening visitors with a taste of the museums on the National Mall. SITES presents exhibitions and educational programs in every state across the country.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Smithsonian Institution Traveling Exhibition Service. The Institution requires \$102,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - SITES exhibitions encompass all of the topics central to Smithsonian collections and scholarship: life and space science, art and the decorative arts, craft, history, anthropology, popular culture, ethnic studies, and the humanities. Many exhibitions replicate large-scale installations on display in Smithsonian museums on the Mall. Others are scaled to accommodate smaller galleries and non-museum settings. SITES introduces new programs constantly with exhibitions that offer fresh ideas, collection resources, and up-to-the minute research findings.

SITES exhibitions in FY 1999 capitalized on community enthusiasm for a local Smithsonian presence. A traveling version of the National Portrait Gallery's blockbuster exhibition, *Red, Hot and Blue: A History of the*

American Musical, toured historic theaters in cities from coast to coast. *Barn Again!*, an exhibition about architectural preservation in farming regions, enlivened rural towns new to Smithsonian outreach. Public libraries were the venues for *Jazz Age in Paris*, an exhibition that SITES circulated in partnership with the American Library Association. And those captivated by the media coverage of the National Air and Space Museum's popular *Star Wars* exhibition took advantage of the show in record numbers with the start-up of SITES' national *Star Wars* tour. From exhibitions about Native American quilting traditions to outdoor installations featuring artist-created garden equipment powered by solar energy, SITES in FY 1999 shared with communities large and small a rich sampling of the Smithsonian's scope and vitality.

The SITES program in FY 2001 will be equally lively. New Exhibitions will roll out on subjects as diverse as women in sports, chocolate, the Burgess Shale, musical instrument makers, American Indian code talkers, botany, Mexican ballads, postage stamp art, and past visions of America's future. These projects, like every exhibition in the SITES program, will be tailored to a wide variety of outreach locations, from the largest mainstream art museum in an urban area to the smallest meeting hall in small-town America.

Exhibition Packages - Although original artifacts form the core of SITES programs, SITES exhibitions do more than showcase artifacts. Many also include interactive computer programs, film and video components, sound stations, educational curricula, and discovery trunks—interpretive tools that stimulate visitor involvement and enrich the learning experience. Every SITES exhibition provides press information, educational materials, installation guides, artifact handling and packing information, insurance coverage, and shipping. Outreach locations that host SITES programs therefore receive not only the stamp of quality inherent in Smithsonian products, but also a complete exhibition package designed to facilitate broad community participation.

Exhibition Itineraries - Host institutions rent SITES exhibitions on a first-come, first-served basis by reserving six-to-eight-week booking slots on pre-established tours. A single SITES itinerary may encompass five years and reach 40 different cities. Or the itinerary may involve only two years and eight outreach destinations, as the rarity and fragility of artifacts warrant. In keeping with the Smithsonian's commitment to reach the largest number and broadest range of public audiences possible, SITES circulates exhibits in every geographic region.

National Reach - SITES outreach extends deep into grassroots America. In communities where cultural resources are scarce, SITES makes a special point of placing exhibitions in high-visibility locations. Rural towns, for example, often host SITES programs created especially for VFW halls and train depots. Theaters, airport terminals, and the renovated multi-use spaces common to historic districts routinely feature SITES exhibitions in smaller cities. In places that depend for tourism and leisure-time activities on park and recreation destinations, SITES provides outdoor installations and nature center kiosk exhibitions. Expanding the range of locations that host SITES programs reaffirms the Smithsonian's role as the Nation's museum.

Partnerships - SITES embraces organizational and business partnerships as a means of strengthening and broadening Smithsonian outreach. For example, *Museum on Main Street*, a collaborative venture between SITES and State Humanities Councils, packages exhibitions and related educational programs for rural communities. Through ongoing partnerships with the American Library Association, SITES maintains a market niche for Smithsonian exhibitions in the public libraries of all fifty states. In conjunction with ARTTRAIN, SITES circulates Smithsonian collections in specially designed gallery cars on board the U.S. rail system.

In FY 2001, SITES, together with the National Aeronautics and Space Administration, will launch *Voyage*, a 600-meter scale model of the solar system tailored to 100 Challenger Centers nationwide. At the same time, a collaboration between SITES and the Lila Wallace Reader's Digest Fund will result in *Enclave*, a major jazz exhibition slated to tour the country by bus. A partnership with the Women's Sports Foundation, the Girl Scouts of the USA, and the YWCA will provide new community venues for public programs and competitions in conjunction with the SITES exhibition *Game Face: What Does a Woman Athlete Look Like?* In circulating *In the Spirit of Martin*, a stirring exhibition of artists' works extolling the life and legacy of Dr. Martin Luther King, SITES is teaming up with the noted fine-arts publishing firm, Verve Editions.

Partnerships combining public and private support enable SITES to reach entirely new people and places. A three-way collaboration between SITES, the Space Telescope Science Institute, and Lockheed Martin on an exhibition entitled *Hubble: New Views of the Universe*, for example, will open the doors to a Smithsonian presence in flight centers and planetariums across the country. A distance learning partnership with Fairfax Network and the Cleveland Education Fund will yield an even greater outreach presence as 5,000,000 students online in 20,000 schools nationwide take advantage of electronic field trips in the SITES program, *America's Jazz*

Heritage. Another 5,000 schools across the U.S. will benefit from a small format version of *Americanos: Latino Life in the United States*, which SITES and Time Warner Inc. are circulating in a full-scale exhibition to mainstream museums. Alliances like these create new opportunities for financial support, public advertising, and program delivery systems that capture audiences far beyond traditional exhibition settings.

NONAPPROPRIATED RESOURCES - General Trust funds provide support to help defray the costs of staff salaries and benefits, fund raising, exhibit design and production, publications, materials, outside specialists, and contractual services. Donor/Sponsor Designated funds provide support for costs related to specific projects and programs.

ADMINISTRATION

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	383	34,000	199	18,539	0	468	0	13
FY 2000 ESTIMATE	381	34,616	258	23,650	0	2,716	0	0
FY 2001 ESTIMATE	381	35,874	216	23,037	0	2,635	0	0

ABSTRACT - Administration includes executive management and related functions provided by the Offices of the Secretary, Under Secretary, and Provost. For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for Administration. The Institution does, however, request \$138,000 for increased Workers' Compensation costs, as well as \$1,120,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - Office of the Secretary - The Office of the Secretary, supported by the Office of the Under Secretary and the Office of the Provost, oversees the Smithsonian Institution and maintains continuous communication with the Board of Regents and its committees. Organizations reporting directly to the Office of the Secretary include the Office of Inspector General, Office of Membership and Development, and Office of Planning, Management and Budget. The Office of Inspector General conducts audits and investigations to prevent and detect fraud, waste, and abuse in Smithsonian programs and operations. The Office of Membership and Development provides both direct fundraising and development support activities in response to Institution-wide and selected museum and research institute development activities. The Office of Planning, Management and Budget coordinates Institution-wide planning, management analysis, budgeting, and policy.

Office of the Provost - The Provost serves as the Smithsonian's chief program officer, providing leadership and integrated oversight for all of the Institution's programmatic activities carried out in the museums, research institutes, central education and other program offices, as well as research support units such as the libraries and archives. The Provost reviews and evaluates the management of the programs in research, exhibitions, collections acquisition and care, and education outreach in the sciences, arts, and humanities; provides operational facilitation to the program units;

and maintains close working relationships with unit directors and their advisory boards.

The Office of the Provost is also responsible for coordination of the Institution's Affiliations Program, the Smithsonian website, the Asian Pacific American program, the Arts and Industries Building exhibition program, and adherence to laws governing accessibility and scientific diving. Office staff coordinate activities in biodiversity, environmental affairs, and marine sciences across the Institution. The Provost also provides oversight to the Smithsonian Center for Latino Initiatives, and a variety of projects designed to increase the awareness of the role and contributions by Latinos to the history and culture of the United States. Also under the Office of the Provost, the Smithsonian Associates Program promotes museum membership and provides educational and cultural programming through the operation of publicly available membership programs, seminars, lectures, travel/study tours and cruises, theatrical performances, and mini-festivals.

Office of the Under Secretary - The Under Secretary serves as the Institution's chief operating officer and is responsible for the day-to-day administration of the Institution. This office oversees the services of a variety of central offices, as well as all administrative, finance, information technology, and facility functions. These essential activities are provided by the following organizations.

- **Central Services** - The Office of the General Counsel provides legal advice and services to protect the interests of the Smithsonian. The Office of Government Relations acts as the Institution's primary agent with the Administration, the Congress, and Federal, state, and local entities, by presenting Smithsonian policies and plans, developing and clearing legislative proposals, and coordinating Smithsonian participation at legislative hearings. The Office of Special Events and Conference Services handles the arrangements for special Institutional events and provides expertise to Smithsonian museums and research institutes on issues of domestic and international protocol. Other central services reside with the Office of Public Affairs, Smithsonian Productions, and the Visitor Information and Associates' Reception Center; these offices are included in the Communications and Educational Programs section of the budget.
- **Administration** - The Office of Equal Employment and Minority Affairs facilitates the Institution's efforts to achieve equal opportunity in all aspects of the Smithsonian's employment and business relationships, as well as monitoring and evaluating the Institution's progress in

implementing cultural diversity goals. The Office of Human Resources plans and directs a comprehensive program of human resources management for the Smithsonian's diverse employee population. The Ombudsman serves as a neutral party to whom employees can bring work-related problems, concerns, and complaints.

- **Finance** – The Chief Financial Officer provides strategic direction and advice for financial management functions and assures that the Institution's fiduciary responsibilities are carried out. The Office of the Comptroller accounts for and reports on the Smithsonian's assets, liabilities, and equities by collecting, authenticating, classifying, and recording financial transactions. The Office of Contracting is the acquisition, contracting, and property management office for the Institution. The Office of the Treasurer is responsible for the growth, safety and integrity of the financial assets of the Smithsonian and assists in identifying and controlling risks.
- **Information Technology** - The Office of Information Technology is responsible for the Institution's central computing and telecommunication services, provides an applications development and customer assistance program, and assures the integrity and security of Institutional automated data. The Office of Imaging, Printing, and Photographic Services serves the photographic and imaging needs of museums and research institutes, as well as providing internal printing and duplication services Institution-wide.
- **Facilities** - The Office of Facilities Services oversees the Institution's facility function to ensure comprehensive, integrated facilities programs. The Office of Environmental Management and Safety administers environmental management, fire protection and prevention, occupational health, and employee and visitor safety programs. Other facility functions reside with the Office of Physical Plant and Office of Protection Services; these offices are included in the Facilities Services section of the budget.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits of personnel and other related costs. Donor/Sponsor Designated funds provide support for costs related to programs and projects such as scientific research, fund raising, and public relations. Government grants and contracts provide support for special initiatives, conferences, and seminars.

OFFICE OF PROTECTION SERVICES

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	773	32,248	3	105	0	0	0	0
FY 2000 ESTIMATE	775	33,554	3	146	0	0	0	0
FY 2001 ESTIMATE	775	36,889	3	146	0	0	0	0

ABSTRACT - The Office of Protection Services (OPS) protects and secures the National Collections entrusted to the Smithsonian Institution and ensures the safety and security of staff and visitors, while permitting an appropriate level of public access to collections and properties.

For FY 2001, the Smithsonian requests an increase of \$2,000,000 for security system modernization and maintenance. The Institution requires \$1,335,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - The Office of Protection Services provides around-the-clock security for all Smithsonian facilities in the Washington DC area; the Smithsonian Environmental Research Center (SERC) in Edgewater, Maryland; the Cooper-Hewitt, National Design Museum and the National Museum of the American Indian in New York City; and the Smithsonian Tropical Research Institute in Panama. OPS security systems integrate uniformed personnel and electronic monitoring. Staff perform investigation services and escorts to provide a safe and secure operating environment. OPS has developed a security modernization program that better meets security and customer service requirements by providing integrated card access, alarm monitoring and closed-circuit television (CCTV) systems. OPS conducts a comprehensive training program to ensure that employees are prepared for their duties and responsibilities, especially as new electronic systems are installed.

Modernization - In connection with its long-term strategic plan for security system upgrades and modernization, OPS has collaborated with the United States Army Engineering and Support Center, Huntsville (USAESCH) to develop a master plan to support planning, procurement, and integration of electronic security systems at the Smithsonian Institution. The draft master plan was finalized in the fall of 1998. This modernization program

replaces security systems in all Smithsonian Institution buildings, will affect over 12,000 employees and volunteers, and will integrate access-card readers, CCTV cameras, and alarm zones. In FY 1999, with the assistance of USAESCH, the Office of Protection Services evaluated and selected two modern off-the-shelf electronic security management systems, responsive to Smithsonian needs, to replace the 20-year old Smithsonian Institution Proprietary Security System (SIPSS), and to ensure that the Institution was prepared to meet the technological requirements for the year 2000. In coordination with the Smithsonian's Office of Physical Plant, OPS completed design and installation of a new security system for the National Museum of the American Indian Cultural Resources Center in Suitland, Maryland in FY 1999. In addition, OPS completed engineering designs and began system replacement installation for the Smithsonian Institution Building, the Arts and Industries Building, the Hirshhorn Museum and Sculpture Garden, and the National Air and Space Museum. Remaining Smithsonian buildings will have integrated, modern security systems in place before the end of FY 2001.

The Smithsonian performed a number of measures to successfully avoid Y2K problems with SIPSS. By December 1999, the Office of Protection Services ensured that the Smithsonian's security system was fully Y2K ready by replacing SIPSS in South Mall buildings with a new Y2K-compliant system, selectively replacing components for access control systems, and performing technical modifications and work-arounds to ensure that present SIPSS components are Y2K ready.

Training - In FY 1999, the Office of Protection Services built upon and expanded the training program for security officers, supervisors, and administrative staff that OPS initiated the previous year. Over 500 officers completed refresher basic security and safety skills training and 150 security supervisors completed supervisory training. In-house staff delivered courses that included communications, identification of core competencies, basic skills assessments, and standardized operational procedures to 60 new security officers, and 75 administrative staff completed basic skills training in problem-solving, customer service, and communications. Basic security and safety skills, at entry level and updated annually, ensure that OPS security officers meet their legal responsibilities for enforcing secure and safe conduct at Smithsonian Institution facilities. Personal communications skills training addresses the increasing demands on officers and other OPS staff to resolve conflicts and provide customer service to the public. In support of modernization efforts, OPS began technical training for the implementation and operation of the new security systems, conducted training in the operation of magnetometers, and is developing training in the operation of package x-ray machines.

Operations - In late FY 1999, the Office of Protection Services began efforts to develop an automated customer special-event overtime billing system. The new system, which will be ready to implement by the end of FY 2000, is part of an OPS initiative to bring best practices and current technology to bear on all of its operations. In cooperation with Smithsonian Institution efforts to reform personnel, timekeeping, administrative, and other processes, OPS will incorporate information technology into its staffing, scheduling, workload tracking, incident tracking and investigative case management processes as well.

EXPLANATION OF PROGRAM INCREASE - For FY 2001, the Institution requests an increase of \$2,000,000 to continue to replace the existing Smithsonian Institution Proprietary Security System (SIPSS), enhance electronic security system operations, and begin maintenance and renewal of the new security systems. The Institution requests that this amount remain available until expended.

The Institution requests \$1,350,000 to complete the replacement of SIPSS and continue electronic security system modernization efforts Smithsonian-wide. The replacement system, which will cost \$12,000,000 when completed in 2003, will integrate card access, alarm monitoring, and closed-circuit television, which are now common standards in business and government. The funding addresses additional security needs at the Smithsonian not currently performed by SIPSS, but reflecting normal operational security systems standards for facilities like the Smithsonian. This security system modernization program will allow a safe and secure environment while permitting appropriate access to Smithsonian facilities.

The FY 2001 funding will provide engineering support, equipment, training, installation, testing, and documentation at a number of facilities. The proposed plan will follow up on work initiated in FY 1999, which replaced core systems and components affected by Y2K in all Smithsonian facilities. In FY 2000, in partnership with the U.S. Army Corps of Engineers' Electronic Security Center of Expertise in Huntsville, Alabama, the Smithsonian will complete designs and start system installations to replace SIPSS in the National Museum of American History, the National Museum of Natural History, the Museum Support Center, the Quadrangle, the Smithsonian Tropical Research Institute and the Office of Protection Services' Central Control Office. In FY 2001, the Smithsonian will continue system installations and modernization efforts for the National Air and Space Museum, the National Museum of Natural History and the Museum Support Center.

The balance of \$650,000 is requested in order to fund on-going maintenance and renewal of the Institution's improved security system. Maintenance of the system will include software upgrades, technical inspections, cleaning, repairs on front-end equipment (computers, switchers, and monitors), field devices, and data-gathering panels. The cost of servicing just the Natural History building—the Institution's largest—has been estimated at \$100,000 per year. Renewal costs include replacing installed equipment because of equipment failure, life-cycle termination, changes in technological approach, or additional requirements placed upon the system, such as new exhibits or alarms. Hardware renewal is based on a three-to-five-year life cycle. Wiring renewal is based on a 10–15-year life cycle. Renewal estimates prorate installation costs over the item's entire life cycle, beginning two years after installation. Since the installation program is phased over a four-year time period, the renewal costs are expected to stabilize after four years. In FY 2002 and beyond, maintenance and renewal costs become the primary funding need, but will remain stable at approximately \$2,000,000.

As a result of these efforts, the Institution will be able to maintain high standards of electronic security to ensure cost-effective protection of the Nation's treasures, Smithsonian staff members and volunteers, and our millions of visitors each year.

NONAPPROPRIATED RESOURCES - General Trust funds provide partial support for conducting employee background security investigations and the annual National Conference on Cultural Property Protection. For over twenty years, this self-supporting conference has provided an opportunity for the diffusion of knowledge among security, library and administrative professionals throughout museums, libraries, universities and other cultural property institutions. The 1999 conference, co-hosted by the J. Paul Getty Trust in Los Angeles, California, attracted close to 300 participants from around the United States, Canada, and the world. The 2000 conference, with the theme *Challenges and Opportunities: Year 2000 and Beyond*, will be held in Arlington, Virginia.

OFFICE OF PHYSICAL PLANT

	APPLICATION OF OPERATING RESOURCES							
	FEDERAL APPROPRIATIONS		GENERAL TRUST		DONOR/SPONSOR DESIGNATED		GOV'T GRANTS & CONTRACTS	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
FY 1999 ACTUAL	516	63,234	4	1,709	4	-115	0	0
FY 2000 ESTIMATE	516	71,038	4	3,208	3	198	0	0
FY 2001 ESTIMATE	516	74,465	4	3,146	3	190	0	0

ABSTRACT - The Office of Physical Plant (OPP) creates, preserves, restores, and protects a physical environment that enables the Smithsonian to achieve its goals. OPP creates an environment in which the Smithsonian buildings and grounds are recognized as a benchmark of quality; and provides a functional, pleasing, safe, and accessible environment to maintain the collections. OPP also creates an environment in which visitors experience an appreciation for our heritage, and for the Smithsonian, its buildings, and the collections held as a national treasure.

For FY 2001, the Smithsonian is not seeking additional funding for programmatic increases for the Office of Physical Plant. A net increase of \$2,334,000 included in this line item but justified in the Mandatory Increases section, will support increases in the Institution's central utilities, communications, postage, and rental accounts. The Institution also requires \$1,093,000 for Necessary Pay for existing staff funded in this line item.

PROGRAM - OPP administers, maintains, repairs, and renovates the Institution's museum and art gallery buildings and associated grounds and gardens. OPP additionally supports many other work and collection storage areas by providing architectural, engineering, and facility planning services. OPP provides trade and craft support, utilities, transportation, mail services, exhibit renovation, and many other related services in support of research, exhibitions, education, and public programs. OPP also provides technical support to several Smithsonian units located outside the Washington DC metropolitan area, including the Smithsonian Tropical Research Institute in Panama; the Smithsonian Astrophysical Observatory in Cambridge, Massachusetts, and its Fred Lawrence Whipple Observatory in Arizona; the Smithsonian Environmental Research Center in Edgewater, Maryland; and the National Museum of the American Indian and the Cooper-Hewitt, National Design Museum in New York City.

Functionality and Accessibility of Buildings - OPP carefully inspects its facilities and analyzes the current condition of its buildings. With this information, the staff determines the remaining service life of building systems and components, and estimates the repair or replacement requirements to keep each building operating at an acceptable level of performance. OPP uses its building assessments to develop, evaluate, and prioritize its five-year plan for restoration and renovation of facilities.

Centralized Facilities Management System - OPP is leading the implementation of an automated facilities management system throughout the Smithsonian. By working collaboratively to develop agreed-upon standards with the facilities management offices that are part of each museum's staff, the Institution is beginning to have a central database of reliable facilities information. This will help management to more accurately develop standardized facilities cost and performance information throughout the Smithsonian. Facilities Center is a consolidated information system that provides reliable and accurate information about every work request and project. OPP will use the information to manage maintenance and assets, including the buildings themselves. Eventually the database will link to facilities drawings that can be shared by anyone using the system.

Research, Outreach, Publications - OPP contributes to the Institution's research, outreach, and publications programs in several significant ways. Two divisions manage collections and have responsibilities in four primary areas:

- **Architectural History**—maintaining a collection of archival records related to the Institution's architectural history.
- **Historic Preservation**—preserving the Smithsonian's historic structures, many of which are local and national landmarks, using the architectural history as a base.
- **Collections Management**—supervising the Garden Furnishings collection and the Castle Collection of antique furnishings and art objects in use throughout many of the public spaces of the Castle and Arts and Industries buildings.
- **Archives**—maintaining the Archives of American Gardens collection, actively growing through affiliation with the Garden Club of America.

Museum Environments and Exhibitions - OPP maintains the grounds and gardens that surround the Smithsonian museums, which accent the

buildings' exhibitions and enhance the public's experience. The Smithsonian gardens are a peaceful place where staff, visitors and city workers go to rest, learn, and enjoy. OPP staff grow over 200,000 flowering plants every year, and provide holiday decorations and floral and horticultural support for museum programs.

OPP staff is designing and fabricating *The Artistry of Orchids* exhibition, which is scheduled to open in the Arts and Industries Building in January 2000. OPP is also working with the Smithsonian Institution Traveling Exhibition Service to design and fabricate a traveling show featuring its Archives of American Gardens' collection. *American Garden Legacy: Exploring Garden History* will travel to many cities in the United States beginning in May 2001. Also planned is an expansion of the Butterfly Habitat Garden at the National Museum of Natural History (NMNH), a collaboration between horticulturists in OPP and entomologists and exhibit specialists at NMNH. The Garden Club of America has donated \$75,000 towards this expansion.

NONAPPROPRIATED RESOURCES - General Trust funds provide support for salaries and benefits of personnel, related support costs, the Trust share of space rental costs for administrative activities, and support services offered to other units by the Office of Physical Plant. Donor/Sponsor Designated funds provide support for costs associated with the upkeep of Smithsonian gardens.

REPAIR, RESTORATION AND ALTERATION OF FACILITIES

	SI	NZP	TOTAL
FY 1999 Appropriation	\$40,000,000	\$4,400,000	\$44,400,000
FY 2000 Appropriation	\$41,900,000	\$6,000,000	\$47,900,000
FY 2001 Estimate	\$52,200,000	\$10,000,000	\$62,200,000

In order to continue improving the conditions of the Institution's buildings, the Smithsonian is requesting \$62,200,000 for FY 2001 for repair, restoration, and alteration (RR&A) of facilities. In addition, the Institution is requesting advance appropriations of \$17,000,000 to become available on October 1, 2001, and \$18,000,000 to become available on October 1, 2002, to complete the renovation of the Patent Office Building (American Art and Portrait Gallery). The FY 2001 estimate for this account includes repair and restoration of all Smithsonian facilities, including the National Zoological Park, as well as alterations and modifications projects.

The Institution is responsible for over 400 buildings which comprise more than 6.6 million square feet of space, and range in age from new to over 150 years old. These buildings, including many visible and valuable structures, provide not only space for the Institution's programs and activities, but also provide safe storage for irreplaceable collections made accessible to millions of scholars and visitors each year. Included are museum and gallery buildings as well as restoration and storage buildings, centers for research and education, and a zoological park.

The FY 2001 RR&A request includes:

Smithsonian locations (excluding Zoo)	\$52,200,000
National Zoological Park	<u>10,000,000</u>
TOTAL	\$62,200,000

Assessment of Facility Conditions - Building systems and components have limited life expectancies. Despite planned preventive maintenance and repair efforts, their heavy and constant use exacerbates the natural aging process of components. As building systems age, the risk of operational failure, unscheduled closings, and damage to collections increases dramatically. In addition, aging systems require increasingly frequent maintenance and repair, which drives up costs. Eventually,

systems reach the breakdown mode of operation. Once a system has reached this stage, it can no longer reliably support activities housed in the building. In the case of museum mechanical systems (heating, ventilation and air conditioning) or roofs, this usually means that the continuous close control of environmental conditions and protection from the elements required to preserve collections cannot be guaranteed. Damage to any of our collections (especially artwork) due to leaks or other environmental failures would seriously threaten our ability to obtain new gifts from donors or loans from other museums. In addition, it costs as much as five times more to achieve this minimally acceptable performance through breakdown maintenance—that is, repairing or replacing system components on an emergency basis when they fail. Resources spent to patch existing systems are essentially wasted when the systems later require full replacement. More importantly, because of the Institution's high public visibility and nearly 35 million annual visits, the potential for irreparable damage to the collections and unplanned system failures is a major concern. When a system has deteriorated to the breakdown point, major renewal or replacement is the only way to regain acceptable performance.

The Institution has carefully inspected its facilities and analyzed the current condition of its buildings. Parameters used to assess existing conditions are watertight enclosure; age and condition of heating, ventilating and air conditioning (HVAC) and electrical systems; and compliance with current codes and industry operating standards. With this information, the staff determines the remaining life of building systems and components and estimates repair or replacement requirements to keep each building operating at an acceptable performance level.

Two of the Smithsonian's major buildings, the National Museum of Natural History and the Patent Office Building, have already reached the breakdown stage, and work has already begun on these projects, as discussed below. Two more buildings, the Arts and Industries Building and the Smithsonian Institution Castle, as well as many buildings at the National Zoological Park's Rock Creek and Front Royal sites, are rapidly approaching this stage. Together, these four buildings and the National Zoological Park properties represent over one-third of the Institution's usable area and contain large amounts of public space.

The most significant deficiencies at these facilities are antiquated and failing mechanical and other utility systems, but a number of modifications are also required to meet life safety and accessibility codes. The Institution plans to invest the majority of its RR&A resources over the next five years in restoring these facilities to an acceptable performance level.

While maintaining an emphasis on restoring these buildings, the Smithsonian's other facilities require constant work to maintain the currently acceptable performance level. Timely attention to deficiencies prevents further deterioration and allows the Institution to take a proactive approach to sustaining the viability of its physical infrastructure.

FY 2001 REQUEST - The Institution requests a funding level of \$62,200,000 for FY 2001, which includes \$10,000,000 for the National Zoological Park, not including Zoo alterations and modifications projects. Within the total amount, no more than \$3,000,000 will be used in FY 2001 for alterations and modifications to facilities to meet programmatic requirements. Funding at the requested level will allow the Institution to make progress toward the timely renewal of some of the most deteriorated buildings, and to make ongoing repairs required to maintain current conditions in newer buildings.

The Smithsonian expects to use the funds requested in FY 2001 to perform work in the categories described below. The chart following this narrative provides a summary of projected expenditures by category of work for FY 2001-FY 2005. The Appendix also contains the detailed five-year summary of projects, as well as status reports on major projects. The Institution contracts for most RR&A projects unless it is more cost-effective to use existing employees or to hire temporary staff to accomplish the work. The National Zoological Park also contracts for certain ongoing maintenance services with funding in the RR&A account. The account also funds expenses required to accomplish the RR&A work, such as security requirements or relocation of staff and collections that might be placed at risk during construction.

Major Capital Renewal - This category includes the cyclical replacement of major building systems and equipment and major renovation required to ensure long-term preservation of the buildings. Projects in this category differ in magnitude, expense, and planning complexity from routine ongoing restoration work, repair projects, or replacements undertaken when a piece of equipment fails. Work in this category primarily addresses the major replacement requirements for HVAC and electrical systems at the Institution's older facilities where these and other critical building systems are nearing the end of their useful service lives. The National Museum of Natural History, Patent Office Building, Arts and Industries, and Smithsonian Institution Castle buildings are all now in need of major capital renewal.

Projects in this category involve complete replacement of HVAC, electrical, and plumbing systems, and restoration or replacement of exterior

components such as facade, roof, and windows to ensure long-term operation and preservation of the building. Modifications to the building also improve energy efficiency, meet fire detection and suppression requirements, and correct hazardous conditions. By combining these kinds of tasks into a single project, the Institution saves money and avoids repeated disruption to activities in the building. The Smithsonian achieves operating efficiencies as well by designing new building systems and components to work together. For example, by installing multiple-paned windows and increasing insulation, the Smithsonian can select more energy-efficient heating and cooling equipment. The equipment costs less to purchase and install, and long-term operating costs are lower. The impact of renovation work on programmatic activities is a key factor in planning a major project. Work of this magnitude causes serious disruption to activities in the building. The Institution must relocate staff and collections from the areas under construction to prevent damage, allow staff to continue working during the construction period, and ensure safety and, when possible, continued public access. Major capital renewal projects are phased over a number of years to achieve the most efficient balance of cost savings while minimizing disruptions to public programs and staff activities.

The current condition and planned renewal of facilities is summarized below.

- ***National Museum of Natural History (\$10,655,000)*** - Based on a master implementation plan completed in 1987, the Institution has begun a comprehensive renovation program in the National Museum of Natural History building, which will replace the HVAC equipment, ductwork, electrical equipment and wiring, piping systems, and the roof and windows of the main building. Asbestos and lead will be abated or encapsulated; the fire protection, storm water, communication, alarm, and emergency power systems will be upgraded; storm water systems and a hazardous chemical control facility will be installed; and the Museum's main entrance on the Mall will be made accessible to persons with disabilities.

Progress to date includes expending \$49,400,000 to complete 38 percent of the required renovation, primarily exterior work, including replacement of the central cooling plant and emergency generator, asbestos abatement in the attics and mechanical spaces, construction of new rooftop mechanical rooms, replacement of the windows in the wings, some elevator and communications upgrades, rotunda restoration, and interior renovation of about one-third of the space in the east wing. An estimated \$80,000,000 in additional funds will be

required to continue this incremental renewal program, primarily for interior systems, over the next ten years.

- ***Patent Office Building (\$17,000,000)*** - In FY 2001, the Smithsonian will continue the renewal program in the Patent Office building that will replace the HVAC, electrical, plumbing, and other utility systems, as well as upgrade fire protection and communications systems, replace the windows, restore the elevators, abate hazardous materials, and create accessible entrances and restrooms. The roof is currently being replaced with previously appropriated funds. The Institution is designing a comprehensive renovation of the building, at a total estimated cost in the range of \$110,000,000 - \$120,000,000. The \$60,000,000 included in the five-year RR&A program is for system renewal, and safety and accessibility modifications to the building. Improving the building's functionality, enhancing space for public programs and education, and preserving the historical integrity of this landmark building are additional costs. The Institution plans to begin the work in the spring of 2000 and complete it in about three years.
- ***Arts and Industries Building (\$2,000,000)*** - Originally designed to house the rapidly growing National Museum, the Arts and Industries Building was started in April 1879 and completed in March 1881. The last major renovation of the HVAC system took place in the 1970s. The HVAC equipment, electrical and other utility systems are now nearly 30 years old, and break down with increasing frequency.

The Institution plans to replace the mechanical, electrical, plumbing, fire protection, elevator, and communications systems in the building, make modifications to ensure compliance with the Americans with Disabilities Act (ADA), abate or encapsulate asbestos and lead paint, and restore the interior to reflect its original architecture. The Smithsonian is currently designing the project, and the amount of \$2,000,000 in the FY 2001 request will complete design of the renewal project.

- ***National Zoological Park***

Rock Creek (\$3,525,000) - A number of buildings at Rock Creek are currently below the acceptable performance level. As major components of the building systems age, the risk of operational failure, unscheduled closings, and danger to the animal collections and research efforts increases dramatically. Among the buildings with serious deficiencies, including structural deficiencies, failing HVAC systems, obsolete or inadequate electrical systems and leaking roofs or siding are the Australia Building, the Bear Exhibit, the Mane Building, the Elephant

House, the Property Yard and Valley Keeper areas, and the Holt House. Several other buildings barely meet a minimum acceptable performance level, including the Reptile Building, Deer and Tapir Building, and Seal/Sea Lion Exhibits. In addition to outdated utility systems and failing exterior structures of individual buildings, basic infrastructure deficiencies include antiquated and inadequate central utility service capacities and distribution systems, obsolete fire alarm and smoke detection systems, practically nonexistent central monitoring of animal life support systems (such as water treatment and climate control), and deteriorated roadways and bridges.

The National Zoo will use the FY 2001 funding to begin renewal of the buildings with the most serious deficiencies, and to design bridge and road repairs at the Rock Creek property.

Front Royal (\$1,100,000) - The Smithsonian acquired the 3,150-acre Front Royal property from the U.S. Army in 1974 to house the National Zoological Park's Conservation Research Center. The first buildings date from 1910-12, with the majority constructed in the 1930s. The Smithsonian renovated some of the buildings and added a veterinary hospital in the 1970s. Today, the property has more than 89 buildings ranging from animal shelters to research laboratories and residences, totaling about 250,000 square feet of space. The site is served by two and one-half miles of roads and 20 miles of jeep trails, and is secured by 30 miles of fencing.

The Institution recently completed a comprehensive evaluation of the condition of the buildings and infrastructure components at Front Royal and the staff is developing a long-range plan to correct deficiencies. Of immediate concern, however, is replacement of several badly deteriorated maintenance buildings with a single consolidated facility. Several of the buildings that house maintenance shops and equipment—in actuality not much more than sheds scattered around the property—are in such poor condition that they are no longer safe for use. The Smithsonian will use the FY 2001 funding to begin design and replacement of the maintenance buildings with a consolidated facility that will allow maintenance activities to be conducted in a safe environment.

Code Compliance and Security - This category includes projects included in the Fire Detection and Suppression, and the Access, Safety and Security categories. The majority of this work, as well as the work in the next section, is accomplished by contract, with a small amount of work accomplished by existing employees or temporary staff when appropriate

and cost-effective. The amounts indicated represent current planning estimates for each subcategory.

- ***Fire Detection and Suppression (\$725,000)*** - Smithsonian staff have developed a fire protection master plan for every major Smithsonian facility. Projects typically include installation of detection systems such as smoke alarms, suppression systems such as sprinklers, and architectural modifications to create fire zones by installation of firewalls and doors.
- ***Access, Safety, and Security (\$4,458,000)*** - These projects provide better access to the Institution's facilities for persons with disabilities, improve environmental conditions in buildings, and correct facility conditions that threaten the security of the National Collections. Work includes projects such as asbestos abatement and correction of ventilation problems; modifications to ensure accessibility of public facilities, eliminating obstructions and overhead hazards, improving emergency warning systems, and providing seating space for wheelchair users and listening systems for the hearing impaired; and projects to improve the security of the collections, staff and visitors, such as installing security surveillance systems, improving exterior lighting, and installing card access systems to limit and document entry to certain spaces.

Infrastructure Repairs and Modifications - This category includes projects in the General Repair, Facade, Roof and Terrace Repair, Utility Systems Repair, and Repair and Restoration Planning, Design, and Inspection categories. This category also includes Alterations and Modifications (A&M) projects. The amounts indicated represent current planning estimates for each category.

- ***General Repair (\$7,767,000)*** - These projects include minor, unscheduled, but essential, repairs that the Institution cannot anticipate specifically. Estimates of requirements are usually based upon historical data on the volume of work needed each year.
- ***Facade, Roof, and Terrace Repair (\$3,940,000)*** - This work includes a variety of projects accomplished cyclically according to the life of the materials used. For example, most kinds of roofs need replacing nearly every 20 years, facade joints need recaulking and repainting about every 10 years, and window frames and other exterior trim need repainting every five years. Smithsonian buildings require continuing facade work in order to restore and maintain intact the building envelopes.

- ***Utility Systems Repair (\$6,080,000)*** - These projects maintain, repair, and upgrade the HVAC, plumbing, electrical, and communications systems throughout the Institution's facilities. Ongoing renovations, repairs, and replacement of deteriorated equipment components are essential for ensuring reliable and energy-efficient operation of utility systems. The long-term preservation of the National Collections depends upon stable temperature and humidity conditions.
- ***Repair and Restoration Planning, Design, and Inspection (\$2,000,000)*** - The Smithsonian uses funds to identify and analyze long-range repair and restoration needs and to design future-year projects in advance of funding requests. In addition to improving the accuracy of cost estimates, design of projects in advance of funding reduces escalation costs by enabling the staff to award construction contracts as soon as resources are appropriated. Needed repairs are also accomplished much sooner, thus preventing further deterioration and ensuring faster compliance with codes.
- ***Alterations and Modifications (A&M) (\$2,950,000)*** - The Institution must make changes, improvements or minor additions to existing space and plan for future requirements in order to maintain the vitality and operating effectiveness of its programmatic activities. Funding in A&M allows staff to contract for space planning and feasibility studies to ensure the best programmatic use of space as needs change, for design and construction of specific building modifications and minor additions, and for equipping of changed space. Individual projects will cost no more than \$1,000,000 and will have little or no impact on facility operating costs.

Repair, Restoration, and Alteration of Facilities
(Includes National Zoological Park)
FY 2000-FY 2005

(Dollars in millions)

CATEGORY TITLE	FY 2000	FY 2001					
	Received	Request	FUTURE REQUIREMENTS				
	Federal	Federal	FY 2002	FY 2003	FY 2004	FY 2005	Estimated Outyear Costs
Major Capital Renewal							
National Museum of Natural History	10.3	10.7	6.6	8.5	8.8	13.8	32.0
Patent Office Building	8.0	17.0	17.0	18.0	0.0	0.0	0.0
Arts and Industries Building	4.5	2.0	9.6	11.0	17.5	16.7	3.0
Smithsonian Castle	.5	0.0	0.0	2.0	2.0	0.0	31-46
National Air and Space Museum	0.0	0.0	0.0	0.0	0.5	0.0	44.0
Renwick Gallery	0.0	0.0	0.3	0.0	0.0	0.0	12-15
National Zoological Park	0.9	4.6	4.2	2.8	2.9	3.0	63-75
SUBTOTAL	24.2	34.3	37.7	42.3	31.7	33.5	185-215
Code Compliance and Security							
Fire Detection and Suppression	0.8	0.7	0.7	1.2	1.0	2.2	
Access, Safety and Security	4.0	4.4	5.6	2.6	6.0	5.7	
SUBTOTAL	4.8	5.1	6.3	3.8	7.0	7.9	ONGOING
Infrastructure Repairs and Modifications							
General Repairs	6.8	7.8	8.0	6.7	8.9	7.5	
Façade, Roof and Terrace Repair	1.9	3.9	1.3	1.0	5.4	3.9	
Utility System Repair	5.2	6.1	4.7	4.2	5.0	5.2	
R&R Planning, Design and Inspection	2.0	2.0	2.0	2.0	2.0	2.0	
Alterations and Modifications	3.0	3.0	5.0	6.0	6.0	6.0	
SUBTOTAL	18.9	22.8	21.0	19.9	27.3	24.6	ONGOING
GRAND TOTAL	47.9	62.2	65.0	66.0	66.0	66.0	ONGOING

CONSTRUCTION

	SI	NZP	TOTAL
FY 1999 Appropriation	\$16,000,000	\$ 0	\$16,000,000
FY 2000 Appropriation	\$19,000,000	\$ 0	\$19,000,000
FY 2001 Estimate	\$3,000,000	\$1,000,000	\$4,000,000

Plans for facility development represent a major investment in the continuing vitality of all Smithsonian programs, whether they are for collections management, research, public exhibitions, or education, as well as its many support services. The Institution requests \$4,000,000 in FY 2001 to carry out these plans. In addition, the Institution is requesting an advance appropriation of \$2,500,000 for the Hilo base building to become available on October 1, 2001. The five-year construction program is summarized on the chart following this narrative.

The construction program for FY 2001 includes:

National Zoological Park Water Exhibit	\$1,000,000
Smithsonian Astrophysical Observatory- Hilo Base Building, Phase I	2,000,000
Smithsonian Environmental Research Center Infrastructure	<u>1,000,000</u>
TOTAL	\$4,000,000

National Zoological Park Water Exhibit (\$1,000,000) - Water is the cradle of life and a crucial resource for life's maintenance. This exhibit explores the wonder of water in its many forms, how it shapes life on earth and sculpts the earth, the adaptations needed to live in water, water quality issues, and how we use water. In addition to renovating a previously closed area, this exhibit brings to life the world of water while introducing visitors to a theme which will be integrated throughout the Zoo in the future.

Renovation of the three-acre area to create the new exhibit is expected to cost \$3,900,000. A total of \$2,400,000 was appropriated between FY 1993 and FY 1995, and the National Zoological Park expects to raise \$500,000 for this exhibit. Planning and conceptual design is complete and the Institution plans to begin site work in FY 2000. This work

will include the restoration of the pond area, construction of a valley trail, preparations of the wetland area, and preparations for plantings. The Institution requests \$1,000,000 in FY 2001 to complete construction of the exhibit. The Water Exhibit will open to the public in late FY 2001.

Smithsonian Astrophysical Observatory-Hilo Base Building, Phase I (\$2,000,000) - The SAO's Submillimeter Array (SMA) is a major initiative by the Smithsonian to place an array of telescopes on Mauna Kea in Hawaii. The SMA will consist of eight antennas whose signals are combined to produce very finely detailed images. The resolution of the array will be 50 times finer than that achieved by telescopes currently making observations at these wavelengths. Because of its pioneering character, the array is expected to produce fundamentally new insights into many processes involved in the formation and evolution of stars, planets and galaxies.

The project, begun in 1990, is very far advanced. Essentially all of the equipment has been designed and prototyped at SAO's facilities in Massachusetts. Since January 1999, the project has been in the process of relocation to Hawaii. By July 1999 the first antenna of the array was operational on the summit of Mauna Kea. A team is present in Hawaii to carry out the installation process. Staff in Hawaii now totals 12, and will increase to about 35 during the critical checkout period of the entire array during 2000-2003. The operation of the instrument will be complex and will require the support of many scientists, engineers and technicians on a daily basis. The techniques required to successfully merge the eight antennas into a single astronomical instrument are at the cutting edge of technology and require intense human resources of the highest caliber. After assembly of the array, it will be maintained and operated by a permanent staff of about 25 living on the island of Hawaii.

Currently, base operations consist of 3,600 square feet of rented space at sea level in Hilo. For specific requirements involving vacuum technology and cryogenics, SAO borrows space, which will have to be relinquished by FY 2001, from the National Astronomy Observatory of Japan. Because of the difficulty of working at 14,000 feet—for both mental and physical activities—it is essential to have a base facility near sea level. The six other observatories on Mauna Kea have such facilities.

SAO had originally planned to lease space to meet the base facility requirements in a building to be developed by the General Services Administration (GSA) in Science Park of the University of Hawaii at Hilo. The GSA project was canceled, however, and SAO has had to consider other alternatives. The current arrangement of sharing space with another organization is no longer an option. The base facilities of the other

observatories are already overcrowded. While one of these organizations has provided space temporarily, it is already pressuring SAO to move out in order to make room for its own staff. In addition, the equipment set-up required to operate and monitor these optical observatories differs substantially from what SAO needs for submillimeter observations, and commercial space is both expensive and poorly suited to support high-tech laboratories. The only viable option is construction of an SAO facility. It is crucial to the success of the project that the construction of a base facility begin as soon as possible.

Repairs, operations, development, and much of the scientific data analysis will be done from the sea-level base facility with only a small crew traveling to the instrument on any given day. A recent re-evaluation of space concluded that additional square footage is required for staff and laboratory operations. This consequently increased the square footage and cost estimate for construction over previous estimates. A partnership with the Academia Sinica's Institute of Astronomy and Astrophysics (ASIAA) will provide the funding for the design of the facility in FY 2000; the Federal portion of funding for construction totals \$4,500,000.

The Institution requests \$2,000,000 in FY 2001 for Phase I of the project to conduct site work and to begin construction of the base facility at Hilo. In addition, the Institution is requesting an advance appropriation of \$2,500,000 to become available on October 1, 2001, to complete construction. The facility will include about 16,000 square feet of electronics laboratories, offices, and support space. The building will be constructed in Science Park, near the base operations facilities of other telescopes on the Mauna Kea summit. This location provides excellent access to the summit roads, to the communications hub, and to a larger scientific community with which to exchange ideas. The Smithsonian expects to have extremely important cooperative observing programs with two other telescopes with base facilities at the site, and this arrangement will help attract qualified personnel to what would otherwise be a remote and isolated work site.

Smithsonian Environmental Research Center Infrastructure (\$1,000,000) - The Smithsonian Environmental Research Center (SERC) is the Institution's major center for ecological research and environmental education. SERC conducts long-term interdisciplinary studies on aquatic, terrestrial and atmospheric systems. One major research program at SERC quantifies the effects of atmospheric deposition and land use on ground water, streams, and estuaries. Another major program addresses the complexities of landscapes and the biological consequences of natural and human disturbances. Yet another focuses on the control and integration of population, communities, and ecosystems at the estuarine boundary

between the land and the sea. SERC is a major resource of knowledge and expertise to many constituencies, including schools, governments, research institutions, and the general public.

Research and public programs at SERC are providing to scientists and legislators the information needed to make decisions on the profound environmental issues of the day. Federal appropriations and grants, as well as other public and private sources, support this research. Efficient facility infrastructure is required to support the research program and to serve as an example of environmental stewardship to corporate, private and governmental entities.

SERC's infrastructure includes roads, bridges, parking areas, sidewalks, piers, heating and cooling systems, water supply and treatment systems, sewage handling and treatment systems, storm water management, electric power, communications networks, fire protection and security systems. Over the past 20 years, the infrastructure at SERC has not kept pace with program growth, and systems are operating beyond their intended capacities. The key component of the infrastructure improvement project is consolidation of heating and cooling systems into a central utility plant. This plant will replace aging and inadequate systems now in individual buildings with an energy efficient system that will service existing core facilities and provide some capacity for future expansion on the site. Other critically needed improvements include increasing water and electrical service capacity, storm water management, and modifications to the public access road. For FY 2001, the Institution requests \$1,000,000 to design and begin construction of the necessary infrastructure improvements, which are an approved part of SERC's Master Plan. Additional funding of \$3,500,000 will be requested to complete the project in future fiscal years.

Long Range Construction Program
(Includes National Zoological Park)
FY 2000 - FY 2005

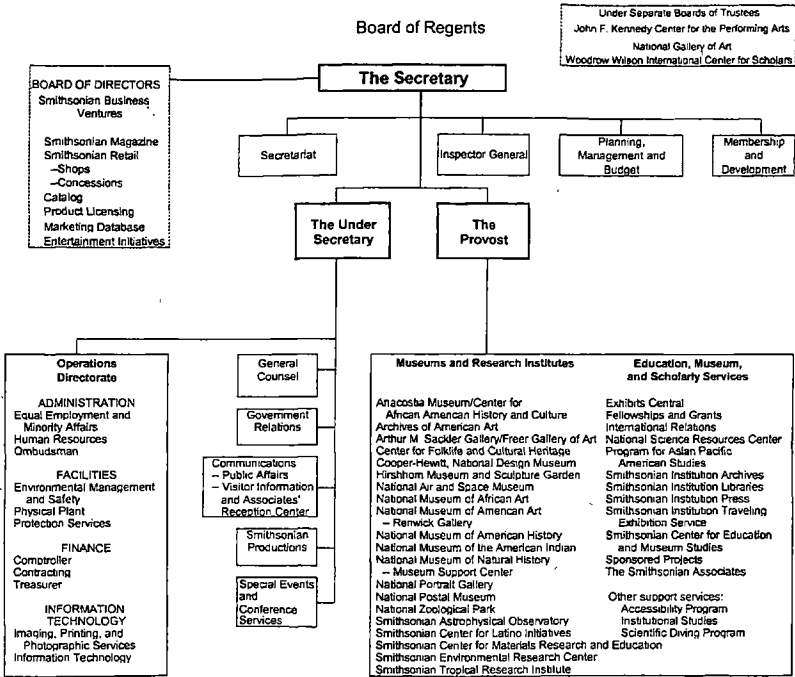
(Dollars in Millions)

ESTIMATED COSTS	PRIOR FUNDING	OUTSIDE FUNDING	FY 2000 REQUEST	FY 2001 REQUEST	FUTURE REQUIREMENTS				
	Federal	Non-Fed	Federal	Federal	FY 2002	FY 2003	FY 2004	FY 2005	Outyear Costs
National Museum of the American Indian									
Mall Museum									
Plan/Design:	20.4	17.1	3.3						
Construction:	111.6	37.2	61.4	13.0					
Equipment:	10.0		4.0	6.0					
1/	142.0	54.3	68.7	19.0					
National Zoological Park									
Water Exhibit									
Plan/Design:	1.1	1.1							
Construction:	2.8	1.3	0.5	1.0					
Equipment:	0.0								
	3.9	2.4	0.5	1.0					
Smithsonian Astrophysical Observatory									
Hilo Base Building - Phase I									
Plan/Design:	0.5		0.5	0.0					
Construction:	4.3			2.0	2.3				
Equipment:	0.2			0.0	0.2				
	5.0		0.5	2.0	2.5				
Smithsonian Environmental Research Center									
Infrastructure									
Plan/Design:	0.7			0.7					
Construction:	3.8			0.3	1.5	2.0			
Equipment:	0.0								
	4.5			1.0	1.5	2.0			
SUMMARY									
Plan/Design:	18.2	3.8	0.0	0.7	0.0				
Construction:	38.5	61.9	13.0	3.3	3.8	2.0			
Equipment:	0.0	4.0	6.0	0.0	0.2				
TOTAL	56.7	69.7	19.0	4.0	4.0	2.0			

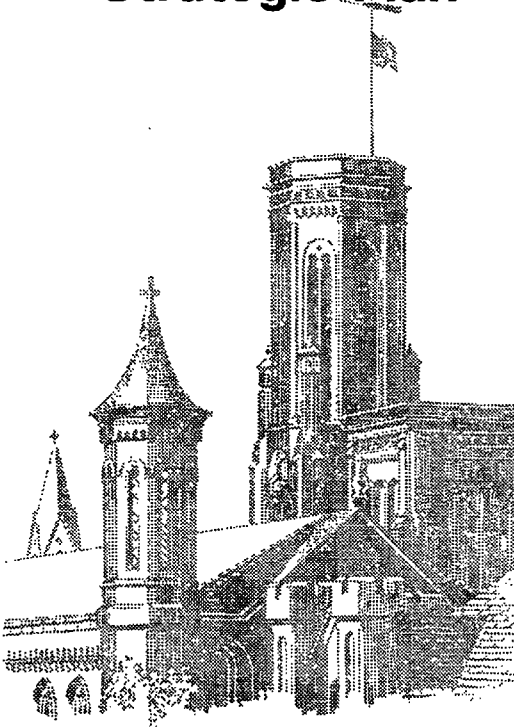
1/ Reflects increased cost estimate; see Appendix for more information.

Smithsonian Institution

Board of Regents



Smithsonian Institution Strategic Plan

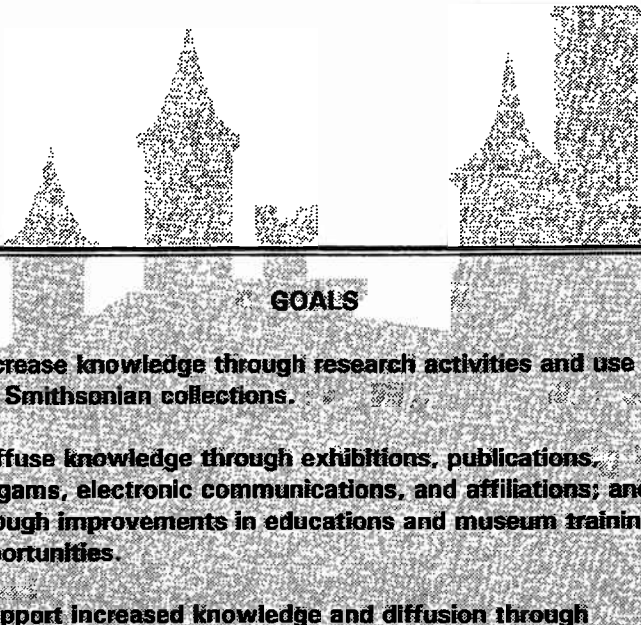


...to the United States of America, to found at Washington, under the name of the Smithsonian Institution, an Establishment for the increase and diffusion of knowledge...

September 1997

MISSION

The mission of the Smithsonian Institution is the increase and diffusion of knowledge.



GOALS

- ☐ **Increase knowledge through research activities and use of the Smithsonian collections.**
- ☐ **Diffuse knowledge through exhibitions, publications, programs, electronic communications, and affiliations; and through improvements in education and museum training opportunities.**
- ☐ **Support increased knowledge and diffusion through improvements in finance, management, and physical infrastructure of the Institution.**

MISSION STATEMENT



The mission of the Smithsonian Institution has remained the same for the 150 years of its existence: the increase and diffusion of knowledge. These words are taken from the last will and testament of James Smithson, the English benefactor and man of science who had never set foot in the United States, yet who bequeathed his whole estate

...to the United States of America, to found at Washington, under the name of the Smithsonian Institution, an Establishment for the increase and diffusion of knowledge...

Written in 1826, these words are the only guidance James Smithson offered to the Institution that bears his name today. Three years later, he died, and six years after that, his nephew died without heirs. Smithson's estate then passed on to the United States which, under the Act of July 1, 1836, accepted the gift. In 1838, eleven boxes of gold sovereigns, valued at \$508,319.46, were deposited with the United States Mint in Philadelphia:

Following eight years of debate in the Congress, the Organic Act of 1846 (20 U.S.C. 41 *et seq.*) was enacted on August 10, 1846. Under its terms, Congress established the Institution in its present form and provided for the administration of the trust, independent of the Government itself, by a Board of Regents and Secretary, to whom are assigned broad discretion to determine the most appropriate

To carry out its mission of increasing and diffusing knowledge, the Institution:

- ☐ *performs fundamental research*
- ☐ *publishes the results of studies, explorations, and investigations*
- ☐ *preserves for study and reference more than 140 million items of scientific, cultural, and historical interest*
- ☐ *maintains exhibits representative of the arts, history, technology, aeronautics and space exploration, and natural history*
- ☐ *participates in the international exchange of learned publications and scholars*
- ☐ *engages in programs of education and national and international cooperative research and training*

means of increasing and diffusing knowledge. During the long debate preceding the Act, different groups had proposed various functions for the Smithsonian, including a national university, normal school, school for the blind, national library, and a national museum of the arts and sciences. Some proponents focused on the increase of knowledge and some on its diffusion, while others emphasized that the trust was not intended to benefit the United States only, but the world at large. Although the university and school functions were abandoned, the Act of 1846 did provide for most of the other proposals:

...the Board of Regents...shall cause to be erected a suitable building...with suitable rooms and halls for the reception and arrangement...of objects of natural history, including a geological and mineralogical cabinet; also a chemical laboratory, a library, a gallery of art, and the necessary lecture rooms...

In summary, James Smithson, in bequeathing the whole of his property "for the increase and diffusion of knowledge," created a charitable trust with the United States as trustee for purposes not limited to the national interest, but for the benefit of all mankind. In the Act of July 1, 1836, Congress accepted the Smithson trust with its commitment to the trust, Congress has, from the start, supplemented trust resources with appropriated funds and property.

This unique combination of a privately endowed Institution, administered by a Board of Regents independent of the Government, and the continuing support of the United States as trustee, in generous fulfillment of its pledge, has made possible the achievements of the Smithsonian. Contributions from private donors, inconceivable in 1836, have created the great national collections, and continuing additions to the Smithsonian's trust funds have maintained the Institution's central resource for initiative and integrity. For its part, the Congress has responded

The Organic Act of 1846, Section 3, provided:

That the business of the said Institution shall be conducted at the city of Washington by a board of regents...to be composed of the Vice-President of the United States, the Chief Justice of the United States...; three members of the Senate, and three members of the House of Representatives; together with six other persons, other than members of Congress...



James Smithson
(1765-1829)

with the very substantial Federal support that has been essential to the growth of the Institution and to its far-reaching services to the public for more than a century and a half.

As noted previously, the Organic Act established the Board of Regents. Subsequent legislation amended the composition of the Board by increasing the number of citizen members from six to nine. In this century, the Regents have sought specific legislative authority for some activities that further the trust, most particularly those requiring the appropriation of large sums of Federal money. However, neither those statutes nor the ensuing appropriations have altered the powers of the Regents or their independent authority.

Across the years, advisory groups have been formed to address specific needs identified by the Regents. For example, based on growing evidence of the need for increased cooperation with entities outside the Institution, the Smithsonian Council was established in 1966. As planned, the Council, consisting of not more than 25 members, meets to advise on matters affecting the progress of science and learning within the Institution. Council members are appointed on the basis of distinguished attainments in scholarship, research, and understanding, and are drawn principally from those active in the learned professions. The National Board was established in 1971 as another advisory board for Smithsonian management. It consists of 50 members from across the country who assist with Institutional advancement and outreach, and provide expertise on business and operational matters. In addition to these two pan-Institutional bodies, many Smithsonian units also have advisory boards and commissions. A complete list of these boards and an organization chart accompany this document.

The Board of Regents:

□ bears the responsibility of the United States as trustee for carrying out Mr. Smithsonian's bequest and the public trust for which it provided;

□ benefits from representation from all three branches of Government, yet the Institution is not part of any branch of Government; and

□ sets Institution policy and oversees the management of the Smithsonian assets: the collections, the buildings of the Institution, and the funds available to it.



KEY EXTERNAL FACTORS

In September 1993, the Institution's Board of Regents commissioned a group of citizens to ponder the future of the Institution. The Commission on the Future of the Smithsonian was charged with "...an examination of the Smithsonian, its mandate and its roles, and an examination of the cultural, societal, and technological factors that influence its capacity to act." The Commission issued its report in 1995. As part of its efforts, the Commission reviewed the setting of the Smithsonian, that is, the environment in which the Institution operates, and also addressed what changes the Institution might face in the future. The following summary of the Commission's findings represents the key external factors that the Institution must consider in developing and implementing goals and objectives that will enable it to fulfill its mission.

From the time of James Smithson's bequest, there have been enormous changes in the nation; beginning with the growth in population. Worldwide movement of people has brought ever greater ethnic and racial diversity to this country. Increased diversity and greater participation in public life by various segments of the population have resulted in more vigorous debates about values. For an educational institution like the Smithsonian, such elements enrich the cultural environment and offer new opportunities. Interactions between nations and their peoples have also changed dramatically, to a large extent as a result of technology.



Changes since the mid-1800s:

- ☐ Scientific advances have vastly expanded the world of knowledge in the Institution's domain.
- ☐ The natural environment is under extreme pressure.
- ☐ Technology has permanently altered the nation and the world.
- ☐ Concomitant with technological changes and interacting with them have been enormous social and political changes.
- ☐ More of the nation's people are educated through high school and college.

Just as the nation today is vastly different from the way it was in 1846, so it will continue to change in the decades to come, with the pace of change accelerating. The population is aging. The proportion of the population who are members of racial or ethnic minority groups will increase in the decades ahead. As recently as 1990, these groups represented one in five Americans. According to Census Bureau projections, by 2050 about half the population will have origins in these groups.

Popular sensibilities and interests continue to evolve. Scientific understanding is deepening, and the enhanced ability to communicate speeds the awareness of these and other changes. The Institution's principal future challenge is to reflect a rapidly changing society, to change itself, and to be a contributor to the richness of that society while being the treasury of the past.

Flexibility in programs, outlook, finance, administration and governance will be one requirement for dealing with changing challenges and opportunities. New, alternative ways to expand the reach of the Institution and reflect new developments can be exploited.

"This Institution has for many years played a vital part in Americans' sense of their nationhood. As the United States becomes an even richer composite of cultures and peoples, the Smithsonian's role as a national meeting place will become even greater, representing the satisfying possibilities of our diverse society."

I. Michael Heyman,
Secretary
1994-1999



GOALS AND OBJECTIVES

The following goals and related objectives collectively represent the priorities of the Smithsonian Institution, and will set the framework for program activities and resource allocations during the next five-year period. While the goals and objectives are numbered and presented in a certain order, this presentation does not represent an order of priority among them. Indeed, many of the goals and objectives presented here are inter-related in ways that would not permit one to be achieved without impacting on or drawing from one or more of the others. Most importantly, it must be noted that achievement of these goals and objectives is largely dependent on the level of resources available to the Institution during the planning period.

Included with each goal and objective is a set of strategies for meeting them, and a list of possible areas of measurement to be used in determining if the objectives and goals have been met. An annual performance plan for each year, beginning in fiscal year 1999, will include the specific goals, strategies and measures that the Institution will use to measure its progress toward meeting its strategic goals.

GOAL 1

Increase Knowledge Through Research Activities and Use of the Smithsonian Collections

OBJECTIVE 1

Support research based on collections, other research areas of excellence within the Institution, and long-term global projects.

STRATEGIES

- ☐ Continue to foster the identification and reward of excellence in research.
- ☐ Determine areas of the collections that could become the focus for research at the Institution.
- ☐ Facilitate linkages among researchers across disciplines, and with other research institutions worldwide, including increased support for fellowships.

AREAS OF MEASUREMENT

- ☐ Independent assessments of research programs as to their productivity, quality and relevance.
- ☐ Continued use of peer review and other evaluation methodologies.
- ☐ Increased support of fellowships.
- ☐ Continued dissemination of research findings through publications, electronic technology, and other means.
- ☐ Productivity of relationships between researchers across disciplines and in different research areas.

OBJECTIVE 2

Provide for management of the Smithsonian collections as central resources for research, public access, and the bases for other program activities.

STRATEGIES

- ☐ Continue to refine policies for future acquisitions of collections.
- ☐ Keep policies current for management of collections, including access, storage, location and conservation.
- ☐ Continue to review and improve storage and conservation of collections.
- ☐ Continue electronic cataloging and digitizing images of collections.
- ☐ Work toward strengthening technology infrastructure and linkages of computerized databases of the catalogued collections and images of objects.

AREAS OF MEASUREMENT

- ☐ Continued implementation of the Institution's collections policy, incorporating acquisition, access, storage, conservation, and sharing through loans.
- ☐ Improvements in storage of collections.
- ☐ Continuation of research on collections care and conservation.
- ☐ Seek to increase the number of computerized collections databases and digitization of selected collections
- ☐ Seek to increase the number of linkages of databases, both of collections and images of objects.

GOAL II

Diffuse Knowledge Through Exhibitions, Publications, Programs,
Electronic Communications, and Affiliations; and Through
Improvements in Education and Museum Training Opportunities

OBJECTIVE 1

Provide exhibitions, publications and programs that are balanced and of the highest quality; assure appropriate representation of the contributions of various ethnic groups to the cultural and artistic heritage of the United States; enhance presentation of research and education activities; and reach under-served audiences.

STRATEGIES

- ☐ Continue to refine procedures for review of plans for major new exhibitions.
- ☐ Continue planned schedule of exhibition renewal and restoration, in line with determined priorities.
- ☐ Continue program of traveling exhibitions and other means of sharing collections and research outside of Washington.

AREAS OF MEASUREMENT

- ☐ Continue implementation of new exhibition scheduling system.
- ☐ Quality and quantity of exhibitions aimed at providing outreach to under-served or under-represented groups.
- ☐ Quality and quantity of traveling exhibitions.
- ☐ Survey of exhibition visitors to determine their perceptions of the exhibitions and if they received intended message.
- ☐ Quality and quantity of new exhibits, and restoration, renewal, or expansion of existing exhibits where required.

OBJECTIVE ②

Continue to take advantage of the opportunities provided by electronic communication and information technology.

STRATEGIES

- ☐ Continue to expand and renew the information available on the Institution's World Wide Web site.
- ☐ Explore additional methods of making collections available beyond the Mall, such as television, video, and digital imaging.

AREAS OF MEASUREMENT

- ☐ Expand, if necessary, and keep materials current on the Smithsonian website.
- ☐ Record the number of visits to the Smithsonian website and seek demographic information on visitors.
- ☐ Surveys/feedback on the usefulness/impact of the website.
- ☐ Seek to increase the number of museum objects recorded in digital form.
- ☐ Seek to increase the number of new television or video presentations and the number of viewers/buyers.

OBJECTIVE ③

Build collaborative partnerships with other museums, research centers, and educational institutions throughout the nation.

STRATEGIES

- ☐ Increase public access to the collections through affiliations with other museums or organizations.
- ☐ Continue the exchange of professional personnel and access for students through partnerships with other research institutions.

AREAS OF MEASUREMENT

- ☐ Continued implementation of Institutional policy on affiliations: the number and scale of affiliation agreements involving long term loans of collections.
- ☐ The number of research partnerships in research institutes and museums, and the number of students provided access through research partnerships.

OBJECTIVE 1

Apply the Smithsonian's unique resources to enhance pre-school through Grade 12 education and adult education.

STRATEGIES

- ☐ Using models such as the Smithsonian Early Enrichment Center, the National Science Resources Center, and Smithsonian/school partnerships, extend the involvement of the Institution in the nationwide effort to improve education.
- ☐ Use the collections and other resources of the Institution to contribute to teacher training, and increased parental and community involvement in pre-school through Grade 12 education.

AREAS OF MEASUREMENT

- ☐ The quality and number of partnerships with school districts, locally and across the country.
- ☐ The quality and number of students trained using Smithsonian resources, including through electronic communication technologies.
- ☐ Number of teachers trained using Smithsonian resources, including through electronic communication technologies.
- ☐ Surveys or feedback on improvements in teaching and learning resulting from Smithsonian-based training.

OBJECTIVE 5

Emphasize education both on the Mall and across the country through a variety of means.

STRATEGIES

- ☐ Expand Smithsonian educational programs to reach diverse populations, including unserved or under-served communities.
- ☐ Expand informal education through museum collections and objects-based learning in exhibitions.
- ☐ Expand efforts to provide more information on linkages between research and education/outreach activities.

AREAS OF MEASUREMENT

- ☐ The quality and reach of educational programs aimed at new or under-served audiences
- ☐ The quality and reach of collections and exhibition-based education programs developed
- ☐ The quality and reach of education/outreach activities based on Smithsonian research
- ☐ Periodic studies of the impact of collections and exhibition-based education programs

OBJECTIVE 6

Continue to use the Smithsonian's unique resources to provide training to museum professionals and aspirants.

STRATEGIES

- ☐ Continue to provide Smithsonian-based training and professional support to museum professionals.
- ☐ Continue to provide training and other educational and outreach services to interns, students, postgraduates and others interested in museum careers, with particular attention to under-served communities.

AREAS OF MEASUREMENT

- ☐ Number of museum professionals trained at the Smithsonian
- ☐ Number of seminars and other special training opportunities provided
- ☐ Number of interns and students employed or placed in programs at the Smithsonian
- ☐ Proportion of interns, students, and museum professionals trained representing under-served communities

GOAL III

Support Increased Knowledge and Diffusion Through Improvements in Finance, Management, and Physical Infrastructure of the Institution

OBJECTIVE 1

Continue to streamline and improve work processes through reengineering, automation, and review/delegation of authorities to units where appropriate.

STRATEGIES

- ☐ Review policies and procedures to ensure they are simple, ensure clear accountability, and distinguish appropriately between responsibilities of central administration and the units.
- ☐ Include decentralization of activities in planning, where appropriate.
- ☐ Provide units with appropriate tools and authorities to accomplish their goals efficiently and effectively.

AREAS OF MEASUREMENT

- ☐ Number of organizational changes reflecting efficiencies through decentralization or other means
- ☐ Number of policy directives relating to central versus decentralized responsibility reviewed and/or revised
- ☐ Improvements in work processes, including automating systems
- ☐ Financial savings (or cost avoidance) resulting from improvements in work processes

OBJECTIVE 2

Seek to enhance personnel and procurement policies and practices.

STRATEGIES

- ☐ Explore mechanisms for developing a unified Smithsonian personnel system.
- ☐ Review proposals for new systems to insure they are flexible, accountable, rational, and equitable, as well as reflective of the Institution's unique needs.

AREAS OF MEASUREMENT

- ☐ Proposals developed for new or revised personnel system
- ☐ Proposals reviewed, revised and implemented for increased flexibility in personnel and procurement systems

OBJECTIVE 3

Seek ways to enhance program activities by increasing revenues through fundraising or commercial activities.

STRATEGIES

- ☐ Assist units in increasing their development activities, to provide for facilities needs, protection of collections, exhibitions, education, and electronic outreach activities.
- ☐ Seek approval for and initiate a major capital campaign for the Institution.
- ☐ Continue and expand business activities in order to increase income available for programs and facilities.
- ☐ Develop criteria for assessing the viability of business ventures before they are undertaken.

AREAS OF MEASUREMENT

- ☐ Increases in fundraising levels in museums, research institutes and other units
- ☐ Development and initiation of major capital campaign
- ☐ Level of net income generated from business activities

OBJECTIVE 1

Seek to enhance improvements in the physical infrastructure of the Institution.

STRATEGIES

- ☐ Continue emphasis on repair and restoration of facilities, which are national monuments.
- ☐ Seek improvements in infrastructure, including new buildings required to protect existing collections, through public/private partnerships.

AREAS OF MEASUREMENT

- ☐ Progress made in construction of facilities for protection of existing collections (National Museum of the American Indian; National Air and Space Museum Dulles Center)
- ☐ Management of funding for renovation, repair and maintenance projects
- ☐ Decline in backlog of repair and rehabilitation projects

**RELATIONSHIP OF THE STRATEGIC PLAN GOALS AND
OBJECTIVES TO THE GOALS OF
THE PERFORMANCE PLAN**

The Smithsonian has prepared and submitted an annual performance plan with each budget request since FY 1999. The FY 2001 performance plan includes seven goals, which are tied directly to the programs of the Institution: research and collections management; education, public programs and exhibitions; administration; and facilities and security. Each of the performance goals is also directly related to the strategic goals and objectives of the Institution.

For the most part, the performance plan goals are more narrowly focused than the Strategic Plan goals, and reflect the specific activities the Institution and its units will engage in during fiscal year 2001 to make progress towards achieving the Institution's strategic goals. The measurements and milestones included in the performance plan will enable the Institution to gauge its progress during fiscal year 2001 in reaching the strategic goals, and will also provide important information as to whether the strategic goals need to be adjusted in future years.

ADVISORY BOARDS AND COMMISSIONS

Anacostia Museum Board

Archives of American Art Board of Trustees

Cooper-Hewitt, National Design Museum Board of Trustees

Folklife Advisory Council

Folkways Advisory Committee

Freer Gallery of Art Visiting Committee

Hirshhorn Museum and Sculpture Garden Board of Trustees

National Air and Space Museum Advisory Board

National Museum of African Art Commission

National Museum of American Art Commission

National Museum of American History Board

National Museum of the American Indian Board of Trustees

National Museum of Natural History Board

National Portrait Gallery Commission

National Postal Museum Advisory Commission

National Science Resources Center Advisory Board

National Zoological Park National Advisory Board

Arthur M. Sackler Gallery Visiting Committee

Smithsonian Environmental Research Center Advisory Board (proposed)

Smithsonian Institution Archives and Special Collections Council

Smithsonian Institution Libraries Users Advisory Committee

**VISITS TO THE SMITHSONIAN
FY 1995 – FY 1999**

<u>MUSEUM</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>
MALL					
SI Castle	1,743,169	1,722,551	1,812,172	1,890,838	1,854,903
A&I Building	917,027	725,620	986,348	875,853	742,415
Natural History	5,842,987	5,171,318	5,859,717	6,476,700	7,076,380
Air and Space	8,297,873	6,935,989	8,348,096	10,238,890	9,410,872
Freer Gallery	444,090	321,005	290,939	330,104	364,305
Sackler Gallery	198,827	164,395	176,627	207,653	213,276
African Art	307,382	232,352	227,703	232,939	245,786
Ripley Center	153,954	141,548	134,579	300,147	333,537
American History	4,828,078	4,578,490	5,106,387	5,579,039	5,680,001
Hirshhorn	809,435	742,139	767,229	829,782	795,646
OFF MALL					
Amer Art/Portrait	400,258	298,150	374,494	550,087	362,854
Renwick	117,066	98,832	132,481	130,700	125,910
Anacostia ¹	50,031	39,900	7,206	26,100	25,794
Cooper-Hewitt ²	89,073	25,246	100,804	131,949	108,579
American Indian	321,585	318,891	577,962	615,697	587,546
National Zoo ³	3,000,000	2,700,000	2,700,000	2,700,000	2,617,823
Postal Museum	381,042	341,210	450,288	423,760	461,743
TOTAL	27,901,877	24,557,636	28,053,032	31,540,238	31,007,370

1- Closed to the public December 1996 through January 1998 and September 1998

2- Galleries closed to the public August 1995 through September 1996; the Garden remained open.

3- Number of visitors provided by NZP staff and is based on a sampling system.

SPECIAL FOREIGN CURRENCY PROGRAM

Program of Grants for Research - Through its Special Foreign Currency Program, the Smithsonian makes grants to United States universities, museums, and other institutions of higher learning (including the Institution itself) primarily for research and advanced professional training in fields of traditional Smithsonian competence.

Excess currency appropriations directly funded the program through FY 1986. Outlays from budget authority provided through FY 1986, including the Forward-funded Reserve for the American Institute of Indian Studies, have continued through the 1990s. In addition, since FY 1986 the Smithsonian has received allocations of U.S.-owned Indian rupees from funds appropriated to the Department of State in FY 1985 for the establishment of the U.S.-India Fund for Education, Cultural, and Scientific Cooperation.

Since its initiation in 1965, the Smithsonian Foreign Currency Program has been a major source of support for research carried out by United States institutions in those countries for which excess foreign currencies are available. The full responsibility for the design, execution, and publication of research results rests with the scholar working within a program of a United States institution. Smithsonian foreign currency grants strengthen the fundamental research and training activities of collaborating institutions abroad, because most projects directly involve host country institutions and scholars. Enduring professional ties, which result from joint efforts and scholarly exchange, contribute to the strongest form of United States cultural relations with other nations. These ties also contribute to the global integration of research data in the sciences. As a result of this interaction, the gap between scholars from industrial and developing nations has narrowed. Moreover, research sponsored by the program aims, in part, to improve understanding of the environment, as well as management and conservation of scarce natural and cultural resources threatened by the rapid growth of world population and technological development.

In FY 1999, ongoing research supported by these grants included projects in archeology, anthropology, art history, natural sciences, and astrophysics.

Forward-Funded Reserve for the American Institute of Indian Studies - Since 1967, the Smithsonian has provided annual funding through the Special Foreign Currency Program to the American Institute of Indian Studies (AIIS) for its fellowships, research, symposia, and publications programs, as well as for its administrative costs. The Smithsonian has helped sustain this Institute and other American research centers abroad for more than 30 years because of their contributions to scholarship and science without regard to national boundaries and because of their special service to American scholars.

With Special Foreign Currency Program funding received from FY 1980 through FY 1985, the Smithsonian established a forward-funded reserve of \$7,170,000 equivalent in rupees. This reserve enabled the AIIS to sustain its programs after the removal of India from the excess currency list in 1985. Since FY 1986 AIIS, with oversight from the Smithsonian, has drawn upon funds in this reserve for its fellowship program and administrative costs in India. The Institution continues to examine annual proposals through its peer review system before releasing funds to AIIS.

The reserve should provide core support for AIIS programs well into the new millenium. In 1990 Congress authorized the deposit of the reserve in interest-bearing (rupee) accounts in order to help continue the viability of the fund. In FY 1993, the first deposits totaling an equivalent of \$4,000,000 were made to the interest-bearing accounts. Most of the funds remaining in the reserve were deposited into interest-bearing accounts in FY 1995. The first draw-down of those funds occurred in 1998 when the last rupee grant was made.

U.S.-India Fund for Educational, Cultural, and Scientific Cooperation - In FY 1985, Congress appropriated \$100,000,000 equivalent in U.S.-owned Indian rupees to the Department of State to establish the U.S.-India Fund for Educational, Cultural, and Scientific Cooperation. Since FY 1986, the Smithsonian has received allocations from this fund to continue programs in India similar to those administered under the Special Foreign Currency Program, which would otherwise have ended when India lost excess currency status in 1985. The Institution has received a total of \$17,600,000 through FY 1996. The FY 1997 final allocation of the principal totaled \$1,100,000 equivalent. Based on current requirements, the principal of the U.S.-India fund was totally obligated by January 1998, signaling the last of the U.S.-owned rupee grants.

NONAPPROPRIATED RESOURCES

In addition to support provided by Federal appropriations, the Institution receives nonappropriated funds to expand and enrich its programs. The following provides an overview of all sources of funding.

The Institution's nonappropriated funds, known as Trust funds, include general Trust funds with limited or no restrictions on their use, designated funds restricted by the donor or sponsor, and government grants and contracts. Projections are subject to the uncertainty of the size of donations, grants, and contracts; to fluctuations in visitor attendance; and to the volatility of the economy, which directly affects the return on the endowment as well as restaurant, mail order, and museum shop revenues, memberships, and other auxiliary activities. The Institution's gross operating revenue, less the expenses of the auxiliary activities, represents the net operating revenue available for programmatic and related purposes. The following table provides a summary of the sources of nonappropriated operating funds.

(Dollars in Millions)	FY 1999 Actual	FY 2000 Estimate
General Trust	48.9	48.5
Donor/Sponsor Designated	55.7	64.3
Government Grants & Contract	63.7	70.2
Total Available for Operations	168.3	183.0

SOURCE AND APPLICATION OF NONAPPROPRIATED TRUST FUNDS -

Information on the application of General Trust funds, designated funds, and government grants and contracts for FY 1999, FY 2000, and FY 2001 is provided with each line item in this budget. The following describes the sources of each category of Trust funds as well as a general description of their application.

General Trust Funds - The sources of General Trust funds are investment income; earnings from unrestricted endowments; net proceeds from the museum shops, mail order, and food service concessions; sales of Smithsonian books, records, and other products based on designs and objects in the collections; theater/planetarium operation at the National Air and Space Museum; rental of exhibitions of the Smithsonian Institution Traveling Exhibition Service; membership programs (including *Smithsonian* and *Air and Space* magazines); the sale of posters, exhibition brochures, catalogs, and other publications; admission fees; and overhead recovery on government grants and contracts received. Projected sources of FY 2000 General Trust funds total \$48,500,000.

Overhead recovery is the principal source of Trust support for central management and administrative service units of the Institution, including legal counsel, accounting, personnel, contracting, and budget. General Trust funds also support activities of units such as Cooper-Hewitt, National Design Museum; Center for Folklife and Cultural Heritage; Office of Membership and Development; Smithsonian Tropical Research Institute; Visitor Information and Associates' Reception Center; and other Institutional and unit-based programs. The Board of Regents approves allocations to these activities.

General Trust funds also support fellowship and award programs and exhibitions. FY 2000 funding of \$1,900,000 will be provided for various fellowship programs. Awards under the Institution's Collections Acquisition, Educational Outreach, and Scholarly Studies programs are projected in the FY 2000 budget to total \$2,000,000. These awards will provide

- \$512,000 to purchase exceptional objects important to the collections
- \$226,000 to conduct a wide range of educational outreach programs with a special focus on diverse audiences
- \$1,300,000 for innovative scholarly research projects initiated by the Institution's research staff, occasionally in collaboration with scholars from other institutions.

The Institution supports exhibition programs with Federal funds and with donations from individuals, foundations, and corporations, as well as its Special Exhibition Fund (SEF). This General Trust fund, with \$1,100,000 in FY 2000, provides an important source of funds for temporary and permanent exhibitions proposed by Smithsonian units that, regardless of scale, are of outstanding educational value to the public. The SEF allows units to explore new or expand current interpretive or exhibition techniques; supports exhibits that are worthy but, by their nature, unlikely to attract major private contributions; and allows for development of exhibits targeted to reach previously underserved audiences.

Donor/Sponsor Designated Funds - Designated Trust funds include gifts, grants, and earnings on endowments from individuals, foundations, organizations, and corporations that specify the purpose of the funds. Designated funds in FY 2000 are projected to total \$64,300,000. Generally, these funds support a particular exhibition or research project.

The Freer endowment, the Institution's largest designated endowment, accounts for nearly one quarter of Smithsonian endowment principal.

Government Grants and Contracts - Various Government agencies and departments provide grants and contracts for projects that only the Smithsonian can conduct because of its expertise in a particular area of science, history, art, or education and because of its ability to respond quickly to certain needs. For FY 2000, government grants and contracts are projected to be \$70,200 000. Of this amount, \$57,100,000 is provided for astrophysical research and development carried out by the Smithsonian Astrophysical Observatory.

APPROPRIATION LANGUAGE AND CITATIONS

The Act of August 10, 1846, 9 Stat. 102-106, 20 U.S.C. §§ 41-70, established the Smithsonian Institution "for the increase and diffusion of knowledge," and provided the organizational structure for the Institution's administration. The mission of the Smithsonian Institution has remained unchanged throughout its 153-year history, although additional authority for many of the Institution's programs and operations has been enacted over the years. Those statutes, along with the Smithsonian charter, are cited below as the authority for the Smithsonian Institution appropriation language, except where specific authorizing language has been included in the wording of the appropriation itself.

Appropriation: Salaries and Expenses

1. For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history;

20 U.S.C. §§ 50, 53a, 69, 75b(b), 76bb(c), 77a, 78, 80a(a), 80m, 80q-1(b)(1),(3) provide that (1) "...all objects of art and of foreign and curious research, and all objects of natural history, plants, and geological and mineralogical specimens...shall be so arranged and classified...as best to facilitate the examination and study of them..." (2) "Appropriations are authorized for...the making of solar observations at high altitudes..." (3) "The Secretary of the Smithsonian Institution is hereby authorized...to continue independently or in cooperation anthropological researches among the American Indians and the natives of lands under the jurisdiction or protection of the United States..." (4) "The Gallery [National Portrait Gallery] shall function as a free public museum for the exhibition and study of portraiture and statuary depicting men and women who have made significant contributions to the history, development, and culture of the people of the United States and of the artists who created such portraiture and statuary." (5) "The Joseph H. Hirshhorn Museum and Sculpture Garden...shall be used for the storage, exhibition, and study of works of art..." (6) "The national air and space museum shall...provide educational material for the historical study of aviation and space flight." (7) "The Secretary of the Smithsonian Institution is authorized to cooperate with any State, educational institution, or scientific organization in the United States for continuing paleontological investigations..." (8) "It shall be equipped with

a study center for scholarly research into the meaning of war, its effect on civilization, and the role of the armed forces..." (9) "...the Board may...conduct programs of research and education (in the Museum of African Art)..." (10) The purposes of the National Museum [of the American Indian] are to (1) advance the study of Native Americans, including the study of language, literature, history, art, anthropology, and life...(3) provide for Native American research and study programs.

2. development, preservation, and documentation of the National Collections;

20 U.S.C. §§ 50, 50a, 59, 69, 75e, 76c, 76cc(a), 77a, 80a, 80m, 80q-1(b)(2), 81 provide that (1) "...all objects of art and of foreign and curious research, and all objects of natural history, plants, and geological and mineralogical specimens...shall be delivered to such persons as may be authorized by the Board of Regents to receive them, and shall be so arranged and classified...as best to facilitate the examination and study of them..." (2) "The Smithsonian Institution is authorized to include in its estimates of appropriations such sums as may be needful for the preservation and maintenance of the John Gellatly art collection." (3) "All collections of rocks, minerals, soils, fossils, and objects of natural history, archaeology, and ethnology...when no longer needed for investigations in progress shall be deposited in the National Museum." (4) "The Secretary of the Smithsonian Institution is hereby authorized...to continue independently or in cooperation...the excavation and preservation of archaeological remains." (5) "...the Board may - (1) purchase, accept, borrow, or otherwise acquire portraiture, statuary, and other items for preservation, exhibition, or study." (6) "...the Regents are authorized...to acquire (by purchase or otherwise) and sell contemporary works of art or copies thereof..." (7) "There is established in the Smithsonian Institution a Board of Trustees...which shall have the sole authority (i) to purchase or otherwise acquire...works of art for the Joseph H. Hirshhorn Museum and Sculpture Garden..." (8) "The national air and space museum shall...collect, preserve, and display aeronautical and space flight equipment of historical interest and significance..." (9) "...the Smithsonian Institution shall collect, preserve, and exhibit military objects of historical interest and significance." (10) "...the Board may purchase,

accept, borrow or otherwise acquire additional works of art or any other real or personal property for the Museum (of African Art); preserve, maintain, restore...or otherwise hold any property of whatsoever nature acquired..." (11) "The purposes of the National Museum [of the American Indian] are to...(2) collect, preserve, and exhibit Native American objects of artistic, historical, literary, anthropological, and scientific interest..." (12) "The National Zoological Park is placed under the direction of the Regents of the Smithsonian Institution, who are authorized to transfer to it any living specimens, whether of animals or plants, in their charge, to accept gifts for the park...to make exchanges of specimens..."

3. presentation of public exhibits and performances;

20 U.S.C. §§ 75b(b), 76c(b), 76bb(c), 77a, 80a(a), 80m(a), 80q-1(b) provide that (1) "The Gallery [National Portrait Gallery] shall function as a free public museum for the exhibition and study of portraiture and statuary..." (2) "In order to encourage the development of contemporary art and to effect the widest distribution and cultivation in matters of such art, the Regents are authorized to...conduct exhibitions..." (3) "The Joseph H. Hirshhorn Museum and Sculpture Garden...shall be used for the storage, exhibition, and study of works of art..." (4) "The national air and space museum shall...collect, preserve, and display aeronautical and space flight equipment of historical interest and significance..." (5) "...the Smithsonian Institution shall collect, preserve, and exhibit military objects of historical interest and significance." (6) "...the Board may...display...any property of whatsoever nature acquired (for the Museum of African Art)..." (7) "The purposes of the National Museum [of the American Indian] are to...(2) collect, preserve, and exhibit Native American objects of artistic, historical, literary, anthropological, and scientific interest:..."

4. collection, preparation, dissemination, and exchange of information and publications;

20 U.S.C. § 53a provides that "Appropriations are authorized for the...preparation of manuscripts, drawings, and illustrations for publication."

5. conduct of education, training, and museum assistance programs;

20 U.S.C. § 65a provides "The Director of the National Museum under the direction of the Secretary of the Smithsonian Institution shall - (1) cooperate with museums and their professional organizations in a continuing study of museum problems and opportunities, both in the United States and abroad; (2) prepare and distribute significant museum publications; (3) perform research on, and otherwise contribute to, the development of museum techniques..."

20 U.S.C. § 77a provides that "The national air and space museum shall...provide educational material for the historical study of aviation and space flight."

20 U.S.C. § 79a provides that "The purpose of setting aside such an area [Barro Colorado Island] is to preserve and conserve its natural features...thus providing a place where duly qualified students can make observations and scientific investigations for increase of knowledge, under such conditions and regulations as may be prescribed by the Smithsonian Institution."

20 U.S.C. § 79e provides that "There are authorized to be appropriated annually...such sums as are necessary for the administration of [the Canal Zone Biological Area] for the maintenance of laboratory or other facilities..."

The Panama Canal Treaty and ancillary agreements vest in the Smithsonian Tropical Research Institute responsibility to serve as custodian of the Barro Colorado Nature Monument. The Panama Canal Act of 1979, Public Law 96-70, as amended, implements the provisions of the Panama Canal Treaty.

20 U.S.C. § 80m(a)(3) provides that "...the Board may...conduct programs of research and education (in the Museum of African Art)..."

6. maintenance, alteration, operation, lease (for terms not to exceed thirty years), and protection of buildings, facilities, and approaches;

20 U.S.C. §§ 53a, 76g, 76ee, 79b, 80m, 81 provide that (1) "Appropriations are authorized for the maintenance of the Astrophysical Observatory and...for repairs and alterations of buildings and grounds occupied by the Smithsonian Institution

in the District of Columbia and elsewhere..." (2) "There are authorized to be appropriated annually such sums as may be necessary to maintain and administer the Gallery [National Portrait Gallery]..." (3) "There is authorized to be appropriated...such additional sums as may be necessary for the maintenance and operation of such [Hirshhorn] [M]useum and [S]culpture [G]arden." (4) "The Smithsonian Institution shall...be responsible for the construction and maintenance of laboratory and other facilities on the area provided for the use of students authorized to carry on studies within the confines of the area..." (5) "...the Board may...preserve, maintain...any property of whatsoever nature acquired (for the Museum of African Art)..." (6) "The National Zoological Park is placed under the direction of the Regents of the Smithsonian Institution, who are authorized...to administer and improve the said Zoological Park for the advancement of science and the instruction and recreation of the people." Public Law 101-512 making appropriations for the Department of the Interior and Related Agencies for the fiscal year 1991 extended the maximum term from ten years to thirty years.

7. not to exceed \$ _____ for services as authorized by 5 U.S.C. 3109;

5 U.S.C. § 3109 provides that "When authorized by an appropriation or other statute, the head of an agency may procure by contract the temporary (not in excess of 1 year) or intermittent services of experts or consultants or an organization thereof, including stenographic reporting services."

8. up to 5 replacement passenger vehicles;

31 U.S.C. § 1343 provides that "(b) An appropriation may be expended to buy or lease passenger motor vehicles only-- (1) for the use of---...or, (2) as specifically provided by law."

9. purchase, rental, repair, and cleaning of uniforms for employees,

5 U.S.C. § 5901 provides that "(a) There is authorized to be appropriated annually to each agency of the Government of the United States,...on a showing of necessity or desirability, such sums as may be necessary to carry out this subchapter. The head of the agency concerned...shall-- (1) furnish to

these employees a uniform at a cost not to exceed \$400 a year...or (2) pay to each of these employees a allowance for a uniform not to exceed \$400 a year..."

40 U.S.C. § 193t provides that "The special police provided for in section 193n of this title [Smithsonian Institution]...may be furnished, without charge, with uniforms and such other equipment as may be necessary for the proper performance of their duties..."

10. of which not to exceed \$ _____ for the instrumentation program, collections acquisition, Museum Support Center equipment and move, exhibition reinstallation, the National Museum of the American Indian, the repatriation of skeletal remains program, research equipment, information management, and Latino programming shall remain available until expended

Wording added by the Congress in Public Law 100-446 making appropriations for the Department of the Interior and related agencies for the fiscal year 1989 to permit the Institution to establish no-year funding within the Salaries and Expenses account for the development of major scientific instrumentation. Public Law 101-512 making appropriations for the Department of the Interior and Related Agencies for the fiscal year 1991 also allowed no-year funding to be used for purchases for museum collections; the costs of purchasing collections storage equipment and the preparation of objects and the move of collections to the Museum Support Center; the design, production, and reinstallation of museum exhibitions; the operating costs associated with the new National Museum of the American Indian; and the repatriation of skeletal remains. In addition, Public Law 103-332 making appropriations for the Department of the Interior and Related Agencies for the fiscal year 1995 established no-year funding for research equipment; information technology needs; and Latino programming at the Institution.

31 U.S.C. § 1301(c) provides "An appropriation in a regular, annual appropriation law may be construed to be permanent or available continuously only if the appropriation ... (2) expressly provides that it is available after the fiscal year covered by the law in which it appears."

11. and of which \$ _____ shall remain available until expended for the

National Museum of Natural History's Arctic Studies Center to include assistance to other museums for the planning and development of institutions and facilities that enhance the display of collections,

Wording added by the Congress in Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3), Division B of the Consolidated Appropriations Act, 2000 (Public Law 106-113, approved November 29, 1999).

12. and including such funds as may be necessary to support American overseas research centers and a total of \$ _____ for the Council of American Overseas Research Centers:

Wording added by the Congress in Public Law 99-190 making appropriations for the Department of Interior and Related Agencies in 1986. Public Law 100-446 making appropriations for the Department of the Interior and Related Agencies for the fiscal year 1989 modified reference to add specific dollar sum to be provided to the Council of American Overseas Research Centers.

13. Provided, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations:

31 U.S.C. § 3324 provides that "(b) An advance of public money may be made only if it is authorized by-- (1) a specific appropriation or other law..."

14. Provided further, That the Smithsonian Institution may expend Federal appropriations designated in this Act for lease or rent payments for long term and swing space, as rent payable to the Smithsonian Institution, and such rent payments may be deposited into the general trust funds of the Institution to the extent that federally supported activities are housed in the 900 H Street, N.W. building in the District of Columbia: Provided further, That this use of Federal appropriation shall not be construed as debt service, a Federal guarantee of, a transfer of risk to, or an obligation of, the Federal Government; Provided further, That no appropriated funds may be used to service debt which is incurred to finance the costs of acquiring the 900 H Street building or of planning, designing, and constructing improvements to such building.

Wording added by the Congress in Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3), Division B of the Consolidated Appropriations Act, 2000 (Public Law 106-113, approved November 29, 1999).

**Appropriation: Repair, Rehabilitation and Alteration of Facilities
(Including Transfers of Funds)**

1. For necessary expenses of repair, rehabilitation and alteration of facilities owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623),

Act of August 22, 1949 (63 Stat. 623), 20 U.S.C. § 53a, provides that "Appropriations are authorized...for repairs and alterations of buildings and grounds occupied by the Smithsonian Institution in the District of Columbia and elsewhere..."

20 U.S.C. § 81 provides that "The National Zoological Park is placed under the direction of the Regents of the Smithsonian Institution, who are authorized...to administer and improve the said Zoological Park for the advancement of science and the instruction and recreation of the people."

2. including not to exceed \$ _____ for services as authorized by 5 U.S.C. 3109,

5 U.S.C. § 3109 provides that "When authorized by an appropriation or other statute, the head of an agency may procure by contract the temporary (not in excess of 1 year) or intermittent services of experts or consultants or an organization thereof, including stenographic reporting services."

3. to remain available until expended,

31 U.S.C. § 1301 provides "An appropriation in a regular, annual appropriation law may be construed to be permanent or available continuously only if the appropriation---... expressly provides that it is available after the fiscal year covered by the law in which it appears."

4. of which \$ _____ is provided for repair, rehabilitation and alteration of facilities at the National Zoological Park:

Wording added by the Congress in Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3), Division B of the Consolidated Appropriations Act, 2000 (Public Law 106-113, approved November 29, 1999) for clarification.

5. Provided, That contracts awarded for environmental systems, protection systems, and repair or rehabilitation of facilities of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price:

Wording added to allow for negotiations with the most competent firms for restoration and renovation work where it can be certified that such work must be performed to meet the special needs of historic structures, the protection of collections, or public safety.

6. Provided further, That funds previously appropriated to the "Construction and Improvements, National Zoological Park" account and the "Repair and Restoration of Buildings" account may be transferred to and merged with this "Repair, Rehabilitation and Alteration of Facilities" account.

Wording added by the Congress in Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3), Division B of the Consolidated Appropriations Act, 2000 (Public Law 106-113, approved November 29, 1999) to allow for consolidation of the Institution's capital accounts.

Appropriation: Construction

1. For necessary expenses for construction,

20 U.S.C. § 53a provides that "Appropriations are authorized...for repairs and alterations of buildings and grounds occupied by the Smithsonian Institution in the District of Columbia and elsewhere..."

2. to remain available until expended.

31 U.S.C. § 1301(c) provides "An appropriation in a regular, annual appropriation law may be construed to be permanent or available continuously only if the appropriation... (2) expressly provides that it is available after the fiscal year covered by the law in which it appears."

ADJUSTMENTS TO FY 2000 FUNDING

(Dollars in Thousands)	FY 2000 Congressional Appropriation /1	Reorganizations and Permanent Reprogramming	Revised FY 2000 Appropriation
Unit			
MUSEUMS AND RESEARCH INSTITUTES			
Anacostia Museum and Center for African American History and Culture	1,880	(5) /11	1,875
Archives of American Art	1,685	(5) /11	1,680
Arthur M. Sackler Gallery/Freer Gallery of Art	6,064	(5) /11	6,059
Center for Folklife and Cultural Heritage	1,750	0	1,750
Cooper-Hewitt, National Design Museum	2,869	(3) /11	2,866
Hirshhorn Museum and Sculpture Garden	4,615	0	4,615
National Air and Space Museum	13,228	0	13,228
National Museum of African Art	4,253	0	4,253
National Museum of American Art	8,616	8 /7	8,624
National Museum of American History	20,411	149 /9	20,560
National Museum of the American Indian	22,090	0	22,090
National Museum of Natural History	45,157 /1	61 /5,6	45,218
National Portrait Gallery	5,619	7 /7	5,626
National Zoological Park	20,463	(10) /4,6	20,453
Smithsonian Astrophysical Observatory	19,847	38 /7	19,885
Smithsonian Center for Materials Research and Education	3,170	(5) /11	3,165
Smithsonian Environmental Research Center	3,204	2 /3	3,206
Smithsonian Tropical Research Institute	9,951 /1	(21) /11	9,930
Subtotal	194,872	211	195,083

ADJUSTMENTS TO FY 2000 FUNDING

(Dollars in Thousands)	FY 2000 Congressional Appropriation /1	Reorganizations and Permanent Reprogramming	Revised FY 2000 Appropriation
Unit			
PROGRAM SUPPORT AND OUTREACH			
Communications and Educational Programs	5,503	(124) /9,10,11	5,379
Institution-wide Programs	5,693	0	5,693
Office of Exhibits Central	2,319	0	2,319
Major Scientific Instrumentation	7,244	0	7,244
Museum Support Center	4,494 /1	(3) /11	4,491
Smithsonian Institution Archives	1,443	50 /2	1,493
Smithsonian Institution Libraries	7,330	(57) /7,11	7,273
Smithsonian Institution Traveling Exhibition Service	3,093	(46) /8	3,047
Subtotal	37,119	(180)	36,939
ADMINISTRATION			
	34,619	(3) /2,3,4,5,8, 10,11	34,616
FACILITIES SERVICES			
Office of Protection Services	33,582 /1	(28) /11	33,554
Office of Physical Plant	71,038 /1	0	71,038
Subtotal	104,620	(28)	104,592
GRAND TOTAL	371,230 /1	0	371,230

Footnotes for FY 2000 Appropriation:

- 1/ FY 2000 appropriation includes rescission of \$1,671,000.
- 2/ Transfer of funding from Administration to the Smithsonian Institution Archives.
- 3/ Transfer of funding from Administration to the Smithsonian Environmental Research Center.
- 4/ Transfer of one position and funding from the National Zoological Park to Administration.
- 5/ Transfer of one position and funding from Administration to the National Museum of Natural History.
- 6/ Transfer of one position and funding from the National Museum of Natural History to the National Zoological Park.
- 7/ Transfer of funding from the Smithsonian Institution Libraries to the Smithsonian Astrophysical Observatory, the National Portrait Gallery, and the National Museum of American Art.
- 8/ Transfer of one position and funding from the Smithsonian Traveling Exhibition Service to Administration.
- 9/ Transfer of two positions and funding from Communications and Educational Programs to the National Museum of American History.
- 10/ Transfer of one position and funding from Administration to Communications and Educational Programs.
- 11/ Transfer of funding from the Anacostia Museum and Center for African American History and Culture, Archives of American Art, Arthur M. Sackler/Freer Gallery of Art, Cooper-Hewitt, National Design Museum, Smithsonian Center for Materials Research and Education, Smithsonian Tropical Research Institute, Communications and Educational Programs, Museum Support Center, Smithsonian Institution Libraries, and Office of Protection Services to Administration.

SMITHSONIAN INSTITUTION
Repair, Restoration and Alteration of Facilities

DETAIL OF
FY 2001 - FY 2005 FIVE-YEAR PROGRAM

Congressional Request

Prepared by the
PROJECT MANAGEMENT DIVISION
OFFICE OF PHYSICAL PLANT
January 14, 2000

Repair, Restoration and Alteration of Facilities FY 2001 - FY 2005 FIVE-YEAR PROGRAM

Congressional Request

TABLE OF CONTENTS

PAGE TITLE	PAGE NUMBER
DEFINITIONS	2
EXPLANATION OF RANKING CODES	3
PROGRAM SUMMARIES	4
ANACOSTIA MUSEUM	5
ARTS & INDUSTRIES BUILDING	6
COOPER-HEWITT, NATIONAL DESIGN MUSEUM	7
FREER GALLERY OF ART	8
HIRSHHORN MUSEUM & SCULPTURE GARDEN	9
MUSEUM SUPPORT CENTER	10
NATIONAL AIR & SPACE MUSEUM	11
NMAI, GEORGE GUSTAV HEYE CENTER	12
NATIONAL MUSEUM OF THE AMERICAN INDIAN	13
NATIONAL MUSEUM OF AMERICAN HISTORY	14
NATIONAL MUSEUM OF NATURAL HISTORY	15
NATIONAL ZOOLOGICAL PARK, ROCK CREEK	16
NATIONAL ZOOLOGICAL PARK, FRONT ROYAL	17
PATENT OFFICE BUILDING (NMAA/NPG/AAA)	18
QUADRANGLE (Sackler Gallery/African Art/Ripley Center)	19
RENWICK GALLERY	20
SILVER HILL FACILITY	21
SMITHSONIAN ASTROPHYSICAL OBSERVATORY	22
SMITHSONIAN ENVIRONMENTAL RESEARCH CENTER	23
SMITHSONIAN INSTITUTION BUILDING	24
SMITHSONIAN TROPICAL RESEARCH INSTITUTE	25
MULTIPLE SITE PROJECTS	26
PROJECT SUMMARY BY FACILITY	27 - 28

Definitions

Repair, Restoration and Alteration of Facilities Program

Major Capital Renewal

Provides funds for the cyclical replacement of major building systems and equipment and major renovation projects required for the preservation of the buildings. Primarily addresses the major replacement requirements for HVAC and electrical systems at the older buildings where systems are nearing the end of their service lives.

Code Compliance and Security

Fire Detection and Suppression Projects

Provides fire protection and safety measures meeting today's standards with state-of-the-art technology. Typically includes installation of detection systems such as smoke alarms, suppression systems such as sprinklers, and architectural modifications to create fire zones by installing fire walls and doors

Access, Safety, and Security Projects

Provides better access to facilities for persons with disabilities, improves environmental conditions for the health and safety of visitors and staff, and corrects facility conditions that threaten the security of the National Collections.

Infrastructure Repair

General Repairs

Provides resources for minor, unscheduled, but essential repairs that the Institution cannot anticipate specially or that do not fit into any one discrete category.

Facade, Roof, and Terrace Repairs

Provides exterior repair and maintenance to building envelopes to prevent major structural and interior damage and deterioration due to age, water intrusion, and weathering.

Utility System Repairs

Maintains, repairs, and upgrades the heating, ventilating, and air conditioning (HVAC) systems and plumbing, electrical, and communications systems. Ensures reliable and energy-efficient operation of utility systems through ongoing renovation, repairs, and replacement of deteriorated equipment.

R&R Planning, Design and Inspection

Supports projects to identify and analyze long-range repair and restoration needs and to design future-year projects in advance of funding requests.

Alterations and Modifications

Provides for smaller, program-oriented construction projects with estimated construction cost less than \$1 million.

Explanation of Ranking Codes

R&R Ranking Code System

A Must not defer:

A1 Building Shell Failure, includes

- Active roof leak
- Active wall leak

A2 HVAC, Electrical, Security System Failure, includes

- Active piping leak
- Active or frequent system/equipment failures

A3 Mandated/Unexpected Compliance

B Should not defer (High Priority):

B1 Building Shell Maintenance, includes

- Imminent failure of exterior shell
- Imminent failure of exterior HVAC, electrical, security equipment

- On-going site utility maintenance problem

B2 Building System Maintenance, includes

- Imminent failure of building systems

B3 High priority code improvements includes

- fire and life safety, accessibility, HVAC, electrical, security equipment

C Should not defer (Medium Priority):

C1 Predicted, required repair or maintenance

C2 On-going or phased construction efforts, includes

- Separate but part of on-going construction
- Needed for start of higher priority project
- Needed to properly complete high priority project

C3 Cost-effective payback period, includes

- Energy or maintenance savings payback within 7 years

D Can defer one year or logically phase

E Can defer more than one year

F Should reconsider

A&M Ranking Code System

A Cannot defer:

Critical to success of high priority institutional program initiative; program cannot be implemented without this project.

B Should not defer:

B1 Part of backlog of A&M requirements to improve operating efficiency.

B2 Part of an ongoing or phased effort, coordinated with other projects, or with significant program considerations.

C Could defer:

Defer construction, design funding should remain in projected year, or construction could be logically phased (suggest minimum funding increment).

D Can defer comfortably for one year

E Can defer more than one year

F Should reconsider

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan

Program Summary

REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
MAJOR CAPITAL RENEWAL	24,205	34,280	37,695	42,320	31,705	33,475
CODE COMPLIANCE AND SECURITY						
Fire Detection and Suppression	775	725	735	1,160	985	2,260
Access, Safety and Security	4,000	4,458	5,615	2,565	5,965	5,710
INFRASTRUCTURE REPAIR						
General Repair	6,837	7,767	8,025	6,755	8,885	7,500
Facade, Roof and Terrace Repair	1,938	3,940	1,260	955	5,430	3,875
Utility System Repair	5,145	6,080	4,670	4,245	5,030	5,180
R&R Planning, Design and Inspection	2,000	2,000	2,000	2,000	2,000	2,000
SUB-TOTAL FOR R&R PROGRAM	44,900	59,250	60,000	60,000	60,000	60,000
ALTERATIONS & MODIFICATIONS	3,000	2,950	5,000	6,000	6,000	6,000
GRAND TOTAL	47,900	62,200	65,000	66,000	66,000	66,000

Note: All figures in 000s.

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan ANACOSTIA MUSEUM

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM

REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
General Repairs	0	60 B	60 B	60 B	60 B	60 B
Paving & Sidewalk	0	0	0	0	0	150 C1
2. FACADE, ROOF & TERRACE REPAIR						
Facade and Roof Repair & Painting	0	0	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Interior/Exterior Access	0	0	0	0	0	0
5. UTILITY SYSTEM REPAIR						
Elect/Mech. Study & Modifications (954604)	0	0	0	0	0	0
HVAC Upgrade	0	0	0	0	0	0
Restroom Upgrades	0	0	0	0	0	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	0	60	60	60	60	210
7. MAJOR CAPITAL RENEWAL						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM	FY'00 0	FY'01 60	FY'02 60	FY'03 60	FY'04 60	FY'05 210
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
FACILITY TOTAL	FY'00 0	FY'01 60	FY'02 60	FY'03 60	FY'04 60	FY'05 210

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan ARTS & INDUSTRIES BUILDING

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM

REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
No Projects Identified	0	0	0	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
No Projects Identified	0	0	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
No Projects Identified	0	0	0	0	0	0
5. UTILITY SYSTEM REPAIR						
No Projects Identified	0	0	0	0	0	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
7. MAJOR CAPITAL RENEWAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. HVAC & ELEC. IMPROVEMENTS - Master Plan Implementation						
Roof Renovation	2,000 A	0	0	0	0	0
Master Plan	0	0	9,620 B2	11,000 B2	17,500 B2	16,700 B2
Design Costs	2,500 B2	2,000 B2	0	0	0	0
	4,500	2,000	9,620	11,000	17,500	16,700
TOTAL FOR R&R PROGRAM	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	4,500	2,000	9,620	11,000	17,500	16,700

ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0

FACILITY TOTAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	4,500	2,000	9,620	11,000	17,500	16,700

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan COOPER-HEWITT, NATIONAL DESIGN MUSEUM

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
General Repairs	50 B	60 B	60 B	60 B	60 B	60 B
Mansion Interior Restoration (975802)	0	325 B3	350 B3	0	350 B3	0
2. FACADE, ROOF & TERRACE REPAIR						
Mansion Facade & Fence Repair	0	1,300 B3	0	0	0	0
Fox House Exterior Repair	0	0	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
No Projects Identified	0	0	0	0	0	0
5. UTILITY SYSTEM REPAIR						
No Projects Identified	0	0	0	0	0	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	50	1,685	410	60	410	60
7. MAJOR CAPITAL RENEWAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	50	1,685	410	60	410	60
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
Garden Landscaping	0	0	0	0	0	550 C
	0	0	0	0	0	550
FACILITY TOTAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	50	1,685	410	60	410	610

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan

FREER GALLERY OF ART

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
General Repairs	20 ^B	20 ^B	20 ^B	20 ^B	20 ^B	20 ^B
2. FACADE, ROOF & TERRACE REPAIR						
Courtyard Window & Door Condensation	0	0	0	0	0	0
Skylight Repair (973701)	0	150 ^{B2}	0	0	0	0
Entry Sidewalk Repair	0	0	0	0	0	500 ^{C1}
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Courtyard Lift & Handrails (973703A)	0	0	60 ^{B3}	0	0	0
5. UTILITY SYSTEM REPAIR						
Gallery Lighting Systems Replacement	0	0	0	0	350 ^{C1}	0
Roof/Storm Sewer Repair (993702)	25 ^{B1}	0	0	0	0	100 ^{B1}
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	45	170	60	20	370	620
7. MAJOR CAPITAL RENEWAL						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM	45	170	60	20	370	620
ALTERATIONS & MODIFICATIONS						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
FACILITY TOTAL	45	170	60	20	370	620

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan
HIRSHHORN MUSEUM & SCULPTURE GARDEN

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM

REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
No Projects Identified	0	0	0	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
Window Replacement	0	0	0	0	0	0
Building Facade/Garden	0	0	0	0	4,500 C1	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Front Entrance	0	0	0	0	850 B3	0
5. UTILITY SYSTEM REPAIR						
Interior Lighting Improvement	0	0	1,000 B	0	0	0
Mall Master Raceway Improvements	0	0	0	0	0	0
HVAC System	0	1,800 A2	0	0	0	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	0	1,800	1,000	0	5,350	0
7. MAJOR CAPITAL RENEWAL						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM	<u>FY'00</u> 0	<u>FY'01</u> 1,800	<u>FY'02</u> 1,000	<u>FY'03</u> 0	<u>FY'04</u> 5,350	<u>FY'05</u> 0
ALTERATIONS & MODIFICATIONS						
Collection Storage Improvements	0	0	500 B	500 B	500 B	0
	0	0	500	500	500	0
FACILITY TOTAL	<u>FY'00</u> 0	<u>FY'01</u> 1,800	<u>FY'02</u> 1,500	<u>FY'03</u> 500	<u>FY'04</u> 5,850	<u>FY'05</u> 0

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan MUSEUM SUPPORT CENTER

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
Painting (957105)	0	0	0	175 C2	0	0
Service Road Repair & Striping	0	0	0	100 C2	0	500 C2
2. FACADE, ROOF & TERRACE REPAIR						
Clean & Recoalk Facade (997101)	0	0	400 C1	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Security System Upgrade	0	0	900 B3	0	0	0
5. UTILITY SYSTEM REPAIR						
Isolation Valves /Humidifier Replacement	0	0	100 B2	0	0	0
Boiler Tube Replacement	80 A2	0	0	0	0	0
Replace Transfer Switches	0	75 A2	0	0	0	0
Emergency Generator	0	0	0	0	250 C1	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	80	75	1,400	275	250	500
7. MAJOR CAPITAL RENEWAL						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM	<u>FY'00</u> 80	<u>FY'01</u> 75	<u>FY'02</u> 1,400	<u>FY'03</u> 275	<u>FY'04</u> 250	<u>FY'05</u> 500
ALTERATIONS & MODIFICATIONS	<u>FY'00</u>	<u>FY'01</u>	<u>FY'02</u>	<u>FY'03</u>	<u>FY'04</u>	<u>FY'05</u>
Parking Lot Expansion	0	0	0	0	0	160 B1
	0	0	0	0	0	160
FACILITY TOTAL	<u>FY'00</u> 80	<u>FY'01</u> 75	<u>FY'02</u> 1,400	<u>FY'03</u> 275	<u>FY'04</u> 250	<u>FY'05</u> 660

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan NATIONAL AIR & SPACE MUSEUM

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
General Repairs	75 B	75 B	75 B	75 B	75 B	75 B
Paint Loading Dock	0	0	0	0	250 C1	0
Replace Ceiling in Langley & Projection Booth	0	0	0	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
Skylight & Window Wall (923504)	750 A1	750 A1	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
Upgrade Restaurant Alarms	0	0	0	0	125 B2	0
Fire Alarm Repair	0	0	0	0	100 B3	0
4. ACCESS, SAFETY & SECURITY						
Accessible Egress Upgrade	0	0	0	0	250 B3	0
Additional Electronic Surveillance	0	0	0	0	0	250 D
Exhibit Alarming/CCTV	0	0	0	0	900 B2	0
Remove Plywood Flooring (983501)	0	0	0	0	0	0
5. UTILITY SYSTEM REPAIR						
Replace Dimmers in Theater	0	0	75 C1	0	0	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	825	825	75	75	1,700	325
7. MAJOR CAPITAL RENEWAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
Master Plan	0	0	0	0	500 B2	0
	0	0	0	0	500	0
TOTAL FOR R&R PROGRAM	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	825	825	75	75	2,200	325
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
FACILITY TOTAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	825	825	75	75	2,200	325

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan NMAI, GEORGE GUSTAV HEYE CENTER

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
No Projects Identified	0	0	0	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
No Projects Identified	0	0	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Women's Locker Room (982103)	80 C2	0	0	0	0	0
Gallery Lighting Mods (982103)	0	20 B3	0	0	0	0
Security Improvements (982103)	0	35 C2	0	0	0	0
Photo Studio Partition	0	50 C2	0	0	0	0
5. UTILITY SYSTEM REPAIR						
UCS Cable	150 B1	0	0	0	0	0
Acoustical Repair	25 B2	0	0	0	0	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	255	105	0	0	0	0
7. MAJOR CAPITAL RENEWAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM	FY'00 255	FY'01 105	FY'02 0	FY'03 0	FY'04 0	FY'05 0
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
Heye Center Pavilion Renderings & Signage	0	60 B2	0	0	0	0
	0	60	0	0	0	0
FACILITY TOTAL	FY'00 255	FY'01 165	FY'02 0	FY'03 0	FY'04 0	FY'05 0

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan

NATIONAL MUSEUM OF THE AMERICAN INDIAN

(includes Research Branch & Cultural Resource Center)

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM

REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
Research Branch General Repairs	50 B	60 B	60 B	60 B	60 B	60 B
CRC General Repairs	10 B	10 B	10 B	10 B	10 B	10 B
2. FACADE, ROOF & TERRACE REPAIR						
No Projects Identified	0	0	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
CRC Fire Trail Stabilization	0	80 B3	0	0	0	0
5. UTILITY SYSTEM REPAIR						
Replace Liebert Units & Consoles	70 B2	0	0	0	0	0
Mall Master Raceway (922307B)	125 C2	0	0	0	0	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	255	150	70	70	70	70
7. MAJOR CAPITAL RENEWAL						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM	255	150	70	70	70	70
ALTERATIONS & MODIFICATIONS						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
FACILITY TOTAL	255	150	70	70	70	70

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan NATIONAL MUSEUM OF AMERICAN HISTORY

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM

REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
Landscape & Exterior Rehab	0	0	0	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
Roof Replacement (923003)	125 A1	0	0	0	0	0
Repair Ice Melt Equipment (943009)	0	0	0	0	0	900 B2
3. FIRE DETECTION & SUPPRESSION						
Fire Protection Master Plan (993006)	0	0	0	0	0	1,500 B3
4. ACCESS, SAFETY & SECURITY						
Railroad Hall Access (943008)	0	0	300 B3	0	0	0
Restroom Access & Repair (993010)	0	0	250 B3	0	0	600 B3
Exterior Doors & Handrails (923006)	800 A1	0	0	0	0	0
Security System Repair	0	0	0	0	0	900 B3
Exhibit Alarming/Card Access/CCTV	0	0	0	0	1,000 B3	0
Fallerton Security & Fire Protection (993002)	0	200 B3	0	0	0	0
Fountain Restoration (983016)	50 B1	0	0	0	0	0
Loading Dock Exhaust (993014)	50 A2	0	0	0	0	0
Fifth Floor Terrace Access (973003A)	0	0	0	0	0	150 B3
5. UTILITY SYSTEM REPAIR						
Backup Power Connection for Computer System	0	0	0	0	0	125 B2
Refurbish Cooling Tower (993008)	0	450 A2	0	0	0	0
HVAC Repair (993009 & 993013)	450 A2	0	0	0	0	0
Steam Distribution System Replacement (953019)	0	1,300 A2	0	0	0	0
High Voltage Vault Cooling (953019)	0	0	0	0	0	200 B3
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	1,475	1,950	550	0	1,000	4,375
7. MAJOR CAPITAL RENEWAL						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM	FY'00 1,475	FY'01 1,950	FY'02 550	FY'03 0	FY'04 1,000	FY'05 4,375
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
Music Hall&Office HVAC/Acoustic Improvements	300 B2	0	0	0	0	0
Exhibit Hall Demolition	0	300 B1	350 B1	400 B1	400 B1	350 B1
Catering Kitchen	0	0	170 B1	0	0	0
	300	300	520	400	400	350
FACILITY TOTAL	FY'00 1,775	FY'01 2,250	FY'02 1,070	FY'03 400	FY'04 1,400	FY'05 4,725

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan NATIONAL MUSEUM OF NATURAL HISTORY

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
General Repair (983103)	0	50 B	50 B	50 B	50 B	50 B
2. FACADE, ROOF & TERRACE REPAIR						
West Loading Dock Doors (993120)	0	60 B2	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
Incorporated into MCR	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Elevators 19 & 20 (953131)	345 B2	0	0	0	0	0
West Loading Dock Lift	0	0	0	0	200 B2	0
Rotunda Mall Accessible Entrance (993119)	0	800 B3	0	0	0	0
Chemical Control Facility	0	0	0	0	0	995 A3
Exhibit Shop Exhaust Upgrade(993110)	0	150 B3	0	0	0	0
5. UTILITY SYSTEM REPAIR						
Incorporated into MCR	0	0	0	0	0	0
6. ADVANCED PLANNING & INSPECTION						
Rotunda Mall Accessible Entrance (993119)	100 B3	0	0	0	0	0
	445	1,060	50	50	250	1,045
7. MAJOR CAPITAL RENEWAL						
1. MASTER IMPLEMENTATION PLAN						
Master Plan Improvements & Interim Repairs	9,405 A2	9,355 A2	6,625 A2	6,520 A2	8,755 A2	10,825 A2
Mall Master Raceway (923118)	200 C2	300 C2	0	0	0	0
Design Costs, Master Plan & Interim Repairs	700 A2	1,000 A2	0	2,000 A2	0	3,000 A2
	10,305	10,655	6,625	8,520	8,755	13,825
	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
TOTAL FOR R&R PROGRAM	10,750	11,715	6,675	8,570	9,005	14,870
ALTERATIONS & MODIFICATIONS						
Exhibit Hall Demolition	0	400 A	500 A	0	0	0
Space Modifications/Improvements	700 A	0	225 C	700 C	700 C	700 C
	700	400	725	700	700	700
	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
FACILITY TOTAL	11,450	12,115	7,400	9,270	9,705	15,570

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan NATIONAL ZOO, Rock Creek

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
Road Repairs & Erosion Control	60 B1	60 B1	60 B1	60 B1	60 B1	60 B1
Graphics, Exhibits & Glass Repair	210 B1	210 B1	210 B1	210 B1	210 B1	210 B1
Tree, Turf & Soil	145 B1	145 B1	145 B1	145 B1	145 B1	145 B1
Bio-Programs WO Exhibit Repair	40 A3	40 A3	40 A3	40 A3	40 A3	40 A3
Misc. General Repair & Painting	270 B1	270 B1	270 B1	270 B1	270 B1	270 B1
2. FACADE, ROOF & TERRACE REPAIR						
Multiple Roof Repair (inc. B. V. Keeper Bldg in 01)	50 A1	80 A1	50 A1	50 A1	50 A1	50 A1
Holt House Stabilization	50 A1	0	0	0	0	0
Upper Bear Roof Stabilization	75 A1	300 A1	0	0	0	0
GSPB Structural Repairs	50 A1	0	200 B1	0	0	0
Lion/Tiger Moat & Planter Waterproofing	0	0	0	150 A1	200 A1	900 A1
Small Mammal Skylight Reglazing	0	0	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
Fire Alarms & Sprinklers	90 A3	90 A3	100 A3	100 A3	90 A3	90 A3
Fire Protection Improvements	50 A3	350 A3	350 A3	350 A3	350 A3	350 A3
4. ACCESS, SAFETY & SECURITY						
Accessibility Improvements	100 A3	200 A3	100 A3	100 A3	100 A3	100 A3
Renovate Auditorium & Seating for ADA	0	140 A3	0	0	0	0
Asbestos Abatement	50 B3	50 B3	50 B3	50 B3	50 B3	50 B3
Door, Cage, Glass & Fence Repair & Replacement	140 A2	340 A2	475 A2	340 A2	340 A2	340 A2
Amazonia: Replace Railings	50 B2	50 B2	200 B2	0	0	0
Bird House Bulk Food Storage/Dead End Corridor	30 B3	50 B3	0	0	0	0
Safety Improvements	20 A3	20 A3	20 A3	20 A3	20 A3	20 A3
Security System Improvements	85 B3	85 B3	85 B3	85 B3	85 B3	85 B3
5. UTILITY SYSTEM REPAIR						
Amazonia Filter	10 A2	10 A2	10 A2	10 A2	15 A2	15 A2
Fiber Optic/Comm. Infrastructure	25 B1	25 B1	25 B1	20 B1	25 B1	25 B1
Generator Upgrades & Elec. Improvements	20 A2	20 A2	20 A2	20 A2	20 A2	20 A2
HVAC Repair and Improvements	680 A2	680 A2	910 A2	910 A2	910 A2	910 A2
Irrigation & Sewer System Maintenance	50 B1	50 B1	55 B1	55 B1	55 B1	55 B1
Relamping	10 A2	10 A2	10 A2	10 A2	10 A2	10 A2
Zoo Wide Pool Repairs	300 B1	100 B1	100 B1	100 B1	100 B1	100 B1
Small Mammals HVAC Improvements	100 B1	0	0	500 B1	0	0
Utility Infrastructure Improvements	700 B1	700 B1	1,000 B1	1,600 B1	1,600 B1	1,600 B1
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	3,460	4,075	4,485	5,195	4,745	5,445
7. MAJOR CAPITAL RENEWAL						
Road and Bridge Repairs	110 B1	200 B1	1,000 B1	1,000 B1	350 B1	350 B1
Mane Building Renovation	400 A1	1,700 A1	0	0	0	0
Bear Habitat Renovation (upper)	300 A1	1,000 A1	1,000 A1	1,500 A1	2,600 A1	2,600 A1
Deer & Tapir Buildings	0	100 A1	0	0	0	0
Australia Building Structural Repair	90 A1	175 A1	0	0	0	0
Elephant House Renovation	0	350 B1	1,000 B1	0	0	0
	900	3,525	3,000	2,500	2,950	2,950
	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
TOTAL FOR R&R PROGRAM	4,360	7,600	7,485	7,695	7,695	8,395
ALTERATIONS & MODIFICATIONS						
Staff Office Improvements	0	0	100 B1	100 B1	100 B1	100 B1
Exhibit Space Renovations	0	100 A	250 A	250 A	250 A	250 A
	0	100	350	350	350	350
	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
FACILITY TOTAL	4,360	7,700	7,835	8,045	8,045	8,745

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan
NATIONAL ZOO, Front Royal

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
Painting	10 B1	10 B1	10 B1	50 B1	50 B1	50 B1
Repair Shops	0	300 A2	300 A2	300 A2	300 A2	300 A2
Road Repair & Signage	7 B1	7 B1	10 B1	15 B1	15 B1	15 B1
Tree & Turf	30 B1	30 B1	30 B1	40 B1	40 B1	40 B1
Work Order Support	115 A2	125 A2	125 A2	125 A2	125 A2	125 A2
Replace Locks	0	50 B3	0	0	0	0
Admin Annex	0	0	0	160 B1	400 B1	0
Renovate Building 64 - Horse Barn	0	0	0	60 A1	400 A1	0
Emergency Repairs	175 A2	175 A2	175 A2	175 A2	175 A2	175 A2
Renovate Building 142 - Stallion Barn Storage	0	0	0	0	0	110 A1
Historic Site Assessment	0	0	0	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
Roof Repair	25 A1	25 A1	25 A1	50 A1	50 A1	50 A1
Window Replacement Program	25 B1	25 B1	25 B1	85 B1	85 B1	85 B1
Roof: Mule stable, Sm. An. Rivinus Barn, Res. 50	0	150 A1	150 A1	0	0	0
Roof: Slate Hill & Waller Barns	0	0	0	100 A1	50 A1	50 A1
Structural Repairs @ Hospital	43 A1	0	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
Fire Alarms & Sprinklers	35 A3	35 A3	35 A3	60 A3	70 A3	70 A3
Fire Protection Improvements	0	250 B3	250 B3	100 B3	250 B3	250 B3
Front Royal Dorm & Conf. Ctr. Sprinklers	50 A3	0	0	150	0	0
Maintenance Facilities Code Improvements	550 A3	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Accessibility Improvements	10 A3	10 A3	10 A3	150 A3	150 A3	150 A3
Asbestos & Lead Abatement	25 B3	25 B3	25 B3	50 B3	50 B3	50 B3
Fence, Gate, Railing & Glass Repair	15 A2	18 A2	20 A2	20 A2	20 A2	20 A2
5. UTILITY SYSTEM REPAIR						
Communications	15 B2	15 B2	15 B2	15 B2	15 B2	15 B2
Boilers - Annual Replacement	10 A2	10 A2	10 A2	10 A2	10 A2	10 A2
Electrical Improvements	30 A2	30 A2	30 A2	30 A2	30 A2	30 A2
High Voltage Testing	10 C1	0	10 C1	0	10 C1	0
Renovate Main Water Reservoir	0	0	50 B2	250 B2	0	0
Sewer/Storm Drain	10 B1	10 B1	10 B1	10 B1	10 B1	10 B1
Utility Upgrades	450 B1	0	0	0	0	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	1,640	1,300	1,315	2,005	2,305	1,605
7. MAJOR CAPITAL RENEWAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
Consolidated Maintenance Facility	0	1,100 A1	1,200 A1	300 A1	0	0
	0	1,100	1,200	300	0	0
TOTAL FOR R&R PROGRAM	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	1,640	2,400	2,515	2,305	2,305	1,605
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
FACILITY TOTAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	1,640	2,400	2,515	2,305	2,305	1,605

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan

PATENT OFFICE BUILDING

(includes National Museum of American Art, National Portrait Gallery,
and Archives of American Art)

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
No Projects Identified	0	0	0	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
No Projects Identified	0	0	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
No Projects Identified	0	0	0	0	0	0
5. UTILITY SYSTEM REPAIR						
No Projects Identified	0	0	0	0	0	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
7. MAJOR CAPITAL RENEWAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
Physical Plant Renewal	8,000 A1	17,000 A1	17,000 A1	18,000 A1	0	0
	8,000	17,000	17,000	18,000	0	0
TOTAL FOR R&R PROGRAM	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	8,000	17,000	17,000	18,000	0	0
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
FACILITY TOTAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	8,000	17,000	17,000	18,000	0	0

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan

QUADRANGLE

(Includes Arthur M. Sackler Gallery, National Museum of African Art,
S. Dillon Ripley Center)

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM

REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
Misc. General Repair	50 B	50 B	50 B	50 B	50 B	50 B
Ripley Water Damage Repair (996302)	75 A1	0	0	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
African Art 3rd Level Leak Repair (986306)	0	250 B1	0	0	0	0
Roof Replacement (976309)	0	0	0	0	0	500 C1
Haupt/Sackler Fountain Repair	0	0	0	0	0	300 C1
Ripley Loading Dock Repair (976309B)	100 A1	0	0	0	0	0
Loading Dock Door & Gate (986307)	0	0	350 B3	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Life Safety/Interior Door Security (866370)	0	0	600 B3	0	0	0
Card Access/Intrusion Detection	0	0	0	0	0	0
Gallery Emergency Lighting & Exiting (996303)	50 A2	0	0	0	0	0
NMAA Courtyard Access (926317)	0	0	0	0	0	0
5. UTILITY SYSTEM REPAIR						
Steam Humidification Replacement	0	0	0	0	0	500 A2
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	475	300	1,000	50	50	1,350

7. MAJOR CAPITAL RENEWAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0

TOTAL FOR R&R PROGRAM	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	475	300	1,000	50	50	1,350

ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
SITES Space Modifications (986315)	150 A	0	0	0	0	0
AMSG Scholars' Offices	0	0	125 A	0	0	0
NMAFA Coat Room Modifications	0	0	0	0	100 C	0
	150	0	125	0	100	0

FACILITY TOTAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	625	300	1,125	50	150	1,350

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan RENWICK GALLERY

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
Interior Repairs	100 B2	50 B2	100 B2	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
Exterior Repair	0	300 A1	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Disabled Entrance Access (983602)	0	0	800 A3	0	0	0
Exterior Lighting (983602)	0	0	250 A2	0	0	0
5. UTILITY SYSTEM REPAIR						
Grand Stair Lighting	75 A1	0	0	0	0	0
Grand Salon Lighting	400 A2	0	0	0	0	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	575	350	1,150	0	0	0
7. MAJOR CAPITAL RENEWAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
Master Plan	0	0	250 B1	0	0	0
	0	0	250	0	0	0
TOTAL FOR RAR PROGRAM	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	575	350	1,400	0	0	0
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
FACILITY TOTAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	575	350	1,400	0	0	0

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan SILVER HILL FACILITY

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
General Repairs	250 B	250 B	250 B	250 B	250 B	250 B
Building 17 (963807)	500 A1	0	0	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
Building 10 Roof Repair (983802)	0	500 A1	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Buildings 14 & 15 Safety/Security	0	0	120 C1	0	0	0
Building 17 (NMAH) (963807)	150 A1	0	0	0	0	0
Asbestos Encap. Bldgs. 15, 16, & 18	0	0	0	300 B3	300 B3	300 B3
Asbestos Monitoring	0	0	0	150 B3	150 B3	150 B3
5. UTILITY SYSTEM REPAIR						
Environmental Improvements, Bldgs... 15/16	0	0	0	0	300 B2	0
Replace HVAC Equip. 18	25 B2	0	0	0	0	0
Electrical Upgrade & Environmental Control	0	0	0	0	0	500 B2
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	925	750	370	700	1,000	1,200
7. MAJOR CAPITAL RENEWAL						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM	925	750	370	700	1,000	1,200
ALTERATIONS & MODIFICATIONS						
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
FACILITY TOTAL	925	750	370	700	1,000	1,200

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan SMITHSONIAN ASTROPHYSICAL OBSERVATORY

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
General Repairs, All Locations (985102)	110 B	125 B	140 B	150 B	150 B	200 B
Whipple Road Repair & Improvement (915103a)	0	500 B1	0	0	1,000 B1	0
Replace Heated Road Elements (915103a)	150 A2	0	0	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
Paint Exterior MMT (985103)	0	50 B1	0	0	0	0
Replace Commons Building Deck	0	0	60 B1	0	0	0
3. FIRE DETECTION & SUPPRESSION						
Fire Detection System Upgrade	0	0	0	150 B3	0	0
Sprinkler System Summit Dorm	0	0	0	150 B3	0	0
FP Improvements SMA Control Bldg	0	0	0	100 B3	0	0
4. ACCESS, SAFETY & SECURITY						
No Projects Identified	0	0	0	0	0	0
5. UTILITY SYSTEM REPAIR						
Emergency Generator Computer Facility	100 A1	0	0	0	0	0
Water System Improvements	170 B2	0	200 B2	0	0	375 B2
Replace FM Repeater	0	0	0	0	60 B2	0
Base Camp Microwave Link	0	0	0	0	150 B2	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	530	675	400	590	1,360	575
7. MAJOR CAPITAL RENEWAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM	FY'00 530	FY'01 675	FY'02 400	FY'03 590	FY'04 1,360	FY'05 575
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
MMT Building Modifications, Phases 3 (975107)	0	0	400 B2	0	0	0
Dorm Extension, Phases A and B (975108)	0	350 B1	400 B1	0	0	0
SMA Control Building Extension	0	0	0	500 B1	0	0
Knoll Two Telescope Facility	0	0	0	0	0	800 C
Central Building Remodeling, Oak Ridge	0	0	0	0	350 C	0
Technology Upgrades	0	0	100 B	100 B	100 B	100 B
Knoll 1 Facility	0	0	0	0	0	200 C
	0	350	900	600	450	1,100
FACILITY TOTAL	FY'00 530	FY'01 1,025	FY'02 1,300	FY'03 1,190	FY'04 1,810	FY'05 1,675

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan

SMITHSONIAN ENVIRONMENTAL RESEARCH CENTER

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
General Repairs	150 B	150 B	150 B	150 B	250 B	250 B
Road Repairs & Paving (904409B)	0	0	125 B1	0	0	500 C1
Paint & Repair Water Tower ((FY05+)	0	0	0	0	0	80 C1
Cory Building Rehab	0	600 A2	0	0	0	0
2. FACADE, ROOF & TERRACE REPAIR						
Small Bldg. Roof Repairs	0	0	0	0	50 C1	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Accessibility Improvements (974403)	0	0	50 B3	50 B3	0	200 B3
Security Lighting Improvements (984404)	0	0	100 B3	0	0	0
Security & Telecommunications System Upgrade	0	0	0	0	300 B2	0
Chemical Storage Building Addition	0	0	0	0	0	150 B2
5. UTILITY SYSTEM REPAIR						
Replace Fans & Plumbing, Building 100	0	0	0	0	150 B2	0
Sanitary Sewer Repair	500 A3	0	0	0	0	0
Utility Connection to Waterfront	0	0	300 B2	0	0	0
HVAC System Upgrade, Bldgs. 500 & 100	0	0	0	0	0	80 C2
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	650	750	725	200	750	1,260
7. MAJOR CAPITAL RENEWAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL R&R PROGRAM	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	650	750	725	200	750	1,260
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
Stormwater Mgt.(944408)/Approach Road (964404)	900 A	0	0	0	0	0
Visiting Scientist Housing	0	400 A	600 A	0	0	0
Lab Modules, Phase 5 (1) (974404)	0	350 A	0	0	0	0
Dormitory Expansion	0	0	0	500 B	0	0
Addition to Wet Laboratory (1) (974408)	0	0	500 B	0	0	0
Boat Storage Building (IIA) (974409)	0	0	0	500 C	0	0
Building #300 Renovation (IIA)	0	0	0	0	0	300 B
Facilities Maintenance Building (IIB)	0	0	0	0	900 B	0
Greenhouse (IIB)	0	0	0	600 B	0	0
	900	750	1,100	1,600	900	300
FACILITY TOTAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	1,550	1,500	1,825	1,800	1,650	1,560

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan

SMITHSONIAN INSTITUTION BUILDING (Castle)

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
Miscellaneous Repairs (983202)	50 B2	50 B2	50 B2	50 B2	50 B2	50 B2
2. FACADE, ROOF & TERRACE REPAIR						
Paint Exterior Windows	445 B1	0	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
No Projects Identified	0	0	0	0	0	0
5. UTILITY SYSTEM REPAIR						
No Projects Identified	0	0	0	0	0	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	495	50	50	50	50	50
7. MAJOR CAPITAL RENEWAL						
Master Plan Concept	500 B2	0	0	0	0	0
Design Costs	0	0	0	2,000 B2	2,000 B2	0
Construction	0	0	0	0	0	0
	500	0	0	2,000	2,000	0
TOTAL R&R PROGRAM	FY'00 995	FY'01 50	FY'02 50	FY'03 2,050	FY'04 2,050	FY'05 50
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
SIB/AIB Miscellaneous Space Modifications	100 B2	100 B2	100 B2	100 B2	100 B2	100 B2
	100	100	100	100	100	100
FACILITY TOTAL	FY'00 1,095	FY'01 150	FY'02 150	FY'03 2,150	FY'04 2,150	FY'05 150

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan

SMITHSONIAN TROPICAL RESEARCH INSTITUTE

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM

REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
General Repairs/Painting	150 B	150 B	185 B	185 B	185 B	185 B
Ancon Road Repair	90 B3	0	0	0	0	0
BCI Sheet Piling Repairs/Replacement	235 B1	0	0	0	0	0
Tivoli Repair	0	0	1,600 B2	0	0	0
Naos Facilities Repairs	0	0	80 B3	0	0	0
Gamboa Interior Repairs	0	0	20 B3	0	0	0
Ancon Interior Repairs	0	0	20 B3	0	0	0
BCI Facility Improvements	0	0	150 A2	0	0	0
Haskins Bldg. Renovation, BCI	0	0	0	0	125 C2	0
2. FACADE, ROOF & TERRACE REPAIR						
Tupper Facade & Roof Repair	0	0	0	275 B3	0	540 B3
Naos Facade & Roof Repair	0	0	0	180 B3	0	0
Ancon/Culebra Exterior Repair	0	0	0	65 B3	0	0
BCI Exterior Repair	0	0	0	0	445 B2	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Disabled Access, Gamboa/BCI/Boat	0	100 B3	0	0	0	0
BCI Access & Safety	0	35 B3	0	20 B3	0	0
Naos Accessibility & Facade Improvements	0	300 A	0	0	0	0
Tupper/Tivoli/Naos Repairs	0	0	0	30 B3	0	0
Security Improvements	500 B3	0	0	0	0	0
5. UTILITY SYSTEM REPAIR						
Repair/Replace 356 Naos A/C System	0	125 B1	0	0	0	0
Water System Improvements	0	170 B2	0	0	0	0
Emergency Generator Computer Facility	30 A1	0	0	0	0	0
Tupper/Tivoli Elec/HVAC	0	0	315 B3	0	0	0
BCI Utility System Repair	0	0	0	0	250 B1	0
Naos/Gamboa/Culebra/Ancon	0	0	0	135 B3	0	0
Communications	0	0	0	70 B2	210 B2	0
6. ADVANCED PLANNING & INSPECTION						
No Projects Identified	0	0	0	0	0	0
	1,005	880	2,370	960	1,215	725
7. MAJOR CAPITAL RENEWAL						
No Projects Identified	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM						
	1,005	880	2,370	960	1,215	725
ALTERATIONS & MODIFICATIONS						
Staff Housing - BCI (935004)	500 A	0	0	0	0	0
Game Warden Facilities	0	0	0	0	100 D	0
Aquarium Building Renovation - Naos	0	0	0	450 A	0	0
Gigante Facility Upgrade	0	0	0	300 B	0	0
BCI Small Boat Haul Out	0	0	125 B	0	0	0
Visitors Center - Tivoli	0	0	0	0	170 C	0
Arboretum - Tivoli	0	0	0	0	230 C	0
Pipeline Road Improvements	0	0	0	0	300 C	0
BCI Old Herbarium	0	0	0	0	0	125 C
	500	0	125	750	800	125
FACILITY TOTAL						
	1,505	880	2,495	1,710	2,015	850

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan

MULTIPLE SITE PROJECTS

REPAIR, RESTORATION AND ALTERATION OF FACILITIES PROGRAM						
REPAIR AND RESTORATION	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
1. GENERAL REPAIR						
Personnel, Reprographics and Library (947502A & 969901)	600 A	600 A	600 A	600 A	600 A	600 A
Craft Services, All Facilities (989901)	1,500 B	1,500 B	1,500 B	1,500 B	1,500 B	1,500 B
Structural Engineering, All Facilities	60 A	60 A	60 A	60 A	60 A	60 A
General Repairs, All Facilities	1,500 B	1,600 B	905 B	1,500 B	1,500 B	1,250 B
2. FACADE, ROOF & TERRACE REPAIR						
No Projects Identified	0	0	0	0	0	0
3. FIRE DETECTION & SUPPRESSION						
No Projects Identified	0	0	0	0	0	0
4. ACCESS, SAFETY & SECURITY						
Asbestos Abatement, all locations	250 B2	250 B2	250 B2	250 B2	250 B2	250 B2
Asbestos Monitoring, all locations	200 B2	200 B2	200 B2	200 B2	200 B2	200 B2
Lead Abatement, all locations	250 B2	250 B2	250 B2	250 B2	250 B2	250 B2
Escalator/Elevator Safety Improvements (977002)	250 B3	500 B3	0	0	0	0
Guard Services, All Locations (989902)	500 A	500 A	500 A	500 A	500 A	500 A
5. UTILITY SYSTEM REPAIR						
Misc. Utility Repair	500 B3	500 B3	500 B3	500 B3	500 B3	500 B3
6. ADVANCED PLANNING & INSPECTION						
Advance Planning & Design Funds	1,900 B	2,000 B	2,000 B	2,000 B	2,000 B	2,000 B
	7,510	7,960	6,765	7,360	7,360	7,110
7. MAJOR CAPITAL RENEWAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
No Projects Identified	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL FOR R&R PROGRAM	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	7,510	7,960	6,765	7,360	7,360	7,110
ALTERATIONS & MODIFICATIONS	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
A&M Planning & Design	350 A	430 A	555 A	475 A	1,175 A	1,740 A
SIL: Library Modifications, Various Sites	0	400 B	0	525 B	525 B	525 B
OEC: Space Renovation @ SISC	0	60 B	0	0	0	0
	350	890	555	1,000	1,700	2,265
TOTAL	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
	7,860	8,850	7,320	8,360	9,060	9,375

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan

Program Summary By Facility						
	(\$ in 000s)					
	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
Anacostia Museum						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	0	60	60	60	60	210
Arts and Industries Building						
MAJOR CAPITAL RENEWAL	4,500	2,000	9,620	11,000	17,500	16,700
Other Repair and Restoration	0	0	0	0	0	0
Cooper Hewitt, National Design Museum						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	50	1,685	410	60	410	60
Freer Gallery of Art						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	45	170	60	20	370	620
Hirshhorn Museum and Sculpture Garden						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	0	1,800	1,000	0	5,350	0
Museum Support Center						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	80	75	1,400	275	250	500
National Air and Space Museum						
MAJOR CAPITAL RENEWAL	0	0	0	0	500	0
Other Repair and Restoration	825	825	75	75	1,700	325
National Museum of the American Indian George Gustav Heye Center						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	255	105	0	0	0	0
National Museum of the American Indian Research Br. & Cultural Resources Ctr.						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	255	150	70	70	70	70
National Museum of American History						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	1,475	1,950	550	0	1,000	4,375
National Museum of Natural History						
MAJOR CAPITAL RENEWAL	10,305	10,655	6,625	8,520	8,755	13,825
Other Repair and Restoration	445	1,060	50	50	250	1,045
National Zoological Park						
MAJOR CAPITAL RENEWAL	900	4,625	4,200	2,800	2,950	2,950
Other Repair and Restoration	5,100	5,375	5,800	7,200	7,050	7,050

Smithsonian Institution

Repair, Restoration and Alteration of Facilities Program - Five Year Plan

	(\$ in 000s)					
	FY'00	FY'01	FY'02	FY'03	FY'04	FY'05
Patent Office Building						
National Museum of American Art, National Portrait Gallery, Archives of American Art						
MAJOR CAPITAL RENEWAL	8,000	17,000	17,000	18,000	0	0
Other Repair and Restoration	0	0	0	0	0	0
Quadrangle Building						
Arthur M. Sackler Gallery, National Museum of African Art, S. Dillon Ripley Center						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	475	300	1,000	50	50	1,350
Renwick Gallery						
MAJOR CAPITAL RENEWAL	0	0	250	0	0	0
Other Repair and Restoration	575	350	1,150	0	0	0
Silver Hill Facility						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	925	750	370	700	1,000	1,200
Smithsonian Astrophysical Observatory						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	530	675	400	550	1,360	575
Smithsonian Environmental Research Center						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	650	750	725	200	750	1,260
Smithsonian Institution Building (Castle)						
MAJOR CAPITAL RENEWAL	500	0	0	2,000	2,000	0
Other Repair and Restoration	495	50	50	50	50	50
Smithsonian Tropical Research Institute						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	1,005	880	2,370	960	1,215	725
Multiple Site Projects						
MAJOR CAPITAL RENEWAL	0	0	0	0	0	0
Other Repair and Restoration	7,510	7,960	6,765	7,360	7,360	7,110
Total Repair and Restoration						
MAJOR CAPITAL RENEWAL	24,205	34,280	37,695	42,320	31,705	33,475
Other Repair and Restoration	20,695	24,970	22,305	17,680	28,295	26,525
Total R&R	44,900	59,250	60,000	60,000	60,000	60,000
Total Alterations & Modifications	3,000	2,950	5,000	6,000	6,000	6,000
Grand Total, RR & A	47,900	62,200	65,000	66,000	66,000	66,000



Smithsonian Institution

Office of Physical Plant
Project Management Division

CURRENT CAPITAL PROJECT UPDATE

January 2000

PROJECT NO.: 933108 / 933109
UNIT: National Museum of Natural History
PROJECT NAME: Master Plan – HVAC Renovation

CONSTRUCTION COST: \$130 million construction budget
FUNDING SOURCES: Yearly Federal appropriation for construction

CONSTRUCTION START: 1990
CONSTRUCTION COMPLETE: 2012

DESCRIPTION: The Smithsonian Institution's National Museum of Natural History in Washington, DC, is an international center housing sixty million specimens in reference collections for use by resident and visiting researchers, in their study of the world and its inhabitants. In addition, the wide array of public exhibits attracts millions of visitors annually.

The building has many deficiencies in its envelope, mechanical equipment and controls, fire protection systems, and electrical systems resulting in the inability to maintain the proper environment conducive to the preservation of the Museum's collections and exhibits.

CURRENT STATUS: Since 1990, a new central utilities plant has been built beneath the east parking lot. This new plant services not only the circa 1910 and 1960 buildings, but also the new East and West infill buildings. Two exhibit halls have been renovated to provide swing space within the building for the temporary relocation of personnel and objects out of the construction areas. Major air handling equipment has recently been installed for the East Wing, and renovation of the 6th floor of the East Wing was finished last year. Construction is now underway for the 4th and 5th floors of the East Wing and major air handling equipment for the West Wing.





Smithsonian Institution

Office of Physical Plant
Project Management Division

CURRENT CAPITAL PROJECT UPDATE

January 2000

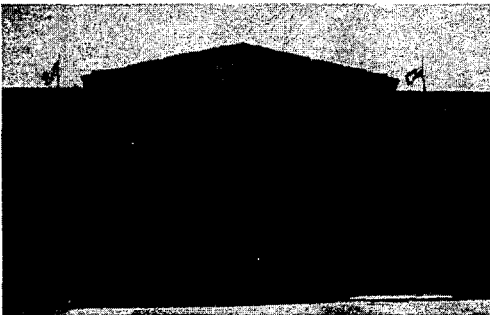
PROJECT NO.: 943402
UNIT: Patent Office Building
PROJECT NAME: Major Capital Renewal

CONSTRUCTION COST: \$110 – 120 million
FUNDING SOURCES: \$60 million in annual RR&A appropriations
Remainder to be determined
CONSTRUCTION START: Summer 2000
CONSTRUCTION COMPLETE: Fall 2003

DESCRIPTION: Constructed between 1836 and 1868, the Patent Office Building houses the National Museum of American Art, the National Portrait Gallery, and the Archives of American Art in 332,000 square feet of space. The building was last renovated in the 1960s, and most of the existing mechanical and electrical systems are now over 30 years old. Other utility systems are seriously deteriorated as well, including electrical panel boards, switch gear and distribution networks, fire protection, plumbing, steam distribution, and communications systems. The building's elevators break down frequently, the window frames are deteriorated and failing, and interior surfaces in a number of areas have been severely damaged by water intrusion. The main entrances to the building and most restrooms are not accessible for persons with disabilities.

The Smithsonian plans a \$60 million renewal program in the building that will replace the HVAC, electrical, plumbing, and other utilities systems, as well as upgrade fire protection and communications systems, replace the windows, restore the elevators, abate hazardous materials, and create accessible entrances and restrooms. Improving the building's functionality, enhancing space for public programs and education, and preserving the historical integrity of this landmark building are additional costs. Staff will be relocated to the recently acquired Victor Building.

CURRENT STATUS: The roof is currently being replaced with previously appropriated funds. The design of the renewal program is underway. The building closed to the public in January 2000, and the Smithsonian plans to begin vacating the building to allow construction to begin.





Smithsonian Institution

Office of Physical Plant
Project Management Division

CURRENT CAPITAL PROJECT UPDATE

January 2000

PROJECT NO.: 973316
UNIT: Arts and Industries Building (AIB)
PROJECT NAME: Master Plan Implementation

CONSTRUCTION COST: \$50 - 60 million construction budget
FUNDING SOURCES: Yearly Federal appropriation for design and construction

CONSTRUCTION START: Spring 2002
CONSTRUCTION COMPLETE: Spring 2005

DESCRIPTION: The building currently provides public exhibition space and office space for about twenty-three organizations. Most of the building systems are beyond their useful life. The project involves the renovation of all major systems including mechanical, electrical, communication, fire safety, fire protection, accessibility for persons with disabilities and a service annex. The renovation will enhance the nineteenth century character of the building to meet the need of the new century. The mix of public and private space will be reprogrammed in an effort to restore the building to the original historical intent as a flexible facility for public programming.

CURRENT STATUS: The Architect-Engineer has been contracted to provide the pre-design services for the project. Most of these services have been completed which includes field survey, programmatic analysis and concept submissions. Schematics are expected to begin shortly which will complete the pre-design phase. The next phase is Design Development and Construction Documents and a contract will be negotiated with the A-E.





Smithsonian Institution

National Zoological Park
Office of Facilities Management and Construction

CURRENT CAPITAL PROJECT UPDATE

January 2000

PROJECT NO.: Multiple
UNIT: National Zoological Park
PROJECT NAME: Major Capital Renewal Program

CONSTRUCTION COST: \$13.7 million requested over five years
\$4.7 million other project costs (design, exhibit, etc.)
requested over five years

FUNDING SOURCES: \$18.4 million Federal appropriation for planning, design
and construction

CONSTRUCTION START: October 2000 – Consolidated Maintenance Facility
October 2000 – Mane Building Renovation
October 2001 – Road and Bridge Repairs
October 2002 – Bear Habitat Renovation (upper)

CONSTRUCTION COMPLETE: October 2002 – Consolidated maintenance Facility
April 2001 – Mane Building Renovation
April 2002 – Road and Bridge Repairs
April 2006 – Bear Habitat Renovation (upper)

DESCRIPTION: The Consolidated Maintenance Facility Project at Front Royal, Virginia replaces several badly deteriorated maintenance buildings with a single consolidated facility. Some of the existing buildings are in such bad condition that they are no longer safe for use.

A number of buildings at Rock Creek are currently below the acceptable performance level. As major components of the building systems age, the risk of operational failure, unscheduled closings, and danger to the animal collections and research efforts increases dramatically. Renovation of the Mane Building includes structural repairs and replacement of all major building systems, along with historic preservation and restoration of the original structure. The Australia Building renovation includes replacement of all major systems and structural repairs. The Bear Exhibit renovation includes improving animal containment and replacing all major systems and structures.

Roads and bridges are deteriorating due to heavy use. The Blue Road was replaced in 1998. Work on the North Road and bridge repairs to prevent deterioration will include replacing paving, stabilizing failed areas of pavement and reinforcing bridge structures.

CURRENT STATUS: Drawings and specifications are ready to bid for the Consolidated Maintenance Facility at Front Royal, Virginia. Concept design for the Mane Building is complete and award is being made for preparation of construction documents. Testing is on-going to determine the extent of structural repairs that will be required for the Australia Building. In house project planning is underway for Road and Bridge Repairs and for Bear Habitat Renovations.



Smithsonian Institution

Office of Physical Plant
Project Management Division

CURRENT CAPITAL PROJECT UPDATE

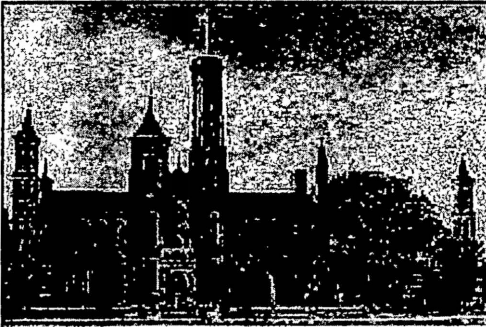
January 2000

PROJECT NO.: 963207
UNIT: Smithsonian Institution Building (SIB)
PROJECT NAME: Master Plan Implementation

CONSTRUCTION COST: \$35 - 50 million
FUNDING SOURCES: Yearly federal appropriation for design and construction
CONSTRUCTION START: Summer 2006
CONSTRUCTION COMPLETE: Summer 2009

DESCRIPTION: The building provides administrative offices, public space and food service. Most of the building systems are beyond their useful life. The project involves the renovation of all major systems including mechanical, electrical, communications, fire safety, fire protection, security and accessibility for persons with disabilities./ The renovation will enhance the nineteenth century character of the building to meet the need of the new century.

CURRENT STATUS: The Architect - Engineer has been selected and is currently developing a fee proposal to provide pre-design services for the project which will include field survey, programmatic analysis and concept submission.





Smithsonian Institution

Office of Physical Plant
Project Management Division

CURRENT CAPITAL PROJECT UPDATE

January 2000

PROJECT NO.: 984604
UNIT: Anacostia Museum
PROJECT NAME: ADA and Life Safety Compliance

CONSTRUCTION COST: \$6.9 million
FUNDING SOURCES: Repair, Restoration and Alterations of Facilities
CONSTRUCTION START: January 2000
CONSTRUCTION COMPLETE: May 2001

DESCRIPTION: The Anacostia Museum is currently under renovation to correct a number of life safety, security and ADA deficiencies, as well as replace the roof and failing mechanical and electrical systems. Access into the building will be improved, with modifications to the entrance and parking area to reduce the grade of slope that visitors who use wheelchairs must traverse. The inside of the building will be made fully accessible as well. The restrooms will be replaced with new fully accessible facilities, a new elevator will be installed, and emergency egress simplified with the addition of two new fire exit stairwells. A new wet pipe sprinkler system will be installed in conformance with the configuration of the building. The roof areas will be re-waterproofed, including new insulation, flashing, expansion joints, and in some instances, replacement of the underlying structure. The separate heating, ventilation and air conditioning (HVAC) systems, which were added over the years as the building expanded, will be replaced with a central, energy efficient system. Electrical service will be upgraded and replaced, with a new transformer, switchgear, emergency generator, distribution panels and wiring. A new lightning protection system will also be installed. Security will be upgraded by providing an appropriately sized and accessible office and control room, a staff entrance separated from the public, new wiring and detection devices and a relay panel connecting Anacostia to the NMAI Cultural Resources Center.

CURRENT STATUS: Construction began on January 10, 2000. The building has been closed to the public during construction, which will be complete in Spring 2001.





Smithsonian Institution

The National Museum of the American Indian
Design and Construction Office

CURRENT CAPITAL PROJECT UPDATE

January 2000

PROJECT NO.: 922307
 UNIT: National Museum of the American Indian (NMAI)
 PROJECT NAME: Mall Museum
 CONSTRUCTION COST: \$113 million (project budget \$142 million)
 FUNDING SOURCES: \$73.3 million Federal appropriation for design and construction
 \$68.7 million capital fund-raising campaign (\$36.7 million received)
 CONSTRUCTION START: Sitework, 1999; building, 2000
 CONSTRUCTION COMPLETE: Building open to public December 2002

DESCRIPTION: The project is located on the last available site on the National Mall at the foot of the Capitol directly across from the National Gallery of Art. The building will include about 250,000 square feet in four stories and a basement that include: exhibition galleries, a 300-seat theater, a 400-seat cafeteria, retail shop, conference center, resource center, a large central atrium for performances and other public events, museum offices and support spaces. To demonstrate the importance of the natural environment, a Native habitat surrounds the building, incorporating water features, Native plantings, a performance space, and an outdoor welcome area. All collection and curatorial spaces are located in Suitland, MD, to maximize public space on the National Mall.

CURRENT STATUS: Total project cost increase from \$110 million to \$142 million includes an additional \$7.4 million in design costs due to restart and legal fees related to termination of original architects, schedule acceleration to regain lost time, redesign to correct deficiencies in inherited documents, additional consultants to analyze specific issues, and additional presentations to review boards. Construction cost increase of approximately \$24.6 million is due to the complexity of curvilinear design and exterior skin construction, required increase in building height and basement floor area to correct headroom deficiencies and minimize differential settlement problems with the site, and increased contingency requirement to cover complex nature of the building. The Institution plans to raise the additional \$32 million required to complete the building. The completion of construction documents is currently proceeding under the direction of the Smithsonian with the new team of architectural consultants, engineers, technical consultants, and Native designers. The Commission of Fine Arts and The National Capital Planning Commission have approved the project. Ground was broken on September 28, 1999. The construction fence, utility relocation and removal of existing sub grade structures has begun. Opening ceremonies are planned for December 2002.





Smithsonian Institution

National Zoological Park
Office of Facilities Management and Construction

CURRENT CAPITAL PROJECT UPDATE

January 2000

PROJECT NO.:
UNIT: **National Zoological Park**
PROJECT NAME: **Water Exhibit**

CONSTRUCTION COST: \$2.8 million
\$1.1 million other project costs (design, exhibit, etc.)

FUNDING SOURCES: \$3.4 million Federal appropriation for planning, design
and construction
\$0.5 million Non-Federal

CONSTRUCTION START: Sitework – October 2000
CONSTRUCTION COMPLETE: April 2001
Exhibit open to the public April 2001

DESCRIPTION: The function of this exhibit is to introduce the zoo visitor to the wonder and excitement of the water world – two thirds of the earth's habitats and the cradle of life. Water is a precious resource, it is the source of all life, and it is a threatened resource that we can protect. The project is located on a 3-acre site with existing ponds, adjacent to the lower entrance to the Zoo, near Rock Creek. The exhibit will be entered through a water feature that expresses the beauty and wonder of water. Upon entry, visitors will encounter two zones to the exhibit: a quiet contemplative area sited against the largest pond and an active area located between the ponds and the Mane Restaurant picnic area. The contemplative area will teach visitors about the earth as a "water planet," about water biology and about the role that water has played in civilization, including water in music and art. The active water play area will address watersheds, the water cycle and how people use water in agriculture, and to power our cities, and homes. Throughout the exhibit, are opportunities to connect with research and information from other parts of the Smithsonian.

CURRENT STATUS: A final concept design for the exhibit has been developed. Scopes of work for construction documents for landscape architecture and exhibit design are being finalized for contract negotiations starting October 1999. The scope of work for site sculpture design is being developed with award planned for Winter 2000.



Smithsonian Institution

Office of Physical Plant
Project Management Division

CURRENT CAPITAL PROJECT UPDATE

January 2000

PROJECT NO.: 0083103
UNIT: Smithsonian Astrophysical Observatory
PROJECT NAME: Submillimeter Array Base Facility

CONSTRUCTION COST: \$4.2 million base building budget
\$800,000 other project costs (design, move-in, etc)
FUNDING SOURCES: \$500,000 non-Federal grant for planning & design
\$4.5 million Federal appropriation for construction,
equipment & furnishings
CONSTRUCTION START: May 2001
CONSTRUCTION COMPLETE: July 2002

DESCRIPTION: The Submillimeter Array (SMA) is a major initiative by the Smithsonian to place an array of telescopes near the summit of Mauna Kea in Hawaii. The SMA will consist of eight antennas whose signals are combined to produce very finely detailed images. The operation of the instrument will be complex and will require the support of many scientists, engineers and technicians on a daily basis. Because of the difficulty of working at elevation 14,000 feet-for both mental and physical activities-it is essential to have a base facility near sea level. Repairs, operations, development and much of the scientific data analysis will be done from the base facility with only a small crew traveling to the telescope on any given day. The facility will include about 16,000 useable square feet of electronics laboratories, office and support space. The building will be constructed near the base operations facilities of other telescopes in the University of Hawaii, Hilo Science Park. This location provides excellent access to the summit roads, communications hub, and to a larger scientific community with which to exchange ideas. The Smithsonian expects to have extremely important cooperative observing programs with two other radio telescopes with base facilities at the Science Park site, and this arrangement will contribute to attracting qualified personnel to what would otherwise be a remote and isolated work site. Our partners at the Academia Sinica's Institute of Astronomy and Astrophysics (ASIAA) have agreed to contribute design funding in FY 2000.

CURRENT STATUS: Base facility concept studies are currently underway. The full facility design will be complete and ready for contractor solicitations by October 2000.



Smithsonian Institution

Office of Physical Plant
Project Management Division

CURRENT CAPITAL PROJECT UPDATE

January 2000

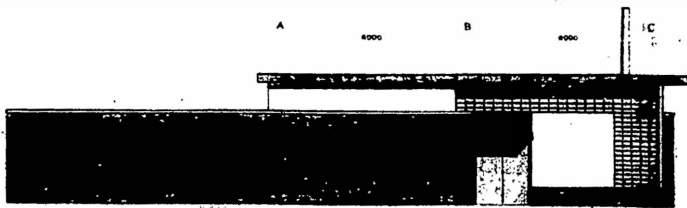
PROJECT NO.: 0082101
UNIT: Smithsonian Environmental Research Center
PROJECT NAME: Infrastructure Improvement

CONSTRUCTION COST: \$3.8 million base construction budget
\$700,000 other project costs, planning and design
FUNDING SOURCES: \$4.5 million-Federal appropriation for planning, design, construction, equipment & furnishings
CONSTRUCTION START: March 2002
CONSTRUCTION COMPLETE: March 2003

DESCRIPTION: Physical plant infrastructure includes those basic facilities, services and installations needed for the efficient functioning of the physical plant. This Infrastructure Improvement project addresses critical needs in the areas of energy efficiency, primary utilities, public access, and stormwater management.

A Central Utilities plant is planned as a key element of the infrastructure improvement project, to reduce annual utility costs and improve energy efficiency. This plant will help the SI meet the goal of 20 percent reduction in energy consumption by 2005, required by Executive Order 13123. The new central plant will provide heat and air conditioning to existing core facilities including the Mathias Laboratory building, the Conference/Dormitory building, Library, Maintenance Shop, and Administration building. These buildings currently operate with individual package units that are less efficient than a central plant. Incoming electric service will be upgraded to provide an efficient, reliable source of power to the plant and core facilities. A back-up water system is included in the project to assure adequate water quantities for fire protection and domestic use should the primary well system fail. Additionally the main entrance road will be rerouted directly to the Administration building. This will enhance public access, safety and security by keeping visitors away from the maintenance, utility, and laboratory facilities. Because Federal and State environmental legislation requires the implementation of management practices to control stormwater runoff generated by new construction such as the Utility Plant and access road re-alignment, stormwater management structures are included in this infrastructure project.

CURRENT STATUS: A preliminary concept study was completed in 1994, and cost savings were re-validated in 1999. This project is on hold until funds are approved to begin the design effort.



Elevation Concept for Proposed Central Utility Plant



Smithsonian Institution

Office of Physical Plant
Project Management Division

CURRENT CAPITAL PROJECT UPDATE

January 2000

PROJECT NO.: 955301
UNIT: National Air and Space Museum
PROJECT NAME: Dulles Center

CONSTRUCTION COST: \$145 to \$158 million base building budget
\$34.0 million Virginia sitework budget
\$47 million other project costs (design, move-in, etc)
FUNDING SOURCES: \$8.0 million Federal appropriation for planning & design
\$6.0 million Virginia appropriation
\$6.0 million Virginia locality support
\$34.0 million Virginia contribution to infrastructure
\$7.0 million National Air and Space Society
\$130.0 million capital fund-raising campaign
\$35 to \$50 million long term debt
CONSTRUCTION START: Sitework - April 2000 / Building - January 2001
CONSTRUCTION COMPLETE: January 2003
Building open to the public December 2003
Building move-in artifacts - summer 2002 thru fall 2006

DESCRIPTION: The project is located on a 176.5 acre site at the southeastern corner of the Dulles International Airport in Fairfax County, Virginia. The building occupies over 710,000 square feet of program area including: a single-story, arched main aviation hangar and separate space history hangar, both with mezzanines for multi-level viewing of the collections, an administrative and public amenity wing with food court, retail, large format theater, offices, and entry to an upper level restaurant and observation tower. The restoration hangar at the rear of the structure will be on view to the public through a glassed-in overlook. The study collection and archives areas adjacent to the restoration hangar are available to the public by appointment for research and storage.

CURRENT STATUS: The 100% construction documents for the sitework and the building (except for the Route 28 Interchange which must still go through a public hearing process) were finalized and submitted in March. The capital campaign has geared up and is meeting the established goals required to begin sitework construction in mid-2000. The building construction is scheduled to start in January 2001 and it is anticipated that this goal will be met. The Construction Manager for the project is presently reviewing the overall construction schedule phasing and sequencing to assure that the project can be completed and opened as planned in December 2003.



NATIONAL GALLERY
OF ART

(615)

**NATIONAL GALLERY OF ART
FY 2001 CONGRESSIONAL FEDERAL BUDGET REQUEST**

INDEX

<u>Tab</u>	<u>Description</u>	<u>Page</u>
1	FY 2000 Appropriation and 2001 Request with Justifications.....	1-1
2	Appropriation Language and Authorizing Legislation.....	2-1
3	<u>Summaries:</u>	
	a. Priority of FY 2001 Increases.....	3-1
	b. FY 2001 Uncontrollable and Program Increases/Decreases.....	3-2
	c. FY 2001 Increases/Decreases by Function.....	3-4
	d. Five-Year Summary of Federal Budget by Function.....	3-5
4	Repair, Restoration and Renovation of Buildings.....	4-1
5	Sculpture Garden.....	5-1
6	Information Systems Program.....	6-1
7	Special Exhibitions.....	7-1
8	Conservation Equipment (Ten-Year Projection).....	8-1
9	<u>Staffing Summaries:</u>	
	a. Detail of Positions by Grade.....	9-1
	b. Summary of FTE Workyears by Function.....	9-2
	c. Summary of Full-Time Permanent Positions.....	9-3
10	<u>Other Schedules:</u>	
	a. Comparative Statement of Income and Expenses.....	10-1
	b. Summary of Electric Usage.....	10-2
	c. Summary of Steam Usage.....	10-3
	d. NGA Historical Summary.....	10-4
	e. Attendance.....	10-7
11	FY 2001 Performance Plan.....	11-1

FY 2000 Appropriation and FY 2001 Request**FY 2000 Appropriation**

The National Gallery of Art's fiscal year 2000 appropriation totals \$67,849,000 and provides funding for 877 full-time permanent positions, with a full-time equivalent (FTE) employment ceiling of 841. The Gallery's FY 2000 federal funds requirement reflects the continuation of the Gallery's construction and renovation program as well as its expanding art display and education programs. In addition, normal increases in personnel, utilities and program expenses have been funded.

In compliance with the Government Performance and Results Act (GPRA), 5 U.S.C. 306, the National Gallery's Strategic Plan for FY 1999 through FY 2004 was submitted to OMB and Congressional officials on September 30, 1997.

The Gallery's FY 2001 Performance Plan is included in this budget submission.

FY 2001 Request

The appropriation request for FY 2001 totals \$78,949,000 and provides for 884 full-time permanent positions with a full-time equivalent employment ceiling of 848. An analysis of the budget increases/decreases is set forth on the following page.

The Gallery's FY 2001 federal funds budget request reflects the following strategic objectives:

1. Enhancement of the Gallery's existing programs of art exhibition, care and education;
2. Continuation of the Gallery's program of repair, renovation and restoration of the East and West Buildings;
3. Strengthening of the Gallery's information systems plan to: (1) fully utilize our Collection System Database as a key resource for the future development of educational and informational programs for presentation on our web site; and (2) to maintain and improve Administrative and Financial Management Systems providing viable management and productive tools to Gallery staff members.

The FY 2001 budget request is compared to the FY 2000 budget as shown in the table on the following page.

**NATIONAL GALLERY OF ART
COMPARATIVE BUDGET REQUESTS
Fiscal Years 2000 & 2001
(Dollars in Thousands)**

Object Class	FY 2000	FY 2001	FY 2001 Over/(Under) FY 2000
<u>Salaries & Expenses:</u>			
Personnel Compensation	\$37,087	\$39,274	\$2,187
Personnel Benefits	8,598	9,345	747
Subtotal - Compensation & Benefits	45,685	48,619	2,934
Travel of Persons	281	281	0
Transportation of Things	616	622	6
Rent, Communications, & Utilities	5,369	5,604	235
Printing & Reproduction	292	292	0
Other Services	6,054	5,617	(437)
Supplies & Materials	2,183	2,262	79
Equipment	1,058	1,551	493
Lands & Structures	--	--	--
Total - Salaries & Expenses*	61,538	64,848	3,310
<u>Repair & Renovation:</u>			
<u>Master Plan Projects:</u>			
Exterior/Structural Repairs	2,500	2,710	210
Interior Systems Replacement	1,491	6,890	5,399
Life Safety & Security	--	3,130	3,130
<u>Major Projects:</u>			
Fire Protection System	750	371	(379)
West Building Skylights	--	--	--
Subtotal - Major Projects	4,741	13,101	8,360
Ongoing Renovation	1,570	1,000	(570)
Total - Repair & Renovation	6,311	14,101	7,790
GRAND TOTAL - NGA	\$67,849	\$78,949	\$11,100

*The Salaries & Expenses account includes no-year funding for special exhibitions.

*Personnel Compensation and Benefits***1. Personnel Compensation and Benefits – Increase of \$2,934,000.**

<u>Description</u>	<u>Amount</u>
3/4-year funding of proposed 3.7% general pay raise effective January 2001	\$1,091,000
Mandatory within-grade promotions and wage board step increases	563,000
Annualization of 4.94% FY 2000 general pay raise	669,000
Estimated cost of health benefits increase (on an average of 10%) effective January 2000	189,000
Increased cost of Federal Employees Retirement System (FERS)	100,000
Increased cost of Workers' Compensation	63,000
Annualized costs (at the GS-6 level) of five new Security Guard FTE approved in FY 2000 for the Sculpture Garden	63,000
Increase of seven additional full-time permanent positions (3/4-year funding) for the new Sculpture Garden (see Tab 5 for Sculpture Garden Summary)	<u>196,000</u>
TOTAL - PERSONNEL COMPENSATION & BENEFITS	<u>\$2,934,000</u>

NEW POSITIONS REQUESTED FOR FY 2001**a. Three GS-6 Security Guards for Sculpture Garden (\$74,000)**

Basic salary	\$75,000
Personnel benefits	<u>24,000</u>
Total salary and benefits (annual)	99,000
Savings due to ¾-year employment	<u>(25,000)</u>
Total cost in FY 2001	<u>\$74,000</u>

With the addition of the Sculpture Garden completed in FY 1999, additional guards are required to adequately protect the works of art exhibited. The Office of Protection Services does not have sufficient authorized security positions to man all security posts in the Sculpture Garden. Protection requirements for the Sculpture Garden now require eight FTEs. This figure is based upon the requirements for five posts being staffed a maximum of eight hours per day, 363 days per year.

In FY 2000 the Gallery requested and received five FTEs for three guard posts. Experience since the opening of the Sculpture Garden shows the need for two more guard posts which equates to three additional FTEs.

Personnel Compensation and Benefits

Security personnel assigned to the Sculpture Garden maintain the same level of security required in the interior exhibition areas of the Gallery. They are required to protect Federal property, provide visitor services, enforce Gallery rules and regulations, respond to emergency situations, and make hourly patrols of the area during non-public hours.

b. Three GS-6 Gardener Positions for the Horticulture Department (\$81,000)

Basic salary	\$ 81,000
Personnel benefits	<u>27,000</u>
Total salary and benefits (annual)	108,000
Savings due to ¾ year employment	<u>(27,000)</u>
Total cost in FY 2001	<u>\$ 81,000</u>

The Horticulture Department requires additional gardener positions to properly maintain the new Sculpture Garden. The total area covers 6.1 acres of heavily planted landscape which includes large areas of turf, as well as ground covers and shrub beds. Additionally, large numbers of new trees were planted on the site which will require horticultural maintenance. The department is also responsible for trash removal, walk maintenance, and snow removal, all of which have increased dramatically with the reconfiguration of the site.

c. One GS-11 Object Conservator Position for the Conservation Department (\$41,000)

Basic salary	\$ 41,000
Personnel benefits	<u>13,000</u>
Total salary and benefits (annual)	54,000
Savings due to ¾ year employment	<u>(13,000)</u>
Total cost in FY 2001	<u>\$ 41,000</u>

With the opening of the Sculpture Garden, it is critical that a permanent, full-time Object Conservator with experience in outdoor sculpture and contemporary art be hired to meet the added demands made on the Object Conservation Department. The current department of three full-time conservators already devotes the maximum amount of available time and energy to the maintenance of the permanent collection, the installation of specific exhibitions, and technical examinations for the systematic catalogue.

Outdoor sculpture, more than any other type of artwork, needs systematic maintenance if it is to survive the elements in the best possible conditions. The scale of the Sculpture Garden also dictates a full-time conservator to deal with the time-consuming coordination with other Gallery departments, as was made apparent in the preparation for the Alexander Calder exhibition organized under the aegis of Twentieth Century Art.

Please see Tab 5 for further details on the Sculpture Garden.

2. Travel of Persons - No Increase.**3. Transportation of Things - Increase of \$6,000.**

A total increase of \$6,000 is required for FY 2001. This increase is needed to transport large size sculpture in or out of the Sculpture Garden. We anticipate at least one piece of sculpture will be moved each year.

4. Rent, Communications and Utilities - Increase of \$235,000.

This is summarized below in thousands of dollars.

Description	FY 2000	FY 2001	FY 2001 Over/(Under) FY 2000
Equipment Rental	\$ 5	\$ 5	--
Subtotal - Art Care	5	5	--
Steam	1,150	1,150	--
Electric	2,192	2,192	--
Water and Sewer	580	580	--
Sculpture Garden Utilities	56	202	\$ 146
Subtotal - Ops. & Maintenance	3,978	4,124	146
Equipment Rental	5	5	--
Subtotal - Protection Services	5	5	--
Warehouse Rental	474	559	85
Telephone	369	369	--
Postage	335	335	--
Copier Rental	128	128	--
Art Storage Rental	75	79	4
Subtotal - General Administration	1,381	1,470	89
TOTAL - RENT, COMM. & UTIL.	\$ 5,369	\$ 5,604	\$ 235

An increase of \$235,000 is requested for Rent, Communications and Utilities for FY 2001. With the opening of the Sculpture Garden to the public in May of 1999, we estimate the cost of utilities to be \$146,000 more than the nominal \$56,000 requested in FY 2000. An increase of \$85,000 is requested for the off-site warehouse rental lease with GSA, including an annual fee to GSA for managing the lease. This restores the funds we cut from our FY 2000 request due to an erroneously optimistic estimate of the savings on this new GSA lease. The remaining \$4,000 is for the annual escalation clause in our lease for the off-site art storage space.

5. Printing and Reproduction -- No Increase.

6. Other Services -- Decrease of (\$437,000).

This is summarized below in thousands of dollars.

Description	FY 2000	FY 2001	FY 2001
			Over/(Under) FY 2000
Special Exhibitions	\$ 1,661	\$ 984	\$ (677)
Art Restoration	209	209	-
Extension Services	67	67	-
Data Processing	957	977	20
Cataloging Services	9	9	-
Educational Programs	35	35	-
Repair & Maintenance of Equipment	83	83	-
Repair & Maintenance of Permanent Galleries	27	27	-
Sculpture Garden Services	-	15	15
Employee Training	26	26	-
All Other	95	95	-
Inflation Adjustment	33	33	-
Subtotal - Art Care	3,202	2,560	(642)
Grounds Maintenance	121	121	-
Repair & Maintenance of Equipment	73	73	-
Repair & Maintenance of Fixed Equipment	598	598	-
Repair & Maintenance of Sculpture Garden	31	96	65
All Other	26	26	-
Inflation Adjustment	15	15	-
Subtotal - Ops. & Maintenance	864	929	65
Protection Services	165	165	-
Occupational Health Services	175	175	-
Security Training	20	20	-
Inflation Adjustment	8	8	-
Subtotal - Protection Services	368	368	-
Payroll Processing	121	121	-
Data Processing	940	1,080	140
Repair & Maintenance of Personal Computers	240	240	-
Repair & Maintenance of Equipment	79	79	-
Telephone System Maintenance	70	70	-
Employee Training	39	39	-
Other Services - Gen. Admin.	97	97	-
Inflation Adjustment	34	34	-
Subtotal - General Administration	1,620	1,760	140
TOTAL - OTHER SERVICES	\$ 6,054	\$ 5,617	\$ (437)

Other Services**Art Care**

Offsetting other requested increases is a decrease of \$642,000 for Other Services in FY 2001 for the Art Care function:

Special Exhibition Program funding is being reduced by \$677,000 below the FY 2000 budget. This represents a 22% reduction in overall funding for special exhibitions and may require the deferral of one or more exhibitions.

Data processing services costs will increase by \$20,000 above the FY 2000 level. This increase results from rising costs associated with the Collection Management System. The Collection Management System records all movement of art in the Gallery and on loan to other institutions. It contains art insurance information as well as detailed historical data about the work of art and its creator. The data is made available to the public via the NGA web site.

An increase of \$15,000 is requested for art-related Sculpture Garden services. \$10,000 is for costs necessary to clean and maintain the sculpture, and \$5,000 is needed for rigging services to move the sculpture on and off a tractor trailer for transport.

Operations & Maintenance

An increase of \$65,000 is requested for Other Services in FY 2001 for the Operations and Maintenance function.

The \$65,000 increase is for services for the newly-opened Sculpture Garden. \$43,000 is for the installation and deinstallation of the ice rink surface and walls, skate kiosk and the Zamboni shed. \$10,000 is for the maintenance of physical plant equipment of the Sculpture Garden which includes the cooling tower, boiler system, HVAC systems, fountain equipment and basic plumbing and electrical systems. \$9,000 is for increased costs of ground maintenance for the Sculpture Garden including mowing, pruning and fungicide. The remaining \$3,000 increase for Sculpture Garden services is for the maintenance and storage of the Zamboni for the ice rink.

General Administration

An increase of \$140,000 is requested for Other Services in FY 2001 for the General Administration function.

Data processing services costs will increase by \$140,000 above the FY 2000 level. \$117,000 is to contract for annual maintenance, expansion and upkeep of the web site. This is an ongoing process that requires daily attention and timely updating. The site's data base of collection images is a priority and requires a continuous effort to scan, color correct, and process works on a regular basis. Special web features created in conjunction with exhibitions, permanent collection tours, and online teaching sources are ongoing projects. The remaining \$23,000 results from rising costs associated with the maintenance and upkeep of the Financial Data System which encompasses budgeting, accounting, procurement and related reporting.

7. Supplies and Materials -- Increase of \$79,000.

This is summarized below in thousands of dollars.

Description	FY 2000	FY 2001	FY 2001 Over/(Under) FY 2000
Special Exhibitions	\$ 350	\$ 350	—
Office	41	41	—
Conservation	99	103	\$ 4
Library	10	10	—
Photo Lab	28	28	—
Extension Service	41	41	—
Education Supplies	38	38	—
Newspapers, Periodicals, Pamphlets and Documents	159	159	—
Audio Visual	31	31	—
National Lending Service	5	5	—
Repair & Maintenance of Permanent Galleries	59	59	—
Other Supplies	38	38	—
Inflation Adjustment	12	12	—
Subtotal - Art Care	911	915	4
Building Operations	235	235	—
Grounds Maintenance	41	41	—
Repair of Buildings and Fixed Equipment	407	407	—
Repair and Maintenance of Sculpture Garden	36	111	75
All Others	23	23	—
Inflation Adjustment	16	16	—
Subtotal - Ops. & Maintenance	758	833	75
Protection Supplies	134	134	—
Inflation Adjustment	3	3	—
Subtotal - Protection Services	137	137	—
Data Processing	90	90	—
Office Supplies	212	212	—
General Admin. Supplies	67	67	—
Inflation Adjustment	8	8	—
Subtotal - General Administration	377	377	—
TOTAL - OTHER SERVICES	\$ 2,183	\$ 2,262	\$ 79

Supplies and Materials**Art Care**

An increase of \$4,000 is requested for Supplies and Materials in FY 2001 for the Art Care function. This increase is required to cover the cost of cleaning solvents for the Conservation Department in order to care for the sculptures at the newly-opened Sculpture Garden. Outdoor sculpture, more than any other type of art, needs systematic maintenance if it is to survive in the best possible condition.

Operations and Maintenance

An increase of \$75,000 is requested for Supplies and Materials in FY 2001 for the Operations and Maintenance function. This amount is requested for supplies and materials to maintain the Sculpture Garden. Included in this increase are supply items required for: the physical plant equipment such as the cooling towers, boiler system, HVAC system, ice rink equipment, fountain equipment, and basic plumbing and electrical systems; non-mechanical items including painting of the fence, light poles for the pavilion, Zamboni shed, skate rental kiosk, benches and trash receptacles; and regular maintenance of the marble, sidewalks and the stone-fine walkways. Over the last several years, our building operating and maintenance funding has remained relatively constant. However, in addition to inflationary costs, normal wear and tear of the buildings, and, most recently, the opening of the Sculpture Garden, the use and cost of supplies and materials has significantly increased.

8. Equipment -- Increase of \$493,000.

This is summarized below in thousands of dollars.

Description	FY 2000	FY 2001	FY 2001 Over/(Under) FY 2000
Library Books	\$ 151	\$ 151	-
Photographs	92	92	-
Slides	20	20	-
Microfilm Archives	31	31	-
Conservation Equipment	36	454	\$ 418
Education Program Equipment	23	23	-
Other Equipment	207	282	75
Inflation Adjustment	12	12	-
Subtotal - Art Care	572	1,065	493
Ops. & Maintenance Equipment	145	145	-
Inflation Adjustment	3	3	-
Subtotal - Ops. & Maintenance	148	148	-
Security Devices	90	90	-
Anti-terrorism Equipment	-	-	-
Other Equipment	66	66	-
Inflation Adjustment	4	4	-
Subtotal - Protection Services	160	160	-
PC and Network Hardware	96	96	-
Other Equipment	78	78	-
Inflation Adjustment	4	4	-
Subtotal - General Administration	178	178	-
TOTAL - EQUIPMENT	\$ 1,058	\$ 1,551	\$ 493

*Equipment***Art Care**

An increase of \$493,000 is requested for equipment in FY 2001 for the Art Care function.

A total of \$454,000 is requested in FY 2001 for Conservation Lab equipment, an increase of \$418,000 over the FY 2000 level. The Gallery is trying to recover from what we hoped would be a temporary reduction in FY 1997 to stay within the passback for that year. Since then, the Gallery has not been able to buy new equipment due to insufficient conservation equipment funds.

There is an increased demand by curators and art historians for additional analytical information concerning the construction and materials used in works of art both in the collection and to evaluate and authenticate possible acquisitions. Research on the collections for teaching and publication requires additional equipment and modernization of some of the existing equipment. Also, treatments, as they become more extensive, demand additional equipment.

\$300,000 of the conservation equipment increase is for a powder diffraction x-ray unit. This unit is used to identify crystalline pigments, fillers, and corrosion products. It can also be used to study crystalline polymers, both natural and synthetic. The powder diffraction x-ray unit in the Scientific Research Department is over twenty years old. The only method for data collection that can be used on this system is Gandolfi film cameras. This means we cannot examine waxes, clays and other materials commonly found in art objects. Modern x-ray diffraction units can be used for: examining film thickness, surface roughness, partial size and other properties; examining small inclusions in larger structures; and examining large clumps of pigments, corrosion, glasses and other inhomogeneous materials that are examined in the analysis of artworks. Additionally, a modern system would increase our capability in identification of fibers.

\$75,000 is requested for an energy dispersive spectrometer to examine the inorganic components of paints, glues, plasters, metal alloys, paper fillers and many other materials that are used in the creation of works of art. The Scientific Research Department is requesting this new equipment in order to provide continued high quality analysis of these materials. The current spectrometer will be eight years old and, technologically, it is older than that. Peripherals, such as printers, must be of certain types that are often no longer available and which are becoming difficult and expensive to maintain.

Data handling on the current spectrometer is powered by a computer running under an obsolete operating system. The data is obtained in a format that is unique and stored on limited capacity disk drive. Only with difficulty can the data be transferred to any other system, and during this transfer any associated text is lost. Images of digital mapping, etc. cannot be stored in formats readable by PC programs. The data can be output from an aging printer that is difficult to support. Visual communication of the data is essential in-order to explain results and conclusions to conservators and art historians. A new system would provide better electronics for data collection. Equally important is the fact that current systems operate under personal computers, allowing data to be stored, transferred, and printed on any platform that personal computers can access, allowing us greater flexibility in sharing and using the data.

\$35,000 is requested for a laser for cleaning stone, metal, painted sculpture, paintings, and works on paper. In the past two decades, great strides have been made in the use of lasers for cleaning art objects. Lasers have been primarily used for the conservation treatment

Equipment

of marble and other stone sculptures in which the laser has the capability to remove only deposited dirt and weathering crusts without damaging the stone below (traditional stone cleaning methods usually involve mechanical and chemical means which can abrade, or otherwise damage, the stone below). Because of their ability to isolate very thin layers of differing compositions, lasers have also been successfully used to clean ceramics and painted sculptures; to remove stains from parchment and paper; and to remove tarnish from metals. (See Tab 8 for a ten-year projection of conservation equipment requirements.)

\$8,000 is requested for a Genie lift to examine and treat outdoor sculpture. With the opening of the Sculpture Garden, approximately twenty new outdoor sculptures require weekly if not daily maintenance to remove dirt, pollen, air-borne pollutants, graffiti, and bird droppings. Owing to the height and configuration of the works of art, including projecting parts, a Genie lift is essential in order to reach and clean all areas of the sculptures. At this point, there is only one lift for the entire Conservation Division and it is in use by one of the departments, frequently in either the West or East Building. This new lift would be kept in the storage area below the Sculpture Garden allowing easy transport and access into the garden. Undue wear and tear would be born by the extant lift if it had to be wheeled from Fourth Street to Seventh Street on a weekly or daily basis. A considerable amount of conservator's time would also be lost in moving the lift through the building, onto elevators, and outside for routine maintenance. (See Tab 5 for a summary of Sculpture Garden requirements.)

An increase of \$75,000 for a new art truck is requested as part of the "other equipment" line for the Registrar's Department. The current truck used for transporting works of art will be eleven years old in 2001 and will need to be replaced. This vehicle is used to transport priceless works of art to and from airports, private residences of donors, museums, and cabinet offices within a 250 mile radius of the Gallery. It must meet specific standards for reliability, with air-ride suspension, climate control, and cabin comfort for couriers from lending institutions. To use a commercial fine arts trucking service would cost us between \$500 and \$1,000 per use. This would quickly exceed the cost of a new truck within one year, as the Gallery averages at least three trips per week.

9. Repair and Renovation -- Increase of \$7,790,000

This is summarized below in thousands of dollars.

Description	FY 2000	FY 2001	FY 2001 Over/(Under) FY 2000
<u>Master Plan Projects:</u>			
Exterior/Structural Repairs	\$ 2,500	\$ 2,710	\$ 210
Interior Systems Replacement	1,491	6,890	5,399
Life Safety & Security	--	3,130	3,130
<u>Major Projects:</u>			
Fire Protection System	750	371	(379)
West Building Skylights	--	--	--
Subtotal - Major Projects	4,741	13,101	8,360
Ongoing Renovation	1,570	1,000	(570)
Total - Repair & Renovation	\$ 6,311	\$ 14,101	\$ 7,790

A total of \$14,101,000 is requested in FY 20001 for the Repair, Restoration and Renovation account, an increase of \$7,790,000 above the FY 2000 level. The ongoing renovation projects include multi-year projects such as: asbestos abatement, Americans with Disabilities Act building modifications, and insulation of gallery walls in the West Building. Please refer to Tab 4 for a full discussion of this program.

10. Special Exhibitions -- Decrease of (\$677,000).

This is summarized below in thousands of dollars.

Description	FY 2000	FY 2001	FY 2001 Over/(Under) FY 2000
Personnel Compensation	\$ 441	\$ 441	--
Personnel Benefits	79	79	--
Travel	97	97	--
Transportation	398	398	--
Services	1,661	984	\$ (677)
Supplies & Materials	350	350	--
Total - Special Exhibitions	<u>\$ 3,026</u>	<u>\$ 2,349</u>	<u>\$ (677)</u>

Total federal funds requested in FY 2001 in support of special exhibitions amount to \$2,349,000, a decrease of \$677,000 below the FY 2000 budget. This represents a 22% reduction in funding which may require the deferral of one or more exhibitions. (See Tab 7 for summaries of estimated costs and funding sources of special exhibitions scheduled for fiscal years 2000 and 2001.)

**NATIONAL GALLERY OF ART
APPROPRIATION LANGUAGE**

Salaries & Expenses

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901-5902); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, [\$61,538,000] \$64,848,000, of which not to exceed [\$3,026,000] \$2,349,000 for the special exhibition program shall remain available until expended.

(20 U.S.C. 71-75; Department of the Interior and Related Agencies Appropriation Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).)

**NATIONAL GALLERY OF ART
APPROPRIATION LANGUAGE**

Repair, Restoration and Renovation of Buildings

For necessary expenses of repair, restoration and renovation of buildings, grounds, and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, [\$6,311,000] \$14,101,000 to remain available until expended: Provided, that contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

(20 U.S.C. 71-75; Department of the Interior and Related Agencies Appropriation Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).)

NATIONAL GALLERY OF ART
AUTHORIZING LEGISLATION

This request for an appropriation is based on the premises contained in section 4(a) of the Joint Resolution of Congress, March 24, 1937, (20 U.S.C. 71-75) in which:

"The faith of the United States is pledged that...the United States will provide such funds as may be necessary for the upkeep of the National Gallery of Art and the administrative expenses and costs of operation thereof, including the protection and care of works of art acquired by the Board, so that the National Gallery of Art shall be at all times properly maintained and the works of art contained therein shall be exhibited regularly to the general public free of charge. For these purposes there are hereby authorized to be appropriated such sums as may be necessary."

**NATIONAL GALLERY OF ART
PRIORITY OF FY 2001 INCREASES**

	<u>(\$000's)</u>
FY 2000 Congressional Budget	\$ 67,849
<u>Priorities of FY 2001 Request:</u>	
1. Mandatory/uncontrollable increases	2,987
2. Sculpture Garden operations, maintenance and security	515
3. Master Facilities Plan projects	8,739
4. Conservation equipment - art restoration	410
5. New art truck	<u>75</u>
Subtotal	<u>80,575</u>
Less reduction in dollars needed for fire protection and ongoing renovation	(949)
Less 22% reduction of Special Exhibition funding	<u>(677)</u>
FY 2001 Request	<u>\$ 78,949</u>

Net Increase of \$11,100,000.

**NATIONAL GALLERY OF ART
UNCONTROLLABLE AND PROGRAM INCREASES/(DECREASES)
FY 2001**

Mandatory/Uncontrollable Changes	Increase/ (Decrease) (\$000's)
3/4-year funding of proposed 3.7% general pay raise in January 2001	\$ 1,091
Mandatory within-grade promotions and wage board step increases	563
Annualization of 4.94% FY 2000 pay raise	669
Estimated cost of health benefits increase effective January 2000 based on an average of 10%	189
Increased cost of Federal Employees Retirement System (FERS)	100
Increased cost of Workers' Compensation	63
Annualized costs (at the GS-6 level) of five new Security Guard FTE approved in FY 2000	63
Subtotal -- Payroll Costs	2,738
Increase in warehouse rent	66
Increase in rent of off-site art storage space	4
GSA lease management fee	19
EDP services:	
Collection Management System (Art Care)	20
Financial Management System	140
Subtotal -- Other Uncontrollable Costs	249
TOTAL UNCONTROLLABLE INCREASES	\$ 2,987

<u>Necessary Programmatic Changes</u>	<u>Increase/ (Decrease) (\$000's)</u>
Seven FTE for Sculpture Garden maintenance and security	\$ 196
Sculpture Garden services, supplies and equipment	319
Conservation equipment - art restoration	410
New art truck	75
Subtotal - One-year Program Increases	1,000
Less 22% reduction of Special Exhibition funding	(677)
<u>Renovation Program:</u>	
Major Projects:	
Exterior/Structural Repairs	210
Interior Systems Replacement	5,399
Life Safety and Security	3,130
Fire Protection System	(379)
Ongoing renovation	(570)
Subtotal - Renovation Program Increases	7,790
Total Program Increases	8,113
TOTAL NGA FY 2001 INCREASE	\$ 11,100

**NATIONAL GALLERY OF ART
FY 2001 BUDGET
SUMMARY OF INCREASES AND DECREASES
(By Function)
(in Thousands of Dollars)**

	Function (A) <u>Art Care</u>	Function (B) <u>Ops & Maint</u>	Function (C) <u>Security</u>	Function (D) <u>Gen Admin</u>	Subtotal Salaries and Expenses	Renovation	NGA Totals
FY 2000 Appropriation	\$23,923	\$13,626	\$13,721	\$10,266	\$61,536	\$6,311	\$67,849
.38% Reduction	(103)	(45)	(74)	(37)	(259)	-	(259)
FY 2000 Budget After Reduction	\$23,820	\$13,581	\$13,647	\$10,231	\$61,279	\$6,311	\$67,590
1. 3/4 year funding of proposed 3.7% FY 2001 general pay raise	443	194	304	150	1,091	-	1,091
2. Within-grade promotions and wage board step increases	225	90	147	101	563	-	563
3. Annualized 4.94% FY 2000 general pay raise	271	119	187	92	669	-	669
4. Estimated cost of health bene- fits increase effective January 2000 (average of 10%)	73	30	51	35	189	-	189
5. Increased cost of FERS System	39	16	27	18	100	-	100
6. Workers' Compensation increase	-	-	-	63	63	-	63
7. Annualize new FY 2000 Security Guard FTE	-	-	63	-	63	-	63
Subtotal - Uncontrollable Pay	1,051	449	779	459	2,738	-	2,738
8. 7 FTE for Sculpture Garden (3/4-year funding)	41	81	74	-	196	-	196
9. Sculpture Garden supplies, services and equipment	33	286	-	-	319	-	319
10. Rent and utilities	-	-	-	89	89	-	89
11. EDP supplies, services and equipment	20	-	-	140	160	-	160
12. Conservation equipment	410	-	-	-	410	-	410
13. New art truck	75	-	-	-	75	-	75
14. 22% Special Exhibitions reduction	(677)	-	-	-	(677)	-	(677)
15. Restore .38% reduction	103	45	74	37	259	-	259
16. Renovation Program	-	-	-	-	-	7,790	7,790
FY 2001 Budget Estimate	\$24,876	\$14,442	\$14,574	\$10,956	\$64,848	\$14,101	\$78,949
Net Increase/(Decrease) (FY 2001 Estimate over FY 2000 Appropriation)	\$953	\$861	\$853	\$888	\$3,310	\$7,790	\$11,100

**NATIONAL GALLERY OF ART
SUMMARY OF FEDERAL BUDGET BY FUNCTION
FY 1997 - 2001
(in thousands of dollars)**

<u>Function</u>	<u>FY 1997 Actual</u>	<u>FY 1998 Actual</u>	<u>FY 1999 Actual</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
Care and utilization of art collections	\$ 22,245	\$ 23,310	\$ 23,669	\$ 23,923	\$ 24,876
Operation and maintenance of buildings and grounds	12,392	12,238	12,131	13,626	14,442
Protection of buildings, grounds, and contents	10,781	11,422	12,403	13,721	14,574
General Administration	9,218	9,639	9,771	10,268	10,956
Total - Salaries & Expenses	54,636	56,609	57,974	61,538	64,848
Repair, restoration and renovation of buildings	6,544	5,720	4,595	6,311	14,101
TOTAL BUDGET AUTHORITY	\$ 61,180	\$ 62,329	\$ 62,569	\$ 67,849	\$ 78,949
TOTAL NGA OUTLAYS	\$ 61,333	\$ 64,860	\$ 64,849	\$ 68,887	\$ 71,620

NATIONAL GALLERY OF ART

Repair, Restoration and Renovation of Buildings

Background

The National Gallery of Art consists of two buildings and a sculpture garden. The West Building of the National Gallery, designed by John Russell Pope and funded as a gift to the nation by Andrew W. Mellon, with 532,000 square feet of interior space, was opened to the general public on March 17, 1941. On June 1, 1978, Paul Mellon conveyed to the nation the East Building, a gift from Mr. Mellon and his sister Ailsa Mellon Bruce. The East Building, including 340,000 square feet of interior space and a 212,000 square foot connecting link with the West Building, was designed by I.M. Pei.

The National Gallery of Art buildings are themselves national monuments and must be maintained as such. To keep the Gallery buildings functioning efficiently, securely, and safely, and to ensure that they continue to serve as examples of the high aesthetic standard that is so fundamental to the National Gallery of Art's mission, major renovation and restoration will be necessary over the next ten to twelve years.

In 1991 the National Capital Planning Commission approved the transfer of jurisdiction over what is now the Sculpture Garden site, located between Seventh and Ninth Streets along Constitution Avenue, from the National Park Service to the National Gallery of Art. The Sculpture Garden, using funds donated by a private foundation, opened to the public on May 23, 1999.

Repair, Restoration and Renovation Program Details

The Gallery's Repair, Restoration, and Renovation of Buildings program is classified into three overall categories as follows:

- I. Master Facilities Plan
- II. Major Projects
- III. Ongoing Renovation Program.

These categories are defined on the pages that follow. The renovation projects, detailed under each of these categories, are essential to the proper maintenance, operation and safety of the Gallery buildings that house some of the nation's art treasures and accommodate the visiting public and staff.

**NATIONAL GALLERY OF ART
RENOVATION BUDGET
FY 2001**

Description	FY 1999 Actual	FY 2000 Estimate	FY 2001 Estimate
Carried Forward	\$1,866,927 *	\$3,583,299 **	\$ 964,299
<u>I. Master Facilities Plan</u>			
Exterior/Structural Repairs	2,000,000	2,500,000	2,710,000
Interior Systems Replacement	1,475,000	1,491,000	6,890,000
Life Safety & Security	--	--	3,130,000
Subtotal - Master Facilities Plan	3,475,000	3,991,000	12,730,000
<u>II. Major Projects*</u>			
West Building Skylights	11,000	--	--
Fire Protection System	800,000	750,000	371,000
Subtotal - Major Projects	811,000	750,000	371,000
<u>III. Ongoing Renovation</u>	2,025,000	1,570,000	1,000,000
Budget Approved/Pending	6,311,000	6,311,000	14,101,000
TOTAL FUNDS AVAILABLE	8,177,927	9,894,299	15,065,299

OBLIGATIONS

<u>I. Master Facilities Plan</u>			
Exterior/Structural Repairs	302,541	2,420,000	2,710,000
Interior Systems Replacement	1,286,784	2,939,000	6,890,000
Life Safety & Security	--	--	3,130,000
Subtotal - Master Facilities Plan	1,589,325	5,359,000	12,730,000
<u>II. Major Projects</u>			
West Building Skylights	1,053,814	36,000	--
Fire Protection System	421,441	1,000,000	371,000
Building Automation System	268,781	235,000	--
Subtotal - Major Projects	1,744,036	1,271,000	371,000
<u>III. Ongoing Renovation</u>	1,261,267	2,300,000	1,400,000
TOTAL OBLIGATIONS	4,594,628	8,930,000	14,501,000
BALANCE, END OF YEAR	\$3,583,299	\$ 964,299	\$ 564,299

*Includes \$358,579 of the Department of Energy's Federal Efficiency Fund Grant.

**Includes \$89,798 of the Department of Energy's Federal Efficiency Fund Grant.

I. MASTER FACILITIES PLAN

A comprehensive Master Facilities Plan was completed in FY 1999 for the Gallery by an architectural/engineering firm with participation by Gallery staff. This plan indicates that a minimum of \$132 million over a 10-12 year period will be required to ensure that the Gallery's buildings and engineered systems are repaired and replaced on a cycle that provides optimum operational effectiveness and efficiency.

Annual appropriations have enabled the Gallery to keep the buildings and engineered systems in a fully serviceable condition. Despite careful preventive maintenance, components age through their expected life cycles. The need for major repairs or replacements occurs on an irregular basis during this aging process. With proper planning and inspection programs, the Gallery believes it can manage the process by phasing major repairs and replacements around ongoing operations to minimize the impact on visitors and programs. An aggressive program of replacement and upgrades, such as that begun with initial FY 1999 funding, must be continued to avoid more complex and expensive corrective actions.

The Gallery has now established an Office of Capital Projects to manage the design and construction work called for in the Master Facilities Plan and coordinate and oversee this work with other Gallery activities.

The plan integrates building systems renovations and then implements these improvements in 14 work areas of the buildings, phased over 10 years. Exterior stand-alone projects are also taken on in the early years, and most renovations to the central plant are planned to begin in the midyears. The Master Facilities Plan work is estimated to cost \$132 million total and is broken down into three major groups of projects for budget purposes:

- A. Exterior, Structural, and Architectural Repairs (\$30 million)
- B. Interior Mechanical, Electrical, and Plumbing Systems Replacement (\$64 million)
- C. Life Safety and Security Systems Repairs (\$38 million).

A. Exterior, Structural and Architectural Repairs

This group includes the highest priority repairs and restoration of the facades, roofs, and plazas of the buildings. The work addresses leaks, structural failures at joints, and the overall integrity of the building envelopes. Although the work is focused on the exterior, repairs will often be required for the associated spaces inside the building. Architectural and structural work is integrated with the 14 work areas to support systems upgrades.

FY 1999 Accomplishments

An amount of \$303,000 in FY 1999 funds was used for an extensive investigation of the required repair to the West Building Mall Steps to determine the extent of repairs to the concrete substructure. Thus far, \$1.4 million of the total \$1.7 million appropriated for construction in FY 1999 has been obligated for this purpose. Pre-design investigations revealed that a total replacement of the substructure was not required, but that a supplementary steel structure would be needed to support the concrete from below. Settlement of the terraces and flanking walkways will be addressed by tying the foundation system of these areas to the more stable pile structure of the steps themselves. Leaks will be addressed by improving the stone joints and associated drainage. A contract was awarded during the first quarter of FY 2000. Construction is currently underway with completion expected in early calendar year 2001.

FY 2000 Objectives

A favorable bid received in early 2000 appears to allow the additional \$500,000 requested for the Mall Steps to be used for Work Area #1 in the West Building.

In addition, design work will begin for two other exterior projects, the West Building Exterior Stone Repairs and the Connecting Link Structural and Expansion Joint Repairs. The Connecting Link roof is the plaza between the East and West Buildings and repairs to this subterranean structure will be complex. The extent of removal of existing paving to expose the waterproofing membrane has yet to be determined. The amount required for design only for these two projects is \$400,000.

FY 2001 Request: \$2.71 million

The FY 2001 funding request will allow continuation of the two exterior repair projects begun in FY 2000. The West Building Exterior Stone Repairs project will address repairs to major cracks at the porticoes and other stone surfaces. Essential repointing of selected masonry joints will be undertaken. The Connecting Link Structural Expansion Joint Repairs will address failures at the joints between the link structure and the West and East Buildings. These joints are actively leaking and temporary measures have not prevented water infiltration into the interior spaces. The plaza between the East and West Buildings conceals the joints and the structure below, so repairs will be fairly complex. In addition, structural cracks exist at the garage wall and elsewhere in this subsurface structure.

Future Objectives

The East Building re-roofing project, initially planned for FY 2000, is now being deferred to FY 2002. The East Building main atrium skylight and curtain wall project is programmed to begin when other Master Facilities Plan work in the East Building is underway. This is intended to minimize, to the extent possible, the disruption this work will cause to visitors and staff.

B. Interior Mechanical, Electrical, and Plumbing Systems Replacement

FY 1999 Accomplishments

\$1.475 million, reprogrammed from the West Building Skylight project savings, allowed the Gallery to begin preliminary design work for the central plant and buildings systems distribution. This lays the groundwork for the phased improvements to all building systems and will allow the first work area to be designed as a prototype for the 13 to follow. A survey of every major, mechanical, electrical, and plumbing system is underway and recommendations for corrective actions are being developed. An in-depth analysis of over 250 pieces of air-handling and ventilation equipment has commenced to provide data for future work to correct the air balance problems being experienced in the buildings.

FY 2000 Objectives

The preliminary design efforts for major building systems that commenced in FY 1999 will continue in FY 2000. The design of Work Area #1, begun in FY 1999, will be concluded in FY 2000 to coincide with the closing of this area of the West Building for renovation of major sculpture galleries. The Master Facilities Plan work will provide the infrastructure improvements that service the northwest portion of the West Building. In FY 2000, construction funds will be utilized for renovation of building systems associated with the portion of Work Area #1 that houses the sculpture galleries. This includes space relocations required to vacate the area for the construction work.

FY 2001 Request: \$6.89 million

Work Area #1 in the West Building includes additional areas beyond the Sculpture Galleries on the Ground Floor. The funds requested would provide the required building systems upgrades for the Main Floor Galleries, the northwest attic and rotunda. Upon completion of this work area, outdated and corroded steam systems will be converted to hot water systems, hazardous materials associated with the steam systems will be abated, plumbing upgrades will be completed, and air handlers will be overhauled for the entire northwest quadrant of the West Building. In

addition, design work will be completed for the West Building work areas #2 and #3. Design will begin on critical central plant repairs to address PCB contaminated electrical transformers and improvements to outdated electrical main service equipment. A chiller plant design will be initiated based on analysis currently underway for the Mechanical Electrical and Plumbing Systems Preliminary Design effort.

Future Objectives

FY 2002 would be the year to begin construction on the building systems improvements for the West Building Work Area #2. The sequence of future work areas in the West Building will require a steady level of design and construction funds to address building systems distribution. Upgrades to the central plant elements that serve these systems are also planned to begin in FY 2002.

C. Life Safety and Security Systems

As part of the Master Facilities Plan, long-range recommendations for Life Safety and Security improvements were made. The estimated budget for the work required to address the deficiencies in this area is no less than \$38 million. Work in this category is driven by a need to enhance protection of visitors and collections during emergencies and to update safety systems to the greatest extent possible relative to current codes and to good engineering judgement. This third group of projects is being introduced under the Master Facilities Plan. All three buildings (East Building, West Building, and Connecting Link) have been assessed relative to the five components that make up Life Safety and Security.

A series of projects are anticipated. These are detailed in the Master Facilities Plan, but are likely to include:

Fire Suppression: The need to provide fire suppression or acceptable alternatives throughout NGA facilities has been identified. Where found acceptable, automatic sprinklers or gaseous fire suppression systems will be installed. In other locations, risk analysis may indicate acceptable alternatives to fire suppression, such as providing a combination of smoke management and fire containment in gallery areas having low quantities of combustible material.

Egress: Visitor and staff safety can be enhanced by employing a strategy to clearly delineate access to exits, reduce travel distance to exits, protect or separate means of egress, and improve the fire alarm system in the galleries. Additional exit signage, emergency lighting, and fire alarm appliances (speakers and strobes) are included in this life safety category.

Smoke Control: The effective removal of smoke during and after a fire would increase the allowable time to evacuate the buildings safely. In addition, smoke from a fire would deposit on exposed collections and the acids would react quickly, causing damage to paintings and other objects. Smoke control will be installed in conjunction with improvements to air handling equipment, fans and ductwork.

Fire Barriers: Fire barriers have been identified as one of the most reliable forms of fire control. The spread of fire would be limited to the area defined by fire barriers. Following the precedent set by the West Building Skylights, as areas of the building are repaired or renovated, improvements to existing fire barriers and the installation of new barriers will be made.

Security: Electronic security systems evolve and change at a rate similar to other information technology systems. Although the infrastructure of wiring and conduits can be re-used in most cases, changing outdated equipment and the need to expand the system in order to better protect collections and visitors drives the work in this category.

FY 2001 Request: \$3.13 million

In conjunction with the mechanical, electrical and plumbing work programmed for FY 2001, funds will be required to improve life safety and security systems in West Building Work Area #1, located in the northwest quadrant. The closures required to renovate the Ground Floor Sculpture Galleries in this part of the building will allow for the installation of life safety systems. Fire suppression provided by automatic sprinklers is currently planned for non-art containing areas, but for the gallery spaces themselves, a smoke management system which works in conjunction with the HVAC system is currently being studied as part of the building systems preliminary design. Egress improvements will be required as well as fire barriers which will be integrated with the architectural changes planned for the ground floor galleries. Electronic security systems are another integral part of the systems distribution improvements planned for this West Building work area.

II. MAJOR PROJECTS DETAILS

These projects, begun in prior years, are important to the Gallery's ability to fulfill its basic mission. They are also critical to the preservation and safety of the collections, and the safety of the visiting public and Gallery staff. A description of the work completed in FY 1999 or proposed through FY 2001 follows. Funding for the Fire Protection System Project will be needed through FY 2001. The Skylight project and Building Automation System are fully funded.

A. West Building Skylights

The West Building Skylight Project is being completed in FY 2000 with savings of \$2.6 million on this project. Our FY 1999 appropriation reflected a reprogramming of the \$2.6 million from this project: \$1.475 million for the Master Facilities Plan group "Interior Equipment Replacement"; \$145,000 to add further controls to the Building Automation System; and \$980,000 for certain Ongoing Renovation Projects, including Photographic Collection Storeroom and the East Building Ground Floor galleries, relocating steam reheat coils over an art storage area, and enhancing Conservation Lab lighting.

B. Fire Protection System

The Gallery is requesting a final installment of the \$371,000 for the Fire Protection System project in FY 2001 to replace halon suppression systems having obsolete control panels with gas suppression systems in the remaining West Building collection storage rooms.

C. Building Automation System

The Gallery's new automation/energy management system is now undergoing final installation, testing, and implementation. It is being made possible as a result of funding made available through direct appropriation in prior years and a special \$2 million Federal Energy Efficiency Fund grant from the Department of Energy.

Estimated Costs of Master Facilities Plan and Major Projects FY 2000 through FY 2005

The estimated FY 2000 through FY 2005 costs of the three Master Facilities Plan categories, the three Major Projects and the Ongoing Renovation Program categories discussed above are presented on page 4-9.

MULTI-YEAR RENOVATION PROJECTS
PRELIMINARY ESTIMATES OF MASTER FACILITIES PLAN AND MAJOR PROJECTS FY 2000 THROUGH FY 2005 (\$000)

PROJECT	1999 & Prior	2000	2001	2002	2003	2004	2005	Total 2000-2005	Project Total
I. Master Facilities Plan:									
A. Exterior, Structural and Architectural Repairs	\$ 2,013	\$ 921	\$ 2,710	\$ 3,070	\$ 1,900	\$ 1,900	\$ 1,900	\$ 12,401	\$ 30,000
B. Interior Mechanical, Electrical, and Plumbing Systems Replacement	1,895	3,070	6,890	7,270	7,300	6,800	6,390	37,720	64,000
C. Life Safety and Security Systems	-	-	3,130	2,500	3,770	3,590	3,600	16,580	39,000
Subtotal, Master Facilities Plan Projects	3,908	3,991	12,730	12,840	12,970	12,290	11,890	66,711	132,000
II. Major Projects:									
A. West Building Skylights, Laylights, Roofing and Flashing	16,700	-	-	-	-	-	-	-	16,700
B. Fire Protection System	4,179	750	371	-	-	-	-	1,121	5,300
C. Building Automation System	1,645	-	-	-	-	-	-	-	3,645
Subtotal, Major Projects	22,524	750	371	-	-	-	-	1,121	25,645
III. On-going Renovation:	1,880	1,570	1,000	1,000	1,000	1,000	1,000	6,570	-
TOTAL	\$ 28,312	\$ 6,311	\$ 14,101	\$ 13,840	\$ 13,970	\$ 13,290	\$ 12,890	\$ 74,402	\$ 157,645

Includes a \$2,000,000 grant from the Department of Energy's Federal Energy Efficiency Fund.

*Amount shown in FY 1999 & Prior column reflects only FY 1999 amount for this program.

III. ONGOING RENOVATION PROGRAM

This program comprises routine expenditures to replace worn equipment and to make necessary repairs resulting from normal wear and tear on the Gallery's buildings.

The Gallery's Ongoing Renovation Program Work anticipated for FY 2001 falls into four categories:

- A. Environmental Compliance: Improvement of the work environment for Gallery employees by continued removal and/or encapsulation of asbestos and lead paint, upgrading of fumigation systems, replacement of compressor refrigerants (CFCs), and other measures to ensure adherence to indoor air quality standards.
- B. Energy Management: Continuation of a comprehensive energy management program to upgrade ventilation systems and climate controls to protect works of art and to reduce energy usage and costs.
- C. Access, Safety, and Building Repairs: Repair and replacement of capital equipment and building components and compliance with accessibility legislation and safety regulations.
- D. Alteration/Renovation: Reconfiguration to accommodate departmental operations and better utilize existing space.

The notable accomplishments of the Gallery's FY 1999 Ongoing Repair, Restoration and Renovation Program, and the proposed Ongoing FY 2000 and FY 2001 Repair, Replacement and Renovation Programs are summarized below.

FY 1999 Completed Work

Access, Safety and Building Repairs

- West Building Stone/Cornice and Roof Line Repairs
- Sculpture Garden Pavilion Interior Building Electrical, HVAC, Carpentry and Restroom Repairs
- ADA-Related Repair Projects
- Public Cafeteria Flooring Replacement

Alteration/Renovation

- Reconfiguration of Onsite and Warehouse Production Shops
- Photographic Curatorial Department Reconfiguration Design
- Reconfiguration of East Building Concourse Level 20th Century Galleries
- West Building Ground Floor Sculpture Galleries Design

FY 2000 WorkAccess, Safety, and Building Repairs

- Public/Staff Cafeteria Flooring Replacement

Alteration/Renovation

- Photographic Curatorial Department Construction
- Administrative Services Office Modifications Design, Connecting Link

FY 2000-2001 Work

We have not yet determined which of the listed FY 2001 work will, in fact, be implemented in FY 2001. The Gallery's executive officers will review available funding against project priorities as part of the Gallery's annual planning and budgeting process.

Environmental Compliance

- Continue Asbestos Removal/Encapsulation, FY 2000/FY 2001

Access, Safety, and Building Repairs

- Salaries for Staff Architects Working on Repair and Renovation Projects, FY 2000/FY 2001

Alteration/Renovation

- Cafeteria Renovations, FY 2000/FY 2001

**NATIONAL GALLERY OF ART
SCULPTURE GARDEN
OPERATIONS & MAINTENANCE ESTIMATE
(\$000's)**

Description	FY 2000	FY 2001 Estimate	FY 2001 Over FY 2000
<u>Extended Hours</u>			
Winter and summer evening hours	\$ 100	\$ 100	\$ -
<u>Additional Staff (3/4 Year)</u>			
3 Security Guards	109	183	74
3 Gardeners	--	81	81
1 Sculpture Conservator	--	41	41
<u>Conservation of Sculpture</u>			
Sculpture Cleaning Contract	--	10	10
Conservation supplies	--	4	4
Genie Lift	--	8	8
<u>Grounds Maintenance</u>			
Mowing, pruning and fungicide	21	30	9
Supplies	36	36	--
<u>Operations & Maintenance</u>			
Utilities (electric & water/sewer)	56	202	146
Maintenance of equipment	10	20	10
Supplies for equipment and walkways	--	75	75
Install/de-install rink, kiosk & Zamboni shed	--	43	43
Maintenance and storage of Zamboni	--	3	3
<u>Security</u>			
Maintenance of security systems	10	10	--
Art relocation	--	11	11
Total - Sculpture Garden Maintenance	\$342	\$857	\$515

SCULPTURE GARDEN SUMMARY

One of our most notable and visible accomplishments during FY 1999 was the completion of the National Gallery Sculpture Garden. In the seven months following its opening in May, the Sculpture Garden was seen by over 865,000 visitors. This is far more than even we had expected. The popularity of this new facility has overwhelmed our existing staff's ability to maintain it as originally anticipated. With thousands of visitors occupying the site daily, the grounds and sculpture are already beginning to show wear and tear.

Outdoor sculpture, more than any other type of art, needs systematic maintenance if it is to survive in the best possible conditions. The visiting public continues to climb on certain pieces, often necessitating repair and repainting. The removal of leaves, debris, and bird droppings has to be performed on a daily basis. Because of the vast amount of surface area, sculpture takes much longer to treat and often requires the work of two or three people, leaving no one inside the Gallery's Object Laboratory to handle day-to-day activities. It is fully expected that all painted pieces will require annual repainting, a costly and very time-consuming undertaking. The Ellsworth Kelly sculpture, *Stele II*, for example, has to be oiled every six weeks, a labor-intensive task that can only be performed by an object conservator. Twice weekly examination, cleaning and maintenance of the 17 works of art presently installed, comprising some 44 individual pieces, has consumed the full-time efforts of two conservators, diverting those conservators' efforts that would otherwise be devoted to completing crucial conservation work on the Gallery's permanent collection displayed inside the buildings. (We will be installing a major new sculpture by Frank Stella in the Spring of 2000, with additional acquisitions in the future which will further increase conservation responsibilities.) With a small office of only three object conservators, an additional position and related conservation supplies are essential in order to maintain the Sculpture Garden as well as continue the critical conservation work on the Gallery's permanent collection.

In regards to grounds maintenance, our Horticulture Department now has the added responsibility of attending to over 187,500 trees, perennials, shrubs and ground cover plants that inhabit this site. These six acres of intensely-planted landscape require high maintenance. With the inclusion of works of art in the Garden, all lawn work immediately adjacent to some 44 pieces requires hand trimming and special care in mowing. Maintenance of walkways and removal of trash have increased dramatically with the reconfiguration of the site. For these reasons, three additional gardener positions are essential in order to maintain the Garden as it was originally planned.

With the overwhelming crowds we are witnessing each day, the protection of the sculpture as well as the plants and grounds is critical to maintaining the Sculpture Garden. Damage to ground cover and plants due to the high number of visitors has been significant, necessitating the need for replanting in many cases. Also, with so few guard positions, it has become a nearly impossible task to keep visitors from climbing or defacing the art work as well as preventing them from walking on or through the many plants and shrubs. We are also concerned about liability since the visitors cannot be observed properly with the existing guard shortage and accidents are very likely to occur. Our experience since the opening of the Garden indicates the need for three additional security guard FTE's to properly protect the sculpture, the grounds and the visitors.

The Sculpture Garden design includes an ice rink to be operated during the winter months. Costs to operate the ice rink include the installation and de-installation of the ice rink surface and walls, skate kiosk and Zamboni shed as well as their maintenance while in use. Over the last several years, our building operating and maintenance funding has remained relatively constant while, in addition to normal inflationary costs along with wear and tear, the use of supplies and materials has significantly increased. Not funding these costs puts added pressure on already tight facilities, utilities, services and supplies budgets. For these reasons, we are requesting increases in operations and maintenance costs.

The opening of the National Gallery Sculpture Garden represents the addition of a completely new facility. For the reasons stated above, it is requested that dedicated annual funding of the operating costs be made available to ensure its safe and effective operation.

National Gallery of Art

Washington, D.C.

NATIONAL GALLERY OF ART SCULPTURE GARDEN

FACT SHEET

- Sponsor:** National Gallery of Art Sculpture Garden is given to the nation by The Morris and Gwendolyn Cafritz Foundation
- Location:** On the National Mall at 7th Street and Constitution Avenue, N.W. (*National Gallery of Art Sculpture Garden is bounded by Constitution Avenue and Madison Drive and 7th and 9th Streets, N.W.*)
- Size:** 6.1 acres
- Hours:** Monday–Saturday, 10 a.m.–5 p.m.; Sunday, 11 a.m.–6 p.m.; closed on December 25 and January 1; admission is free
- Access:** 6 Public Entrances to the Sculpture Garden
- One entrance on Constitution Avenue at 9th Street, N.W.
 - Three entrances on 7th Street, N.W., one directly across from the Gallery's West Building entrance
 - Two entrances on the National Mall between 7th and 9th Streets, N.W.
- Sculpture:** Seventeen major works of 20th-century sculpture are on view, including important new acquisitions by Louise Bourgeois, Mark di Suvero, Roy Lichtenstein, Claes Oldenburg and Coosje van Bruggen, and Tony Smith; ten new acquisitions are presented, along with six works from the permanent collection, and one work on loan from the Calder Foundation
- The Sculpture Garden is designed to provide flexible spaces to accommodate the Gallery's growing collection of 20th-century sculpture, as well as works on loan
- Café Service:** The renovated pavilion will offer year-round café service, with indoor and outdoor seating; its opening will be announced at a future date
- Fountain and Ice Skating:** The reflecting pool and fountain refresh visitors from spring through fall. The ice skating rink will be available during the winter; details will be announced at a future date

- more -

sculpture garden fact sheet . . . page 2

Educational Programs:Programs, Activities, and Materials

- Information guides with descriptions and locations of each sculpture are available at the main 7th Street entrance of the Sculpture Garden and at all art information desks
- Slide lecture, Sunday, June 27, at 2:00 p.m., "Garden of Illusions: The National Gallery of Art Sculpture Garden," by Molly Donovan, assistant curator of 20th-century art
- The Gallery's Web site (www.nga.gov) presents a special feature to coincide with the Sculpture Garden opening that includes a chronology, photographic essay, and panoramic views of the garden site before and after construction
- Beginning October 1999, a variety of lectures, films, and walking tours will be offered, including "The Anatomy of Sculpture," a special weekend of activities with demonstrations by working sculptors in metal, carving, and casting (dates to be announced)

West Building Renovation:

The ground floor of the West Building will be opened up along the central spine to enable visitors to have a clear vista from the 4th Street entrance of the West Building to the Sculpture Garden

A component is the construction of a new central sculpture gallery, to be installed in conjunction with the Sculpture Garden; it will include a marble floor, marble clad piers, cast plaster cornice, plaster cove ceiling, and cove lighting—all architectural details in keeping with the neoclassical style of John Russell Pope, the architect of the West Building

Special Material:

One of the notable materials used in the construction of the Sculpture Garden is Tennessee pink marble, which was obtained from the same quarries used in the construction of both the Gallery's West and East Buildings. In the garden's design, the Tennessee pink marble was used for the gateway plinths that mark the public entrances, the stone benches surrounding the fountain and ice rink, the coping surrounding the fountain and ice rink, and the terrace seatwalls adjacent to the pavilion

Information:

For general information, call (202) 737-4215, the Telecommunications Device for the Deaf (TDD) at (202) 842-6176, or visit the National Gallery of Art's Web site at www.nga.gov

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NEWS RELEASE

UPDATED RELEASE
May 17, 1999

Deborah Ziska, Information Officer

PRESSCONTACT:
Patricia O'Connell, Publicist
(202) 842-6353

NATIONAL GALLERY OF ART SCULPTURE GARDEN OPENS MAY 23

New Acquisitions in Dynamic Space

Offer Year-Round Enjoyment on the National Mall

Washington, D.C. -- On May 23, the National Gallery of Art opens a dynamic outdoor sculpture garden designed to offer year-round enjoyment to the public in one of the preeminent locations on the National Mall. The National Gallery of Art Sculpture Garden is given to the nation by The Morris and Gwendolyn Cafritz Foundation.

The landscaping of the 6.1-acre space provides a distinctive setting for seventeen major works, including important new acquisitions of post-World War II sculpture by such internationally renowned artists as Louise Bourgeois, Mark di Suvero, Roy Lichtenstein, Claes Oldenburg and Coosje van Bruggen, and Tony Smith. The Sculpture Garden is located at Seventh Street and Constitution Avenue, N.W., in the block adjacent to the West Building.

"We are proud to bring to the nation these significant works of sculpture in one of the few outdoor settings of this magnitude in the country," said Earl A. Powell III, director, National Gallery of Art. "The opening of the Sculpture Garden brings to fruition part of a master plan to revitalize the National Mall that has been in development for more than thirty years. The National Gallery is extremely grateful to the Cafritz Foundation for making this historic event possible."

- more -

sculpture garden opening . . . page 2

Visitors are able to enjoy a reflecting pool and fountain in the center of the Sculpture Garden during the summer months that becomes an ice skating rink in winter. Spacious walking and seating areas give viewers a chance to rest and reflect on the works of sculpture amid the rich settings composed of native American species of canopy trees, flowering trees, shrubs, groundcovers, and perennials. The renovated pavilion will offer year-round café service with indoor and outdoor seating; its opening will be announced at a future date.

"In memory of my parents, Morris and Gwendolyn Cafritz, I am delighted we are able to be part of the Sculpture Garden, which provides a forum for a variety of cultural and educational programs, as well as a refuge and oasis for the many thousands of visitors who come to the Mall, and for the residents of the greater metropolitan area," said Calvin Cafritz, chairman of the Cafritz Foundation.

NEW ACQUISITIONS AND WORKS ON VIEW

The works, ranging in size from forty-two inches to twenty feet high, and weighing as much as eight tons, are installed in flexible spaces, which will be able to accommodate a variety of works from the Gallery's growing twentieth-century sculpture collection, as well as works on loan. Major new acquisitions, including several recently completed works, are on view at the Gallery for the first time. In addition to the Sculpture Garden, seven of the ten new acquisitions were donated by The Morris and Gwendolyn Cafritz Foundation:

- **Puellae, 1992, by Magdalena Abakanowicz** (Polish, born 1930). Composed of thirty diminutive (three-feet high) bronze figures of pre-adolescent girls from the artist's "Ragazzi" series, the sculpture conveys a poignancy and delicacy of scale that sets it apart from the artist's life-size adult figures. It refers to a story the artist heard about a group of children who were found frozen to death in cattle cars as they were transported from Poland to Germany in 1942. It is the first work by this established European artist to enter the Gallery's collection. *Gift of The Morris and Gwendolyn Cafritz Foundation.*

- more -

sculpture garden opening . . . page 3

• **Spider**, 1996, cast 1997 by Louise Bourgeois (American, born 1911, France). The nine-foot-by-twenty-seven-foot bronze cast with a silver nitrate patina depicts the spider as a looming and powerful protectress who is at once nurturing and vulnerable. Belonging to Bourgeois' Spider series, which explores themes of childhood memory and loss, this recently completed work complements the Gallery's four early works by Bourgeois: Spring (1949), Mortise (1950), Untitled (1952), and The Winged Figure (1950; cast 1991). *Gift of The Morris and Gwendolyn Cafritz Foundation.*

• **Aurora**, 1992-1993, by Mark di Suvero (American, born 1933). This sculpture is a virtuoso combination of design and engineering. Its sophisticated structural system distributes eight tons of steel over three diagonal supports to combine massive scale with elegance of proportion. *Gift of The Morris and Gwendolyn Cafritz Foundation.*

• **Stele II**, 1973, by Ellsworth Kelly (American, born 1923). The shape of this work, one of the artist's first outdoor sculptures, is loosely based on that of a French kilometer marker the artist observed during his years in Paris after World War II. Its title refers to a type of ancient stone monument, which was planar and meant to be seen from the front, as in Stele II. The surface of the weathered steel, after exposure to the elements, has developed an even, non-reflective surface. *Gift of The Morris and Gwendolyn Cafritz Foundation.*

• **House I**, 1996/1998, by Roy Lichtenstein (American, 1923-1997). The sculpture incorporates the hallmark elements of the artist's two-dimensional works: crisp elemental drawing delineated by heavy black outlines and a palette based on primary colors. Exploiting the illusionistic effects of the third dimension, House I appears to project forward from a distance, although it actually recedes into space. *Gift of The Morris and Gwendolyn Cafritz Foundation.*

• **Typewriter Eraser, Scale X**, 1999, by Claes Oldenburg (American, born 1929, Sweden) and Coosje van Bruggen (American, born 1942, The Netherlands). The typewriter eraser, one of Oldenburg's favorite childhood playthings from his father's office, is an image he first used in the 1960s and 1970s as a source for drawings, prints, and sculpture, and even a never-realized monument for New York City. In their collaborations, the artists' selection of everyday objects for their large-scale public projects challenges the traditional notion of the public monument as a commemoration of historical figures and events. *Gift of The Morris and Gwendolyn Cafritz Foundation.*

- more -

sculpture garden opening . . . page 4

- **Moondog, 1964/1998-1999, by Tony Smith** (American, 1912-1980). The structure of this work, comprised of fifteen extended octahedrons and ten tetrahedrons, elicits a chain of visual and sculptural associations, including elements of minimal art and architecture and a variety of forms ranging from a Japanese lantern to the human pelvic bone, to which the artist compared it. The title itself is drawn from two sources: "Moondog," the name of a blind poet and folk musician living in New York in the 1960s, and Dog Barking at the Moon, a painting by Joan Miró. *Gift of The Morris and Gwendolyn Cafritz Foundation.*

The National Gallery is grateful to individual donors who have made possible the acquisition of three works, listed as follows:

- **Thinker on a Rock, 1997, by Barry Flanagan** (British, born 1941). The hare in various guises has been the subject of Flanagan's bronzes since 1980. In this work the artist substitutes his signature hare for Rodin's The Thinker (1880), making a witty and irreverent reference to one of the world's best known sculptures. *Gift of John and Mary Pappajohn.*
- **Four-Sided Pyramid, first installation 1997, by Sol LeWitt** (American, born 1928). The terraced pyramid, first employed by LeWitt during the 1960s, relates to the setback design that has long been characteristic of New York skyscrapers. This geometric structure also alludes to the ancient ziggurat form of Assyrian and Babylonian temples. Four-Sided Pyramid will be constructed on the site by a team of engineers and stone masons in collaboration with the artist. *Gift of The Donald Fisher Family.*
- **Chair Transformation Number 20B, 1996, by Lucas Samaras** (American, born 1936, Greece). The work suggests an animated flight of stacked chairs and belongs to a series in which the artist represents the chair in a variety of guises and materials, including wire mesh, wood, string, and mirrored glass. The fantastical composition evokes a hallucinatory realm, in which the object appears to lean back and spring forth at the same time. *The Nancy Lee and Perry Bass Fund.*

Additional works from the Gallery's twentieth-century collection that have been installed in the Sculpture Garden are Scott Burton's Six-Part Seating (1985/1998), a group of polished red granite seats that are displayed for the first time; Joan Miró's Personnage Gothique, Oiseau-Eclair (1974, cast 1977); Isamu Noguchi's Great Rock of Inner Seeking (1974); George Rickey's Cluster of Four Cubes (1992); Joel Shapiro's Untitled (1989); and David Smith's Cubi XXVI (1965).

Also on view—courtesy of the Calder Foundation—is one of Alexander Calder's

- more -

sculpture garden opening . . . page 5

works, Cheval Rouge (Red Horse) (1974), a bold red sculpture made of painted sheet metal fabricated by skilled technicians and metalworkers at the Biémont Foundry in Tours, France.

SCULPTURE GARDEN DESIGN

The design of the Sculpture Garden addresses the importance of the Eighth Street axis line that was part of Pierre L'Enfant's master plan for Washington by providing an entrance on the Mall from Madison Drive and a clear sight line along this imaginary line. The garden is enclosed by a decorative metal fence with marble piers and plinths, designed to reflect the historic character of the West Building. The stone used for the gateway plinths, constructed to articulate the six public entryways to the garden, matches the marble of both the Gallery's West and East Buildings. The granite base beneath the decorative metal fence is the same size and composed of the same material as the raised curb that surrounds the West Building's grounds. The Sculpture Garden is accessible to visitors with disabilities.

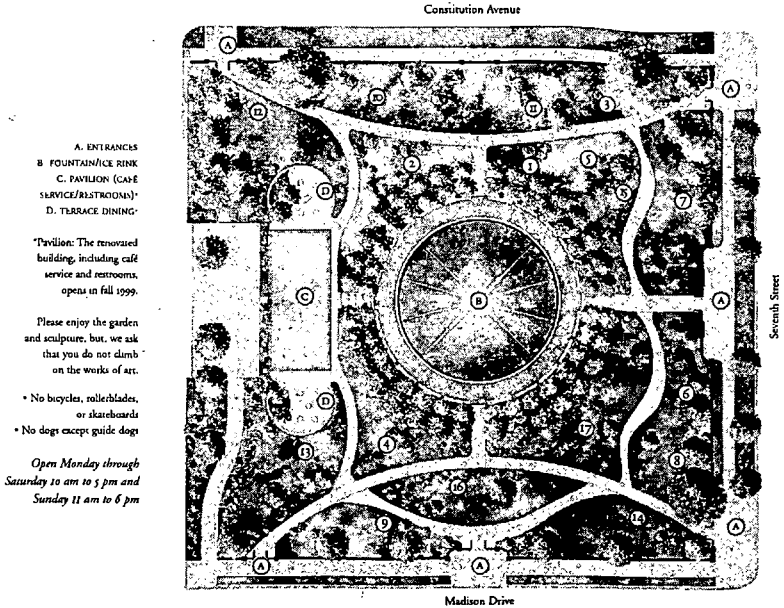
In August, 1991, the National Park Service and the National Gallery of Art signed an agreement, which was approved by the National Capital Planning Commission, transferring jurisdiction over the Sculpture Garden site from the Park Service to the National Gallery.

The design for the National Gallery of Art Sculpture Garden was created by Laurie D. Olin, landscape architect, Olin Partnership, in association with key members of the National Gallery staff: Earl A. Powell III, director; Mark Leithauser, chief of design; Gordon Anson, senior lighting designer; James Grupe, senior architect; Carl Campioli, assistant senior architect, and Donald Hand, chief of horticulture. The art was selected by the Gallery's director Powell; Alan Shestack, deputy director; and Marla Prather and Mark Rosenthal, the current and former curators of twentieth-century art. Construction on the site was completed by the Chas H. Tompkins Company.

The National Gallery of Art, located on the National Mall, is open Monday through Saturday from 10 a.m. to 5 p.m. and Sunday from 11 a.m. to 6 p.m. The Gallery is closed on December 25 and January 1. Admission is free. For general information, call (202) 737-4215, the Telecommunications Device for the Deaf (TDD) at (202) 842-6176, or visit the National Gallery of Art's Web site at www.nga.gov. To receive the Gallery's free bimonthly Calendar of Events, call (202) 842-6662.

#

National Gallery of Art Sculpture Garden



The Sculpture Garden is given to the nation by The Morris and Gwendolyn Cafritz Foundation

The National Gallery of Art Sculpture Garden occupies 6.1 acres on the Mall. Its design incorporates a central fountain (in winter, a skating rink) ringed by linden trees. Planted with perennials, ground covers, shrubs, and flowering trees, the landscape design provides a distinctive setting for important works of twentieth-century sculpture, primarily American. Ranging in height from forty-two inches to nearly twenty feet and from bronze to concrete block, these works of art represent the richly diverse character of sculpture made since World War II.

sculpture



1. Magdalena Abakanowicz, Polish, born 1930, *Puellae (Girls)*, 1992, bronze, Gift of The Morris

and Gwendolyn Cafritz Foundation 1998.148.1

Over the last thirty years, Polish sculptor Magdalena Abakanowicz has created a compelling and highly emotional body of work, largely drawn from her personal experience of World War II and its aftermath. She is best known for her "crowds" (as she calls them) of headless, rigidly posed figures whose anonymity and repetitious presentation have been regarded as the artist's personal response to totalitarianism.

Trained as a textile artist, Abakanowicz first used burlap in her indoor sculpture to achieve crusty, deeply incised surfaces for powerfully expressive ends. Each of the thirty bronzes in *Puellae* is a unique cast made from a burlap mold that the artist individually worked during the casting process. Their diminutive size is unusual, since Abakanowicz has traditionally depicted adults as life-size or larger. Depending on the site, these figures can be arranged in any configuration.



2. Louise Bourgeois, American, born 1911, France, *Spider*, 1996, cast nitrate patina, Gift of The Morris and

Gwendolyn Cafritz Foundation 1997.136.1

Since 1984 Louise Bourgeois has been developing a body of work with the spider as protagonist. From drawings to large-

scale installations, Bourgeois' spiders appear as looming and powerful protectresses, yet are nurturing, delicate, and vulnerable. For the artist, whose work has explored themes of childhood memory and loss, the spider carries associations of a maternal figure. Indeed, Bourgeois' "Spider" series relates to her own mother who died when the artist was twenty-one.



the Collectors Committee 1998.146.1

3. Scott Burton, American, 1939–1989, *Six-Part Seating*, 1985/1998, polished granite, Gift of

Scott Burton's work has been described as "sculpture in love with furniture." Indeed, the artist intended much of his work to be both sculptural and functional. He also preferred a public setting, where the objects would be used. Burton openly acknowledged a debt to Constantin Brancusi, who was the first modern sculptor to challenge the conventional distinction between esthetic and utilitarian form. Here Burton contrasts the massiveness of his forms with a material—red granite—that is visually sumptuous and warm. The individual seats can be arranged in a circle, suggesting a ceremonial gathering, or side-by-side to form a long bench.

4. Alexander Calder, American, 1898–1976, *Cheval Rouge (Red Horse)*, 1974, painted sheet metal, Courtesy Calder Foundation, New York

During the last two decades of his life Alexander Calder devoted his greatest efforts to large-scale mobiles and stables, many of which have become popular public landmarks in cities around the world. Unlike his earlier works, these huge objects required a collaborative effort. To fabricate *Cheval Rouge* the artist worked with skilled technicians and metalworkers at the Biémont Foundry in Tours, France.

Calder's outdoor stables such as *Cheval Rouge* exhibit a universally appealing grace and, though steadfastly abstract, evoke a friendly resonance with natural forms. Here the sleek, tapering legs and tensile up-thrust "neck" recall the musculature and power of a thoroughbred. Extroverted in mood and remarkably buoyant despite its large size, this stable reflects Calder's assertion: "I want to make things that are fun to look at, that have no propaganda value whatsoever."



5. Mark di Suvero, American, born 1933, *Aurora*, 1992–1993, steel, Gift of The Morris and Gwendolyn Cafritz Foundation 1996.72.1

The sculpture that Mark di Suvero began to make in the late 1950s consisted of massive, weathered timbers and found objects such as barrels, chains, or tires. Their dramatically cantilevered forms were seen as sculptural equivalents of the bold, gestural paintings of Franz Kline or Willem de Kooning. In the 1960s di Suvero began to craft works from scratch rather than relying on scavenged industrial materials.

He worked with steel beams that he moved on cranes and bolted together to create large outdoor pieces.

Aurora is a tour de force of design and engineering. Its sophisticated structural system distributes eight tons of steel over three diagonal supports to combine massive scale with elegance of proportion. Several of the linear elements converge within a central circular hub and then explode outward, imparting tension and dynamism to the whole. The title, *Aurora*, comes from a poem about New York City by Federico García Lorca.



6.
Barry Flanagan,
British, born 1941,
Thinker on a Rock,
1997, cast bronze, Gift
of John and Mary
Pappajohn 1999.30.1

Reacting against the formal, constructed metal sculpture to which he was exposed in art school, Barry Flanagan explored painting, dance, and installation pieces. He has produced an inventive and varied body of work filled with humor and poetic associations, often evoked by the particular organic materials he employed. While working with clay in the early 1980s, Flanagan perceived the image of a hare "unveiling" itself before him. The hare has appeared in an endless variety of guises in Flanagan's bronzes. In *Thinker on a Rock* the artist substitutes his signature hare for the human figure of Rodin's *The Thinker* (1880), making a witty and irreverent reference to one of the world's best-known sculptures.

7.
Ellsworth Kelly
American, born 1923
Stele II, 1973
one-inch weathering steel
Gift of The Morris and Gwendolyn Cafritz
Foundation 1999.15.2

After moving from Manhattan to the countryside in upstate New York in 1970, Ellsworth Kelly began to make large sculptures for the outdoors. The distinctive shape of *Stele II* had already appeared in the artist's abstract paintings and is loosely based on a French kilometer marker, an object Kelly observed during his years in Paris after World War II. Alluding to the severe presence of the work, especially in a landscape setting, the title refers to a type of ancient stone monument that traditionally served a commemorative function. Like most ancient stelae, this sculpture is also essentially planar and upright. The material, Cor-ten steel, weathers when exposed to the elements, developing an evenly corroded, non-reflective surface.



8.
Sol LeWitt,
American, born
1928, *Four-Sided
Pyramid*, first
installation 1997,
concrete blocks
and mortar, Gift of The Donald Fisher Family
1998.149.1

From the early 1960s to the present, Sol LeWitt has been at the forefront of minimal and conceptual art. LeWitt's "structures" (a term he prefers to sculpture) are generally composed with modular, quasi-architectural forms. For many of his works, LeWitt creates a plan and a set

of instructions to be executed by others. *Four-Sided Pyramid* was constructed on this site by a team of engineers and stone masons in collaboration with the artist. The terraced pyramid, first employed by LeWitt during the 1960s, relates to the setback design that had long been characteristic of New York City skyscrapers. Its geometric structure also alludes to the ziggurat form of ancient Assyrian and Babylonian temples.



9.
Roy Lichtenstein,
American, 1923–
1997, *House I*,
1996/1998, fabri-
cated and painted
aluminum,
Gift of The Morris
and Gwendolyn Cafritz Foundation 1998.147.1

Roy Lichtenstein is best known for the pop paintings based on advertisements and comic strips that he made in the 1960s. He also produced a significant body of sculpture, including large-scale works designed for the outdoors. *House I* incorporates the hallmarks of the artist's style: crisp, elemental drawing, heavy black outlines, and a palette based on primary colors. Whereas most of the artist's sculpture approximates freestanding paintings in relief rather than volumetric structures in the round, some of his late sculpture, such as *House I*, exploits the illusionistic effects of a third dimension. While the side of the house literally projects toward the viewer, illusionistically, it appears to recede into space.



10.
Joan Miró, Spanish,
1893–1983, *Person-
nage Gothique,
Oiseau-Éclair* (Gothic
Personage, Bird-Flash),
1974, cast 1977,
bronze, Gift of The
Morris and Gwendolyn
Cafritz Foundation
1992.53.1

Joan Miró created most of his sculpture—more than 150 examples—after his seventieth birthday. These late works fall into two formal groups: those cast from forms modeled by the artist and those cast from found objects. One of Miró's largest sculptures, *Personnage Gothique* relates to both types, since the bird was cast from an object the artist created, while the head was cast from a cardboard box and the body from a donkey yoke. Through the juxtaposition of disparate objects, surrealist artists such as Miró sought to evoke surprise and stimulate associations in the mind of the viewer. With its multiplicity of suggestive forms, *Personnage Gothique* embodies Miró's lifelong concern with richly imaginative imagery that he said was "always born in a state of hallucination."



11.
Isamu Noguchi,
American, 1904–1988,
*Great Rock of Inner
Seeking*, 1974, basalt,
Gift of Arthur M.
Sackler, M.D. and
Mortimer D. Sackler,
M.D. 1976.58.1

In a career spanning more than sixty years, Isamu Noguchi, an American-born artist of Japanese descent, created playgrounds, gardens, bridges, memorials, furniture, theater sets and costumes, and made sculpture in a wide range of materials. Although he worked in bronze, clay, steel, wood, paper, and aluminum, making sculpture in stone engaged him most deeply. "I love the use of stone," he said, "because it is the most flexible and meaning-impregnated material. When I tap it, I get an echo of that which we are. Then, the whole universe has resonance." The title of this work, *Great Rock of Inner Seeking*, expresses Noguchi's belief in the innate character of nature's materials. The artist carved, chiseled, drilled, and polished some areas of this stone to a high level of finish, while leaving other surfaces roughly formed or untouched.



12.
Claes Oldenburg and
Coosje van Bruggen,
American, born 1929,
Sweden / American,
born 1942, *The
Type-writer Eraser, Scale X*,
1999, painted stainless
steel and Fiberglas,
Gift of The Morris and
Gwendolyn Cafritz Foundation 1998.150.1

In the mid-1960s Claes Oldenburg began to make drawings of monuments based on common objects, such as a clothespin or a pair of scissors, challenging the notion that public monuments must commemorate historical figures or events. The artist's selection of discredited or obsolete objects extends to those remembered from child-

hood. As a youngster playing in his father's workplace, one of Oldenburg's favorite office supplies was a typewriter eraser. In the late 1960s and 1970s he used the eraser as a source for drawings, prints, sculpture, and even a never-realized monument for New York City. This sculpture presents a giant falling eraser that has just alighted, the bristles of the brush turned upward in a graceful, dynamic gesture.



13.
George Rickey,
American, born 1907,
Cluster of Four Cubes,
1992, stainless steel,
Gift of George
Rickey and Patrons'
Permanent Fund
1992.79.1

George Rickey began to produce kinetic sculpture in the late 1940s. Intrigued by both the history of constructivist art and by the example of Calder's mobiles, he developed systems of motion for his works that made them responsive to the slightest variations in the flow of air currents. Rickey's kinetic sculpture provides a dialogue between order and randomness, as his ordered geometric shapes are set in random motion by the capricious breezes of nature.

The massive cubes of *Cluster of Four Cubes* are appended by ball bearings to slender arms that branch from a central post. Each cube is precisely weighted and balanced, engineered to turn effortlessly in the lightest breeze; they glide, nearly brushing one another in an intricate and graceful dance that belies their apparent bulk.



14.
Lucas Samaras,
American, born 1936,
Greece, *Chair Transformation Number 20b*, 1995, patinated bronze, The Nancy Lee and Perry Bass Fund 1998.98.1

Since the 1960s, Lucas Samaras has devoted his art to the evocation of an intensely private, obsessive, sometimes hallucinatory realm. Among the many motifs that occur in his work, the chair is especially prominent. The "Chair Transformation" series has included provocative sculpture executed in a variety of materials including wood, wire mesh, and mirrored glass. Throughout the series, Samaras transforms the ordinary object into a fantastical one, evoking a dreamlike metamorphosis. Here the artist suggests an animated flight of stacked chairs. A deceptively simple form, the sculpture actually appears from different viewpoints to be upright, leaning back, or springing forward.



15.
Joel Shapiro,
American, born 1941, *Untitled*, 1989, bronze, Gift of the Collectors Committee 1990.29.1

Achieving a balance between abstraction and representation, the geometric forms of *Untitled* can be said to resemble the torso and appendages of a human figure striking

a precarious pose. This impression changes as we move around the object, encountering a multiplicity of animated compositions. Originally constructed from plywood sheets, the elements of this work have been carefully cast in bronze to retain the wood grain pattern.



16.
David Smith,
American, 1906–1965, *Cubi XXVI*, 1965, steel, Alisa Mellon Bruce Fund 1978.14.1

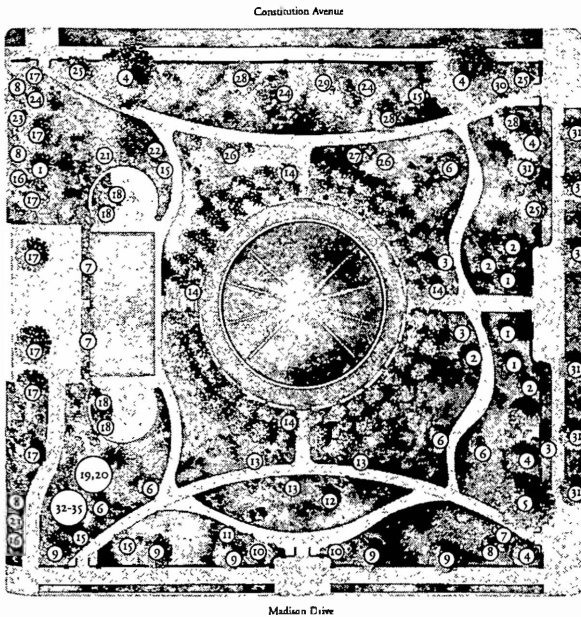
In contrast to sculpture cast in bronze or carved in stone, constructed sculpture—and particularly welded metal sculpture—constituted a major direction taken by American artists after World War II. The work of pioneering sculptor David Smith emerged within the context of the New York School in the 1940s and 1950s. Smith said of his preferred medium, welded steel: "The metal itself possesses little art history. What associations it possesses are those of this century: power, structure, movement, progress, suspension, brutality." Smith most often created works in series, culminating in the "Cubis" of the 1960s, which were made up of simple but monumental cubic or cylindrical shapes precisely crafted, assembled, and polished by the artist. "...I depend a great deal on the reflective power of light," he said. *Cubi XXVI* achieves a dynamic equilibrium between the static nature of its looming geometrical components and the dramatic upward and outward thrust of its composition.



17.
Tony Smith, American 1912–1980, *Moondog*, 1964/1998–1999, painted aluminum, Gift of The Morris and Gwendolyn Cafritz Foundation 1997.137.1

Smith's work is related to the simplified geometric forms of minimalist art of the 1960s, but was also strongly influenced by the artist's early career as an architect. The structure of *Moondog* is based on the lattice motif that Smith used as the building block for a spare yet complex formal and expressive language. Indeed, while *Moondog* is a logical geometric configuration (fifteen extended octahedrons plus ten tetrahedrons), it is also characterized from certain viewpoints by a startling tilt, conveying an impression of instability. Smith compared this sculpture to a variety of forms, including a Japanese lantern and a human pelvic bone. The title itself derives from two sources: *Moondog* was the name of a blind poet and folk musician who lived in New York; Smith has also likened this sculpture to *Dog Barking at the Moon*, a painting by Joan Miró. He first created *Moondog* in 1964 as a 33-inch cardboard model, intending to "cast the piece in bronze as a garden sculpture," which he did in 1970. Smith himself planned the large-scale edition of *Moondog*, although it was not produced in his lifetime.

plant list



Constitution Avenue

- 10 Dwarf Hinoki False Cypress
Chamaecyparis obtusa
'Nana Gracilis'
- 11 Star Magnolia
Magnolia stellata
- 12 Carolina Silverbell
Halesia carolina
- 23 Southern Magnolia
Magnolia grandiflora
- 24 Saucer Magnolia
Magnolia x soulangiana
- 25 Sawtooth Oak
Quercus acutissima
- 16 Fragrant Snowbell
Syrinx obassia
- 27 Japanese Maple
Acer palmatum
- 28 Willow Oak
Quercus phellos
- 19 Eastern Dogwood
Cornus Florida
- 10 Sweetbay Magnolia
Magnolia virginiana
- 11 Washington American Elm
Ulmus americana
'Washington'
- 13 Sudworth Eastern Arbutoviae
Thuja occidentalis
'Pumila Sudworthii'
- 31 Kaissii False Cypress
Chamaecyparis lawsoniana
katsuii
- 34 Nootka False Cypress
Chamaecyparis
nootkensis veridis
- 11 Hinoki False Cypress
Chamaecyparis obtusa

Madison Drive

- 1 Atlas Cedar
Cedrus atlantica
- 3 Cedar of Lebanon
Cedrus libani
- 1 Japanese Stewartia
Stewartia pseudocamilla
- 4 American Elm
Ulmus americana
- 5 Horse Chestnut
Aesculus hippocastanum
- 6 Yellowwood
Cladrastis lutea
- 7 Lamarkii Serviceberry
Amelanchier arborea
'Lamarkii'
- 8 Bracken's Brown Beauty
Southern Magnolia
Magnolia grandiflora
'Bracken's Brown Beauty'
- 9 Kentucky Coffee Tree
Gymnocladus dioica
- 10 Franklin Tree
Franklinia alasmaha
- 11 Paperbark Maple
Acer griseum
- 12 Siberian Elm
Ulmus pumila
- 13 Natchez Crepe Myrtle
Lagerstroemia indica
'Natchez'
- 14 Littleleaf Linden
Tilia cordata
- 15 Texas White Redbud
Cercis reniformis 'Alba'
- 16 American Holly
Ilex opaca
- 17 Dutch Elm
Ulmus x hollandica
- 18 Halka Honey Locust
Gleditsia triacanthos
inermis 'Halka'
- 19 Weeping Nootka
False Cypress
Chamaecyparis
nootkensis 'Pendula'

**NATIONAL GALLERY OF ART
INFORMATION SYSTEMS PROGRAM
(\$000's)**

<u>Description</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2001 Over/(Under) FY 2000</u>
<u>On-site Services:</u>			
In-house computer (art)	\$ 816	\$ 836	\$ 20
In-house computer (admin.)	935	1,075	140
Supplies/software	40	40	--
PC maintenance and equipment	365	365	--
Subtotal -- On-site Services	2,156	2,316	160
<u>Off-site Services:</u>			
Library EDP services	111	111	--
Development EDP services	17	17	--
Corporate Relations EDP services	13	13	--
Information Office EDP services	10	10	--
Personnel EDP services	5	5	--
USDA/NFC payroll processing	121	121	--
Subtotal -- Off-site Services	277	277	--
Total Annual Operating Costs	\$ 2,433	\$ 2,593	\$ 160

Information Systems Program

In FY 2001, we are requesting an increase of \$20,000 for on-site EDP services in the Art Care function. This is to cover the rising costs associated with maintenance and upkeep of the Collection Management System. The Collection Management System records all movement of art in the Gallery and on loan to other institutions. It contains art insurance information as well as detailed historical data about the work of art and its creator. The data is made available to the public via the web site.

In the General Administration function, data processing services costs will increase by \$140,000 above the FY 2000 level. \$117,000 is to contract for annual maintenance, expansion and upkeep of the web site. This is an ongoing process that requires daily attention and timely updating. The site's data base of collection images is a priority and requires a continuous effort to scan, color correct, and process works on a regular basis. Special web features created in conjunction with exhibitions, permanent collection tours, and online teaching sources are ongoing projects. The remaining \$23,000 results from rising costs associated with the maintenance and upkeep of the Financial Data System which encompasses budgeting, accounting, procurement and related reporting.

NATIONAL GALLERY OF ART
SUMMARY OF SPECIAL EXHIBITION FUNDING SOURCES
FY 1983 - 2001
(\$000's)

	Funding			Percent of Funding	
	Federal	Nonfederal	Total	Federal	Nonfederal
1983 Actual	\$ 1,355	\$ 1,703	\$ 3,058	44%	56%
1984 Actual	1,323	937	2,260	59	41
1985 Actual	1,177	1,034	2,211	53	47
1986 Actual	3,373	4,817	8,190	41	59
1987 Actual	2,108	3,517	5,625	37	63
1988 Actual	1,597	4,313	5,910	37	63
1989 Actual	3,241	5,877	9,118	36	64
1990 Actual	2,412	6,114	8,526	28	72
1991 Actual	2,929	4,957	7,886	37	63
1992 Actual	5,671	6,030	11,701	52	48
1993 Actual	1,953	3,552	5,505	35	65
1994 Actual	2,692	1,997	4,689	57	43
1995 Actual	2,946	3,318	6,264	47	53
1996 Actual	3,176	3,963	7,139	44	56
1997 Actual	3,439	3,649	7,088	49	51
1998 Actual	3,748	3,225	6,973	54	46
1999 Actual	3,041	5,917	8,958	34	66
2000 Estimate	2,649	4,144	6,793	39	61
2001 Estimate	3,330	5,432	8,762	38	62

Note: Percentages of federal and nonfederal funding in 2000 and 2001 are dependent upon the amount of funds the Gallery is able to raise from the private sector.

Description	FY 2000	FY 2001	2001 Over/ (Under) 2000
Special Exhibition Program	\$ 3,026	\$ 2,349	\$ (677)

**NATIONAL GALLERY OF ART
SPECIAL EXHIBITION SCHEDULE
PRELIMINARY ESTIMATE FOR EXHIBITIONS OPENING IN FY 2001**

<u>DATE</u>	<u>SPECIAL EXHIBITION</u>	<u>LOCATION</u>	<u>TOTAL</u>
10/00-01/01	Art Nouveau, 1890-1914	EB	\$ 2,900,000
10/00-01/01	Decade of Acquisitions	WB	328,000
10/00-01/01	Parisian Prints of 1890s	WB	261,000
01/01-04/01	Stieglitz & Modern Art	WB	1,200,000
04/01-08/01	Gifts to the Tsars	EB	1,300,000
05/01-08/01	Two Centuries of Florentine Botanical Art	EB	400,000
Summer 2001	German Romantic Paintings	WB	400,000
09/01-01/02	Leonardo's "Ginevra de' Benci"	EB	600,000
09/01-01/02	Frederic Remington	EB	250,000
----	Special Exhibitions Department Costs	---	725,000
----	Development for Future Exhibitions	----	400,000
	TOTAL		<u><u>\$ 8,762,000</u></u>

**NATIONAL GALLERY OF ART
SPECIAL EXHIBITION SCHEDULE
PRELIMINARY ESTIMATE FOR EXHIBITIONS OPENING IN FY 2000**

<u>DATE</u>	<u>SPECIAL EXHIBITION</u>	<u>LOCATION</u>	<u>TOTAL</u>
10/99-01/00	Tilman Riemenschneider	WB	\$ 600,000
10/99-01/00	German Renaissance Drawings	WB	429,000
10/99-01/00	Brassai Photographs	WB	195,000
11/99-02/00	Paul Mellon Collection	EB	250,000
11/99-02/00	Vermeer's Art of Painting	WB	253,000
01/00-04/00	Max Weber	WB	25,000
02/00-05/00	Martin Johnson Heade	WB	358,000
02/00-05/00	Carleton Watkins Photos	WB	197,000
03/00-06/00	Ebsworth Collection	EB	383,000
04/00-08/00	Gerrit Dou	WB	397,000
04/00-07/00	O'Keeffe Works on Paper	EB	273,000
05/00-07/00	Raphael Drawings	EB	198,000
05/00-10/00	Baroque Architecture	WB	1,460,000
05/00-08/00	Impressionists at Argenteuil	WB	600,000
09/00-01/01	Walters Art Gallery	EB	50,000
---	Special Exhibitions Department Costs	---	725,000
---	Development for Future Exhibitions	---	400,000
	TOTAL		<u>\$ 6,793,000</u>

**NATIONAL GALLERY OF ART
CONSERVATION EQUIPMENT
TEN-YEAR PROJECTIONS
YEARS 2001-2005**

Chief of Conservation

Office Furniture

\$25,000

Chairs, file cabinets and task lighting are needed to maintain office functions. Both chairs and task lights need periodic replacement. File cabinets are needed as new space is renovated or existing files require new cabinets to accommodate important records. This covers the cost for replacements and new purchases within the entire division.

Computers, replacement group printers, scanners, slide makers

32,000

With daily use, the mechanical parts of computer mean time to failure is anticipated at 4-5 years. Our experience indicates that after a 5-year period, replacement parts are not available so that equipment must be abandoned. Further, software makes requirements of hardware and operating systems that render old systems incompatible with new software. Other shared equipment that gets heavy-duty use must be replaced periodically.

Subtotal – Chief of Conservation

57,000

Painting Conservation

2 Microscopes with floor stands, with fiber-optic light systems and digital cameras for each

115,000

Much of the conservators' closer-up cleaning of paintings is done Under high-quality microscopes with flexible floor stands and arms which allow access to horizontally or vertically placed paintings. Microscopes are also essential for the close-up study of paint structure and artists' techniques. The cameras allow macro-photography through the microscope for documentation of what is seen and fiber-optic light systems attached to the microscopes produce the best light for the work with the least clutter. There is presently a serious shortage of microscopes in the lab; conservators line up to use them.

2 Replacement microscope floor stands with digital cameras and fiber-optic light systems for each

45,000

Two of the present floor stands need replacing. They are of an older design, are bulky, unstable and dangerous to use, allowing the microscopes to tip over onto the paintings if constant care isn't maintained.

2 Digital cameras with lenses and attachments

6,000

New cameras will be needed to replace worn, 15-year old ones and be used on the new microscope stands listed above. Cameras are

constantly in use to document work for less formal shots than the photography staff takes and to take macrophotographs.

Low pressure suction table **\$80,000**

The present 1982 hot table is worn and no longer functions well. New technologies are much more sensitive for work conservators now carry out, especially on modern paintings.

X-radiographic unit **60,000**

A new x-ray unit is needed to replace the 1970's model now in use. A new, more flexible model would allow a greater range of sensitivity in the x-radiography work than is possible with the old model.

Electric Wall Easel for x-ray set-up **50,000**

The present 25-year-old x-ray easel runs very badly, vibrates the paintings on it as it moves, and often breaks down. A new one is needed prior to the expansion which would move paintings smoothly and in measurable increments for x-ray and infrared examinations so that imaging would be easier

X-ray film processor to replace present one when worn **5,000**

Photoflood lights for use with easel **800**

Infrared camera (replacement of old camera) **50,000**

Big-array silicon camera for specialized IR work **2,000**

Spacesaver file storage system **22,000**

This is for our permanent collection records. Our present file drawers are so cramped that it is hard to pull a painting file out of them. This spacesaver system is very tall and has a revolving internal holder design which allows much more storage in the same horizontal space.

Lighting Systems:

4 Scandles lights with reflector and rolling stand. This will assure that each conservator has a dedicated inpainting light for his/her projects. This is the best inpainting light system we have found. **7,320**

9 Burton lights are the best spotlights for horizontal work and for supplementing microscope lighting. The Burton Co. will exchange our nine old lights for nine new "CoolSpot II" lights which use cheaper bulbs. **13,104**

4 "Redline" easels **21,200**

These easels made by Kevin Redline have proven to be the best design of the many we have tried: they are finely crafted, comfortable and best withstand our rough treatment. These would replace the oldest and most broken down of our present easels.

7 Tall padded studio stools **\$ 2,940**
 Ergonomically designed chairs have been found to be essential for conservators spending hours daily inpainting. These chairs, located through the Architect's Office, have been very successful in reducing back strain.

3 computers and 3 monitors for graphics-intensive users **21,000**
9 computers for regular users **13,500**
4 monitors for regulars **2,250**

Graphics-intensive users require powerful computers. The users are the systematic catalogue conservator, technician and one general lab computer. All three will need replacing in less than five years. Regular computer users perform report writing, e-mail, internet and light database work.

3 Portable Computers **6,100**
 printers (one expensive printer for infrared work and three less expensive ones for report writing. Half of this cost for is for five years, and half will be projected for ten years. **3,050**

Scanner (either one unit each five years or one large-bed scanner by ten years. **1,250**

Supplies (blank zip, optical disks and cd's for storage and archiving storage and archiving digital images) **6,750**

Software (upgrades of only three software packages, new software costs, etc.) **10,000**

Subtotal – Painting Conservation **544,264**

Department of Loans and Exhibitions

Replacement of Temp and RH sensors (30-40) **10,000**
 Present equipment is ten years old and prone to failure. We have been fortunate that none have failed during an exhibition, which would leave us without the ability to control the RH.

Light Meter with UV Capacity **2,200**
 Present equipment is not accurate enough for exhibition needs.

Storage cabinets for Office Spaces **5,000**
 Presently, our supplies and equipment are spread out throughout the West Building because of lack of storage.

Data Loggers **8,000**
 Equipment needed for monitoring exhibition and packing cases as well as research.

Computers and accessories	\$40,000
The department has seven desktop and two laptop computers that should be replaced at least every five years. Therefore, each of these computers will be replaced twice in the next ten years, probably at an average cost of \$4,500 for each computer and its accessories.	
Heavy Duty Head for Speedmat	300
Replacement for existing equipment	
New Fletcher Frame Joiner	600
Replacement for existing equipment	
Storage racks for moldings and wood	3,500
This will allow us to get all of the moldings used for Exhibition framing off of the floor.	
Burton examination lights	4,000
We are presently using one light borrowed from Textile Conservation. It would help to have one of our own so that we can return the one on loan.	
Shelving for Frame Studio	1,500
This is to complete the furnishing specified in the 1995 renovation.	
Air filter wood shop	1,000
This will help reduce the air born wood dust.	
Miter saw	1,000
This is in anticipation of our older saw needing to be replaced.	
Spindle sander	500
Used to shape small pieces of wood that is now being done by hand.	
Subtotal – Department of Loans and Exhibitions	<u>77,600</u>
<u>Paper, Photograph, and Book Conservation</u>	
The one to five-year plan assumes that the photograph conservation section will occupy a new and separate space. The additional space adds approximately 700 sq. ft. (total 1950 sq. ft.) and will allow for the addition of four staff/fellows/interns (three additional photo, one additional paper). The equipment listed will replace, upgrade, and/or supplement existing equipment. It is not expected that a book conservation section will exist before year six.	
<u>Paper Conservation General Equipment</u>	
New equipment will replace outdated or supplement existing equipment. Obsolete equipment requiring replacement within 5 years includes:	
Suction Table	12,000

De-ionized Water filtration system	\$ 1,000
Microscope	20,000
Digital Camera	2,500
Copy stand built into counter (Paper Sample Collection)	850
Light box built into counter at copy stand (Paper Sample Collection)	550

Copy stand and light box are needed in the Paper Sample room to examine and document the collection materials.

Track Lighting	2,000
Gallery-quality lighting is needed to examine works of art as treatment is conducted to be sure that color matches after inpainting and repair.	

Photograph Conservation Lab

The equipment for a photograph conservation section will completely outfit a separate space. These estimates provide for a four-person lab.

Stainless steel sink	3,000
Wash-up sink	1,200
De-i Water filtration system	1,000
Refrigerator	500
Microscope and mobile operating stand	30,000
4 sets of map cases (stacks of two 5-drawer cases) 1000 each	8,000
Copy stand built into counter	850
Ducted fume hood and/or Elephant trunk fume extractor	15,000
De-i Water filtration system	1,000
Camera and accessories	3,500
2 Light boxes, one built into counter and copy stand 550 each	1,100
Vented chemical cabinet	900
Track Lighting	2,000
Stainless steel sink	3,000
Drying racks	3,500
Enlarger	4,000
Lenses	1,500
Enlarger accessories (negative carriers, printing frames, safe lights, timers, etc.)	2,500
NuArc Exposure Unit	3,000
Air Compressor	500
Ergonomic Floor Mats	2,500

Paper, Photograph, and Book Conservation Computers, etc.

During years 1 - 5, some computers will require replacement due to obsolescence. Additional computers will be needed for added staff.

6 desk tops, including monitors and memory	20,000
5 portable computers, including memory, external drives	15,000
Software	11,500

Laser printers	\$ 4,000
Color printer	600
Scanner	1,500

Subtotal – Paper, Photograph, and Book Conservation **180,050**

Object Conservation

Boom Lift **50,000**

Almost daily maintenance is required for a number of works in the new Sculpture Garden. Several hours of that time is devoted to trying to move and manipulate equipment into very awkward positions in order to reach the tops of sculptures, usually not successfully. Because of the great variation in the grade within the garden and the uneven ground around each sculpture, we cannot get traditional lifts close enough to the pieces; ladders are unstable, not tall enough, or cannot be fitted inside the sculpture. Sculptures, such as Di Suvero's *Aurora*, Smith's *Moondog*, Calder's *Cheval Rouge* and Stella's *Prince of Hamburg*, cannot be adequately conserved and maintained at the present time given the limitations in reaching all the interior projecting parts. A boom lift with a 21-foot extension would enable us to reach high and projecting parts of sculptures and to better preserve these great contemporary works within our care.

Microscope **40,000**

Replace existing (over 20 years old) Wild microscope; includes stand, lights, and camera.

Slide Scanner **1,800**

Replace 10-year-old scanner that has poor resolution, very slow speed, and is incompatible with newer operating systems.

X-ray Scanner **20,000**

Replace existing unit (over 15 years old) which was purchased as a used medical unit. Resolution is very poor, scan time is very slow compared to current scanners with vastly improved technology.

Camera **1,500**

Camera body, lenses, flash. With the advent of the Sculpture Garden, more conservation treatments, especially of outdoor or permanently mounted works, are being performed on site. Therefore, a dedicated camera is required for conservators in order that they can document treatments at various stages since photography cannot be performed in the existing NGA photo studio.

Steam Cleaner **2,500**

Replace over 10-year-old unit for one with larger tank capacity and of better fabrication materials.

Spray Equipment	\$ 5,000
New spray guns, air hoses, tanks and a compressor are required to replace almost 20-year-old equipment	
Computers	34,300
Replace 8 desktop computers and 2 laptops. Add new laptop computer and one printer.	
Solvent Storage Cabinets	2,000
Needed to replace malfunctioning existing acid and chemical storage cabinets.	
Statistical Software	<u>1,500</u>
Needed to perform complicated manipulation of materials analysis data for research projects on clays used by Renaissance artists.	
Subtotal – Object Conservation	<u>\$158,600</u>

Scientific Research Department

The Gallery's scientists work with curators and conservators on issues affecting the preservation of the Gallery's collection by studying artists' methods and materials, and examining products used in the conservation treatment of objects. The scientific analysis of artists' materials and methods is often done in conjunction with the treatment of a work of art to aid the conservator in making decisions during this treatment. Materials, such as varnishes and retouching paints are studied and developed by the scientists in collaboration with conservators and chemical industry. The department's scientists publish their findings in international journals and lecture about their work at conferences, conservation schools and other venues. The staff is also involved in editorial capacities at leading journals and international conferences. The department has built up an international reputation

The scientific research department's instrumentation includes microscopic, spectrophotometric and chromatographic instruments. Due to recent capital equipment budget cuts, the Gallery has not been able to fill the gaps in its instrumentation and maintain and upgrade existing equipment. It is essential for the functioning of the scientific research department that such funds are being made available.

An additional difficulty has been that funds available for maintenance of equipment (service contracts and repairs) were never adequate and generally had to be supplemented using capital equipment funds. Our maintenance costs run about \$70,000 annually, while our budget for this has been only around \$50,000. As a result, virtually no federal funds have been available for equipment purchases in the last few years.

As we were able to build the department's instrumentation during years just prior to the cut, we have been able to "coast" for a while. If the cut had happened two or three years earlier, it would have been devastating. However, some of our instruments need to be replaced or upgraded and additional instrumentation is required.

It is difficult to provide a general estimate of the life expectancy of scientific equipment. In recent years because of rapid developments in computer technology, data handling systems have become obsolete within three to five years and often need to be replaced before the rest of the instrument fails. Even if older equipment still functions, support from the manufacturer may no longer be available. On average, we estimate that instruments have a usable life span of seven to ten years, if they are maintained regularly. Parts that break or have become obsolete may have to be replaced earlier. We can expect, therefore, that all our equipment will have to be replaced sometime within the next ten years.

It is also important to keep in mind that, although we may, to a large extent, be able to predict the instrumentation we require, by its very nature, scientific research follows untraveled roads. It is important, therefore, that we have an adequate capital equipment budget so that we are able to take advantage of innovations in scientific instrumentation or to explore a research avenue not considered before. The following listing of major instruments does not include minor instrumentation or instrument components we may require in the course of our research. An annual capital equipment budget for scientific research of \$200,000, based on the 1999 buying power of the dollar and adjusted annually for inflation, would be appropriate. The total for FY2001 is considerably higher than that, primarily because of the inclusion of a relatively expensive x-ray diffraction unit.

Energy Dispersive Spectrometer (EDS) Replacement

\$75,000

Energy dispersive spectrometry is used to examine the inorganic components of paints, glues, plasters, metal alloys, paper fillers and many other materials that are used in the creation of works of art. The department requires a new energy dispersive spectrometer to continue to be able to provide high quality analysis of these materials. The current spectrometer is six years old and technologically older than that. Peripherals, such as printers, must be of certain types that are often no longer available and which are becoming difficult and expensive to maintain.

Data handling on the current spectrometer is powered by a computer running under an obsolete operating system. The data are obtained in a format that is unique and stored on limited capacity disk drive. Only with difficulty can the data be transferred to any other system and during this transfer any associated text is lost. Images of digital mapping etc cannot be stored in formats readable by PC programs. The data can be output from an aging printer that is difficult to support. Visual communication of the data is essential in order to explain results and conclusions to conservators and art historians.

A new system would provide better electronics for data collection. Equally importantly, current systems operate under personal computers allowing data to be stored, transferred, and printed on any platform that personal computers can access, giving us great flexibility in sharing and using the data.

Any new system will require upgrades of the stage control, beam control, and detector control in addition to data handling. New generation data handling will allow output to modern printers in digital, color format and a new printer is also required.

X-ray Powder Diffraction (XRD) Replacement**\$300,000**

X-ray powder diffraction is used to identify crystalline pigments, fillers, and corrosion products. It can also be used to study crystalline polymers, both natural and synthetic.

The x-ray powder diffraction unit in the scientific research department is over twenty years old. The only method for data collection that can be used on this system is Gandolff film cameras. This means we cannot properly examine waxes, certain clays and other materials commonly found in art objects. Modern x-ray diffraction units can be used for examining film thickness, surface roughness, particle size and other properties. Modern systems can be used for examining small inclusions in larger structures. This would be of great use in examining large clumps of pigments, corrosion, glasses and other inhomogeneous materials that are examined in the analysis of artworks. Additionally, a modern system would increase our capability in identification of fibers.

Video Microscope**35,000**

Photodocumentation of the surface characteristics of works of art is an important part of maintaining records of the state of preservation of an object, its conservation treatments and for glean information on how it was produced. Film-based documentation is time-consuming and prone to errors in focus, exposure, field of view, etc. Furthermore, accurate color rendition is difficult. A major disadvantage of using film is that errors are often not detected until too late, due to the lag in time between taking film-based photographs and processing; another major disadvantage is the time-consuming step of documentation of what is depicted in each photograph after the fact. These disadvantages may be overcome through use of real-time capture of images, each checked as acquired, annotated by voice or written files that are created at the same time as the images are captured and stored. The files that represent photomicrographs can be captioned, processed, stored and translated between formats and easily duplicated for sharing and using in reports. The files could be stored on media that have a longer life than transparency film.

An advantage of the ability to capture images rapidly and in real-time is that this process can be accomplished when pictures are available for a short time only, such as during exhibitions, or when pictures may be removed from display for restricted periods.

Rheometer**50,000**

A rheometer for use in studying the rheological (flow) properties of paints and varnishes will be needed. The handling properties of paints and varnishes are best quantified through measurement of their rheological properties. The handling properties of traditional paints and varnishes are considered by conservators to be superior to the majority of the stable synthetic retouching materials available today. Characterization of the rheological properties of traditional paints and varnishes will aid in creating retouching materials that have similar handling properties in addition to excellent appearance and stability.

Personal Computers Replacement**\$26,000**

Replacement of aged equipment that cannot run new software.

Air-Path X-ray Fluorescence Spectrometer (XRF) Upgrade**32,000**

X-ray fluorescence spectrometry can aid in characterizing the materials and methods of an object, help date it, and sometimes identify a forgery. No other technique provides an immediate survey of all the elements higher than sodium (potassium for air-path instruments) without having to remove a sample from the artwork. Its versatility alone makes it indispensable in a modern museum laboratory. Over the past decade, thousands of X-ray fluorescence spectrometer analyses were performed on a wide variety of art objects in the Gallery's collections. This technique has been used to determine the palette of a particular artist, to help answer questions regarding turn of the century photographic processes, to determine the use of metalpoint in a 16th century drawing, to identify the constituents in several medieval stained glass panels, and to provide compositional information on bronze statuettes. X-ray fluorescence spectrometer analyses are an essential contribution to the Systematic Catalogue. Curators and conservators use information gained from X-ray fluorescence spectrometer analyses to aid them when making crucial decisions regarding the museum's collections.

The Kevex 0750A spectrometer is unique to the museum field and has been modified from the industry standard by removal of the x-ray tube and detector from their housing and placing them in a shielded room. The x-ray tube and detector are mounted on a steel column that allows for vertical and horizontal movement of the spectrometer. This allows X-ray fluorescence spectrometer analysis of works of art without sampling. This instrument is no longer being manufactured and only about a dozen of them were made. Excluding replacements of x-ray tubes (costing approximately \$8,000 and needing replacing approximately every two years), this instrument has gone through two major overhauls in the last 14 years.

The next major expense foreseen is replacement of the original liquid nitrogen cooled silicon lithium drifted x-ray detector with a modern electrically cooled x-ray detector at an expense of approximately \$21,000.

1. New detector FY2002 (\$21,000).
2. Replacement of x-ray tube (life expectancy 2-4 years last replaced in March 1998) (\$8,000).
3. The computer was replaced in 1998 and will need to be replaced in three to five years (\$3,000).

Digital Documentation of Light Microscopy**20,000**

Photomicrographs of paint cross sections and dispersed pigment samples document microscopic analysis of the materials and techniques of works of art. Photodocumentation of images obtained during light-microscope analysis of paint samples is integral to recording analytical results and to communicating the results through

analytical reports and publications. As reports and publications are increasingly based on electronic media, it is important that digital images as well as film-based images be used for photodocumentation.

Digitized image files can be captioned, processed, stored and translated between formats and easily duplicated for sharing with colleagues and use in reports. Using image-processing software digital images can be compared and analyzed, and problems of accurate color rendition frequently encountered in film-based photomicrography can be compensated. Furthermore, digitized images can be annotated by voice and written files as they are captured and stored. Files stored on electronic media can be copied without loss of resolution as technology changes, ensuring valid archives of older images.

The department's Leica DMRX research microscope should be equipped with a three-chip video camera and a workstation with video frame-grabber and software to archive and analyze captured microscopic images. The images generated by such a system will be compatible with the image files generated by a new energy dispersive spectrometry system.

Fourier-Transform Infrared Spectroscopy System (FTIR)

\$125,000

A Fourier-transform infrared spectrometer with microscope attachment is necessary for the characterization of organic binders and pigments in works of art. This information helps the conservators understand artists' materials and methods. FTIR spectroscopy provides preliminary information about types of materials that may be present in a sample removed from a work of art. As the sample is not destroyed, other analyses can then be tailored based on the preliminary analysis. A microscope attachment is crucial due to the small samples examined. FTIR is also used extensively in the characterization and evaluation of products used in conservation treatments of works of art, such as coating materials. This is often done in conjunction with accelerated aging procedures.

The FTIR in the department is nine years old, and has a prototype microscope. The instrument has undergone several repairs lately, including repairs of the source and the liquid nitrogen cooled detector. The moving mirrors fail intermittently. In addition, current microscopes have improved optics enabling better viewing and resolution of the samples.

Scanning Electron Microscope (SEM)

150,000

Scanning electron microscopy, in combination with other analytical techniques, such as, energy dispersive x-ray spectroscopy (EDS; see FY2001), is used to characterize inorganic components found in artist's materials. Materials examined by the scientific research department using SEM are diverse, ranging from those occurring in existing works of art to products used for conservation treatments or materials under development for use by conservators. When used alone SEM provides a means of characterizing physical features, such as structure and topography, and assessing spatial relationships of individual components for both organic and inorganic samples.

The department has thoroughly incorporated SEM into the analysis of artist's materials, and it is increasingly relied upon in our research.

The JEOL 6300 SEM currently installed at the NGA is approximately seven years old. This unit relies upon a proprietary operating system that will place the microscope at an increasing technological disadvantage. This is particularly true when attempting to interface the SEM with various detectors and software—including imaging applications—from other vendors. Currently available electron microscopes operate using the globally accepted Windows 95, 98 and NT systems, making integration, upgrades and maintenance more practicable.

Weather-ometer

\$75,000

An Atlas Weather-ometer, a chamber for accelerated aging under controlled lighting, temperature and humidity conditions, has been used at the National Gallery of Art for the aging of varnishes, paints and other conservation materials. Materials that have been aged in the Weather-ometer can be studied using a variety of analytical techniques, with assessments made in terms of color change and chemical and physical stability. This provides valuable information about the future performance of these materials. The Weather-ometer is currently ten years old, and it has undergone several major repairs.

Thermal Analysis System

90,000

Thermo-analytical techniques, such as dynamic mechanical analysis, differential thermal analysis, differential scanning calorimetry and thermo-gravimetric analysis, are powerful tools to study the properties of polymeric materials. Synthetic polymers are used as artists' materials and as conservation products, including coatings, adhesives and consolidants. Access to these methods is necessary in order to characterize these materials.

Gas Chromatograph (GC)

34,000

Gas chromatographs are used for routine analysis of waxes, drying oils, natural resins, proteins and other materials used in works of art. A replacement from Perkin-Elmer, based on their Autosystem XL, will cost approximately \$31,500 in 2005, and would include a GC with automated injector, a single split/splitless injector, flame ionization detector, a computer, a LAN-card connection to the PC-based data system, and upgraded chromatography software. A replacement from Hewlett-Packard, based on their HP6890 will cost ca. \$34,000 in 2005, and would include a GC with automated injector turret, a single split/splitless injector, flame ionization detector, a computer, a LAN-card connection to a PC-based data system, and chromatography software.

High Performance Liquid Chromatograph (HPLC)

55,000

High performance liquid chromatographs are used to analyze dyes, proteins, and polymers used in works of art. In FY2005, one of our Hewlett-Packard Series II 1090 HPLCs will need to be replaced. A replacement from Hewlett-Packard will cost approximately

\$55,000 in 2005 and would include the HPLC, pump, degasser, diode array detector, autosampler, and a PC-based data system.

Size Exclusion Chromatograph (SEC)

\$ 55,000

Within five years, the Perkin-Elmer size exclusion chromatography system will need to be replaced. SEC, also known as gel permeation chromatography (GPC) is used to characterize the molecular weight distribution of polymeric materials. The SEC is used primarily to analyze resins used as varnishes and retouching paints. A replacement from Hewlett-Packard will cost ca. \$55,000 in 2005, and would include a refractive index detector, an autosampler, a pump, and a PC-based data system.

Air-Path X-Ray Fluorescence Spectrometer (XRF)

11,000

See description under FY2002. Number 2, Replacement of x-ray tube \$8,000. Number 3, Replacement of computer \$3,000

Fluorescence Spectrometer

75,000

Fluorescence spectrometry enables the characterization of materials in very small samples from works of art, in particular certain pigments and dyes. In addition, fluorescence often develops in organic materials when they age and this phenomenon is usually a precursor of yellowing of many artists' materials. The commonly utilized technique of examining paintings using a UV lamp to distinguish later additions from the original is possible because of the development of fluorescence in varnish and paint layers as they age. The department intends to study the fluorescence of artists' materials, both from the perspective of using fluorescence spectroscopy as an analytical tool and as a means of obtaining a better understanding of the yellowing of materials.

Microspectrometer

100,000

A microspectrometer allows for the recording of reflection, transmission and emission spectra through an optical microscope. This would greatly increase the information obtainable from microscopic samples taken from works of art. Rather than solely relying on visual observation, pigments, dyes, paint media and other materials may be characterized by their UV-visible reflection, transmission, excitation or emission spectra. This instrumentation has been reduced in price compared to their cost a decade ago.

Subtotal – Scientific Research Department

1,313,000

1-5 YEAR TOTAL – CONSERVATION EQUIPMENT

\$2,273,514

**NATIONAL GALLERY OF ART
CONSERVATION EQUIPMENT
TEN-YEAR PROJECTIONS
YEARS 2006-2010**

Chief of Conservation

Office Furniture **\$15,000**

Chairs, file cabinets and task lighting are needed to maintain office functions. Both chairs and task lights need periodic replacement. File cabinets are needed as new space is renovated or existing files require new cabinets to accommodate important records. This covers the cost for replacements and new purchases within the entire division.

Computers, replacement group printers, scanners, slide makers **29,000**

With daily use, the mechanical parts of computer mean time to failure is anticipated at 4-5 years. Our experience indicates that after a 5-year period, replacement parts are not available so that equipment must be abandoned. Further, software makes requirements of hardware and operating systems that render old systems incompatible with new software. Other shared equipment that gets heavy-duty use must be replaced periodically.

Subtotal – Chief of Conservation **44,000**

Painting Conservation

2 Microscopes with floor stands, digital cameras and fiberoptic lighting systems **150,000**

These would replace the oldest microscopes and floorstands, which by that time would be over 25 years old.

2 digital cameras **8,000**

These would replace 25-year-old cameras and continue to update the technology

Lighting Systems

10 Scandles **18,300**

These would add to and replace worn ones among the 14 lamps to be in the lab at the time.

6 Burton CoolSpot lights **12,480**

These would add to and replace worn ones among the 9 existing lamps.

4 Redline easels - replacements for older easels **12,000**

14 tall padded studio stools **5,880**

Replacements for worn/used chairs

Computers and related equipment	\$ 82,000
Supplies and software	<u>33,500</u>
Subtotal – Painting Conservation	<u>322,160</u>

Loans and Exhibitions

New Wall-Mounted Glass/Board Cutter Replacement for existing equipment.	3,000
Dust Collector for wood shop	2,500
Planer	1,500
Sander	1,800
Jointer	1,500
Band Saw	1,300
Table Saw	2,500
Computers and accessories	<u>80,000</u>

The department has seven desktop and two laptop computers that should be replaced at least every five years. Therefore, each of these will be replaced twice in the next ten years, probably at an average of \$4,500 for each computer and its accessories.

Subtotal – Loans and Exhibitions	<u>94,100</u>
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Paper, Photograph, and Book Conservation

It is not expected that a book conservation section will exist before year 6. The plan for years 6 - 10 augments the plan for years 1 - 5, assuming that photograph conservation will occupy a separate space accommodating four people. To this 1950 sq.ft. we add an additional approximately 500 sq. ft. (totaling 2450 sq. ft.) to allow for the addition of a book conservator and one other staff/fellow/intern. The equipment listed will replace, upgrade, and/or supplement existing Paper Lab equipment.

Book Conservation Lab General Equipment

An in-house book conservator will be needed to care for the growing collection of rare books (Bunny Mellon) and other important bound volumes and albums. The equipment for a book conservation section will completely outfit an additional 500 sq.ft. of space. These estimates allow equipment for one or two book conservators.

2 Nipping Presses (ratcheted) 8000 each	16,000
Job Backer	2,500

Vagelli board shears (40" blade)	\$ 15,000
Stamping Press and type	18,000
Lying Presses (4 x 300 each)	1,200
Leaf Caster System	11,000
Suction Table	12,000
Suction Platen	5,000
Air Brush System	1,500
Spray Booth and Exhaust	5,000
Dirty Room Storage and Exhaust	10,000
Misc. Equipment (grinder, sanders, buffers)	3,000
Non-aqueous Deacidification System	3,000
Ducted fume hood and/or Elephant trunk fume extractor	15,000

Computers, etc.

Over a period of ten years, computers and related hardware and software will require replacement due to obsolescence. The following figures represent estimates for years 6-10, and adds 15%.

7 desk tops, including monitors and memory	25,000
6 portable computers, including memory, external drives	18,000
Software	13,500
Laser printers	5,000
Color printer	800
Scanner	1,800

35mm Nikon Camera Body

1,800

The camera has a limited life expectancy, and will probably require replacement.

Subtotal – Paper, Photograph & Book Conservation **184,100**

Object Conservation

Microscope 15,000
Replace over 20-year-old Zeiss microscope.

X-Ray Unit 30,000
Purchase new industrial x-ray tube almost 30 years old .
X-ray tubes have a limited life and must be replaced periodically for safety and quality reasons.

Laser 35,000
In the past several decades, great strides have been made in the use of lasers for cleaning art objects. Lasers have been primarily used for the conservation treatment of marble and other stone sculptures in which the laser has the capability to remove only deposited dirt and weathering crusts without damaging the stone below (traditional stone-cleaning methods usually involve mechanical and chemical means which can abrade, or otherwise damage, the stone below). Because of their ability to isolate very thin layers of differing compositions, lasers have also been successfully used to clean ceramics, painted sculptures,

to remove stains from parchment and paper, and to remove tarnish from metals.

Digital Camera/3-D Scanner

\$ 20,000

Recording condition of 3-dimensional objects is extremely difficult compared to making those for works of art on paper or paintings. Often, a side or area of a 3-D object has not been pictured in the standard "front-back" photo-documentation series and critical information is missing regarding original condition. A 3-D camera/scanner would make it viable to provide full coverage for sculpture and decorative arts.

Computers (15% increase)

39,445

Replace 8 desktop, 3 laptop computers, and one printer

Subtotal – Object Conservation

139,445

Scientific Research Department

Equipment

200,000

It is certain that all the equipment purchased will need to be replaced within a 10-year cycle. It is estimated that a budget of \$200,000 each fiscal year will be needed to provide an adequate amount for replacement equipment.

6-10 YEAR TOTAL - CONSERVATION EQUIPMENT

\$983,805

**NATIONAL GALLERY OF ART
DETAIL OF POSITIONS BY GRADE**

	<u>FY 1999 Actual</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
SL (Senior Level)	20	20	20
GS/GM-15	19	19	19
GS/GM-14	23	23	23
GS/GM-13	71	71	71
GS-12	57	57	57
GS-11	77	77	78
GS-10	6	6	6
GS-9	53	53	53
GS-8	23	23	23
GS-7	56	56	56
GS-6	82	102	105
GS-5	165	160	170
GS-4	46	36	26
GS-3	1	1	1
GS-2	1	1	1
WG/WS/WL/WD*	<u>136</u>	<u>136</u>	<u>139</u>
TOTAL STAFFING	<u>836</u>	<u>841</u>	<u>848</u>

*Skilled and unskilled trades positions.

NATIONAL GALLERY OF ART
SUMMARY OF FEDERAL FTE WORKYEARS
FY 1986 - 2001

Function	FY 1986 FTE (Actuals)		FY 1997 FTE (Actuals)		FY 1998 FTE (Actuals)		FY 1999 FTE (Budget)		FY 2000 FTE (Budget)		FY 2001 FTE (Budget)	
	FTE	Other Total	FTE	Other Total	FTE	Other Total	FTE	Other Total	FTE	Other Total	FTE	Other Total
Care and utilization of art collections	245	20 285	243	14 257	252	14 266	266	14 280	266	14 280	267	14 281
Operation and maintenance of buildings and grounds	148	2 150	143	- 143	141	- 141	159	- 159	159	- 159	162	- 162
Protection of buildings, grounds, and contents	271	2 273	267	- 267	267	- 267	307	- 307	312	- 312	315	- 315
General Administration	82	1 83	83	2 85	87	2 89	88	1 90	89	1 90	89	1 90
Total	748	25 771	736	16 752	747	16 763	821	15 836	826	15 841	833	15 848

NOTE: The above figures represent full-time equivalent workyears during the year, and, therefore, differ somewhat from the actual numbers of positions filled at the end of the year.

**NATIONAL GALLERY OF ART
SUMMARY OF FULL-TIME PERMANENT POSITIONS
FY 1999 - 2001**

Decision Center	Department	FY 1999	FY 2000	FY 2001	FY 2001 Increase/ (Decrease) Over FY 2000
Function A -- Art Care					
1111	Office of the Director	7	7	7	0
1311	Design and Installation	30	30	30	0
1411	Exhibition Division	14	14	14	0
6111	External Affairs Office	5	5	5	0
6211	Information Office	6	6	6	0
6311	Corporate Relations	2	2	2	0
6411	Special Events	6	6	6	0
6511	Development Office	4	4	4	0
6611	Music	3	3	3	0
7111	CASVA	6	6	6	0
	Subtotal - Director	<u>83</u>	<u>83</u>	<u>83</u>	<u>0</u>
2111	Office of Deputy Director	3	3	3	0
2200	Curatorial	40	40	40	0
2300	Conservation	30	30	31	1
2411	Editor's Office	8	8	8	0
2421	Imaging and Visual Services	12	12	12	0
2500	Education	44	44	44	0
2621	Library	27	27	27	0
2631	Photographic Archives	10	10	10	0
2641	Slide Library	5	5	5	0
2800	Registrar & National Lending Service	18	18	18	0
	Subtotal - Deputy Director	<u>197</u>	<u>197</u>	<u>198</u>	<u>1</u>
TOTAL - Function A		<u>280</u>	<u>280</u>	<u>281</u>	<u>1</u>
Function B -- Ops. & Maintenance					
3211	Facilities Manager's Office	12	12	12	0
3221	Operating Engineers	34	34	34	0
3222	Electrical Shop	11	11	11	0
3224	Sheet Metal Shop	3	3	3	0
3225	Plumbing Shop	3	3	3	0
3226	Machine Shop	3	3	3	0
3231	Carpentry Shop	8	8	8	0
3232	Masonry Shop	7	7	7	0
3233	Paint Shop	6	6	6	0
3235	Custodial Workers	55	55	55	0
3281	Architect's Office	9	9	9	0
6711	Horticulture	15	15	18	3
TOTAL - Function B		<u>166</u>	<u>166</u>	<u>169</u>	<u>3</u>

**NATIONAL GALLERY OF ART
SUMMARY OF FULL-TIME PERMANENT POSITIONS
FY 1999 - 2001**

Decision Center	Department	FY 1999	FY 2000	FY 2001	FY 2001 Increase/ (Decrease) Over FY 2000
	<u>Function C -- Protection</u>				
3300	Protection Services - Total Function C	<u>336</u>	<u>341</u>	<u>344</u>	<u>3</u>
	<u>Function D -- General Administration</u>				
3111	Office of Administrator	5	5	5	0
3411	Procurement Office	9	9	9	0
3511	Administrative Services	17	17	17	0
3521	Supply Office	12	12	12	0
3551	Telecommunications	5	5	5	0
3611	Personnel Office	14	14	14	0
	Subtotal - General Administration	<u>62</u>	<u>62</u>	<u>62</u>	<u>0</u>
4111	Secretary-General Counsel	6	6	6	0
4211	Archives	4	4	4	0
5111	Treasurer's Office	18	18	18	0
	TOTAL - Function D	<u>90</u>	<u>90</u>	<u>90</u>	<u>0</u>
	<u>Summary of Functions</u>				
	Function A -- Art Care	280	280	281	1
	Function B -- Ops. & Maintenance	166	166	169	3
	Function C -- Protection	336	341	344	3
	Function D -- General Administration	<u>90</u>	<u>90</u>	<u>90</u>	<u>0</u>
	TOTAL - NATIONAL GALLERY OF ART	<u>872</u>	<u>877</u>	<u>884</u>	<u>7</u>

**NATIONAL GALLERY OF ART
FEDERAL BUDGET
STATEMENT OF INCOME AND EXPENSES**

	FY 2000 APPROPRIATION	FY 2001 REQUEST	% of Change FY 2001 over FY 2000
SUPPORT AND REVENUES:			
<i>U.S. Government Appropriation:</i>			
One-Year Operating Funds	\$58,512,000	\$62,499,000	6.8%
Special Exhibitions	3,026,000	2,349,000	-22.4%
Renovation	1,570,000	1,000,000	-36.3%
Subtotal	63,108,000	65,848,000	4.3%
Exterior/Structural Repairs	2,500,000	2,710,000	8.4%
Interior Systems Replacement	1,491,000	6,890,000	362.1%
Life Safety & Security	---	3,130,000	NA
Fire Protection Systems	750,000	371,000	-50.5%
West Building Skylights	---	---	NA
Total Support and Revenues	67,849,000	78,949,000	16.4%
OPERATING EXPENSES:			
<i>Programs:</i>			
Curatorial	8,934,000	9,426,000	5.5%
Conservation	2,795,000	2,995,000	7.2%
Special Exhibitions	3,026,000	2,349,000	-22.4%
Editorial and Photography	1,407,000	1,480,000	5.2%
Research Services	2,816,000	2,962,000	5.2%
Educational Services	4,097,000	4,309,000	5.2%
Music	276,000	290,000	5.1%
Total Program Expenses	23,351,000	23,811,000	2.0%
<i>Operations, Security and Administration:</i>			
Operations and Maintenance	13,478,000	14,383,000	6.7%
Security	13,561,000	14,414,000	6.3%
Administration, Fiscal and Legal	10,090,000	10,689,000	5.9%
Total Operations, Security and Administration	37,129,000	39,486,000	6.3%
Renovation Expenditures	1,570,000	1,000,000	-36.3%
Equipment Expenditures	1,058,000	1,551,000	46.6%
Subtotal	63,108,000	65,848,000	4.3%
Exterior/Structural Repairs	2,500,000	2,710,000	8.4%
Interior Systems Replacement	1,491,000	6,890,000	362.1%
Life Safety & Security	---	3,130,000	NA
Fire Protection Systems	750,000	371,000	-50.5%
West Building Skylights	---	---	NA
Total Expenses	67,849,000	78,949,000	16.4%
FTE's	841	848	

NATIONAL GALLERY OF ART
SUMMARY OF ELECTRIC USAGE
FY 1996 - 2001

Description	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Actual	FY 2000 Budget	FY 2001 Budget	Estimated FY 2001 Increase
<u>Total Cost (in \$000's)</u>	\$ 1,892	\$ 1,906	\$ 2,028	\$ 2,106	\$ 2,192	\$ 2,192	--
Annual increase/(decrease) vs. prior year	--	0.7%	6.4%	3.8%	4.1%	--	--
Cumulative increase/(decrease) vs. FY 1996	--	0.7%	7.2%	11.3%	15.8%	15.8%	--
<u>Usage (in 1,000 kilowatt hours)</u>	27,482	28,704	30,168	30,705	31,850	31,850	--
Annual increase/(decrease) vs. prior year	--	4.4%	5.1%	1.8%	3.1%	--	--
Cumulative annual rate of increase above FY 1996	--	4.4%	9.8%	11.7%	15.2%	15.2%	--
<u>Rate (cost per 1,000 kilowatt hours)</u>	\$.06885	\$.06640	\$.06722	\$.06859	\$.06926	\$.06926	--
Annual increase/(decrease) vs. prior year	--	(3.6%)	1.2%	2.0%	1.0%	--	--
Cumulative annual rate of decrease below FY 1996	--	(3.6%)	(2.4%)	(0.4%)	(0.6%)	(0.6%)	--

NATIONAL GALLERY OF ART
SUMMARY OF STEAM USAGE
FY 1996 - 2001

Description	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Actual	FY 2000 Budget	FY 2001 Budget	Estimated FY 2001 Increase
<u>Total Cost (in \$000's)</u>	\$ 1,577	\$ 1,539	\$ 1,250	\$ 941	\$ 1,150	\$ 1,150	-
Annual Increase/(decrease) vs. prior year	-	(2.4%)	(18.8%)	(24.7%)	22.2%	-	-
Cumulative annual rate of decrease below FY 1996	-	(2.4%)	(20.7%)	(40.3%)	(27.1%)	(27.1%)	-
<u>Usage (in 1,000 lbs.)</u>	105,495	102,943	83,589	62,932	76,900	76,900	-
Annual Increase/(decrease) vs. prior year	-	(2.4%)	(18.8%)	(24.7%)	22.2%	-	-
Cumulative annual rate of decrease below FY 1996	-	(2.4%)	(20.7%)	(40.3%)	(27.1%)	(27.1%)	-
<u>Rate (cost per 1,000 lbs.)</u>	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	\$14.95	-
Annual Increase/(decrease) vs. prior year	-	-	-	-	-	-	-
Cumulative annual rate of decrease below FY 1996	-	-	-	-	-	-	-

HISTORICAL SUMMARY

The National Gallery of Art is an institution established for the collection, preservation, and display of works of fine art of the highest quality for the benefit of the nation's citizenry and visitors from other nations. Attendance in recent years has averaged nearly five million per year. Visitors come from all over the United States and from fifty or more foreign countries. From its inception to this day, the National Gallery of Art has been supported by the Federal government and private individuals and institutions.

The National Gallery of Art had its beginnings over fifty years ago when Andrew W. Mellon first proposed to President Franklin D. Roosevelt that Mr. Mellon donate the necessary sums to build such an institution and that his private collection form the nucleus of its collections. As conceived, this gallery would develop an art collection from private donations; for its part, the Federal government would provide a site for the Gallery and appropriate funds annually for the care of the art collection, upkeep of the physical premises of the Gallery and administrative expenses.

This concept of mutual public and private support for a future National Gallery is contained in early correspondence between Andrew Mellon and President Roosevelt. In his letter of December 22, 1936 to the President, Mr. Mellon states...

"...In addition to the gift of the art collection and a building in which it and similar collections may be housed and displayed, I plan also to establish an endowment fund for the proposed gallery, the income from which shall be used to pay the annual salaries of a director, assistant director, secretary and curators* of the gallery, and for possible art acquisitions. The upkeep of the building and other administrative expenses and cost of operation would be provided in appropriations made by Congress..."

Acceptance of this premise is contained in Section 4(a) of the Joint Resolution of Congress of March 24, 1937 (20 U.S.C. 71-75), which established the National Gallery and states in part:

"The faith of the United States is pledged that...the United States will provide such funds as may be necessary for the upkeep of the National Gallery of Art and the administrative expenses and costs of operation thereof, including the protection and care of works of art acquired by the Board, so that the National Gallery of Art shall be at all times properly maintained and the works of art contained therein shall be exhibited regularly to the general public free of charge. For these purposes there are hereby authorized to be appropriated such sums as may be necessary."

*In the subsequent agreement with Congress, codified in Title 20 U.S.C. 74c, the compensation of 'curators' was changed to 'a chief curator.'

The West Building of the National Gallery of Art, designed by John Russell Pope, with 530,000 square feet of interior space, was opened to the general public on March 17, 1941. President Roosevelt and Paul Mellon, representing the founder after the death of his father, Andrew Mellon, presided at the building's dedication.

On this occasion, President Roosevelt said,

"In accepting this building and the paintings it contains, the people of the United States accept a part of that inheritance for themselves. They accept it for themselves not because this Gallery is given to them – though they are thankful for the gift. They accept it for themselves because in the past few years, they have come to understand that the inheritance is theirs and that, like other inheritors of things of value, they have a duty toward it. It signifies a relation – a new relation here made visible in paint and in stone – between the whole people of this country, and the old inherited tradition of the arts."

Beginning in 1971, the construction of the East Building and the connecting link between the two buildings was commenced on an adjoining site previously reserved by the 1937 Joint Resolution of Congress for expansion of the National Gallery of Art. The building provided the Gallery an additional 591,000 square feet of interior space. The entire funding for the construction of the East Building and the connecting link to the West Building was provided by generous donations from Paul Mellon, the late Ailsa Mellon Bruce and The Andrew W. Mellon Foundation.

The East Building was accepted on behalf of the people of the United States on June 1, 1978, at a ceremony presided over by President Carter and Paul Mellon, President of the Gallery. On this occasion, President Carter spoke again of the joint public and private support upon which the continued quality of the National Gallery of Art depends:

"Because we are committed to an open and flexible relationship, support for the arts and humanities flows through many different kinds of channels, leaving room for art and scholarship to develop naturally.

This gallery, for example, is maintained at public expense, but it owes its existence to acts of private philanthropy. Moreover, its acquisition of works of art is financed entirely from private donations. It is equally significant that this building will serve both as a museum and as a center for art scholarship.

We have before us here, in concrete, marble, and glass, a tangible demonstration that excellence and access to a wide public are far from being contradictory. They are complementary. This building stands as a metaphor for what, at its best, the relationship between government and the arts can be."

Relocation of the administrative functions of the Gallery to the East Building permitted repair, renovation and restoration of the West Building. This undertaking gave the Gallery enlarged space for exhibition of art, for sales activities and also made possible the efficient arrangement of other functions. For the first time, art arriving at the shipping dock was

convenient to the art conservation activities which are now grouped in one area. With photography, conservation, receiving and registry located adjacent to each other, paintings and objects are now handled more safely and efficiently.

"Operation Breakthrough" opened 40,000 square feet of new gallery space on the ground floor of the West Building. This made possible the exhibition of some 2,000 works of art from the Gallery's collections which had been off public view. It also provided direct passage from 4th Street to 7th Street on the ground floor of the West Building and opened the 7th Street entrance to the public for the first time. In addition, it provided space for simultaneous series of temporary exhibitions of graphic arts and greater flexibility in exhibition planning.

The new galleries were accepted for the nation by President Reagan on January 27, 1983. On this occasion, President Reagan said,

"I am pleased to be here to honor Andrew Mellon and to celebrate another milestone in the realization of his vision of a National Gallery of Art – an American gallery created for the enrichment of all the people of the United States, and second to none in its commitment to excellence. Tonight we inaugurate some 40,000 square feet of new gallery space. It is a great privilege for me to share in this. President Roosevelt accepted the original gifts of the West Building and Mr. Mellon's collection in 1941, and President Carter accepted the East Building in 1978."

On May 23, 1999 the National Gallery opened an outdoor Sculpture Garden given to the nation by The Morris and Gwendolyn Cafritz Foundation. The landscaping of the 6.1 acre space, located at Seventh Street and Constitution Avenue, N.W., in the block adjacent to the West Building, provides a distinctive setting for seventeen major works of art. Visitors are able to enjoy a reflecting pool and fountain in the center of the Sculpture Garden during the summer months that becomes an ice skating rink in winter.

The National Gallery of Art has earned a reputation for acquiring and maintaining collections of a quality that place it among the great national galleries of the world. The art collection, which is irreplaceable and could never be duplicated today, is generally regarded as priceless. The Gallery's collections have been, and continue to be, assembled completely from private donations.

**National Gallery of Art
Annual Visitor Attendance
Fiscal Years 1955 - 2001**

<u>Fiscal Year</u>	<u>Visitor Attendance</u>
1955	861,000
1956	1,043,000
1957	935,000
1958	922,000
1959	957,000
1960	989,000
1961	1,275,000
1962	1,200,000
1963	1,777,000
1964	1,269,000
1965	1,377,000
1966	1,583,000
1967	1,493,000
1968	1,165,000
1969	1,630,000
1970	1,825,000
1971	1,481,000
1972	1,357,000
1973	1,609,000
1974	1,398,000
1975	1,899,000
1976	2,181,000
1977	3,100,000
1978	4,600,000
1979	5,529,000
1980	5,997,000
1981	6,735,000
1982	6,036,000
1983	4,894,000
1984	4,859,000
1985	5,080,000
1986	8,703,000
1987	6,986,000
1988	7,174,000
1989	6,222,000
1990	5,580,000
1991	5,052,000
1992	5,438,000
1993	5,588,000
1994	4,014,000
1995	4,478,000
1996	4,886,000
1997	5,513,000
1998	5,340,000
1999*	6,714,000
2000 (Est.)	6,500,000
2001 (Est.)	6,500,000

*Includes Sculpture Garden

**NATIONAL GALLERY OF ART
PERFORMANCE PLAN
FY 2001**

The Performance Plan for the National Gallery of Art is based on the assumption that funding will remain at the FY 2000 level, augmented by subsequent additions in line with the CPI to cover uncontrollable expenses and cost of living increases for employees; the addition of program monies to facilitate the smooth operation of the Sculpture Garden and to support necessary conservation and library activities; and provide adequate funding to make the necessary replacement and repairs to existing buildings and equipment under the Gallery's Master Facilities Plan. Furthermore, the plan does not anticipate any need for new construction, i.e., a new building to house either staff or exhibitions.

The mission of the National Gallery of Art is to serve the country by preserving, collecting, exhibiting, interpreting and encouraging the understanding by the American public of original, great works of art.

The Gallery's challenge is fourfold:

- (1) to protect the valuable collections and national/international loans entrusted to the Gallery's care for the edification and enjoyment of the American public;
- (2) to maintain the two landmark structures built for the Gallery with funds donated for this purpose by the Mellon family and the Sculpture Garden funded by the Cafritz Foundation.
- (3) to educate the public using established teaching methods as well as the newest technological advances; and
- (4) to provide the public with increased and continuing access to the Gallery's collection and educational materials.

The following performance measures are directly related to the "Specific Goals and Strategies" outlined on page 5 of our Strategic Plan.

CARE AND UTILIZATION OF ART COLLECTIONS

The Art Care function requires a total increase of \$953,000 to cover the following: uncontrollable employee pay and benefit increases (\$1,051,000); uncontrollable non-pay increases for the Collection Management System (\$20,000); Sculpture Garden increases for one FTE (object conservator), supplies, services, and equipment (\$74,000); new updated conservation equipment (\$410,000); a new art truck (\$75,000); and a 22% reduction in Special Exhibition funding (\$677,000). Funding is requested to augment existing programs.

1. Display and Interpretation of Works of Art on Loan or Belonging to the Gallery

Performance Measures: Daily West and East Building visitor counts performed by NGA security guards; comment cards obtained from visitors and responded to by Gallery personnel; and a visitor survey conducted in FY 1999 and possibly repeated in FY 2001 will comprise the performance measures for FY 2001.

Performance Goals:

- (1) Visitor Counts: (5,856,000 visitors = 3-year average)
 - (a) Minimally Acceptable: Yearly attendance below 5.5 million visitors.
 - (b) Successful: Yearly attendance at 6.1 million visitors and above.
- (2) Comment Cards: (29% negative; 25% positive; 46% information requests = one-month average)
 - (a) Minimally Acceptable: 30% negative; 25% positive; 45% information requests.
 - (b) Successful: 29% negative; 25% positive; 46% information requests.
- (3) Visitor Survey:
 - (a) Minimally Acceptable: Aspects of visit – fair.
 - (b) Successful: Aspects of visit – good, excellent.

II. Conservation

Performance Measures: Statistics covering the numbers of works of art treated and/or examined by the National Gallery's Conservation Division to include paintings, objects, paper, frames, textiles, major examinations and condition examinations will comprise the performance measures for FY 2001.

Performance Goals: (5,800 treatments/examinations = 3-year average)

- (1) Minimally Acceptable: 5,000 treatments annually.
- (2) Successful: 5,500 or more treatments annually.

III. Special Exhibitions

Performance Measures: Annual visitor counts by NGA security guards for each special exhibition will comprise the performance measures for FY 2001. The most public of performance measures are the press reviews that follow the opening of a special exhibition.

Performance Goals:

- (1) Annual Visitor Counts: (2,151,000 visitors = 3-year average)

(a) Minimally Acceptable: 1,750,000 visitors annually.

(b) Successful: 2,000,000 visitors annually.

- (2) Press Reviews: (approximately 98% of reviews are positive)

(a) Minimally Acceptable: 85% positive.

(b) Successful: 90% positive.

IV. Education Programs

Performance Measures: Requests for educational resources and user responses upon return; viewer statistics for television and media programs; and usage and collection statistics for library acquisitions and services as well as art information desk requests will comprise the performance measures for FY 2001.

Performance Goals:

- (1) Education Resources Extension Programs: (127,500 showings annually; 27,800,000 audiences annually – 3-year average).

(a) Minimally Acceptable: 100,000 showings annually; 22 million audiences annually.

(b) Successful: 110,000 showings annually; 25 million audiences annually.

- (2) Art Information Services: (1,209,000 services annually – 3-year average).

(a) Minimally Acceptable: 950,000 services annually.

(b) Successful: 1,100,000 services annually.

- (3) Library Acquisitions: (2,600 acquisitions annually – 3-year average).

(a) Minimally Acceptable: 2,000 acquisitions annually.

(b) Successful: 2,200 acquisitions annually.

- (4) Slide Library: (4,700 images annually – 3-year average).

(a) Minimally Acceptable: 3,800 images annually.

(b) Successful: 4,200 images annually.

- (5) Photographic Archives: (222,800 images annually – 3-year average).
- (a) Minimally Acceptable: 190,000 images annually.
 - (b) Successful: 205,000 images annually.
- (6) Library References to the General Public: (20,800 questions annually – 3-year average).
- (a) Minimally Acceptable: 17,000 questions annually.
 - (b) Successful: 19,000 questions annually.
- (7) Books Loaned to Other Libraries: (1,500 loaned annually – 3-year average).
- (a) Minimally Acceptable: 1,200 loaned annually.
 - (b) Successful: 1,400 loaned annually.

OPERATIONS AND MAINTENANCE OF BUILDINGS AND GROUNDS, INCLUDING REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

The Operations and Maintenance function requires a total increase of \$816,000 to cover uncontrollable employee pay and benefit increases (\$449,000) and staffing, utilities, services, supplies and equipment to operate and maintain the Sculpture Garden (\$367,000). Funding is requested to augment existing programs.

The Repair, Restoration and Renovation of Buildings account requires total funding of \$14,101,000, an increase of \$7,790,000 above the FY 2000 level. Included in this requested amount is continued funding for the Master Facilities Plan, specifically, structural/exterior repairs and restoration of the buildings (\$2,720,000); interior mechanical/electrical equipment replacement (\$6,880,000); life safety and security (\$3,130,000); a fire protection system (\$371,000); and other ongoing, multi-year renovation projects such as asbestos abatement, ADA building modifications, and insulation of gallery walls in the West Building (\$1,000,000).

Performance Goals and Measures: A schedule will be developed to complete required repairs, renovations and replacements. Future year performance will be measured against this schedule.

PROTECTION OF BUILDINGS, GROUNDS AND CONTENTS

The Security function requires a total increase of \$853,000 to cover uncontrollable employee pay and benefit increases (\$779,000) and funding for an additional three FTE to police the Sculpture Garden (\$74,000).

Performance Measures: Provide efficient and effective security, occupational health and safety, fire protection and law enforcement services to the National Gallery of Art in accordance with applicable laws, regulations, policies and procedures.

Performance Goals: Art, buildings and people are safely protected with rare instances of a problem.

GENERAL ADMINISTRATION INCLUDING INFORMATION SYSTEMS PROGRAM

The General Administration function requires a total increase of \$688,000 to cover: uncontrollable employee pay and benefit increases (\$459,000); uncontrollable non-pay increases for off-site warehouse storage and art storage space (\$89,000); and the Financial Management System (\$140,000). Funding is requested to augment existing programs.

Performance Measures: Update of the Gallery's web site, development of a strategic plan for computer systems upgrades, and efficient operations of the Gallery without incident will comprise the performance measures for FY 2001.

Performance Goals:

(1) Web Site: (4,000 visitors per day average).

(a) Minimally Acceptable: 3,000 visitors per day.

(b) Successful: 3,750 visitors per day.

(2) Strategic Plan for Computer Systems Upgrades

Successful: Fully completed systems upgrades.

JOHN F. KENNEDY CENTER

(705)

THE JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

FISCAL YEAR 2001 BUDGET JUSTIFICATION

TABLE OF CONTENTS

I.	Introduction.....	2
	Fiscal Year 2000 Appropriations Status.....	5
	Authorization Language.....	5
II.	Fiscal Year 2001 Budget Request and Objectives.....	6
	Budget Request by Object Class.....	10
	Obligations (Fiscal Year 1999 - Fiscal Year 2001).....	11
III.	Budget Justification: Operations and Maintenance.....	12
IV.	Budget Justification: Capital Repair & Restoration.....	17
V.	Non-Appropriated Fund Activities.....	30
	(Programming and Education)	

THE JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

FISCAL YEAR 2001 BUDGET JUSTIFICATION

SECTION I: INTRODUCTION

Overview

Originally established in 1958 as the National Cultural Center and an independently administered bureau of the Smithsonian (P.L. 85-874), the John F. Kennedy Center for the Performing Arts was designated a living memorial to President Kennedy in 1964. The original act of 1958 charged the Board of Trustees with responsibility for constructing and administering the nation's center for the performing arts. The Kennedy Center was constructed with a combination of private contributions (\$34.5 million), Federal matching funds (\$23.0 million), and \$20.4 million in long-term revenue bonds held by the U. S. Department of Treasury. (These bonds are due beginning in 2011; prepayments on principal are made annually and bonds will be retired when they fall due.)

Construction began in 1964 and the facility opened to the public in 1971 with three major operating theaters. In 1972, the Board of Trustees requested assistance from the Congress to cope with the millions of memorial visitors to the Center. Subsequently in 1972, Congress authorized funds through the National Park Service to provide to the Board assistance with maintenance, security, and other services necessary to maintain the building. From fiscal year 1972 until fiscal year 1995, the National Park Service received direct appropriations for the operation and repair of the presidential monument.

Beginning with the Bush administration, the Kennedy Center Board of Trustees sought a new and more efficient approach to management of the Kennedy Center building, with one entity responsible both for tending to the physical plant and for the activities of the living presidential memorial. In 1994, with bipartisan support from Congress, OMB, and the Secretary of the Interior, Congress enacted P. L. 103-279, authorizing the transfer to the Board of all appropriated fund responsibilities, including 55 FTE, and all unexpended balances of funds previously appropriated to the National Park Service. The transfer of personnel occurred in mid-October, 1994.

Since the start of fiscal year 1995, the Board has been responsible for all operations of the Kennedy Center, including both the management and expenditure of appropriated funds for operation, maintenance, and capital repair of the presidential monument, and management of non-appropriated fund activities. The total fiscal year 1997 operating budget for the Kennedy Center is approximately \$115 million, including both appropriated and non-appropriated funds. Of that amount, operation of the performing arts programming and administrative support of the Center is approximately 70 percent. These functions are financed by ticket sales and through significant

private contributions raised by the Board. Public Law 105-277, the Interior appropriations bill for fiscal year 1999, appropriated \$32.2 million for the building's operations, maintenance, and capital repair for fiscal year 1999.

The Center fulfills its obligation as a *living* memorial to the late president through the presentation of performing arts programming and through education activities both in the District of Columbia and around the country. The building houses eight stages. Six of the theaters have a total of 7,355 seats. The two new Millennium Stages in the Grand Foyer operate at 6:00 p.m. 365 days a year, hosting artists and performing arts groups from throughout the nation. Funded privately, these stages provide for free attendance for upwards of 500 visitors each night. For the second year this summer, the Millennium Stage has also hosted free performances on Capitol Hill. The Center also presents several nationally televised programs each year, designed to enhance the public's understanding and appreciation for the performing arts. These programs include the Kennedy Center Honors, now in its 21st year, the Kennedy Center Mark Twain Prize, Kennedy Center Presents!, and a new program now in development to honor excellence in children's entertainment. The Kennedy Center and the Center's resident orchestra, the National Symphony Orchestra, present more than 80 percent of the more than 3,500 performances scheduled annually. The building receives four million visitors annually representing every state and more than 20 countries. The performing arts programming is supported by ticket sales (34%); other earned income (28%); and grants and contributions (38%) (using fiscal year 1999 projections). The Kennedy Center's proportion of earned income is among the highest of any performing arts institution in the nation. In recent years, the Board has raised privately more than \$20 million annually and it maintains an endowment of \$70 million accumulated from gifts and pledges.

Since it opened in 1971, the Center has come to symbolize our nation's heritage in and appreciation for the performing arts, and serves as a dynamic national resource contributing to the cultural enrichment of the United States. (See Section V: Non-Appropriated Fund Activities) The 1999-2000 season began with a free Open House on September 12, 1999. This year's Open House was arts festival, featuring nearly 50 different attractions including audience participation activities and interactive performances. Throughout the 1999-2000 season, the Kennedy Center will showcase the best in American dance, theater, music and arts in education. The season will also feature new works for young people and families as part of the Center's Education Program.

The Kennedy Center is the nation's leader in performing arts in education, seeding innovative national programs that reach teachers and students from pre-Kindergarten through college throughout the country. Program activities reach all 50 states, and young people from around the country are afforded unique training opportunities in all performing arts disciplines. The Kennedy Center Education Program receives designated support from the U.S. Department of Education through authorization in the Elementary and Secondary Education Act.

The direct Federal funding provided to the Kennedy Center is used *only* for the operation, maintenance, and capital repair of the presidential monument.

The Kennedy Center Building

The Kennedy Center building consists of 1.5 million square feet of usable floor space, on 17 acres of land. The building contains eight theaters, three public restaurant facilities, nine function/special event rooms, five public galleries/halls/foyers, and approximately 50,000 square feet of administrative offices. In addition, the Kennedy Center Facility Management staff maintains complex HVAC systems, 23 elevators and six sets of escalators, 133 restrooms, more than 2,000 doors, 13 mechanical rooms, 108 crystal chandeliers, and 200 valuable paintings, sculptures, tapestries and textiles. Support systems in the building often operate at capacity in excess of 18 hours a day, seven days a week, and 365 days a year.

Board of Trustees

Most of the 49 members of the Kennedy Center Board of Trustees are appointed by the Executive and Legislative branches. Thirty citizen members currently serve six-year terms and are appointed by the President of the United States. President Bill Clinton has made 19 appointments to the Board of Trustees.

The Kennedy Center Board of Trustees also includes nine ex-officio members: the Secretaries of Education and of Health and Human Services; the Director of the National Park Service; the Librarian of Congress; the Director of the United States Information Agency; the Secretary of the Smithsonian Institution; the Chairman of the Commission of Fine Arts; the Mayor of the District of Columbia; and the Superintendent of Schools of the District of Columbia.

The Legislative branch is represented by 10 members, five each from the Senate and House of Representatives. Three members from the Senate are appointed by the President of the Senate -- currently Majority Leader Trent Lott, and Senators Edward M. Kennedy and Ted Stevens. Three members from the House are appointed by the Speaker of the House -- currently Speaker Dennis Hastert, and Representatives John Edward Porter and Richard Gephardt.

Public Law 103-279 added four ex-officio appointments to the Board, including the Chairman and Ranking Minority Member of the Senate Committee on Environment and Public Works (currently Senator John Chafee and Senator Max Baucus, respectively), as well as the Chairman and Ranking Minority Member of the House Committee on Transportation and Infrastructure (currently Representative Bud Shuster and Representative James L. Oberstar, respectively).

The Board, as required by the Kennedy Center Act (20 U.S.C. 761), reports annually to the U. S. Congress on both its appropriated fund and trust fund operations. In addition, the Board reports annually to the Secretary of Education on its national performing arts in education activities.

Appropriation and Authorizing Language

Attached is an excerpt from the Kennedy Center Authorization Act of 1998 (Public Law 105-226) authorizing Kennedy Center appropriations for fiscal years 1999 through 2003. The fiscal year 2000 Interior appropriations bill (Public Law 106-113) included full funding for the Kennedy Center -- \$14.0 million for operations and maintenance and \$20.0 million for capital repair and restoration.

The Kennedy Center Authorization Act of 1998, excerpt

PUBLIC LAW 105-226—AUGUST 12, 1998

“SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

“(a) MAINTENANCE, REPAIR, AND SECURITY.--There are authorized to be appropriated to the Board to carry out section 4(a)(1)(H) –

“(1) \$13,000,000 for fiscal year 1999;

“(2) \$14,000,000 for fiscal years 2000 and 2001;

and

“(3) \$15,000,000 for fiscal years 2002 and 2003.

“(b) CAPITAL PROJECTS. – There are authorized to be appropriated to the Board to carry out subparagraphs (F) and (G) of section 4(a)(1)—

“(a) \$20,000,000 for each of fiscal years 1999, 2000, and 2001;

“(b) \$19,000,000 for fiscal year 2002;

and

“(c) \$17,000,000 for fiscal year 2003.”

John F.
Kennedy
Center
Authorization of
1998.
20 U.S.C. 76r

SECTION II:

FY2001 BUDGET REQUEST SUMMARY AND OBJECTIVES

FY2001 Budget Objectives

The Kennedy Center's funding requirement for fiscal year 2001 is \$34.0 million. Of this amount, \$14.0 million is allocated to annual Operations and Maintenance, and \$20.0 million is for Capital Repair and Restoration, to remain available until expended. Fifty-five FTE (full-time equivalents) are requested in the fiscal year 2001 budget. The Kennedy Center's fiscal year 2001 budget request reflects the following management objectives:

- Accessibility for disabled patrons.
- Preservation and protection of the presidential monument building.
- Effective and efficient building operations and visitor services.
- Execution of the Comprehensive Building Plan, which provides for necessary major repairs and restoration of the monument.
- Care and keeping of the building and grounds in a manner consistent with other national presidential monuments.
- An interpretive program which helps visitors understand how the national cultural center conceived of by President Eisenhower was later named a living memorial to President Kennedy. Additionally, it gives visitors a knowledge and understanding of the performing arts in America.
- Prudent and efficient utilization of appropriated resources, in accordance with Federal rules and regulations.
- Comfortable, clean, and safe accommodations for four million visitors and patrons annually.
- Substantial increase in the proactive preventative maintenance of building systems.
- Proactive approach to security for all patrons, visitors and employees.
- Proactive approach to the protection of the presidential memorial.

Financial and Performance Measurement Objectives

Since assuming control of building operations, maintenance, and capital repair, the Board has implemented several measures to streamline operations and increase efficiencies in all aspects of the appropriated fund management. The Board retains the services of the General Services Administration (GSA) for financial management support. The Kennedy Center employs an in-house contracting officer to supervise and facilitate contracting for goods and services. The Kennedy Center Finance Department has established a new chart of accounts for cost control purposes. The facilities department has implemented an integrated facilities management information system, allowing for improved service on a work item by work item basis.

The fiscal year 2001 Operations and Maintenance request is level with its fiscal year 2000 request at \$14.0 million. The Center's fiscal year 2001 request places a high priority on continued elimination of the significant backlog of minor repair work items throughout the facility. The budget request also provides for retention of the Center's contract security force, allowing for the Kennedy Center to maintain an appropriate level of security services.

The Center's fiscal year 2001 Operations and Maintenance request for Personnel and Benefits, \$3,154,378 is \$144,211 over the fiscal year 2000 request. The fiscal year 2001 request includes a 3.5 percent federal pay-raise assumption and provides for the Center to continue implementation of recommendations of a recent facility management analysis which calls for several facilities services positions to be filled with positions of a higher grade. The Center continues to focus on keeping overtime costs down, while aggressively addressing the minor repair backlog, and implementing a work order system to improve overall facilities operations.

The fiscal year 2001 Capital Repair and Rehabilitation request is \$20.0 million, also level with fiscal year 2000. The planned fiscal year 2001 program is part of a 25-year Comprehensive Building Plan, and will address critical building systems and life safety issues.

Operations and Maintenance

The Center is required to expend in fiscal year 2001 approximately 3.5 percent more in personnel and related costs, due to Federal pay-raise assumptions. The increased non-personnel request for fiscal year 2001 provides for continued progress against the backlog of minor repairs, improved contract security guard services, and increased preventative maintenance services.

Utilities

In fiscal year 1997, the Center completed full replacement of its chiller system. Operational efficiencies are now being realized from this project. Further benefits are expected from on-going utilities-related projects including lighting replacements, and the installation of a new building automation system.

Building Emergency and Minor Repairs and Replacement

By the end of fiscal year 1999, it is estimated that the Kennedy Center's minor repair backlog will remain constant at approximately \$9.5 million -- with the remediation of all known safety hazards -- in the absence of increased Operations and Maintenance funds in the fiscal year 1999 appropriation. Because of the critical nature of work and the dynamic requirements of a performing arts complex, the inventory of work items remaining to be executed is under continuous review and updated and re-prioritized periodically as building conditions change, new work items are identified, breakdowns occur and as operating requirements dictate. The Kennedy Center prioritizes the repair work according to the following six categories: A) Safety; B) Emergency; C) Proactive Critical; D) Deterioration; E) Obsolescence; and, F) Improvements. The Project Management Office, through the project executive, manages and directs the Minor Repair and Replacement Program, including all backlog maintenance needs, emergency repairs and minor space modifications. This centralized management responsibility addresses all technical, architectural, engineering and standards issues affecting the facility and its systems. The department also directs the Capital Repair and Restoration Program, enabling effective coordination of both the capital and minor repair programs. The fiscal year 2001 budget request will further reduce the backlog by fiscal year 2009. A decrease in Minor Repair funding would call into serious question the Kennedy Center's ability to meet the previously stated goal of reducing the Minor Repair backlog to \$0 by fiscal year 2009.

Unfortunately, a reduction in the fiscal year 1999 appropriation for Operations and Maintenance from the president's requested amount of \$13 million to \$12.187 million resulted in the Kennedy Center's having to scale back expenditures for reduction of the minor repair backlog (and also having to expend capital repair and restoration appropriations for critical health and life safety items). Continued reductions to the Center's Operations and Maintenance account will result in increased future operations and maintenance expenses. Reductions also will force an extension of the timetable for completion of, and increases in the overall cost of completing, the Capital Repair and Restoration program.

Preventative Facility Maintenance

As a result of the preliminary findings of a facility management analysis, the Center recommends an increased allocation of funds to preventative maintenance. As new building systems are installed through the capital repair program, the Center must maintain these valuable assets.

The increase included in this program involves increased costs for specialty service contracts, upgrade of key facility personnel and supplies/materials to support preventative maintenance work. This work will be routinely scheduled by an integrated, automated facility management system.

Capital Repair and Rehabilitation

The Kennedy Center's Comprehensive Building Plan lays out a 25-year plan for necessary capital repair of the facility. Section IV of this document provides information on capital repair projects to be undertaken in fiscal year 2000.

Fiscal Year 2001 Request by Object Class

OPERATIONS AND MAINTENANCE

Identification Code 33-0302-0-1-503

REQUEST BY OBJECT CLASS	FY2001 REQUEST
11.9 Personnel Compensation	2,533,791
12.0 Personnel Benefits	620,947
21.0 Travel and Transportation of Persons	19,500
23.3 Communications, Utilities, and Misc. Charges	2,842,500
24.0 Printing and Reproduction	2,700
25.2 Other Services	7,462,762
26.0 Supplies and Materials	336,400
31.0 Equipment	181,400
Total FY2001 Request	14,000,000

CAPITAL REPAIR AND RESTORATION

Identification Code 33-0303-0-1-503

REQUEST BY OBJECT CLASS (a)	FY2001 REQUEST
11.9 Personnel Compensation	460,000
12.1 Personnel Benefits	85,000
21.0 Travel & Transportation of Persons	16,000
22.0 Transportation of Things	-
23.2 Rental Payments to Others	20,000
23.3 Communications, Utilities, and Misc. Charges	3,000
24.0 Printing and Reproduction	5,000
25.2 Other Services	19,211,000
25.3 Purchases of Goods and Services from Govt. Accounts	170,000
26.0 Supplies and Materials	20,000
31.0 Equipment	10,000
Total FY2001 Request	20,000,000

Obligations: Fiscal Years 1999 - 2001
OPERATIONS AND MAINTENANCE

	PY 1999	CY 2000	BY 2001
New Budget Authority/Appropriation	12,187	14,000	14,000
Unobligated balance	n/a	n/a	n/a
Funds Available	12,187	14,000	14,000
FTEs	50	50	50

CAPITAL REPAIR

	PY 1999	CY 2000	BY 2001
New Budget Authority/Appropriation	20,000	20,000	20,000
Unobligated balance, start of year [incl. reserves]	12,988	12,811	6,606
Funds Available	32,988	32,811	26,606
Total obligations [est.]	20,177	26,205	23,319
Unobligated balance, end of year [incl. reserves]	12,811	6,606	3,287
Outlays [est.]	14,000	18,000	16,000
FTEs	5	5	5

SECTION III: BUDGET JUSTIFICATION - OPERATION AND MAINTENANCE OF BUILDING AND GROUNDS

Statement of Operations

Operations, routine maintenance, and capital repair of the Kennedy Center monument building are authorized under 20 U.S.C. 76r, as amended, and are funded through direct Federal appropriations to the Board of Trustees. The Board assumed responsibility for operations, maintenance and capital repair of the building from the National Park Service on October 1, 1994. With that transfer, many administrative duties were assumed by trust fund personnel as a way to maximize efficiencies within the organization. Additionally, the use of outside contractors for other support functions is used when appropriate. An example would be the use of GSA for some administrative services, contractors for specialized maintenance on equipment and uniformed security officers.

In fiscal year 2001, \$14.0 million is requested for the Operations and Maintenance of this presidential memorial building. These functions are currently carried out through a combination of in-house appropriated fund staff, trust fund staff on a reimbursable basis, trust fund management personnel not reimbursed from Federal appropriated funds, and through contracts with other government agencies and the private sector.

The Kennedy Center's program for operations and maintenance is organized around several distinct functions: Facility Operations, Security and Life Safety, Facility Maintenance, Minor Repair and Replacement, Interpretive Services, and Program Direction and Support. Following are descriptions of these functions, along with total amounts allocated to these functions in the fiscal year 2001 budget request.

Fiscal year 2001 Operations and Maintenance

Budget Request by Function

[See Section II, page 11, for Budget Request by Object Class]

Facility Operations

Fiscal year 2001 function estimate: \$6,594,576

Building operations, as defined by the Board, include the routine daily activities required for the operating and functioning of the physical facility, and building systems. This covers expenses for labor, materials/supplies, equipment, and utilities for activities associated with the daily operation by building personnel and contractors. This category consists of proprietary staff (involved with plumbing, electrical, environmental controls and general maintenance), and consumable supplies, uniforms, electricity, sewer/water, communication systems, and equipment. It also includes janitorial, trash removal, and other operations contracts. Janitorial services for the building include waste management and recycling; cleaning/polishing of glass, metal, walls, and hard surfaces; pest control; carpet cleaning; and general surface upkeep. It is

objective, which should be achievable when the minor repair backlog and capital repair and restoration programs are completed, that building maintenance at the facility provide a clean, pleasant, and acceptable appearance befitting the Center's function as a presidential monument that serves as the nation's center for the performing arts.

The Kennedy Center is an all-electric facility. Alternative energy sources are being considered as the Board continues to replace obsolete building systems through the capital repair program and anticipates that, once these repairs are completed, overall utility costs can be reduced, except as these costs may be impacted by further increases in utility rates.

Security and Life Safety

Fiscal year 2001 function estimate: \$2,595,484

From fiscal year 1972 until fiscal year 1995, the U.S. Park Police and Guard Force (USPP) provided the on-site security at the Kennedy Center. Following their departure in June of 1995, the Board of Trustees entered into an Interagency Agreement with the USPP for on-call and emergency response. The Center's on-site security is accomplished through a contract security force, which provides coverage 24 hours a day, 365 days a year.

The Board has hired three full-time, permanent staff who coordinate and supervise the contract security force, survey and monitor the building for fire safety and security risks, and develop procedures for minimizing risks to the public, and government officials requiring additional security considerations. This office maintains contact with Federal and local law enforcement agencies and coordinates dignitary visits to the Kennedy Center with the U.S. Secret Service and the Department of State. The Office of Security also plays a key supervisory role in parking enforcement and traffic control on the site. This office is in the process of filling a position dedicated to building fire and life safety issues. The person selected for this position will be responsible for building inspections, remediation of all safety hazards and code application issues.

The Office of Security, working with the Project Management Office, is providing input with respect to capital repair projects that need to be undertaken to improve building safety and provide for a more secure environment. The installation of the integrated security system continues. This system will have the capacity to document building use through an improved identification system for staff and visitors. The planning for the new fire alarm system continues. (See Section IV)

Facility Maintenance

Fiscal year 2001 function estimate: \$2,025,484

Facility maintenance includes preventive maintenance performed by in-house staff and service contractors. Kennedy Center personnel are dedicated to improving this operation as a way to reduce long-term operating costs and capital repair requirements. A scheduling maintenance system has been established to ensure that all building systems and equipment are routinely checked and maintained in accordance with industry standards and manufacturer

requirements. This involves in-house personnel routinely replacing plumbing valves and pumps; replacing filters, belts, and chains; replacing light bulbs; lubricating engines, and other similar activities. In addition to in-house personnel, contract personnel provide preventative maintenance on elevators, escalators, diesel generators, chillers, and other specialized equipment. Grounds maintenance services are provided through a contract with Melwood Horticultural Training Center, a National Institute for the Severely Handicapped (NISH) contractor.

Minor Repair and Replacement

Fiscal year 2001 function estimate: \$1,676,598

This function includes minor and emergency repairs completed by proprietary employees or contractors. This involves the non-routine repair and replacement of building systems (HVAC, electrical, plumbing, elevators/escalators etc.) and emergency repairs as required. Proprietary employees involved would include HVAC employees, electricians, plumbers and trust fund employees on a reimbursable basis.

Interpretive Services

Fiscal year 2001 function estimate: \$95,600

The Kennedy Center has approximately 650 volunteers (Friends of the Kennedy Center) who serve as tour guides, provide interpretive services, and operate the information desk, etc., providing more than 11,000 hours of service. Volunteers contribute in a very important way to the mission at the Kennedy Center and have done so since the building opened in 1971. With the funding allotted for activities in this area, the Board plans to improve interpretive services through the development of visitor information options outside of the public tours. Options include kiosks, displays, and printed materials in multiple languages. The expertise of trust fund staff is utilized to plan for and manage improved interpretive services at the Center.

Program Direction and Support

Fiscal year 2001 function estimate: \$1,012,400

Overall management of building operations and the capital repair program are under the direction of the Vice President of Facilities for the Kennedy Center. The Office of Finance provides trust staff employees to support our financial requirements. The Vice President of Facilities and the Chief Financial Officer are compensated with trust funds. Prior to assuming control of the building from the National Park Service, the Board of Trustees reviewed the statute and agency policies to determine which administrative services could reasonably be absorbed by the existing trust fund employees and which services were best obtained through other government agencies.

Following is a brief overview of appropriated fund program direction at the Kennedy Center.

Facility Services

The Facility Services Department is charged with the daily operation of the facility under the direction of the Director of Facilities. This department is responsible for the overall building operation and all Federal property.

Procurement and Contracting

The Kennedy Center has a small, in-house staff with responsibility for oversight and control of contract and procurement actions, including supervision of contract specialists and administrative personnel working for the Kennedy Center. The Chief of the Contracting Office, a contracting officer with an unlimited warrant, reports to the Vice President for Facilities and is charged with the formulation and execution of contracts for appropriated funds, in accordance with all applicable laws and regulations. The chief of contracting employs a staff of four: two contract specialists, one purchasing agent, and one procurement technician.

Through inter-agency agreements with other government agencies, the Kennedy Center has both on and off-site contracting support. The Chief of the Contracting Office supervises the inter-agency agreements.

Budget Execution and Accounting

Accounting, appropriate employee payroll and personnel record administration are functions currently provided via inter-agency contract with GSA. The National Park Service previously supported these services. The Kennedy Center Finance Department employs a full-time financial analyst to oversee administration of these duties.

Personnel

The Center employs a full-time Personnel Management Specialist who, under management of the Center's Director of Human Resources, handles a range of duties related to appropriated fund personnel including: benefits, vacancies and hiring, disciplinary action, training, EEO and labor relations. The Director, a trust fund employee, in conjunction with the Finance Department, oversees preparation of payroll for both trust and appropriated fund employees.

Management Information Services

Overall management of the MIS/data processing function is under the direction of the Kennedy Center Director of MIS, a trust fund employee. A full-time computer specialist is employed to service and support the data processing requirements for the appropriated fund activities.

**Fiscal year 2000 Operations and Maintenance
Budget Request by Object Class**

11.9 & 12.1 Personnel Compensation and Benefits -- \$3,154,738

The budget request of \$3,154,738 encompasses salaries, wages, benefits and other services payments for 50 full-time equivalent (FTE) personnel.

21.0 Travel and Transportation of Persons -- \$19,500

\$19,500 is requested for fiscal year 2001 for the travel and transportation expenses of appropriated fund staff for travel to and from equipment manufacturers, industry conferences, training sites, and other travel.

23.3 Communications, utilities, and miscellaneous charges -- \$2,842,500

\$2,842,500 is requested for fiscal year 2001 for communication and utility expenses including: telephone, electricity and water/sewer services. The Kennedy Center is an all-electric building. There is currently a study underway to determine if an alternate fuel source (gas) is feasible.

24.0 Printing and Reproduction -- \$2,700

\$2,700 is requested to cover the costs of printing and appropriate publications.

25.2 Other Services -- \$7,462,762

\$7,462,762 is requested for Other Services in fiscal year 2001. This category includes obligations for services with the private sector not otherwise classified. The Center's private security contract, housekeeping contract, as well as most other contracts for basic building maintenance, operations and minor repair are included in this object class.

26.0 Supplies and Materials -- \$336,400

\$336,600 is requested for fiscal year 2001 to cover the cost of supplies and materials including: all supplies for locks and other security supplies as well as consumable supplies such as light bulbs, paint, filters, motor belts, refrigerant, etc. Supplies and materials for preventative maintenance and minor repair projects performed by in-house personnel are also included.

31.0 Equipment -- \$181,400

\$181,400 is requested for fiscal year for equipment. Fiscal year 2001 expenditures will consist primarily of permanent fixtures and equipment included in minor repair and replacement projects.

SECTION IV: BUDGET JUSTIFICATION - CAPITAL REPAIR AND RESTORATION

Overview

Capital Repair and Restoration Program

The John F. Kennedy Center for the Performing Arts, a national presidential monument and living memorial, is one of the busiest performing arts venues in the world, hosting approximately four million visitors annually. Over 60 million patrons and visitors have come to the Center and attended performances since the monument opened in 1971. After almost 25 years of operation without a comprehensive program for capital repair, however, the facility deteriorated because of the aging of building materials and systems, as well as intensive public use. This deterioration, as well as functional and technical obsolescence of building systems, is being addressed so the building may continue to function. Technical obsolescence of building systems at the Kennedy Center is related to the rapid advancement of building technology over the past few years, as well as to aging of the systems.

Personnel and Outside Services

The capital repair function at the Kennedy Center is executed under the direction of a project executive who is responsible for overall management of the planning, design and construction work, including funds management and oversight of agreements with other government agencies for management and contracting services. In August of 1999, the Kennedy Center hired Brad Faughn as the project executive. Mr. Faughn has more than 20 years of experience in the renovation and management of performing arts facilities. The current staff of the Project Management Office consists of a project executive, a construction manager, a design manager, a project coordinator (funded from the O&M appropriation) and a management control officer for a total of four FTE funded from the Capital appropriation. In fiscal year 1998, the project executive was converted to a Trust employee because of an expansion of the responsibilities to trust-funded activities. He is assisted by a special projects manager who is also a trust employee.

Following enactment of P.L. 103-279, the Kennedy Center entered into an Interagency Agreement with the DSC, under which DSC provided on-going technical and contracting support pertaining to the transition of responsibility from the Park Service to the Kennedy Center Board (with the exception of the supervision of certain in-progress construction projects, including the parking garage restoration). The design and construction management support from the DSC was completed during fiscal year 1999. In fiscal year 1995, the Board entered into an agreement with the U.S. Army Corps of Engineers, Baltimore District, for longer-term technical support, procurement, project management, and contract administration for the capital repair program. In fiscal years 1996 through 1998 the Corps maintained an office and full-time personnel on site. Beginning in fiscal year 1999 the Corps no longer acts as the Kennedy Center's contracting

agent, and instead provides a small amount of technical, administrative and procurement support. Some planning and technical support from other building agencies and the private sector, particularly in the areas of project coordination, design management, construction management, construction scheduling, cost management and related services, may occasionally be employed to help manage larger projects.

Comprehensive Building Plan

The Kennedy Center Comprehensive Building Plan (CBP) was first submitted to Congress in 1995 and is updated annually. The CBP calls for a three-stage program to bring the Kennedy Center building up to current life safety standards while maintaining the functionality of the structure. The first stage, which ended in fiscal year 1998, included renovation of the south block of the building (including the Concert Hall) and the replacement of long-neglected essential systems in the building such as the chillers and roof systems.

The CBP addressed the expenditure of \$9.0 million per year during stage 1 (fiscal years 1995-1998), contemplates the expenditure of \$20.0 million per year during stage 2 (fiscal years 1999-2001), and in diminishing amounts during stage 3 (through fiscal year 2009). The CBP anticipates expenditures totaling \$171.0 million from fiscal year 1999 through fiscal year 2009.

Space planning and engineering studies initiated in fiscal year 1996 indicate that significant cost savings may be achieved if funding is aggregated in the amount of \$20 million per year over three years for critical projects, principally: the completion of the site modifications to incorporate anti-terrorism measures, building exiting and improved circulation; new security, fire alarm and building automation systems; fire safety improvements in the motor lobbies; and related interior repairs. This increased funding in fiscal year 1999 through fiscal year 2001 would be offset by a reduction in funding in the later years ending in fiscal year 2009. The overall projected cost of renovating the Kennedy Center building remains at \$171.0 million from fiscal year 1999 through fiscal year 2009.

Since the first Comprehensive Building Plan was issued in July 1995, the Board has developed and refined its plans for the remediation of the building deficiencies. Studies and investigations of the elevators, fire alarm systems, building automation systems, and the service tunnel have been completed. In addition, planning efforts that further define the scope and extent of work needed to repair worn-out or aging systems, make the Center accessible to the disabled, and bring the facility up to current building codes have been initiated or completed.

These planning efforts include:

- site circulation study
- fire protection and life safety master plan
- space use master plan
- interpretive master plan and signage program
- security master plan
- central block feasibility study
- fenestration study
- food services planning study

- gas heat feasibility study
- energy conservation study

Considerable progress has been made toward remediation of some building deficiencies. Several major construction projects have been completed. These projects include repairs to the parking garage and condenser water tank; replacement of cooling coils in the mechanical system; replacement of the chillers; repairs to electrical and plumbing systems; installation of new lighting; replacement of the dimmers systems; interim sidewalk repairs; exterior building cleaning; and interior lighting improvement. In addition, the repair of the roof and Roof Terrace, rehabilitation of the Concert Hall, and installation of Phase 1 of an integrated security system have recently been completed. With completion of these elements, the facility is no longer plagued with leaks from the roof and Roof Terrace. A major component of the facility, the Concert Hall auditorium and backstage, is now fully accessible and in compliance with today's fire and life safety standards and the building is now cooled with state-of-the-art systems.

In addition, a number of planning efforts that further define the scope and extent of work needed to repair worn-out or aging systems, make the Center accessible to the disabled, and bring the facility up to current building codes are in various stages of completion. Interrelated with and complementary to these studies is the Minor Repair Program analysis that is periodically updated.

The Comprehensive Building Plan reflects planning efforts and design and construction projects undertaken and completed. Annually updating and implementing the CBP safeguards against a recurrence of severe deterioration of the facility and, ultimately and over the long term, reduces the public costs of operating and maintaining the monument.

The Comprehensive Building Plan analyzes major components and systems in the following categories: *Exterior Building Envelope; Life Safety and Security; Interior Repair, Accessibility and Egress; Building Systems; Memorial Interpretation and Visitor Services; Parking and Site Circulation; and Comprehensive Planning/Project Management/Contract Administration*. A description of each of these components has been prepared, and codes and standards that govern operation and maintenance of this facility are identified in each category. Based on these codes and standards, an audit of the building components and systems was performed. A summary of the findings in each category follows:

Exterior Building Envelope

By fiscal year 1995, the materials and systems of the exterior building envelope were deteriorating due to aging and problems related to deficiencies in the original design and construction. The existing roof was beyond its useful service life and was deteriorated. Ponding of water and inadequate existing drainage contributed to increasing leakage to the interior. The exterior marble cladding exhibited cracking, spalling, bowing, displacement, and dirt accumulation and staining, and joint sealants were deteriorated. The stucco wall cladding exhibited localized severe cracking and delamination.

The pre-cast concrete paving of the Roof Terrace and the marble paving of the Plaza exhibited deterioration of the pavers, mortar, and sealant. Inadequate drainage and deterioration of the waterproofing membrane contributed to water accumulation within the system, leading to interior leakage. The aluminum and glass curtain walls exhibited failure of some glazing units, localized sealant failure, and deterioration of the surface finish. The marble-clad planters, pools, and fountains had experienced overall deterioration of waterproofing, flashing, marble cladding, and sealants.

Many of the deficiencies noted above were addressed as part of the fiscal year 1995-98 repair work. The 1997-1998 program included replacement of roofing and drainage at the main roof, penthouse roofs, and roof overhangs; repair and replacement of selected marble cladding fascia panels; and replacement of the drainage, waterproofing, and pre-cast concrete paving at the Roof Terrace with new drainage, waterproofing, and granite paving.

Before the end of fiscal year 1998, major portions of the facility were made water tight, aging building and technical systems were replaced and significant accessibility and life safety repairs were realized. The remaining deficiencies, some significant, will be addressed in Stage 2 of the Comprehensive Building Plan. Repairs to address these deficiencies include security modifications and related site work, replacement of the marble plaza paving and drainage system, repair of the marble cladding and curtain wall, life safety improvements, and related interior modifications.

Life Safety and Security

There continue to be life safety deficiencies throughout the building, primarily because the building was designed and constructed more than 25 years ago and these issues have not been attended to in a coordinated manner since that time. Theaters (other than the Concert Hall, which has been renovated) and many other spaces require additional sprinkler protection, exit-ways, fire separations, ventilation and exhaust provisions, and other life safety protection. The primary safety concern in this type of facility is safe evacuation in the event of fire. Although the structure was built to standards followed in the 1960s, fundamental egress requirements under current building standards are lacking: several sections of the building lack two means of egress; exit discharge is not directly to the exterior; and changes have resulted in blockage of originally-designed egress paths. There is no fire separation between the Grand Foyer and multi-level theater lobbies, and unrated fire separation between the parking garage and the Hall of States and Hall of Nations. The parking garage poses egress problems in that the travel distances are excessive and some exits discharge directly onto the roadway of Rock Creek Parkway.

Although these fire and life safety deficiencies are serious, the Kennedy Center's consultants advise that cessation or curtailment of building operations is not required as long as the deficiencies are continuously monitored and are being addressed through the implementation of the Comprehensive Building Plan. To address these concerns, a Fire

Protection and Life Safety Master Plan was completed in fiscal year 1997 to identify a coordinated strategy for correcting fire protection deficiencies and improving life safety at the Kennedy Center. This Plan identifies three priorities for correcting fire protection and life safety deficiencies. Priority One tasks involve minor repairs or changes in operational procedure that can be implemented quickly. These were substantially accomplished in fiscal year 1997 with Operations and Maintenance funding. Priority Two tasks involve recommended near-term improvements to the fire protection and life safety systems within the building that are being addressed in fiscal years 1999 and 2000. Priority Three tasks include long-term improvements that can be initiated as renovations proceed. A major step in implementing the fire protection and life safety master plan is the addition of fire suppression systems and the reduction of exiting times for the protection of the 2,448-person audience of the renovated Concert Hall.

When the building was designed in the 1960s, little attention was given to security concerns. Consequently, access to the facility was controlled only by manning or manually locking the approximately 80 exterior doorways. The present key system provides only limited means for controlling access to backstage and other non-public spaces. In the past, the garage could not be securely closed during hours when the building is not open to the public, and little surveillance equipment was installed or was operational. The first phase of an integrated security system was completed in fiscal year 1999. Security systems have also been incorporated the renovation of the South Block/Concert Hall contract. Other security system installations will be incorporated into the facility in additional phases. Phases 2 and 3 include construction of a Security Operations Center and single entry control for performers and staff.

The Space Use Master Plan completed in fiscal year 1997 identified modifications to site circulation that will improve security. These modifications involve moving traffic away from the building entries, providing additional points of traffic control, and separating service traffic from visitor and patron traffic. The Security Master Plan identifies relocating the entry approach roadway to the Kennedy Center to a new entry point and away from the building to be among the highest security priorities. The initial phases of relocation of the entrance roadway will be accomplished to a major extent with the use of funding from the fiscal year 1997 anti-terrorism supplemental. Subsequent phases of site circulation and developmental work will be accomplished from regular appropriations.

Interior Repair, Accessibility, and Egress

Because the building was designed and constructed before Federal statutes established standards for accessibility, interior spaces within the building do not conform to current standards designed for accommodating persons with disabilities in new buildings. Whereas past standards for accessibility merely required that a route into a given space be provided for persons with disabilities, the Americans with Disabilities Act (ADA) requires that the route be essentially the same as that used by the non-disabled. While the major theaters are accessible to disabled persons, access requires the use of side doors and assistance from a companion or a Kennedy Center staff person. Accessible seating in the

theaters is not available or is limited, and oftentimes requires extraordinary effort and considerable personnel time in order to achieve minimal accessibility. Most of the restrooms continue to be inaccessible. However, the restrooms at the Orchestra level and Motor Lobbies were modified to provide accessibility in work completed in fiscal year 1995. Work was also completed on extensive repairs to the Concert Hall to accommodate persons with disabilities.

A Space Use Master Plan was initiated in 1996 to analyze opportunities for improving space use within the building and at the site. The Space Use Master Plan identifies modifications to the Interpretive (AFI) Theater and the Opera House that will accommodate programming activities and correct accessibility and life safety deficiencies. Modification to the Interpretive Theater will greatly enhance the Kennedy Center's possibilities for interpreting the facility as a living national memorial. These repairs are scheduled to begin design in fiscal year 2000.

As the public service and education missions of the Kennedy Center have evolved, so has the demand for support office space to house these functions. The original building as designed did not include sufficient office facilities. Over time, offices were created from space originally intended for educational, rehearsal, and other public and support functions. The creation of additional offices has led to inefficient use of the office space, and in many cases has contributed to life safety and egress deficiencies. Support spaces for building operations at the 27' elevation (A level), including lockers, dressing rooms, storage facilities, and office space have changed over time, creating inefficient use of space. The use of space throughout the building and site is being addressed in the Space Use Master Plan.

Many areas of the interior also require water protection. Concrete walls and ceilings, especially those in the Service Tunnel and Service Drive, exhibit cracking, leaks through walls, deterioration of paving, and deterioration of the air intake ductwork in the Service Tunnel ceiling. An effective and interim solution to water leaks to the tunnel walls was accomplished as a much needed repair under the Operations and Maintenance Budget. An investigation of the Service Tunnel and Service Drive was completed, and construction of the first phase of the remedial work, including protection of the electrical vaults, will be completed as part of the site modifications.

Building Systems

By fiscal year 1995, virtually all of the building's electrical and mechanical systems were past their useful lives. The chillers and cooling coils, which were near failure and required extraordinary expense to keep in operation, were unable to meet demand because of age and condition. These elements of the mechanical system have now been repaired or replaced. The exhaust system in the garage was non-functioning, and the overall building ventilation system had localized balancing, leakage, and control problems. Portions of the garage exhaust system were repaired as part of the garage repair project. The plumbing system had numerous maintenance problems, 100 domestic water valves

were inoperable and/or leaking, and roof drainage and storm piping were inadequate. These domestic water valves were replaced, and the drainage deficiencies were addressed with the work on the roof and Roof Terrace. Other plumbing system problems remain to be addressed.

Fire alarm and other systems affecting life safety and egress met the building code standards of 1966, when the building was designed, but do not meet current standards. Problems with the electrical system included obsolete theater dimming systems, power shortages in the Eisenhower Theater and Opera House, and water leakage into the sub-grade electrical vaults. The dimming systems have been replaced and the problems with the electric vaults are programmed for repair in fiscal year 2000. In many instances, the technical support systems are obsolete and in danger of failing. Electrical power and lighting systems have been stretched to their limits, technical support systems are inadequate for today's requirements, and sound systems are barely operable. In addition, energy consumption within the building is greater than acceptable.

Controls for eight of the Center's 23 elevators have been upgraded and adapted for disabled access. The remaining elevators do not meet current accessibility codes. All the elevators are in constant repair and lack controls to respond and adjust to peak loads. A detailed inventory and condition survey of all 23 elevators and six escalators were completed in fiscal year 1996.

The lightning protection system was disabled in the past by being partially removed at the roof level. This system was restored as part of the roof/Roof Terrace repair project.

The age and technology of the existing building automation system -- used to control heating, ventilating, air conditioning, lighting, and other building systems -- places limits on operational control and flexibility. The existing system is inefficient, does not meet facility and life safety demands, and limits the Kennedy Center's ability to analyze and control energy consumption. The building automation system is being replaced as part of work for which a contract was awarded in fiscal year 1999.

Memorial Interpretation and Visitor Services

Prior to 1995, accommodation of the four million annual visitors to the monument had not been addressed in a comprehensive manner. There was little inter-relationship between the use of spaces and the interpretive programs that visitors expect when they come to a Federal building that memorializes President Kennedy and a theater dedicated to President Eisenhower. Facilities were not designed so that the memorial visitor completes his or her visit with an understanding of the objectives and purposes of this living memorial. Signage is inadequate to direct visitors to, at, and within the Kennedy Center. These issues were addressed in the Interpretive Master Plan and Signage Program completed in fiscal year 1996 which included a survey of visitor expectations and a phased plan for implementation of facilities and exhibits to provide improved interpretation for all visitors. This plan was further developed in fiscal year 1999 to

incorporate the opportunities for improved exhibit space and visitor circulation and orientation generated by the Space Use Master Plan.

The present visitor services facilities are limited. Food delivery and storage areas are removed from food preparation areas, and overall food service options are limited and not accessible to program activities. A food service planning initiative was substantially completed in fiscal year 1999. In addition, the Plan identifies the possibility of providing additional foodservice and visitor amenities at a stage door entrance in the A level motor lobby.

Site Circulation and Parking

The intense use of the facility since 1971 was not anticipated when the building was designed in the 1960s. Each year, the Kennedy Center hosts more than 3,500 performances, educational programs for hundreds of thousands of children, and millions of visitors. As a consequence, provision for the orderly circulation of pedestrians and vehicles, in addition to signage to and at the site, is inadequate. Daily, tens of buses are parked on the plaza adding to the congestion and bus exhaust fouls the air entering the building's ventilation intake chambers. With the volume of programs, performances and visitors far exceeding original estimations, the limited availability of both bus and car parking is a major deficiency and contributes to neighborhood congestion. The Kennedy Center parking garage does not have sufficient space to meet current parking requirements. The main approach to the Kennedy Center along the entrance drive to the east of the building does not provide a view of the building or clear direction to the main entrances. There is no safe and direct access to the Potomac River shoreline or to the Lincoln Memorial and Georgetown waterfront, which are within easy walking distance to the Kennedy Center. Presently, there is no stair system from the west plaza to the riverfront. The problems of site circulation and parking were addressed in a site circulation study completed in fiscal year 1996. In addition, these issues were addressed in the Space Use Master Plan, which established a long-range strategy for addressing space use deficiencies and improving the efficiency of site and building use. Phase 2 of the Site Circulation Study incorporating the recommendations of the Space Use Master Plan and the Security Master Plan was completed in fiscal year 1997.

The Kennedy Center is coordinating programs relating to site circulation with other agencies, including the Commission of Fine Arts, the National Capital Planning Commission, the Washington Metropolitan Area Transit Authority (Metro) the National Park Service, and the District of Columbia Government. These programs are being designed to improve site circulation, access to and from the site for persons with disabilities, access by public transportation, and access for pedestrians, vehicles, and tour buses. These programs are also addressing environmental, cultural and other public concerns. In addition, these programs involve improvements to security at the site by moving traffic away from the building entries, providing additional points of traffic control, and separating service traffic from visitor and patron traffic. Using Trust funds for its construction, the Kennedy Center is planning to expand its garage facilities for the

benefit of visitors to the monument, including theater patrons and tourists, and to relieve traffic congestion.

In July 1998, the Commission of Fine Arts reviewed the design development presentation of the parking garage additions and site modifications. The Commission gave a favorable review of the design, stating that:

“...vehicle and pedestrian circulation is greatly improved, as is the landscape plan. In general, the new garage extensions and terraces will be admirable additions, not only providing necessary parking, but a podium on which the Center will appear to rest more comfortably. Similarly, the sign program is off to a good start as well.”

In August 1998, the Kennedy Center presented final plans for the parking garage expansion and the traffic and site modifications to the National Capital Planning Commission and these plans were favorably reviewed, contingent upon coordination of the E Street exit ramp with the District of Columbia Department of Public Works.

Remedial Actions

A series of remedial actions was identified to respond to these deficiencies, and bring the building up to current standards. The cost of each remedial action was independently estimated in a uniform budget-estimating format. An implementation plan was developed by prioritizing and combining the remedial actions to address critical issues and achieve a logical construction sequence. The actions planned for fiscal year 2001 are described below.

The Comprehensive Building Plan establishes a strategy and priorities for the fiscal years 1995 through 2020. During Stages 2 and 3, extending until 2009, the backlog of capital repair work will be eliminated. During Stage 3, the on-going “steady state” program for preserving the integrity of the building and its systems will be fully implemented. Prior to Stage 3, life cycle scheduled capital repairs and replacements will be gradually increased as the backlog is reduced.

The work completed in Stage 1 (fiscal year 1995 through 1998) addressed critical issues to protect the building from water intrusion, to provide critical security and life safety measures, and to provide improved accessibility for the disabled and egress for visitors to the Center.

FY2001 Capital Repair and Rehabilitation

Budget Request by Category

[See Section II, page 10, for Budget Request by Object Class]

The Kennedy Center classifies its capital repair projects among eight budget categories, according to the primary objective of each project. The categories fall within the objectives of planning, designing, and constructing capital repairs, and replacement, improvement, rehabilitation, alteration or modification required for existing features of the Kennedy Center building, as specified in the John F. Kennedy Center Act, 20 U.S.C. 76j(a)(1)(G). Following are descriptions of each budget category, and the budget estimates allocated to each category in the fiscal year 2001 plan. These estimates and project descriptions are reflective of the priorities and recommendations in the Kennedy Center Comprehensive Building Plan 1998, covering fiscal years 1996–2020, and the new authorization ceilings approved for fiscal years 1999–2003.

1. Exterior Building Envelope

Projects in this category involve repairing and, where necessary, replacing elements on the exterior of the building, to ensure the long-term preservation of the structure. In fiscal year 1995 the repair of the roof and drainage systems at the roof and roof overhangs, and the replacement of the drainage, waterproofing and paving at the Roof Terrace were initiated and were completed in fiscal year 1999. In fiscal year 1999 marble panels for the upper level fascias were acquired for installation in fiscal year 2000.

Fiscal year 2001 budget estimate: \$6,138,000

Fiscal year 2001 projects in this category:

Construction on the service tunnel, plaza repairs and west fascia and planter are scheduled for fiscal year 2001 and will be incorporated into the site and garage work to ensure the least amount of disruption for tourists and patrons.

2. Life Safety and Security

As described in the Comprehensive Building Plan, the structure is not in compliance with the standards set forth in current life safety codes, including fire and environmental standards. In addition, little attention was given in the original building design to security issues. To address these issues a Fire Protection and Life Safety Master Plan and a Master Security Plan were completed in fiscal year 1997. In fiscal years 1999 and 2000, the security master plan will be updated to respond to increased concerns about terrorist activity.

Phase 1 of the security system installation was completed in fiscal year 1998. This installation includes computer-based control, card key access and video surveillance systems for most of the building perimeter. Phase 2 of the security system installation will be initiated in fiscal year 2000. Phase 1 of the installation of a modern fire alarm

system and of a building-wide sprinkler system will begin in fiscal year 1999 and be completed in fiscal year 2000. Phase 1 of the motor lobby modifications to correct life safety deficiencies and address functional issues will be initiated in fiscal year 1999. Safety rail enhancements for the roof terrace were completed in fiscal year 1998 and are scheduled for the river terrace in fiscal year 2000. Improved egress and other life safety and mechanical improvements in the existing parking garage went through a substantial portion of the planning stages in fiscal year 1999 and will be completed in fiscal year 2000.

In fiscal year 2000, Phase 2 of the site improvements project will be constructed, including anti-terrorism measures such as relocation of the entrance drive away from the east (entrance side of the facility) and a portion of the south end of the site. This work will be completed in coordination with the first phase of the south garage expansion (Trust funds and construction of a new security egress from the tunnel.)

Fiscal year 2001 budget estimate: \$1,643,000

Fiscal year 2001 projects in this category:

Work in this category in fiscal year 2001 will focus on continuing phases of expanded sprinkler system capacity and on existing garage exits and systems.

3. Interior Repair, Accessibility and Egress

This category includes repair and renovation of the interior elements of the building required to bring the facility up to current standards, and to improve accessibility for the disabled in accordance with current statutory and regulatory requirements for restored structures.

A Space Use Master Plan completed in fiscal year 1997 analyzed opportunities for improving space use within the building and at the site. The Plan identifies modifications to the Interpretive (AFI) Theater, Hall of Nations and Hall of States, the Roof Terrace level, and the Opera House that will accommodate public activities and correct accessibility and life safety deficiencies. As the public service and education missions of the Kennedy Center have expanded, so has the demand for support space to house these functions. The creation of additional offices has led to inefficient use of the office space, and in many cases has contributed to life safety and egress deficiencies.

Fiscal year 2001 budget estimate: \$716,000

Fiscal year 2001 projects in this category:

In fiscal year 2001 the primary work in this category will include planning and design work associated with the Interpretive Theater, associated work on the 69' level, and accessibility design for the Opera House.

4. Building Systems

This category includes electrical, plumbing and mechanical work to replace the 25-year old deteriorated and malfunctioning systems. During fiscal year 1995, numerous construction projects were initiated to replace or repair basic building systems, including cooling systems repairs, chiller replacement, and repair of basic electrical, hoisting, and plumbing equipment. These projects were completed in fiscal years 1996 and 1997. In fiscal year 1999, work on the comprehensive upgrade of the building automation systems was initiated and an Energy Conservation Plan will be completed in early fiscal year 2000. Replacement of the obsolete building systems will result in reduced repair costs, energy conservation, and more efficient use of building maintenance personnel.

Fiscal year 2001 budget estimate: \$1,983,000

Fiscal year 2001 projects in this category:

Work planned for fiscal year 2001 includes ongoing repairs to stage-related technical and safety systems, elevator modifications and modifications recommended through the energy management study.

5. Memorial Interpretation and Visitor Services

Open 18 hours each day to the public, the Kennedy Center hosts four million visitors each year, many of which come from across the country and the world to visit the sole monument in Washington in memory of President Kennedy. Other visitors attend performances or participate in the Kennedy Center's extensive educational programs. This category of the building renewal program includes projects that are designed to serve these visitors in a manner that is consistent with the visitor services provided at other national Presidential monuments in Washington. In fiscal year 1999, two stages were added (one at each end of the Grand Foyer) and phase 1 (planning and design) of the improvements to the JFK Interpretive Exhibit neared completion. These improvements include a large glass-paneled backdrop for the JFK Sculpture with lighting, graphics and exhibit cases. A new orientation film regarding the history of the center is scheduled for completion in fiscal year 2000.

Fiscal year 2001 budget estimate: \$500,000

Fiscal year 2001 projects in this category:

Ongoing work in fiscal year 2001 includes interior signage upgrades; and planning, design and installation of the "Stage 10" visitor interpretive centers.

6. Parking and Site Circulation

The extensive structural repair of the garage was completed in fiscal year 1997. Building systems and other repairs to the existing garage remain to be accomplished. This category also includes the site development necessary to solve existing site circulation problems. The Board is responsible for the site surrounding the structure,

including vehicular and pedestrian traffic. Using Trust funds for its construction, the Kennedy Center is planning to expand its garage facilities for the benefit of visitors to the monument, including theater patrons and tourists, and to relieve traffic congestion.

Fiscal year 2001 budget estimate: \$7,260,000

Fiscal year 2001 projects in this category:

Work planned for fiscal year 2001 is focused on major changes and improvements to the areas at the south end of the site on which the center is situated.

7. Comprehensive Planning and Project Management/Coordination

This category includes comprehensive building planning and the cost of project management. The Kennedy Center established a small staff (a project executive, a design manager, a construction manager, and a management control officer) to oversee Stage 1 of the capital renewal program. In addition to in-house personnel costs, some of the costs for project management are incurred in reimbursing other Federal agencies for their services. During fiscal year 1998, the project executive became an employee of the Board in order to direct both federal and trust-funded projects. In this instance, Federal funds will be used to reimburse the Board for the proportional amount of the project executive's services. Beginning with Stage 2a in fiscal years 1999-2003, the in-house staff will be expanded to accommodate the increased complexity and workload. The Center will also contract with other agencies and private sector firms for supplementary project management services.

Fiscal year 2000 budget estimate: \$960,000

Fiscal year 2000 expenses in this category:

Expenditures in this category also include those needed for the required annual update of the Comprehensive Building Plan. The project management expenditures in this category are being constantly monitored to ensure that personnel and other expenditures are held at their lowest possible cost while still enabling adequate management of the multi-faceted elements of the comprehensive plan.

8. Reserves for Construction Change Orders and Claims

The Kennedy Center sets aside from appropriations available for the capital repair program reserves that it considers appropriate and sufficient to cover anticipated -- and unanticipated -- changes required and claims made under construction contracts. Change order and claim reserve amounts are included in the appropriate budget categories with the project.

SECTION V: NON-APPROPRIATED FUND ACTIVITIES: PROGRAMMING AND EDUCATION

The Kennedy Center Act (20 U.S.C. 76h) gives the Center's Board of Trustees a clear mandate to:

“(A) present classical and contemporary music, opera, drama, dance and other performing arts from the United States and other countries;

(B) promote and maintain the John F. Kennedy Center for the Performing Arts as the National Center for the Performing Arts ---

(i) by developing and maintaining a leadership role in national performing arts education policy and programs, including developing and presenting original and innovative performing arts and educational programs for children, youth, families, adults and educators designed to specifically foster an appreciation and understanding of the performing arts;

(ii) by developing and maintaining, a comprehensive and broad program for national and community outreach, including establishing model programs for adaptation by other presenting and educational institutions;...”

As the national center for the performing arts, the Kennedy Center presents, honors, and inspires the best of America's performing artists. It showcases the richness of America's cultural diversity and explores our international heritage in performances by artists from around the world. Equal with performance is education. The National Center for the Performing Arts has a special responsibility to help make the arts an integral part of every child's education and to provide quality arts education programs and performance experiences for children and adults.

Making the Arts Available to All

The Kennedy Center places a high priority on making the arts available to all. In 1997, the Kennedy Center opened its doors wider than ever before, removing barriers to accessibility and cost so that the performing arts are available to all local, national, and international visitors to the city. By offering free performances every day of the year on the **Millennium Stage**, the Center has attracted nearly 10,000 persons per month, many of them new to the Kennedy Center, and some of them attending a live performance for the very first time.

The Kennedy Center also brings the performing arts into millions of homes via broadcast. The Center makes selected programming available through **Kennedy Center Presents!**, a series of public television specials and on National Public Radio. The Center annually presents **The Kennedy Center Honors** to recognize outstanding lifetime achievement in the performing arts; the telecast was seen by more than eight million households on CBS in 1998. And the National

Public Radio broadcasts of "Billy Taylor's Jazz at the Kennedy Center" make that indigenous American art form available to a new generation of listeners.

Developing New Works

The Kennedy Center's commitment to developing new works and nurturing innovative artists is also reflected in its theatrical productions and commissions, which range from blockbuster revivals of classic American musicals to new works for youth and family audiences. (The Center's co-production of the smash Broadway hit *Titanic* received the 1997 Tony Award for Best Musical.) The Kennedy Center is committed to producing a minimum of 10 new works each year of the first decade of the new millennium. The **Kennedy Center Fund for New American Plays**, now in its 13th year, has helped develop more than 50 works, including three Pulitzer Prize winners.

The Kennedy Center continues to be a national leader in the creation and preservation of American dance. During the third season of *America Dancing*, the Center's five-year retrospective of American modern dance, the Kennedy Center has commissioned two world premieres by Mark Dendy Dance and Theater and the internationally renowned Eiko & Koma. Also, 1998 marks the inauguration of a major three-year commissioning initiative celebrating two of our great American indigenous art forms, modern dance and jazz.

Reaching New Audiences

As the nation's center for the performing arts, the Kennedy Center has a particular responsibility to ensure that its programming and outreach activities reflect the broad range of international and ethnic influences upon which the American arts have been built. The Center has accomplished this in part by focusing on the cultural ties between the United States and other nations, through a series of **international festivals** celebrating the arts of Ireland, Israel, Africa and the music of Russia and the Caribbean.

The National Symphony Orchestra this spring embarked on its seventh **American Residency** program, traveling to Mississippi for an extended residency featuring public and in-school performances, master classes for young musicians, workshops for teachers, and cultural exchanges. In past years, the NSO has conducted residencies in Alabama, Alaska, Louisiana, Maine, Montana, Wyoming, and Arizona, bringing the orchestra to states not served by major symphony orchestras.

A Model of Accessibility

The Kennedy Center strives to make the performing arts accessible to people from all walks of life; this effort is apparent not only in the diversity of programming on the Center's stages, but also in its ticket pricing policies and in the performances it stages outside the Center's walls. These programs build upon the Center's **Specially Priced Ticket Program** that, since the Center's opening, has made available tickets at half price to seniors, students, enlisted military personnel, and persons with disabilities and fixed, low incomes. Today, the Center also

collaborates with regional cultural organizations to offer discounted ticketing and has "Pay-What-You-Can" ticket sales days. The Center also offers free shuttle services for patrons.

Ensuring access to the Center for persons with disabilities is an ongoing priority. The newly renovated Kennedy Center Concert Hall has established a national model for public accessibility and has transformed the way in which contemporary theaters will be conceived, designed, and constructed. Each season the Center offers dozens of sign language-interpreted and audio-described performances, as well as Braille and large-print programs and widespread TTY (text telephone) access. The Center has a full-time Accessibility Director on staff, and has hosted workshops and conferences for those involved with accessibility issues.

Education

For more than two decades, the Kennedy Center has shown through its local and nationwide arts education programs that the inclusion of the performing arts in a broad-based curriculum dramatically improves the quality of a child's educational experience. The Center has played a leadership role in performing arts education, as mandated in the Kennedy Center Act, through its professional development programs for teachers; its performances for young people and families; its professional training programs for young musicians, actors, and dancers; its residency programs; and much more. All told, the Kennedy Center's programs in arts education reach more than four million people in every state in the Union.

The Performing Arts Centers and Schools: Partners in Education program works with arts centers and educators nationwide to help communities across the country develop workshops that show teachers how to use the arts in the curriculum. Tens of thousands of teachers and hundreds of thousands of students have benefited from workshops created in 38 states plus the district of Columbia. **The Kennedy Center Alliance for Arts Education Network** initiated the "Creative Ticket for Student Success," a major public awareness campaign that brings together educators, community leaders, arts centers, and others in 45 states to advocate the inclusion of the arts in school curricula.

Other educational efforts include: Workshops for Teachers; national tours of Kennedy Center productions for young people such as *Little Women*, *The Nightengale* and *Tales of a 4th Grade Nothing*; and the Center's biannual **New Visions/New Voices** program that provides a working forum for playwrights and directors to develop new plays for young people and families.

Since 1990, the Center has developed new educational initiatives with the District of Columbia Public Schools and 14 surrounding school districts that have brought performances, demonstrations, and other events to young people in their own schools and communities; these have included a number of events related to a three-year residency by Dance Theatre of Harlem that has taken the company's dancers and instructors into schools in Washington; Alexandria, Virginia; and Suitland, Maryland.

KENNEDY CENTER EDUCATION DEPARTMENT

Mission Statement	page 34
Goals.....	page 35
Funding.....	page 36

Program Overview

Performances for Youth and Families.....	page 37
Professional Development Opportunities for Teachers.....	page 39
Performance Plus.....	page 41
Exploring Ballet with Suzanne Farrell.....	page 43
Model Community Outreach Initiatives.....	page 44
Events for Students.....	page 49
National Symphony Orchestra (NSO) Education Programs and NSO American Residencies.....	page 51
Kennedy Center Alliance for Arts Education Network.....	page 54
Performing Arts Centers and Schools.....	page 59
Kennedy Center American College Theater Festival.....	page 64
ARTSEdge, National Arts and Education Information Network.....	page 65
Cosponsorship of Local and National Events and Grand Foyer Events.....	page 67
Internship Program.....	page 68
Accessibility.....	page 69
Publications and Videos.....	page 70
List of Total Participants by Program.....	page 72

MISSION STATEMENT

As the national center for the performing arts, the Kennedy Center is committed to increased opportunities for all people to participate in and understand the arts. To fulfill that mission, the Kennedy Center strives to commission, produce, and present performances reflecting the highest standards of excellence and diversity indicative of the world in which we live and to make those performances accessible to the broadest possible audience through arts education.

We believe that the arts are one of humanity's most eloquent means of understanding the world. Through the arts, we share the highest achievements of every culture and find a universal language, which permits communication by all peoples. As such, the arts are an essential component of a complete education.

Since its establishment in 1972, the Kennedy Center has proven that the inclusion of the performing arts in a broad-based curriculum improves the quality of a child's educational experience. The arts teach discipline, improve self-esteem, inspire creativity, and help young people to set and reach goals. Knowledge of the arts makes good teachers better and makes participating schools' exciting, challenging places for children--places where they are encouraged to explore, to create, and to reach their full potential.

The Kennedy Center takes a leadership role in national performing arts education policy and programs by commissioning, creating, and touring performances for students, teachers, and families; offering professional development opportunities in the arts for teachers; creating education programs for adults using the Center's artistic resources, developing model programs for use by other performing arts centers and schools; providing career opportunities and professional training for young artists; developing and encouraging national and community outreach programs; and serving as a clearinghouse for arts education on a national level. The Center works as both pioneer and partner with other performing arts institutions, educators and schools, legislators, parents, and community and business leaders.

GOALS

- I. Create new works and productions for young people, teachers, and families through commissioning, producing, and touring activities.
- II. Present performances of high artistic expression representing local, national, and international performing artists and ensembles.
- III. Develop, document, and disseminate model arts education programs that reflect an integrated approach to learning through the arts. Such programs are distinguished by their effectiveness in expanding the students' appreciation and understanding of both the art form as well as the subject content and its relationship to other areas of learning.
- IV. Provide effective professional development opportunities in the arts for teachers, teaching artists, and other education professionals.
- V. Provide opportunities for adult audiences to deepen their understanding and appreciation of all the performing arts and thus the value of the arts in their lives.
- VI. Provide exemplary programs and training opportunities for other performing arts centers, schools, local arts agencies, and other cultural institutions.
- VII. Provide career opportunities and professional training for young artists.
- VIII. Develop, document, and disseminate exemplary community outreach programs that ensure the involvement of diverse populations in art programs.
- IX. Serve as a clearinghouse for arts education information and as an advocate for arts education on a national level.
- X. Further develop and implement accessibility features of Kennedy Center programs for people with disabilities and share the features of the program with other performing arts organizations and communities across the country.

FUNDING

Gifts and grants to the Kennedy Center Education Department are provided by The Banyan Tree Foundation, Barbizon Electric, The Butz Foundation, The Morris and Gwendolyn Cafritz Foundation, Clark Winchcole Foundation, DC Commission on the Arts and Humanities, Fannie Mae Foundation, Freddie Mac Foundation, Fourth Freedom Forum, Inc., Norma Lee and Morton Funger, GE Fund, Rose Mary Kennedy Center Education Fund, Lieberman Productions, Ms. Molly Raiser, The Satori Foundation, Helen Sperry Lea Foundation, Ms. Marian Spong, The Hattie M. Strong Foundation, Mars Foundation, MCI Foundation, Mid Atlantic Arts Foundation, National AIDS Fund, National Endowment for the Arts, The Mary A. and John M. McCarthy Foundation, Prince Charitable Trusts, the U.S. Department of Education, Mr. and Mrs. Lew R. Wasserman, Janice Wasserman Goldsten and the George Wasserman Foundation, National Committee for the Performing Arts, and the President's Advisory Committee on the Arts. In-kind support is provided by Binney & Smith, Inc.

Gifts to the Kennedy Center Corporate Fund also help to underwrite educational programming. Members of the Corporate 100 Club, our most generous corporate donors, include ABB, American Express Company, Arthur Andersen LLP, Ashland Inc., Bankers Trust Company, Bell Atlantic Corporation, BellSouth Corporation, Bristol-Myers Squibb Foundation, CBS Foundation, The Coca-Cola Company, Countrywide Home Loans, Inc., Deloitte & Touche LLP, Delta Air Lines, DuPont, Ernst & Young LLP, Exxon Corporation, Fannie Mae Foundation, Federal Express Corporation, Ford Motor Company Fund, Freddie Mac, GE Fund, GTE, General Motors Corporation, Glaxo Wellcome Inc., Hecht's, Johnson & Johnson, KPMG LLP, Lockheed Martin Corporation, Loral Space & Communications Ltd., Lucent Technologies, MCI WorldCom, Merrill Lynch & Co. Foundation, Inc., Mobil Foundation, Inc., NationsBank, New York Life Insurance Company, Nextel Communications, Inc., Norfolk Southern Foundation, PEPCO, Parsons & Whittemore, Pfizer Inc, Philip Morris Companies Inc., PricewaterhouseCoopers, The Procter & Gamble Fund, Riggs Bank N.A., Shell Oil Company Foundation, The Starr Foundation, Target Stores, Texaco Inc., Time Warner Inc., The UPS Foundation, Union Pacific Foundation, The Washington Post Company, and The Xerox Foundation.

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PERFORMANCES FOR YOUTH AND FAMILIES

With its season-long **IMAGINATION CELEBRATION**, Kennedy Center Youth and Family Programs (YFP) hosts a diverse range of performances, averaging 200 a year, typically including presentations of 16 to 18 companies and two to four in-house productions. Besides the traditional genres of theater, music, dance and opera, YFP presents puppetry, storytelling, and multi-discipline performances to school and family audiences throughout the school year. Youth and Family Programs maintains a unique position of both presenting local, national, and international artists, and developing, commissioning, producing and touring in-house productions. All presentations and productions are supported with high quality educational materials, Cuesheets, workshops, residencies, and in-school performances. The capacity audiences for many of our performances—both at the Kennedy Center and on national tour—attests to the interest and involvement of students, educators, parents, and young people.

Youth and Family Programs (YFP) continues to expand its commitment to commissioning and producing of new works for young audiences, such as *My Lord, What A Morning: The Marian Anderson Story*, written by Kim Hines; *Alexander and the Terrible, Horrible, No Good Very Bad Day*, written by Judith Viorst and composed by Shelley Markham; a dance/theater version of Hans Christian Andersen's *The Nightingale*, from choreographer Dana Tai Soon Burgess, writer/director Mary Hall Surface and composer David Maddox; *Little Women*, adapted by Paulette Laufer; *Pepito's Story*, written and directed by Debbie Allen and composed by Arturo Sandoval; *Brothers of the Knight*, written and directed by Debbie Allen and composed by James Ingram; the operas *Romulus Hunt*, composed by Carly Simon, and *Angels Voices* by Noa Ain.

A newer and growing tradition is the Kennedy Center **Imagination Celebration on Tour**. After being launched with *The Red Badge of Courage*, directed by actor Richard Thomas; and *Alice in Wonderland*, directed by actress Pat Carroll, the program has toured *The Pearl*, *The Snow Queen*, Judy Blume's *Tales of a Fourth Grade Nothing*, *Little Women*, and *The Nightingale*. Through its touring, YFP has earned a nation-wide reputation for presenting performances and educational activities of high quality. Audiences respond with enthusiasm to these entertaining productions which exemplify the inherent educational value of the performing arts.

In recognition of the value of the development of new plays, YFP has established **New Visions/New Voices**; a program designed to assist in the creation of new professional plays and musicals for youth and family audiences. New Visions/New Voices brings together playwrights, directors, and composers to its innovative "working forum" setting, to rehearse and rewrite promising scripts, and to produce staged readings. At the weeklong residency, the Kennedy Center provides artistic resources including a full cast, stage managers, and dramaturgs for eight new plays and/or musicals. In 1998, the American Alliance for Theater and Education honored *New Visions/New Voices* with its Monte Meacham Award, given for outstanding service to the field.

Jazz Education. *Billy Taylor's Jazz at the Kennedy Center*, a unique program of live concerts audio taped for radio, has solidified its local audience for the concerts and is broadcast to over 200 NPR stations nationally. Each year, some fourteen of the finest jazz artists in the country

play music with Dr. Taylor and his trio and carry on conversations about jazz. The Women in Jazz Festival includes a series of seminars and panels, and a number of the Jazz artists conduct clinics and workshops in the schools as part of the expanding program of Jazz Education.

1998-99 HIGHLIGHTS

IMAGINATION CELEBRATION at the Kennedy Center

YFP produced two new Kennedy Center productions. The holiday show was a musical theater adaptation of Judith Viorst's classic and much-loved *Alexander and the Horrible, Terrible, No Good, Very Bad Day*, written by Ms. Viorst, with music by Shelly Markham. *My Lord, What a Morning: The Marian Anderson Story*, written by Kim Hines was produced in the spring.

Presentations from the USA included: *Philadanco; The Island of the Skog* - Dallas Children's Theater; Hobey Ford: *The Legend of Sleepy Hollow; Young Tom Edison, The Color of Justice* and *Black Beauty* from Theatreworks/USA; *And They Came for Me: Remembering the World of Anne Frank* - George Street Playhouse; *Brave Little Tailor* - Mohonk Mountain Stage Co.; *Guy Davis Stories and Songs of the Blues; Forty Daydreams* - Raven's Voice; *Kim and Reggie Harris: Music and the Underground Railroad*.

International presentations included: Hugo and Ines: *Short Stories; New Kid* - Green Thumb Theater of Vancouver, BC; *The Star Keeper* from Theatre De L'Oeil in Montreal.

Imagination Celebration on Tour

Tales of a Fourth Grade Nothing toured (for a second time) from September-December 1998, for 61 performances in 17 states, for more than 61,000 young people and families. *Little Women* toured from September-December 1998, for 66 performances in 16 states for more than 60,000 young people and families. *The Nightingale* toured throughout the United States in January-April, 1999. More than 80 performances of this production will be presented in 18 states for approximately 55,000 young people and families.

PARTICIPANTS	FY 1999
<i>and Family</i>	82,500
Billy Taylor's Jazz (live)	4,500
<i>nation Celebration on Tour</i>	178,000

PROFESSIONAL DEVELOPMENT OPPORTUNITIES FOR TEACHERS

Since 1976, the Kennedy Center has offered educational programs for teachers in partnership with 14 Washington metropolitan area school systems. The program features performance-based and participatory workshops that help teachers bring the arts into their classroom and their curriculum. Participating teachers are eligible for in-service and graduate credit through participating school systems and universities. This program serves as a model for professional development programs for teachers across the country.

In 1991, as an outgrowth of this program, the Kennedy Center initiated the Performing Arts Centers and Schools: Partners in Education program designed to provide information about Professional Development Opportunities for Teachers to communities across the country. Kennedy Center staff is available to provide consultation to teams regarding planning events, designing workshops collaboratively with artists, evaluating events, partnering with school systems to create workshops that meet teachers' needs, and other topics as requested.

1998-99 HIGHLIGHTS

The program received more than 1,750 registrations from teachers in 14 metropolitan area school systems for 45 events. Workshop leaders included artists from the Washington metropolitan area as well as from across the country. Seven additional workshops were presented at DCPS partnership schools and Kenmore Middle School, Arlington Public Schools, Virginia reaching an additional 150 teachers.

New Strategies and Formats of Professional Development for Teachers

The Kennedy Center and eight arts-focus/arts magnet schools from the D.C. metropolitan area embarked on a major initiative designed to implement school-based reform by focusing on teacher professional development in the arts. The aim of the collaboration is to identify and implement policies and practices necessary to make on-the-job learning an integral part of every educator's professional experience. The project will allow the Kennedy Center to expand and refine its Professional Development Opportunities for Teachers program. This project was selected to receive a grant for the planning phase from the National Foundation for the Improvement of Education (NFIE).

Distance Learning

The program is exploring various forms of technology in order to reach a broader audience of teachers both locally and nationally. This year, two professional development sessions were offered through distance learning—one broadcast across the country through a satellite system and one broadcast to Northern Virginia schools through cable television. The results of the sessions will be analyzed in order to plan future distance learning opportunities.

Partnership with District of Columbia Public Schools (DCPS)

The partnership with the District of Columbia Public Schools continued with nine partnership schools. Workshops have been presented at partnership schools as requested. Also, workshops for teachers were presented as part of the DCPS Professional Development Institutes in November 1998, and February, May, and July 1999 allowing the program to reach more than 200 DCPS teachers.

Partnership with Arlington Public Schools (APS)

The partnership with Arlington Public Schools was officially recognized with a kick-off event for APS arts specialists in September 1998. The event featured speeches by Dr. Robert Smith, superintendent of APS, and Derek Gordon, vice president for education at the Kennedy Center. The agenda also included a performance by an artist, participation in one of three concurrent arts workshops, and completion of a needs assessment survey by the attending arts specialists. In addition to the kick-off event, a workshop was presented during an APS in-service day. An arts specialist from APS presented a workshop at the Kennedy Center, and the partnership team attended the Performing Arts Centers and Schools Annual Meeting in order to participate in various sessions and update the partnership agreement.

Professional Development for Workshop Leaders

The long range plan of professional development for artists presenting workshops for teachers at the Kennedy Center continued to be implemented. The Orientation Session for workshop leaders who are presenting workshops at the Kennedy Center for the first time and a three-day Retreat for experienced workshop leaders were designed, presented, and evaluated.

TEACHERS PARTICIPATING

FY 1999
2,150

PERFORMANCE PLUS

Performance Plus activities include discussions (with two or more experts), lectures, demonstrations, open rehearsals, master classes and multi-session courses in the disciplines of dance (ballet and modern), symphonic music, chamber music, jazz, theater, family programming and special Kennedy Center offerings. Artists, creators, performers, and technical professionals are involved in presenting these events for the general adult public both inside the Kennedy Center and offsite at locations in and around the Washington metropolitan area. The program grew out of the public's desire to participate in activities that assisted them in learning more about the performing arts and that brought them in contact with artists in an educational setting. The program's offerings have grown from 14 events in its first season to more than 80 events this season. Awareness that the Kennedy Center is a place where adults can learn about the arts is growing. Through the Performance Plus program, the Kennedy Center is viewed as a national leader in adult arts education not only because of the number of programs offered, but also because of the diversity and quality of events and the high caliber artists who participate in these learning experiences.

The Kennedy Center recognizes the importance of adult arts education for the future of the performing arts and is committed to providing opportunities for people to learn about art forms through outreach events and activities within the community it serves. Performance Plus has initiated collaborations with area arts organizations, community centers and local businesses to allow the diverse populations of the Washington metropolitan area to experience the high quality of artistry presented at the Kennedy Center within their own communities. Performance Plus offsite events have included the *Taylor 2* dance company's lecture/demonstration at George Washington University's Lisner Auditorium, *African Odyssey* performer *Nego Gato's* capoeira and drumming demonstration at Rumba Cafe, and Youth and Family Program performer *Shizumi's* Japanese Tea Ceremony at Borders Books and Music. These offsite events have opened the world of the performing arts at the Kennedy Center to new audiences that are unfamiliar with the diversity of the Kennedy Center's programming and who will recognize the Kennedy Center as an open and inviting institution.

1998-99 HIGHLIGHTS

Performance Plus continued its year-long programming during 1998-99 with several new series including *Elements of Ballet with American Ballet Theater*, *Exploring Russian Ballet Styles*, *Behind the Scenes in Theater*, *The Ellington Legacy Series*, and an interactive Latin dance series, *Introduction to Latin Dance*. Returning series included *From Page to Stage: Alexander and the Terrible, Horrible, No Good, Very Bad, Day*, *What to Listen for in Jazz*, and *Orchestral Masterworks*.

Partnerships and Special Projects

Performance Plus expanded its partnership with the United States Department of Agriculture (USDA) Graduate School to offer seven courses for graduate credit. In collaboration with the Smithsonian Institution's Jazz Heritage department, the Center installed the *Duke Ellington: Beyond Category* exhibit created by the Smithsonian's SITES program in the Grand Foyer. In conjunction with the Kennedy Center's first annual Mark Twain Prize, Performance Plus produced the lecture "Mark Twain: America's Greatest Satirist" and the panel "Comedy as Social

Commentary: The Legacy of Richard Pryor, Lenny Bruce, and Will Rogers."

A two-part Native American workshop series was produced for families including a Lakota Hoop Dancing and an Alaskan Storytelling Workshop. A reception and gallery talk with Cuban Printmakers was held for the opening of "Roca, Miranda, Torres, and Manso: Afro-Cuban Contemporary Graphic Art Exhibit." The exhibit, co-sponsored by Brandywine Graphics, was on display in the Kennedy Center Education Resource Center April-August 1999. African Odyssey's "Expresiones Latinas Cultural and Historical Guide" was produced and 2,500 copies were distributed.

Theater

Spotlight on Theater Notes, performance study guides for adults, were published for each of the seven theater productions, including a special edition for the African Odyssey production of *Things Fall Apart* and offered free of charge to 2,500 audience members. Playwright Athol Fugard and actor Tom Wopat participated in *Spotlight on Theater* discussions.

Music

The *Conversations with Conductors* series featured conductors Bobby McFerrin and Nicholas McGegan. The *Matinee Luncheon Lecture* series included special guests Placido Domingo, Artistic Director of the Washington Opera and NSO guest conductor, and Ellen Taaffe Zwilich, composer and Pulitzer Prize Winner. *Meet the Artists of the NSO* featured composer John Corigliano.

Dance

The *Corps de Ballet* demonstrations and discussions featured artists including American Ballet Theater's Kevin McKenzie, South African musicians and Dance Theater of Harlem company members. A fourth dance publication was published featuring commissioned essays by leading dance writers on companies featured in the *America Dancing: The Revolution Continues* series. Copies were distributed to modern dance subscribers and mailed to university and college dance departments nationwide. Post-performance discussions for *America Dancing* featured artistic directors, company members and choreographers such as Mark Haim, John Jasperse, and Bill T. Jones.

PARTICIPANTS

FY 1999
8,500

EXPLORING BALLET WITH SUZANNE FARRELL

"Exploring Ballet with Suzanne Farrell" is a three-week intensive summer ballet course for advanced level ballet students ages 14-18 led by Suzanne Farrell, an internationally-acclaimed artist and expert in the Balanchine technique, which has influenced every major ballet company in North America. Ms. Farrell's experience and teaching expertise enables students to make informed decisions about their potential, talents, strengths and weaknesses and whether they should pursue a professional career in dance.

The program demonstrates the Kennedy Center's commitment to nurturing future artists. Many of these students will have professional careers and they greatly value this opportunity to study with one of the leading authorities of the Balanchine technique. One student summed up her experience by saying, "I have attended this program for two years, and they are some of the most memorable weeks of my life.... Each year, my dancing has improved by leaps and bounds, and my self-esteem has grown immensely.... I would never regret coming to this program and will be forever grateful to the whole staff for helping me learn how to change my life."

"Exploring Ballet with Suzanne Farrell" is held during a three week period in August. Thirty-five students from both the local area and around the country take two ballet technique classes per day, six days per week with Miss Farrell. She and Kennedy Center staff also plan activities to enhance and extend the students' study of the ballet. Experiences include museum visits, performances, and trips to historical monuments and parks.

1998-99 HIGHLIGHTS

Nearly 400 students auditioned for the national program in eight cities which included: Boston, MA; Chicago, IL; Houston, TX; San Francisco, CA; Seattle, WA; New York, NY; Miami, FL, and Washington, D.C. Thirty-three students were selected to participate in a three-week intensive program, August 1999. An original piece choreographed by Miss Farrell was performed for a final showcase.

PARTICIPANTS

FY 1999
398

MODEL COMMUNITY OUTREACH INITIATIVES

Through community partnerships and collaborations with major performing companies and artists, the Kennedy Center Education Department's community education/outreach initiatives provide culturally diverse communities with extended performance and training opportunities for the general adult public and student populations. These programs, developed locally by the Kennedy Center, are designed to demonstrate how partnerships among artists, cultural institutions, school districts, local governments, and the general community can result in high quality artistic and educational events that strengthen the fabric of local communities across the country. The models are documented and disseminated through print and electronic media as well as through hands-on workshops and training seminars.

D.C. Public School System (DCPS)

For the past two years the Center's the Vice President of Education and program managers for the Community Partnerships and Professional Development Opportunities for Teachers programs have been involved with the Arts and Humanities Initiative of the DC Public School System. The Vice President of Education served as a member of the initiative's executive committee and the program managers have participated in the development and implementation of professional development activities for teachers and model investigations in schools. In the fall of 1998, the initiative received its not-for-profit status and is now called the D.C. Arts and Humanities Education Collaborative, Inc. The Kennedy Center's Vice President for Education is the organization's first President.

The mission of the Collaborative is "to strengthen and promote the arts and humanities as basic and integral to a high-quality education for all students. The Collaborative nurtures and facilitates partnerships among arts and humanities institutions, public schools, students, families, business, and the community-at-large." The Collaborative's goals are to provide all students access to the rich educational experiences in the arts and humanities that the city offers; to provide learning opportunities in the arts and humanities to every school and every child by the time they graduate; and to provide the opportunity to play a vital role in the developing child.

The Vice President for Education is also the newly elected chairman of the Arts Cluster D.C. Public Schools Business Alliance. The Business Alliance is a coalition of businesses in the metropolitan Washington area who are committed to providing materials and services which will support the system's educational goals and objectives. The Arts Cluster will review the systems' internal and external arts education resources; examine national arts education model programs and issues; recommend arts education projects (including the Arts and Humanities Collaborative); and, design an implementation plan for selected projects that includes measurable outcomes.

D.C. Public School System (DCPS) Partnership Initiative

The Kennedy Center continues to strengthen its relationship with the D.C. Public School System, through the development of a long term in-depth school partnerships to provide students and faculty with access to the performing arts and the ability to track the effectiveness of the performing and visual arts in education. Students attend performance series at the Kennedy Center and selected artists provide in-school lecture/demonstration performances at partnership schools. Additionally, these schools receive at least two visits by a National Symphony Orchestra ensemble during the year. Artists and teachers collaborate to develop curriculum

centered on artist residencies to enhance a unit of study. Through the residency component, students experience the performing and visual arts in a manner that will have a more lasting impact on their learning. Interested schools may host six-week semester or year long residencies that provide an in-depth exploration of an artistic discipline connected to a specific theme. Teachers and administrators benefit through participation in professional development activities, designed by the Kennedy Center's Professional Development Opportunities for Teachers Program, that provide valuable tools for teachers who want to integrate the arts into their teaching or learn more about an art form through a series of Performance Plus events.

Teachers participating in the professional development component provide feed back and suggestions for the improvement of professional development programs for teachers in the DCPS system. Teachers and principals advise the Kennedy Center's Partnership Management Team throughout the year on the continued development of this initiative.

An additional goal of the initiative is the creation and implementation of a model professional development program for artists focusing on the development of residencies characterized by challenging, in-depth teacher/artist collaborations that will increase the learning capacity of students in grades Pre-K through 12.

Family Performance Series provides performance tickets for students and their families from each of the five Kennedy Center/DCPS Partnership Initiative schools. The series is designed for the selected student and his/her immediate family. Families attend a minimum of seven performances chosen from Youth and Family Programs and appropriate main stage performances. Each family receives copies of "Cuesheets" to inform their enjoyment of the performances.

Carter Barron programs of the Education Department and the National Symphony Orchestra at the Carter Barron Amphitheater bring the Kennedy Center's diverse resources into the local community and encourage broader participation by segments of the community who seldom participate in formal concert and education settings. In addition to the series at Carter Barron, the program offers "In Your Neighborhood" which includes in-school performances, joint community concerts in local churches and community centers, a ticket program that invites community members to "Be Our Guest" at Kennedy Center performances, and a host of smaller community picnics and celebrations.

The Kennedy Center/Dance Theatre of Harlem (DTH) Community Dance Residency is in its fifth year. This dance initiative introduces classical ballet to metropolitan Washington students through lecture/demonstrations, workshops, live performances, and training experiences. Coordinated by the Kennedy Center's Education Department, the program has three community partners—the Duke Ellington School of the Arts (Washington, DC), the Robert E. Lee Recreation Center (Alexandria, VA), and the Suitland High School for the Visual and Performing Arts (District Heights, MD). There is an eight-class training opportunity for approximately 185 youngsters between the ages of eight and 15 at three community sites and an intensive 16-class series for approximately 80 beginning, intermediate and advanced students at the Kennedy Center. Principal dancers from DTH and the DTH School teach the classes. Prior to the selection process for the training program, the DTH School Ensemble presents a series of lecture/demonstration performances in each community. These performances have reached an

audience of approximately 36,570 students, parents, dance professionals, public school teachers and administrators, and community leaders since it began in the fall of 1993.

1998-99 HIGHLIGHTS

D.C. Public School System (DCPS) Partnership Initiative

During the 1998-99 school year 1,739 third and fifth grade students attended performances at the Kennedy Center that included the disciplines of music (classical and jazz), dance (modern and ethnic), and theater (storytelling and theater for young audiences).

The Kennedy Center's DCPS Partnership Initiative continued its collaboration with eight selected schools—Hearst, Houston, LaSalle, Malcolm X, Marie Reed, Seaton, and Stanton elementary schools and Paul Jr. High School, and added one new school—Miner Elementary School. During the 1998-99 school year, nine artists—practicing disciplines in the performing and visual arts—collaborated with teachers to design and implement thirteen residency projects involving 465 students attending Hearst, Houston, LaSalle, Malcolm X, Seaton, and Stanton elementary schools and Paul Junior High School. Artist/teacher teams attended workshops, conducted by arts education consultant and Juilliard School faculty member Eric Booth, on assessment and planning a residency and designed projects using the "Investigation Model" that includes essential questions, learner outcomes, classroom activities, a culminating activity, documentation and assessment. Students and teachers continued to attend performances for young audiences at the Kennedy Center. This season 2,082 students and faculty members attended 37 performances. Additionally, 24 teachers attended professional development workshops for teachers.

The DCPS Partnership Initiative Management Team designed a four-day professional development institute for artists interested in working with DCPS Partnership Initiative schools' teachers and students which was held at the Kennedy Center from August 24 through August 27, 1998. The four-day institute included workshops on the following topics: Characteristics of Learners, Identifying Essential Questions the Collaboration Process; and Developing a Residency Project. Thirteen artists were selected from twenty-eight applicants to attend the Institute. Of that number, eight were selected for the roster of artists. The addition of the eight artists increased the number of eligible artists for work in partnership schools to fifteen.

The Education Department continued its involvement with two DC Public Schools --Paul Junior High School and The Duke Ellington School of the Arts--which plan to be Charter or Alternative schools by the 1999-2000 school year.

Family Performance Series

During the 1998-99 school year, 29 families of students attending five partnership initiative schools participated in the Family Performance Series. A total of 1,208 tickets to performances in the Theater Lab and main stages were provided. Tickets released by families unable to attend performances were given to families participating in the Prison Fellowship Program, homeless families residing at Sarah's House, and families living in low income housing and participating in programs administered by the Center for Community Change.

The Kennedy Center/Dance Theatre of Harlem (DTH) Community Dance Residency

This was the sixth year for the Kennedy Center's Dance Theatre of Harlem (DTH) Community Residency. For the first phase 577 young people aged 7 to-15 from the metropolitan Washington area auditioned. Eight Saturday classes were conducted for 150 students at the beginner, intermediate and advanced levels at three community sites—the Robert E. Lee Center in Alexandria, VA; the Duke Ellington School of the Arts in DC; and, the Visual and Performing Arts Annex of Suitland High School. In the second phase at the Kennedy Center 71 students were selected to participate.

In the spring, the beginner students were presented in a lecture/demonstration on the Kennedy Center Millennium Stage followed by a reception for students and their families. The intermediate and advanced students were presented in an on-stage master class taught by Arthur Mitchell in the Kennedy Center Opera House and a luncheon was held for students and their families. Four graduating students were acknowledged at the close of the master class presentation and awarded a tuition scholarship by the Kennedy Center to study at the DTH School during this summer. Two of the students (young men) are being considered to join the Dancing Through Barriers Ensemble™ in the fall of 1999. Students received a complimentary ticket for a matinee performance and their parents were able to purchase a ticket at a reduced cost. All students were invited to attend DTH dress rehearsals and advanced students were invited to take class daily with the DTH company. Four students were selected to be "supers" in the company's signature ballet, *The Firebird*.

Special Projects

The Kennedy Center provided support for the National Dance Institute's four-week residency at Draper Elementary School. The focus of the residency was American Folk and Popular Dance. The culminating event included demonstrations of square dancing, the Charleston, the Lindy Hop and current dances, was entitled "Dance Draper." Eight hundred students attending three DCPS Partnership Schools and the Edison/Friendship Charter school attended the performance.

Twenty schools (1,700 students and teachers) attended a special concert in the Kennedy Center Concert Hall featuring the Smithsonian Jazz Masterworks Orchestra and Billy Taylor Trio celebrating the work of Duke Ellington.

Students attending the Marie Reed Learning Center (a DCPS Partnership Initiative School) were invited to create banners exhibited at the opening night reception at Union Station for the National Art Education Association's annual conference in Washington, DC. Sponsored by Binney & Smith as part of their Dream Makers Program, they provided all materials for the project and worked closely with the schools visual arts specialist in developing the banners.

The Kennedy Center in partnership with the Hispanic Heritage Awards Foundation and WRC-TV/NBC 4 sponsored the first annual Heritage Poetry Youth Awards. Student poets attending public high schools in the District of Columbia and thirteen surrounding school districts were invited to participate in the poetry competition by submitting one poem based on the importance and impact of one's ethnic heritage. The seven finalists presented their original works on the Kennedy Center's Millennium Stage.

The Kennedy Center hosted the second "Jazz Ahead" national jazz residency project. Twelve young artists participated in the ten-day residency project at the Center. Master classes and

workshops were conducted by Dr. Billy Taylor, Curtis Lundy (bassist), Carmen Lundy (vocalist), Winard Harper (drums), and Steven Scott (pianist). The young artists were presented in a concert in the Terrace Theater.

PARTICIPANTS	FY 1999
DCPS Partnership Initiative	3,154
Family Performance Series	250
Carter Barron	12,000
Dance Theatre of Harlem	5,128
DTH Arts Exposure	2,100
National Dance Institute	800
Billy Taylor Jazz Residency	n/a
Jazz in the Schools	300
Ellington Birthday Concert	1,700
Betty Carter's Jazz Ahead	400
Hispanic Heritage Poetry Event	300
Alexandria Seniors	72
Community Outreach	2,158

EVENTS FOR STUDENTS

The Events for Students program provides opportunities for students in grades K-12 and college to experience the highest quality of artistry and creativity in the performing arts through performances, lecture/demonstrations, master classes, and rehearsals presented by the artists and companies performing at the Kennedy Center.

In addition to the programs presented at the Kennedy Center, Events for Students includes a Visiting Artists series and a live and interactive Distance Learning Performing Arts series for schools nationwide. The development of performance guides (*Cuesheets*) and oversight of Accessibility issues also falls under this program.

Through the Events for Students program, the Kennedy Center provides opportunities for students to experience quality arts presentations, to understand the creative process, and to learn craft and technique from top professionals in the performing arts. Students have access to artists through presentations at the Kennedy Center, in schools, and over educational cable television stations. These educational presentations offer students opportunities to understand the non-verbal language of the performing arts and through presentations offered at appropriate grade levels, to deepen their understanding of the performing arts as they grow and mature in their ability to understand and appreciate artistic expression. Educational materials developed for students and teachers to accompany all presentations for students assist further in an understanding and appreciation of the arts experiences presented.

1998-99 HIGHLIGHTS

The 1998-99 season continued to feature the artists and companies performing at the Kennedy Center, to refine current programs, and to explore additional kinds of programs that would achieve the goal of fostering an understanding and appreciation of the performing arts in the lives of students.

Events at the Kennedy Center

During the fall and spring, students attended lecture/demonstrations, dress rehearsals, and master classes presented by the Dance Theatre of Harlem, American Ballet Theatre, Stanislavsky Ballet, Mark Morris Dance Company, and Royal Swedish Ballet. High school students were again selected by audition for the ballet master classes. In the America Dancing Series, the Parsons Dance Company, Pilobolus, Paul Taylor Dance Company, and Bill T. Jones/Arnie Zane Dance Company presented master classes for university dance students and pre-professional adult dancers.

In music, the Billy Taylor Trio with guest Frank Wess presented a demonstration and performance focused on the music of Duke Ellington. A master class with cellist Janos Starker was also offered to students and adults.

High school students attended a performance of Athol Fugard's new play, *The Captain's Tiger*. Following the performance, Mr. Fugard answered questions from the students. A special session for theater students was also held and a pre-performance session was conducted by the stage managers with the production. High school students also attended two matinee performances of productions in the Kennedy Center American College Theater Festival.

Visiting Artists Program

Artists from the Terrace Concerts Series, the NSO season, the Something New Series, the Jazz Series, and African Odyssey presented lecture/demonstrations, performances, master classes, and discussions in area schools. Jazz artists for the season included Nnenna Freelon, singer; Phil Woods and Vincent Herring, saxophonists; guitarist Russell Malone; trumpeters Jimmy Owens and Ingrid Jensen; and the Sisters in Jazz ensemble. In dance, a week of performances and workshops with ABT Studio Company and the Paul Taylor Dance Company were offered to several area schools. The African Odyssey series featured valiha player Ratovo, the Madagascar Ensemble, Ki Yi Mbock, and a tour of the Revue Noire photographic exhibition. Artists from the Young Concert Artists series presented informances at three District of Columbia Public Schools. Internationally known pianists performing with the NSO presented piano master classes at area universities.

Distance Learning Performing Arts Series

The television broadcast series with the Prince William County Public Schools included eight programs for students and two professional development programs for teachers. Dr. Billy Taylor and the Trio focused on the styles of Bebop and Cool jazz and performed with guest artists Vincent Herring, saxophonist, and Jimmy Owens, trumpeter. Pilobolus Dance Company presented a performance/demonstration and ODC/San Francisco Dance Company presented a performance/demonstration for middle school students. The theater programs included a discussion with playwright Athol Fugard about his new play, *The Captain's Tiger*, and a discussion with author Peter Stone and production supervisor Susan Green about the Broadway musical, *Titanic*. Members of the Royal Shakespeare Company were interviewed about their roles in *Hamlet* during the summer performance run at the Kennedy Center. A tape of this discussion was shown in the fall series of programs. The African Odyssey program featured a discussion with Chuck Mike, director of the Nigerian production of *Things Fall Apart*. Adam Clayton Powell III moderated the program that included performances of excerpts from the production and segments from a taped interview with Chinua Achebe, author of the novel. Closed captioning was offered with six of the eight programs. Internet chat sessions were held following three of the programs.

Performance Guides: Cuesheets

There were 26 *Cuesheets* developed during the 1998-99 season for programs presented by Youth and Family Programs, Events for Students, and the National Symphony Orchestra. A smaller core group of writers and editors were selected to continue next season. Evaluations of the *Cuesheets* received from teachers were shared with all writers and editors.

PARTICIPANTS	FY 1999
Events	5,500
Residencies	18,130
Distance Learning Programs	1,950,450

NATIONAL SYMPHONY ORCHESTRA (NSO) EDUCATION PROGRAMS AND KENNEDY CENTER'S NATIONAL SYMPHONY ORCHESTRA AMERICAN RESIDENCIES PROGRAM

NSO Education Programs

The multifaceted National Symphony (NSO) Education Program offers programs to introduce symphonic music to children and their families and to further the education of young musicians. Annually, nearly 70,000 students and families attend specially priced NSO Young People's Concerts, "Meet the Orchestra" Concerts, and Family Concerts. Small ensembles of NSO musicians are sent into the schools to present specifically designed interactive workshops/performances in underserved areas of the city. In-Schools Ensembles are very successful in introducing young students to classical music. Groups of NSO musicians also present short music programs, Kinderkonzerts, for very young children at the Kennedy Center's Theater Lab.

Apprenticeships and scholarships for advanced music students, a high percentage from ethnic minority groups, are offered annually. A full-scholarship program for serious music students, the **NSO Youth Fellowship** offers intensive orchestral training. This is a monitored, performance-oriented program that develops and encourages young musicians to become the orchestral musicians of the future. The **NSO Young Soloists' Competition** recognizes the talent of young musicians with each winner offered a solo performance opportunity with the NSO. Annually, area youth participate in **Youth Orchestra Day**, during which selected members of area youth symphonies share music stands with NSO members in a special rehearsal. Talented young string players are recruited from across the country as part of the **Minority String Initiative**. These students participate in the Kennedy Center/Summer Music Institute (SMI) for three weeks. They receive lessons with an NSO musician, perform chamber music coached by NSO members, perform in the SMI orchestra, and participate in various music classes and other enrichment activities at Kennedy Center.

For adults, the NSO education program sponsors "Symphony Talks" at local libraries, recorded program notes for persons with sight impairment, and open rehearsals for seniors. Education has been a high priority of the National Symphony Orchestra since the orchestra was founded in 1931 and the education program has grown and flourished during the last 67 years.

NSO American Residencies Program

The National Symphony Orchestra (NSO) American Residencies for the Kennedy Center is a unique national initiative encompassing the elements of education, outreach, chamber, and orchestral performances. The two-week residency provides interaction with many of the participating states' fine artists, shares all elements of classical symphonic music with the region, explores the diversity of musical influences unique to the state, and gives the region a musical voice as the nation's center for the performing arts through exchanges, training programs, and commissions. In addition, a major project such as the residency helps to focus statewide and national attention on the excellence of artists found in areas across the country.

With American Residencies, the NSO helps to ensure the future of orchestras and the arts in education by participating in a national interchange of ideas that keep an important part of our cultural heritage vibrant and growing. The impact of the American Residency program extends

beyond the residency period through a variety of activities that nurture ongoing relationships between the Kennedy Center and a participating state. To date, Residency states include Alaska, Maine, Louisiana, Montana/Wyoming, Arizona, Alabama and Mississippi.

Summer Music Institute: The state's Kennedy Center Alliance for Arts Education, in conjunction with music teachers at the secondary school, university, and professional levels, identify gifted young musicians to travel to Washington, DC for the NSO Summer Music Institute. At the Institute, students participate in three weeks of master classes, youth orchestra activities, and chamber music programs.

Teacher Fellowship: In 1992, with the first American Residency, then-Kennedy Center Chairman James D. Wolfensohn created the Teacher Fellowship to further the work of National Symphony Orchestra American Residencies. The one-month fellowship for career development is awarded to one teacher in a participating state selected with the assistance of the state's Kennedy Center Alliance for Arts Education.

Events with Local Artists: A key feature of the residency is the inclusion of a representative of the state's fine talent (performer, composer, etc.) in NSO performances. Student soloists may be selected from tapes submitted from throughout the state to appear with the orchestra during NSO Young People's Concerts. In addition, guest narrators and professional artists appear during the orchestra's educational performances and full concerts.

Commissioning Project: In collaboration with the state arts agency, the Kennedy Center commissions from a local composer a chamber work based on indigenous musical idioms. The work is premiered at the Kennedy Center with subsequent performances around country.

1998-99 HIGHLIGHTS

The NSO Education Program presented 21 NSO Young People's Concerts in the Kennedy Center Concert Hall, 15 Kinderkonzerts and 10 NSO ensemble concerts in the Theater Lab. The NSO Young People's Concerts in December featured the North American premiere of Stephen Montague's *The Creatures Indoors*, a 35-minute work based on poetry by Jo Shapcott. Artwork by the composer's nephew was displayed in the Hall for the performances with Anthony Aibel, conductor, and Bill Grimmette, storyteller. Five concerts were presented free to Title 1 third graders as part of the DC Public Schools Arts and Humanities Initiative. Mrs. Richard Riley, wife of the U.S. Secretary of Education, continued as the honorary chair of the NSO Title 1 project. NSO Young People's Concerts in February featured guest conductor Kay George Roberts in "Keyboard Kaleidoscope," showcasing keyboard and keyboard-like instruments with the orchestra. These NSO Young People's Concerts were well received by the young audiences and their teachers. Cuesheets (student guides, teacher guides, and audiotapes) were distributed well in advance to every concert for pre-concert preparation.

The five-person percussion group NEXUS appeared with the NSO in a set of three youth concerts for school children and families. The program, "Drums, Drums, and Then Some" highlighted percussion instruments within the orchestra and followed the history of percussion from early times to the present. These concerts were associated with the NSO percussion festival directed by Leonard Slatkin and Evelyn Glennie. Kinderkonzerts with NSO small ensembles and "Inside the Instruments of the Orchestra"—a multi-media performance by 10 NSO members

produced by NSO cellist Yvonne Caruthers—were well attended by enthusiastic school and public audiences.

The NSO Education Program in conjunction with the Center's education web site, ARTSEdge created and launched an online virtual tour of China and Japan, corresponding to the NSO's tour of those countries. Schools in the Washington, DC metropolitan area as well as across the country actively used the site. It contained cultural information, classroom activities, and offered students the opportunity to correspond with NSO musician reporters and a child reporter during the tour. The site contained video clips of interviews with 18 NSO musicians, talking about their instruments and performing short excerpts.

NSO Ensembles and selected guest artists visited a number of District public schools, most of which are a part of the Kennedy Center's DCPS Partnership Initiative. The partnership with Good Shepherd Music Center in the Adams Morgan area of Washington, DC, continued with great success and a new site, the afterschool program at J. O Wilson Elementary School has begun to flourish.

NSO Youth Fellowship violinist, Stephanie Matthews, won the NSO Young Soloists' Competition, which has more than 65 participants. NSO Youth Fellowship graduate, cellist Rachel Young, began her first season as a member of the NSO, the first young musician from the Youth Fellowship Program to join the NSO as a professional member.

PARTICIPANTS	FY 1999
Family/public concerts	6,985
Kinderkonzerts/public & school	5,144
NSO Young People's Concerts (YPC)	39,895
Youth Concerts/public & school	included in YPC total
In-School Ensembles	9,209
Youth Fellowship Program	21
Young Soloists' Competition	1,500
Young Soloists' Concert	1,200
Young Associates Program	24
Youth Orchestra Day events	70
Music Career Presentations	1,360
Performing Arts College Fair	800
Summer Music Institute (participants)	70
Summer Music Institute (audience)	4,300
Ensemble Concerts/public & school	1,330
NSO America Residencies	
Mississippi	28,550

KENNEDY CENTER ALLIANCE FOR ARTS EDUCATION NETWORK

The Kennedy Center Alliance for Arts Education Network (KCAAEN) is a national coalition of 45 non-profit state Alliance organizations, operating in partnership with the Kennedy Center. State Alliance organizations collectively bring together nearly two million people each year, including educators, community leaders, arts organizations, and concerned citizens. Across the United States, the state Alliances seek to advance the quality of education through the inclusion of arts in the curriculum. State Alliance activities include:

- **Build Collaborations:** Developing and supporting arts education collaborations between schools and cultural institutions;
- **Position the Arts:** Providing leadership and support for educational improvement efforts at the state and local level which recognize the importance of the arts in the curriculum;
- **Spearhead Public Education:** Implementing advocacy and public awareness projects such as media campaigns;
- **Provide Educational Programs:** Providing professional development through teacher in-services, conferences, symposia, summer institutes, and the development and dissemination of information resources;
- **Lend Support and Assistance:** Providing assistance to guide local arts and cultural organizations and other stakeholders interested in supporting the arts as key to education;
- **Create Programs for Young People:** Providing opportunities to experience the arts through festivals, performances, and exhibitions; and
- **Recognize Innovation and Achievement:** Acknowledging outstanding support for arts education through recognition and awards programs.

Each state Alliance works in cooperation with many partners to advance the arts in education in communities throughout each state. On the national level, KCAAEN identifies community partnerships which provide effective school arts programs, serves as an information exchange, and actively participates in the development of arts education policy in partnership with other national arts and arts in education organizations. Through the Kennedy Center Alliance for Arts Education Network and National School Board Association Award, the KCAAEN recognizes local school boards for outstanding support of the arts.

The KCAAEN is a programmatic affiliate of the Education Department of the John F. Kennedy Center for the Performing Arts. Through staff support and guidance, professional development opportunities, grant support, and other resources, the Education Department supports the growth and development of the KCAAEN and the efforts of participating state Alliances to make the arts a basic part of education for all Americans.

As an extension of the KCAAEN and its activities, the Kennedy Center IMAGINATION CELEBRATION national sites program represents community-based partnerships that celebrate and showcase the work of young people in the arts through performing arts festivals. The Kennedy Center IMAGINATION CELEBRATION National Site program develops year-round, community-wide partnerships between artists, schools, cultural institutions, businesses, and local governments. The program reaches more than 500,000 young people and their families at five

national sites: Fort Worth, TX; Dallas, TX; Orange County, CA; Colorado Springs, CO; and Albany, NY, serving communities throughout New York state.

1998-99 HIGHLIGHTS

There are 45 state Alliances operating in partnership with the Kennedy Center in 1998-99. The Kennedy Center continues to pursue opportunities for developing Alliances in the remaining states while working to develop current Member Alliances. The Kennedy Center IMAGINATION CELEBRATION national sites program featured year-round, community-based partnerships in five communities across the nation.

The Kennedy Center distributed \$487,315 among 38 state Alliance for Arts Education organizations through state AAE Operation and Program/Project Grants (including a panel review process) with individual grants ranging from \$1,500 to \$20,000. Technical assistance grants (averaging \$500) continue to be available to states upon request and approval of the Kennedy Center.

The KCAAEN and National School Boards Association co-sponsored the 11th annual KCAAEN and NSBA Award honoring school boards for their outstanding support of the arts in education. The KCAAEN and NSBA Award was presented to the Board of Education from Cumberland County Schools, Fayetteville, North Carolina at the NSBA national conference in San Francisco, California. Seven of the districts who have received this recognition since the creation of the award were featured in "Gaining the Arts Advantage", a report issued by the President's Committee on the Arts and Humanities in March 1999 to highlight school districts that value arts education.

Continued development of follow-up activities to support the *Creative Ticket for Student Success* Campaign include the creation and implementation of a national awards program to identify and recognize individual *Creative Ticket Schools of Excellence* at the state level and *Creative Ticket National Schools of Distinction*.

The 1998 KCAAEN Annual Leadership Meeting was convened in Washington, D.C. from October 29-31, 1998 to provide professional development and training for state Alliance leaders. A major component of the Annual Leadership Meeting was a focus on issues, which the Alliances are working on over the next two years as a core component of school improvement efforts in their states. These Action Issues include: getting a high school graduation requirement for the arts; expansion of partnerships; funding for arts education; development and implementation of state and local standards in the arts; development and implementation of state and local assessments in the arts.

KCAAEN participated in national initiatives to support education reform efforts that incorporate the arts in the schools including the Arts Education Partnership and efforts to disseminate information on the National Assessment for Educational Progress (NAEP) in the arts this year. The KCAAEN developed a special NAEP Arts Assessment Action Kit to support grassroots efforts to distribute information and answer questions about the importance of the findings. Collectively, KCAAEN state Alliances convened 225 down-link sites, including a national site at the Kennedy Center for the Washington, D.C. metropolitan area. Attendance at these sites totaled more than 3,000 people. Most sites were convened in partnership with state arts and

education agencies and included post-down-link discussions of issues and action strategies to identify local ways to use the report.

The KCAAEN, its state Alliances for Arts Education, and the Kennedy Center IMAGINATION CELEBRATION National Sites were recognized for their leadership in the area of partnerships at the June 1999 meeting of the Arts Education Partnership at Lincoln Center in New York. The Partnership released a paper on model partnerships, which showcased these partnerships. Of the 23 model partnerships featured--nine involved state Alliances and three featured KCIC partnerships in Dallas, Colorado Springs, and Fort Worth.

The Kennedy Center assisted in early efforts to promote the MARS Millennium Project by providing information briefings for both KCAAEN Leaders and Kennedy Center IMAGINATION CELEBRATION National Sites coordinators. The Kennedy Center, the KCAAEN, and the Kennedy Center IMAGINATION CELEBRATION National Sites program are all MARS Millennium Project cooperating agencies.

PARTICIPANTS	FY 1999
Alliance for Arts Education	
Number of people the organization has served directly	2,400,000
IMAGINATION CELEBRATION	500,000

KENNEDY CENTER ALLIANCE FOR ARTS EDUCATION NETWORK

Member Organizations

Alabama Alliance for Arts Education
 Alaska Alliance for Arts in Education
 Arizona Alliance for Arts Education
 California Alliance for Arts Education
 Colorado Alliance for Arts Education
 Connecticut Alliance for Arts Education
 Delaware Alliance for Arts Education
 Arts for a Complete Education/Florida Alliance for Arts Education
 Georgia Coalition for Arts Education/Georgia Alliance for Arts Education
 Hawaii Alliance for Arts Education
 Idaho Alliance for Arts Education
 Illinois Alliance for Arts Education
 Iowa Alliance for Arts Education
 Kansas Alliance for Arts Education
 Kentucky Alliance for Arts Education
 Louisiana Alliance for Arts Education
 Maine Alliance for Arts Education
 Maryland Alliance for Arts Education
 Massachusetts Alliance for Arts Education
 ArtServe/Michigan Alliance for Arts Education
 Minnesota Alliance for Arts in Education
 Mississippi Alliance for Arts Education
 Missouri Alliance for Arts Education
 Montana Alliance for Arts Education
 Nebraska Alliance for Arts Education
 New Hampshire Alliance for Arts Education
 Alliance for Arts Education/New Jersey
 New Mexico Alliance for Arts Education
 New York State Alliance for Arts Education
 North Carolina Alliance for Arts Education
 North Dakota Arts Alliance
 Ohio Alliance for Arts Education
 Oklahoma Alliance for Arts Education
 Oregon Alliance for Arts Education
 Pennsylvania Alliance for Arts Education
 Rhode Island Alliance for Arts Education
 South Carolina Alliance for Arts Education
 South Dakota Alliance for Arts Education
 Texas Alliance for Education and the Arts
 Vermont Alliance for Arts Education
 Virginia Alliance for Arts Education
 Washington Alliance for Arts Education
 Wisconsin Alliance for Arts Education
 Wyoming Alliance for Arts Education

Contact Organizations

Tennessee Alliance for Arts Education

FY 1999 Kennedy Center Funding to State Alliance for Arts Education Organizations
Funds Awarded as of 9/99

State Alliance	Operational Funds	Program/Project Funds	Technical Assistance	Total
Alabama	\$ 20,000			\$ 20,000
Alaska		\$ 8,000		\$ 8,000
Arizona		\$ 10,000		\$ 10,000
California	\$ 18,000			\$ 18,000
Colorado	\$ 14,384			\$ 14,384
Connecticut	\$ 20,000			\$ 20,000
Delaware	No application	No application		
Florida	\$ 16,000			\$ 16,000
Georgia		\$ 8,000		\$ 8,000
Hawaii	\$ 20,000		\$ 300	\$ 20,300
Idaho		\$ 7,723		\$ 7,723
Illinois	\$ 20,000			\$ 20,000
Iowa	\$ 20,000			\$ 20,000
Kansas	No application	No application		
Kentucky	No application	No application		
Louisiana	\$ 16,000			\$ 16,000
Maine	\$ 10,210			\$ 10,210
Maryland		\$ 4,183		\$ 4,183
Massachusetts		\$ 7,000		\$ 7,000
Michigan	\$ 18,000			\$ 18,000
Minnesota	\$ 20,000			\$ 20,000
Mississippi		\$ 5,849		\$ 5,849
Missouri	No application	No application		
Montana	\$ 7,379			\$ 7,379
Nebraska		\$ 1,500		\$ 1,500
New Hampshire		\$ 8,000		\$ 8,000
New Jersey	\$ 20,000			\$ 20,000
New Mexico		\$ 5,000		\$ 5,000
New York	\$ 20,000			\$ 20,000
North Carolina	\$ 10,821			\$ 10,821
North Dakota		\$ 8,000		\$ 8,000
Ohio	\$ 20,000			\$ 20,000
Oklahoma		\$ 7,000		\$ 7,000
Oregon		\$ 7,000		\$ 7,000
Pennsylvania	\$ 14,000		\$ 191	\$ 14,191
Rhode Island		\$ 8,000		\$ 8,000
South Carolina	No application	No application		
South Dakota	\$ 20,000			\$ 20,000
Tennessee	No application	No application		
Texas	\$ 16,000			\$ 16,000
Utah	No application	No application		
Vermont	\$ 14,000			\$ 14,000
Virginia	No application	No application		
Washington	\$ 9,349			\$ 9,349
Wisconsin	\$ 20,000			\$ 20,000
Wyoming	\$ 7,917			\$ 7,917
TOTAL	\$392,060	\$95,255	\$491	\$487,806

FY99 Grants Funds Budget: \$485,000

FY99 Technical Assistance Budget: \$ 20,000

FY99 Combined Grant Funds and Technical Assistance Budget: \$500,000

PERFORMING ARTS CENTERS AND SCHOOLS: PARTNERS IN EDUCATION

The Performing Arts Centers and Schools: Partners in Education program is designed to assist performing arts centers and presenting organizations throughout the nation develop and expand educational partnerships with their local school systems with a special emphasis on the professional development of teachers. In 1992, this program was awarded the Association of Performing Arts Presenters' Dawson Award that recognizes innovative and successful projects.

This program is based on the belief that educating teachers is an essential component of any effort designed to increase the artistic literacy of young people. Currently, communities in 40 states, the District of Columbia, and Mexico participate in the program. Partnership teams consist of a representative of a cultural institution and a representative of a neighboring school system. The program includes:

- a five-day Institute that offers partnership teams program models and planning strategies for establishing or expanding professional development programs in the arts for all teachers;
- follow-up consultation and site visits to assist in program development, and a monthly newsletter containing current information on policy and research affecting schools and arts education;
- annual meetings to assist teams in their partnership and program development;
- special access to Kennedy Center touring programs, including productions for young people and families with performance guides and accompanying teacher workshops, a teacher workshop tour with partial underwriting by the Kennedy Center, and an artist-training seminar; and
- written resources, including a handbook for artists, "Artists as Educators: Becoming Effective Workshop Leaders for Teachers," and "Giving Cues: Recommended Guidelines for Writing and Designing Performance Materials for Young People."

1998-99 HIGHLIGHTS

At the four-day Annual Meeting in February, 132 team members received additional training, reworked their partnership agreements, and networked with other participants. The Advisory Committee of six team members met in February to make recommendations to the Kennedy Center regarding content and format for future Annual Meetings. Team members voted on the slate of proposed Advisory Committee nominees at an election held during the Annual Meeting. The Advisory Committee met again June 22 and 23.

Other initiatives of the program for the year include:

- conducting the application process to admit new teams to the network in May, 1999;
- designing and conducting the five-day training institute for new partnership teams, and for the first time, the program hosted an international team (Sonora, Mexico) at the May 1999 Institute;
- developing the outline for a 2-day training session for editors/writers of performance materials for young people to train them to use, *Giving Cues: Recommended Guidelines for Writing and Designing Performance Materials*;
- continuing to serve as part of the education department team in building and facilitating the deepening partnership with the DC Public Schools;

- collaborating with the Community Partnerships and Professional Development Opportunities for Teachers programs to design and conduct on-going training for residency artists working in DC Public Schools; and
- coordinating two meetings of the National Conversation on professional development and training for artists who conduct residencies in schools. These meetings continue to explore the needs of artists who work in education settings. At the meetings in March and June of 1999, a framework for residency artist training was developed.

The program has increased the visibility of the Center through Performing Arts Centers and Schools touring programs, including:

- the artist training Seminar, "Artists as Educators: Planning Effective Workshops for Teachers." The Seminar was presented at five sites in 1998-99;
- the program continues to arrange a national tour of Kennedy Center workshops for teachers in conjunction with Professional Development Opportunities for Teachers. This year, the program has provided partial underwriting of 51 workshops to 30 Performing Arts Centers and Schools sites; and
- staff visits with members of two partnership teams in Alabama

PARTICIPANTS

FY 1999

Team-initiated programs	400
Teachers served	14,000
Communities/Teams served	76

PARTICIPATING TEAMS IN PERFORMING ARTS CENTER AND SCHOOLS NETWORK

Alabama (Decatur, Huntsville, Opelika and Selma)

Princess Theater and Decatur City Schools
The Arts Council and Huntsville City Schools
Opelika Arts Association and Opelika City Schools
Selma Arts Council and Selma City School System

Alaska (Anchorage and Kodiak)

Alaska Center for the Performing Arts and Anchorage School District
Kodiak Arts Council and Kodiak Island Borough School District

Arizona (Tempe and Tucson)

Arizona State University and Mesa Unified School District #4
University of Arizona and Tucson Unified School District

Arkansas (Fayetteville)

Walton Arts Center and Northwest Arkansas Education Service Center

California (El Centro and San Diego)

Imperial County Arts Council and El Centro School District
La Jolla Playhouse and San Diego County Office of Education

Colorado (Denver and Boulder)

El Centro Su Teatro and Boulder Valley Public Schools

Florida (Gainesville, Ft. Lauderdale, and Sarasota)

Center for the Performing Arts of the University of Florida (Gainesville) and School Board of Alachua County
Broward Cultural Affairs Council, Broward Center for the Performing Arts, and the School Board of Broward County
Van Wezel Performing Arts Hall and Sarasota County School Board

Hawaii (Maui)

Maui Arts and Cultural Center and State Department of Education, Maui District

Illinois/Iowa (Chicago and Rock Island/Davenport)

Art Resources in Teaching and Chicago Public Schools
Quad City Arts and Davenport Community School District

Indiana (Indianapolis and Columbus)

Clowes Memorial Hall of Butler University and Indianapolis Public Schools
Columbus Area Arts Council and Bartholomew Consolidated School Corp.

Kansas (Lawrence)

The Lied Center of the University of Kansas and Lawrence Public Schools

Kentucky (Madisonville, Lexington, and Owensboro)

Fine Arts Center of Madisonville Community College and Badgett Regional Center for Educational Enhancement
Singletary Center for the Performing Arts and Woodford County Public Schools
RiverPark Center and Daviess County Public Schools

Louisiana (Lafayette)

Acadiana Arts Council, University of Southwestern Louisiana, and Lafayette Parish School System

Maine (Lewiston and Portland)

LA Arts, Lewiston School Department, and Auburn School Department
Portland Concert Association and Portland School District

Massachusetts (Boston, Lowell, and New Bedford)

The Wang Center for the Performing Arts and Boston Public Schools
Center for the Arts, UMASS-Lowell, Billerica Public Schools, Dracut Public Schools,
and Lowell Public Schools
Zeiterion Theatre and Fall River Public Schools

Michigan (Ann Arbor, Battle Creek and Flint)

University Musical Society and Ann Arbor Public Schools
United Arts Council of Calhoun County and Battle Creek Public Schools
Flint Cultural Center and Flint Community Schools

Minnesota (St. Paul and Collegeville)

Ordway Music Theatre and St. Paul Public Schools
College of St. Benedict/St. John's University and District 742 Community Schools of St.
Cloud

Missouri (St. Joseph and Springfield)

Allied Arts Council and St. Joseph School District
Juanita K. Hammons Hall for the Performing Arts and Springfield Public Schools

Montana (Billings and Helena)

The Alberta Bair Theater and Billings Public Schools
Helena Presents, Myrna Loy Center and Helena Public Schools

Nebraska (Lincoln)

The Wagon Train Project, Inc. and new school partner to be determined

New Hampshire (Portsmouth)

The Music Hall and Portsmouth School Department

New Jersey (New Brunswick and Newark)

New Brunswick Cultural Center and North Brunswick Township Public Schools
New Jersey Performing Arts Center and Orange Township Public Schools

New Mexico (Las Cruces, Silver City, and Ruidoso)

Dona Ana Arts Council, Inc. and Las Cruces Public Schools
Mimbres Region Arts Council and Silver Consolidated School District
Spencer Theater for the Performing Arts, Hubbard Museum of the American West and
Ruidoso Municipal School District

New York (Peekskill, Great Neck, Purchase, and East Hampton)

Paramount Center for the Arts and Peekskill City School District
Great Neck Center for the Visual and Performing Arts and Plainview-Old Bethpage
School District
The Performing Arts Center at Purchase and Edith Winthrop Teachers Center of
Westchester, Purchase College Teachers Center, and Scarsdale Teachers Center
Guild Hall of East Hampton, Inc. and East Hampton Union Free School District

North Carolina (Raleigh)

United Arts Council of Raleigh and Wake County, Inc. and Wake County Public
Schools

North Dakota (Grand Forks)

North Valley Arts Council and Grand Forks Public Schools

Ohio (Sylvania, Wooster and Springfield)

Franciscan Life Center and Sylvania Schools

Wayne Center for the Arts and Tri-County Schools

Clark State Performing Arts Center and Clark County Educational Service Center

Oklahoma (Oklahoma City)

Black Liberated Arts Center, Inc. and Oklahoma City Public Schools

Oregon (Salem)

STAGE at the Elsinore Theatre and Salem-Keizer Public Schools

Pennsylvania (Pittsburgh and Williamsport)

Pittsburgh Cultural Trust and Pittsburgh Public Schools

Williamsport Area School District and arts partner to be determined

South Carolina (Batesburg-Leesville, Greenville, Hilton Head Island and Spartanburg)

Ridge Arts Council and Lexington County School District #3

Peace Center for the Performing Arts and Pickens County School District

Arts Council of Beaufort County, Beaufort County School District and the Self-Family Arts Center

The Arts Partnership of Greater Spartanburg County and Spartanburg County School District Six

Tennessee (Clarksville)

Austin Peay State University Center of Excellence for the Creative Arts and

Clarksville-Montgomery County Schools

Texas (Fort Worth)

Kennedy Center IMAGINATION CELEBRATION of Fort Worth and Fort Worth

Independent School District

Vermont (Burlington)

Flynn Theatre for the Performing Arts and Chittenden South Supervisory District

Virginia (Richmond)

Theatre IV and Richmond Public Schools

Washington (Tacoma)

The Broadway Center for the Performing Arts, Tacoma Public Schools, and

Bethel School District

West Virginia (Clarksburg and Lewisburg)

The ArtCenter and Harrison County Board of Education

Carnegie Hall, Inc. and Greenbrier County Schools

Wisconsin (Madison, Wausau, and Green Bay)

Madison Civic Center, University of Wisconsin-Madison and Madison Metropolitan School District

Wausau Area Performing Arts Foundation and Wausau School District

Weidner Center for the Performing Arts and Green Bay Public Schools

Wyoming (Gillette)

CAM-PLEX Heritage Center and Campbell County School District

KENNEDY CENTER AMERICAN COLLEGE THEATER FESTIVAL

The Kennedy Center American College Theater Festival (KC/ACTF) produces an annual national competition for university and college students and faculties. In 31 years, more than 16 million theatergoers have attended approximately 10,000 festival productions nationwide. Designed to encourage national excellence in acting, theatrical design, directing, and playwriting, the festival has played an important part in nurturing and developing the careers of such well-known theater professionals as Broadway playwright Lee Blessing (*A Walk in the Woods*), actress Sheryl Lee Ralph (*Dreamgirls*, *Designing Women*), singer/actor Mandy Patinkin (*Evita*, *Sunday in the Park with George*), and Matt Williams (*The Cosby Show*, *Roseanne*, *Home Improvement*). Nationally, the festival has inspired and honored the artistry of more than 400,000 students across America and assisted young talent in making the transition from the academic to the professional stage. In addition to scholarships and showcasing opportunities, the KC/ACTF provides fellowships for talented writers, critics, and designers to work and to learn along side some of the nation's most accomplished theater artists and technicians.

1998-99 HIGHLIGHTS

A new playwriting fellowship named after Jean Kennedy Smith was created beginning in Festival XXXI. The award through Very Special Arts is designed to recognize the best student-written play on disabilities. The KC/ACTF XXXI national festival featured symposia for playwriting, directing and acting students with Marsha Norman and Jon Jory. The First Annual Ten Minute Play Festival was successfully initiated at the national festival level. KC/ACTF has begun to shift its focus to providing more pre-professional training opportunities for the most talented students identified through the KC/ACTF program. In a situation similar to New Visions/New Voices, KC/ACTF envisions bringing exceptional students together with noted directors, choreographers, acting coaches, in training symposia that serve as not only as teaching tools, but as bridges to the profession.

PARTICIPANTS	FY 1999
Students	23,000
Teachers	3,500
Audience	500,000

Productions Entered	938
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ARTSEdge, NATIONAL ARTS AND EDUCATION INFORMATION NETWORK

The Kennedy Center continues to develop the National Arts and Education Information Network (ARTSEdge), under a cooperative agreement with the National Endowment for the Arts and the U.S. Department of Education, with additional support from General Electric. ARTSEdge is an interactive communications network designed to provide useful and easily accessible information important to teachers, artists, and organizations concerned with making the arts essential to education. The 1998-1999 year was devoted to strategic planning for an internal organizational evaluation and stabilization. ARTSEdge seriously entered the process of content development to augment its clearinghouse role.

1998-99 HIGHLIGHTS

Network Stabilization

ARTSEdge continued to develop, document, and implement new operating policies, procedures, and support systems necessary to maintain the network on a long-term basis. A multimedia RealAudio/RealVideo Server was put online and successfully replaced the Xing server to reliably deliver live and streamed audio and video files in support of initiatives for building the online learning community. A plan for refining software for gathering and reporting statistical data was developed.

Knowledge Base

ARTSEdge continued to develop and implement strategies that expanded curriculum information and resources to help teachers and artists develop and use its interdisciplinary curriculum resources. The ARTSEdge Fellows program was incorporated into the Teachers' Advisory Council (TAC). The Council reorganized to play a more active role in advising ARTSEdge staff on classroom-related issues. TAC activities have a multidisciplinary focus and participants collaborate in teams of arts teachers and non-arts teachers. They are working on online, integrated curricula and assist ARTSEdge in the development and testing of new curricula throughout the school year. With the addition of new virtual Council meetings, the membership is successfully expanding to a national level.

Many new initiatives have been placed on the ARTSEdge server including expanded curriculum information and resources, and a collaboration with the National Symphony Orchestra (NSO) to produce an online component for students and teachers to follow their tour of Asia. In partnership with the Music Educators National Conference (MENC) and the Smithsonian Institution, produced the Duke Ellington Centennial Site to celebrate the legacy and 100th anniversary of one of America's most treasured musician's birth. Other projected collaborations for building online content included USIA's Jazz Ambassador program and Miami Ohio University's Center for Chemical Education to develop the Artful Chemistry curriculum. ARTSEdge continued to work cooperatively with the District of Columbia Roundtable of Cultural Institutions and entered into a partnership with 21 other Federal institutions to produce the American Strategy web site and specialized search engine. The African Odyssey Interactive site was expanded in conjunction with 1998-99 African Odyssey festival programming.

Userbase

New ArtsEdge initiatives are designed to encourage participant interactivity to create an online community that actively participates in the construction of the web site. ArtsEdge

projects make a strong case for interdisciplinary initiatives and for projects that integrate the arts across the curriculum to bring non-arts teachers into our fold. The user base has expanded because the information on ARTSEGE can be readily adapted and applied to any teaching situation, and through an aggressive public relations and marketing campaign.

Evaluation

In addition to the third-party evaluation team, ARTSEGE continues its policy of Internet-wide review of its content and impact by continuing to implement computer based assessment tools and procedures.

PARTICIPANTS

Estimated number of people
using the network

FY 1999

200,000

COSPONSORSHIP OF NATIONAL AND LOCAL EVENTS

Just as the Kennedy Center serves as the nation's home for the performing arts, the Kennedy Center Education Department provides a home for a variety of national, regional, and local organizations involved in making the arts a basic part of the lives of students and families. Through cosponsorship, the education department provides facilities, technical assistance, and production support for a variety of performances, symposia, schools, universities, and community-based organizations. In addition to the tangible support, participation by the Center provides an additional degree of validation for the efforts of organizations across the country in their efforts to raise awareness of and participation in the performing arts.

1998-99 HIGHLIGHTS

The Kennedy Center again sponsored the Theolonius Monk Competition, the American College Dance Festival, and the National Association of Partners in Education gala. The Center also worked with Very Special Arts, its educational affiliate, on their Young Soloists Competition and Young Playwrights evening. Also sponsored were programs with Very Special Arts, the D.C. Public Schools, the All City Honors Chorus, the Embassies of Norway and Italy, and Bishop Carroll High School. The Center also co-presented with the Duke Ellington School for the Arts' Show Choir and Jazz Ensemble. In honor of Duke Ellington's 100th anniversary, a program and exhibit were sponsored at the Center with the Smithsonian Institution

KENNEDY CENTER INTERSHIP PROGRAM

The internship program offers meaningful learning opportunities and on-the-job experiences to undergraduate and graduate students and recent college graduates who are interested in careers in performing arts management and/or arts education. Each year more than 60 people are selected to participate in a three to four month long, full-time (40 hours per week) internship (Fall, September-December; Winter/Spring, January-April; Summer, June-August).

Internships may be available in advertising, development, education (local and national programs), government liaison, media relations, National Symphony Orchestra, special events, programming, and volunteer management. Responsibilities include assisting with administrative, presentational, and/or promotional aspects at the Center.

Each intern, with their supervisor, develops a list of learning objectives and goals that they would like to accomplish as well as being assigned a project to be completed during their time at the Kennedy Center. Each intern submits a weekly journal and the internship program coordinator meets regularly with the interns to discuss their progress. Interns maintain a portfolio that reflects their work at the Center.

Selected interns receive a stipend of \$650 per month to help defray housing and transportation costs. College credit may be available. Interns attend a Weekly Executive Seminar led by executives of the Kennedy Center and other major arts institutions in Washington, D.C. Interns may also attend performances, workshops, classes, and courses presented by the Center, free of charge (space available), during their internship.

1998-99 HIGHLIGHTS

Expanded recruitment efforts and also increased recruitment efforts at historically Black colleges and universities. Through these efforts the internship program was more representative of people from many cultural backgrounds. Continued development of internships in the area of acting and technical theater. Developed a relationship with the SABIT program of the Department of Commerce. This exchange program provides in-depth learning opportunities for individuals from foreign countries. The number of internship opportunities at the Kennedy Center was increased from 72 to nearly 90.

PARTICIPANTS

Interns

FY 1999

84

ACCESSIBILITY

Part of the vision of the Kennedy Center is to “embody, stimulate, and transmit the values of freedom, creativity, expression, and joy inherent in the performing arts—the opportunity to dream, to risk, to learn, to excel with clear artistic vision.” For 43 million Americans, this has the potential of indicating more inclusion in the cultural quality, diversity, and opportunity of life in the United States.

The Kennedy Center’s Office for Accessibility was created in 1991 to oversee the architectural, communications, and program access for patrons and performers with disabilities. The office is instrumental in the Center’s compliance with the ADA, the 1973 Rehabilitation Acts Section 504, and other disability related legislation. Going beyond mere compliance, the program institutes real-time closed captioning of the telecasts of the National Symphony Orchestra’s Capitol Concerts—the first major orchestra to incorporate such elements of access; it promotes the use of Universal Design in all renovations; and it makes a commitment to complete programmatic access. Program initiatives have received national and international recognition.

1998-99 HIGHLIGHTS

Training sessions to assist employees as well as volunteers in understanding and implementing the Centers accessibility directives are being conducted and will be part of an ongoing initiative to provide leadership in access to the cultural arts.

Sign language interpretation, audio description, cued speech transliteration, Braille programs, and large print programs will continue to be provided for persons with hearing and vision impairments who attend performances and educational events at the Center. Assisted Listening Systems are now available for all performances held in the Center’s six performance spaces. Internet broadcasts of Millennium Stage daily performances bring the performing arts to those persons with disabilities who can’t physically attend performances at the Center.

The Summit to follow-up on the National Forum on Careers in the Arts for People with Disabilities is being planned for this coming fall to select and put recommendations made in the final report into action.

PUBLICATIONS AND VIDEOS

Through nationally significant publications, model teacher and student guidebooks, and catalogues describing year-round educational opportunities for teachers, students, and the adult public, the Kennedy Center reaches thousands of individuals with valuable information concerning the availability of arts experiences and their importance to their daily lives.

1998-99 HIGHLIGHTS

Cuesheets were produced for each of the productions in the Youth and Family Programming Series this year including:

<i>The Brave Little Taylor</i>	NSO Kinderkonzerts	<i>The Star Keeper</i>
<i>Alexander and the Horrible,</i>	<i>Dancing the Dream</i>	<i>The Legend of Sleepy Hollow</i>
<i>Terrible, No Good, Very</i>	<i>Forty Day Dreams</i>	Guy Davis: <i>Stories and Songs</i>
<i>Bad Day</i>	<i>Black Beauty</i>	<i>of the Blues</i>
<i>A Little Princess</i>	Creatures in Concert	Keyboard Kaleidoscope
Drums, Drums, and then	<i>Music and the Underground</i>	<i>Young Tom Edison</i>
some!	<i>Railroad</i>	<i>New Kid</i>
<i>Mufaro's Beautiful Daughters</i>	<i>The Color of Justice</i>	<i>My Lord, What a Morning:</i>
Dance Theatre of Harlem	Inside the Instruments of	<i>The Marion Anderson Story</i>
<i>Cyrano</i>	the Orchestra	The Billy Taylor Trio
<i>And Then They Came for Me:</i>		
<i>Remembering the World of Anne Frank</i>		

The third volume of the dance publication series, *America Dancing: From Revolution to Evolution* was developed and distributed. As part of the African Odyssey program's focus on Cuban/Latin American, a publication *Expresiones Latinos* was written, published and distributed. Theater notes for each of the Spotlight on Theater program were made available to patrons and general public:

<i>Footloose</i>	<i>The Captain's Tiger</i>	<i>The Magic Fire</i>
<i>Annie Get Your Gun</i>	<i>The Gin Game</i>	<i>Fool Moon</i>
<i>Titanic</i>	<i>Things Fall Apart</i>	

Program brochures and supporting materials will again be produced. Billy Taylor's Jazz at the Kennedy Center continued being recorded at the Center and broadcast over National Public Radio. A compact disc of highlights from the three previous Mary Lou Williams Women in Jazz Festival was produced.

The Center's presence on the Internet has significantly expanded with specific Web sites on Duke Ellington, the National Symphony Orchestra Asian Tour, African Odyssey On-line, and sites on each of the Center touring productions for young people and families. Visit these websites at <http://kenedy-center.org>

PUBLICATIONS	FY 1999
<i>Cuesheets</i> (Student and Teacher Guidebooks)	50,000
Catalogues and Brochures	
Professional Development and Performance Catalogue	95,000
IMAGINATION CELEBRATION	70,000
Internship Brochure and Poster	8,000
Performance Plus	50,000
Performing Arts Centers & Schools	5,000
National Tour of Workshops	5,000
American College Theater Festival	8,000
NSO Education Guidebooks	60,000
NSO Education Video- and Audio-tapes	2,000
Performance Guides for Mainstage Productions	7,000
<i>America Dancing: From Revolution to Evolution</i>	5,000
CD - Highlights from the Mary Lou Williams Women in Jazz Festival	7,000
TOTAL	372,000

KENNEDY CENTER EDUCATION DEPARTMENT
Total Participants

	FY 1999
Performances for Youth and Families	82,500
Billy Taylor's Jazz	4,500
National Touring	178,500
Professional Development Opportunities for Teachers	
Teachers participating	2,505
Performance Plus	8,500
Exploring Ballet with Suzanne Farrell	398
Model Community Outreach Initiatives	
DCPS Partnership Initiative	3,154
Family Performance Series	250
Carter Barron	12,000
Dance Theatre of Harlem	5,128
DTH Arts Exposure	2,100
National Dance Institute	800
Jazz in the Schools	300
Ellington Birthday Concert	1,700
Betty Carter's Jazz Ahead	400
Hispanic Heritage Poetry Event	300
Alexandria Seniors	72
Community Outreach	2,158
Events for Students	
Events	5,500
Residencies	18,130
Distance Learning Programs	1,950,450
National Symphony Orchestra Education	
Family/Public	6,985
Kinderkonzerts/ public & school	5,144
NSO Young People's Concerts (YPC)	39,895
Youth Concerts/public & school	see YPC total
In-School Ensembles	9,209
Youth Fellowship Program	21
Young Soloists' Competition	1,500
Young Soloists' Concert	1,200
Young Associates Program	24
Youth Orchestra Day events	70
Music Career Presentations	1,360
Performing Arts College Fair	800
Summer Music Institute (participants)	70
Summer Music Institute (audience)	4,300
Ensemble Concerts/public & school	1,330
NSO America Residencies	
Mississippi	28,550

FY 1999

Alliance for Arts Education	
Number of people the organization has served directly	2,400,000
IMAGINATION CELEBRATION	500,000
Performing Arts Centers and Schools	
Teachers served	14,000
American College Theater Festival	
Students	23,009
Teachers	2,854
Audience	500,000
ArtsEdge, National Arts and Education Information Network	
People accessing information	200,000
Internship Program	84
Special Cosponsorship Events	
Audience	26,000
TOTAL	4,272,703

WOODROW WILSON
INTERNATIONAL
CENTER FOR SCHOLARS

BUDGET JUSTIFICATIONS FOR THE FISCAL YEAR 2001

**Submitted to the Committees on Appropriations
Congress of the United States**

February 2000

TABLE OF CONTENTS

STATEMENT OF THE DIRECTOR	1
QUESTIONS AND ANSWERS ABOUT THE CENTER	
What is the mission of the Woodrow Wilson Center	4
How is the Center Governed	4
What happens at the Center	4
What is the relevance of the work of the Center's scholars	6
How does the Center link the worlds of scholarship and public policy	6
To what issues is the Center now giving sustained attention	7
How are the results of the work of the Center disseminated	7
Where does the Center get its money	7
What are some of the books written at the Woodrow Wilson Center	8
Who are some of the notable Fellows of the Center	9
FUNDING PATTERNS	10
FY 2001 FEDERAL BUDGET PRIORITIES	11
I. FELLOWSHIP PROGRAM	12
II. SCHOLAR SUPPORT	15
III. PUBLIC SERVICE	16
New Project Initiatives	16
Ongoing Project Initiatives	20
Public Policy Scholars	21
IV. GENERAL ADMINISTRATION	23
V. SMITHSONIAN FEE	24
VI. CONFERENCES AND OTHER OUTREACH	25
Conference Support	25
Publishing	27
<i>Dialogue</i>	28
<u>The Wilson Quarterly</u>	30
Student Programs	30
World Wide Web	32
VII. BUILDING REQUIREMENTS	33
APPENDICES	34
CONSOLIDATED STATEMENTS, FY 1999, FY 2000, AND FY 2001	34
ENDOWMENT PRINCIPAL FY 1999	43

STATEMENT OF THE DIRECTOR

As the Director of the Woodrow Wilson International Center for Scholars, I am pleased to present this budget for Fiscal Year 2001 to the Congress.

The year 1999 was extraordinarily productive at the Center, and I expect a stimulating and full schedule of events in 2000 at the Center. It is a great challenge and high honor for me to help lead this important institution.

The Woodrow Wilson International Center for Scholars, located in the heart of Washington, D.C., brings together the thinkers and the doers, the scholars and the policymakers, in the confident hope that from their dialogue on public policy issues better understanding and better policy will emerge.

The Wilson Center bridges the gap between the world of ideas and the world of policy, bringing the participants from each world into creative contact, enabling them to learn from each other, and enriching the work of both.

Congress established the Center in 1968 as the official, national memorial to President Wilson. Unlike the physical monuments in the nation's capital, it is a living memorial whose work and scholarship commemorates "the ideals and concerns of Woodrow Wilson". As both a distinguished scholar and national leader, President Wilson felt strongly that the scholar and the policymaker were "engaged in a common enterprise".

The Center brings the highest quality thinkers to Washington, D.C. for extended periods of time in the place where they can best interact with policymakers through a large number of programs and projects. Together they illuminate key public policy issues and identify emerging issues.

The Center's outreach extends their conversations worldwide through publishing, broadcasting, and Internet programs.

The Center is not a think tank and does not develop specific policy recommendations. Rather it is a nonpartisan Center for advanced study, a neutral forum for free, open, serious, and informed dialogue. It tries to separate the important from the inconsequential, to take an historical and broader perspective on the issues, and to put them into a broad context.

The Wilson Center's strengths include not only a talented staff but a Board of Trustees and a Wilson Council whose members are deeply committed to maintaining the Center's excellence. The Center relies on the strong and effective leadership of Chairman Joe Cari and the other members of the Board of Trustees of the Center. By statute, the Board of Trustees of the Wilson Center includes the Secretary of State, the Secretary of Education, the Secretary of Health and Human Services, the Librarian of Congress, the Archivist of the United States, the Chair of the National Endowment for the Humanities, and the Secretary of the Smithsonian. And the National Security Advisor currently is a designated appointee of the President.

With the move to the Ronald Reagan Building, the Center has increased its visibility. The level of activity has increased three-fold – our meeting and conference rooms have been in nearly constant use. The Center hosted over 300 meetings in 1999. The Center is making the kind of mark on this town of which President Wilson would approve.

The Center remains in its work very mindful of the directives it has received from the Congress. I would mention two key ones here. First, Congress wants the Center to raise more of its funding from private sources. I am pleased to say that more than half of the funding of the Center comes from non-appropriated sources, and it is clear that the future growth of the Center will depend in large part on raising more private funding. Second, Congress wants the work of the Center to be relevant to the key public policy issues of the day. We are constantly asking the question: does this activity or that help inform or elucidate a public policy issue? And I think this document will show that in more and more of what we do, the answer is in the affirmative.

To bring greater coherence to the work done here, the Center will devote attention to several broad thematic areas central to its overall purposes. Our objective is to advance research and the exchange of ideas in the following theme areas as well as examine issues relating to their appropriate historical context: a) governance, including issues related to the development of democratic institutions, civil society, and citizen participation; b) the U.S. role in the world, including the issues of partnership and leadership; and c) fundamental future challenges confronting the United States and the world, including the issues of environment, economic and financial stability, information technology, the proliferation of weapons of mass destruction, and the ability of international institutions to deal with ethnic and regional conflict. The Center is also focused on other broad interests of President Wilson, including government reform and a more open trading system.

We have inaugurated a new series of meetings entitled the Director's Forum. This series consists of short meetings of one hour's duration with leaders in a variety of areas. These sessions are fashioned to provide the speakers a memorable visit to the Center and positive interaction with the audience – good and fair, but tough, questions are raised and comments made. The Director's Forums fill our small auditorium to capacity. In 1999, twenty-four Director's Forums were held. Among the speakers were: Mikhail Gorbachev on environmental challenges of the 21st century; Secretary Donna Shalala on health care and children; United States Trade Representative Charlene Barshefsky on electronic commerce; General Barry McCaffrey on the international aspects of our counter-narcotics efforts; the prime minister of Greece; the former prime minister of Pakistan; a former president of Lebanon; Chief Justice William Rehnquist on civil liberties in war time; Jack Valenti and Harry McPherson on the Johnson Presidency; former Defense Secretary William Perry on his assessment of North Korea; former Speaker Newt Gingrich on his tenure in Congress; and several Members of the United States Congress.

It is also our intention to increase the number of Fellows and Public Policy Scholars. Over 300 applicants apply for approximately 21 annual Fellowship appointments. Funds for additional fellowships will allow the Center to attract a more diverse group, and include more disciplines. The

Center always seeks pre-eminent scholars. On several occasions, we have lost prospective applicants to other institutions where they receive higher stipends. The proposed increase will allow the Center to provide some fellowships at the GS-15 equivalent rate and thereby enable the Center to be more competitive with other institutions.

New, expanded, and reorganized projects and programs at the Center include: a project on sovereignty in the digital age that will include a major 2001 conference on "Supercomputing and the Human Endeavor"; a program on Africa designed to provide a sustained dialogue that informs and educates policymakers and the wider public about African issues and about United States policy toward Africa; a Congress Project that fosters a dialogue between scholars who study Congress and policy makers who have experience with how the Congress works; a History and Public Policy Project that secures the release of documents from the previously inaccessible archives in the countries of the former East bloc; an expanded Middle East Project that organizes meetings on current issues in the Middle East and the Persian Gulf, including the role of Islam, efforts at democratization, and the role of women, and that will now develop a program on the Middle East beyond the peace process; and a Project on Canada that addresses a range of issues in our relations with our northern neighbor.

In addition to these and many other activities, the Center began a review of its activities, its outreach, its staff positions, and internal organization structures. The Ford Foundation has provided the Center with a short-term grant to undertake a thorough review of the entire program, all publications, and outreach efforts. On the staff side, the review has resulted in a reorganization that will lead to increased efficiency and economy. A brief overview of changes includes: 1) the restructuring of our old "Fellowship" office into that of a full service Scholar Selection and Services Office - integrating both our Fellows and Public Policy Scholars under one office; 2) the expansion of our public service initiatives to include a core staff to ensure that our programs and projects produce high quality, timely, and relevant meetings; 3) the redistribution of positions in our previously defined "new initiatives" section to properly assign their appropriate budget category (i.e., Scholar Support, Public Service, Administration or Outreach); and, 4) the placement of all of our federally funded outreach activities, including the newly established Public Affairs Office, within the Outreach section of this budget submission. We believe that these reorganization efforts will collectively produce higher quality work and a more efficient use of our human resources.

I appreciate your consideration of this proposal, and I am available at 202-691-4202 if you have any questions.

Lee H. Hamilton
Director
February, 2000

What is the mission of the Woodrow Wilson Center?

The Woodrow Wilson International Center for Scholars is a public/private partnership established as an institute for advanced study that sponsors research, meetings, publications, and multimedia presentations in virtually all academic disciplines, with a particular strength in international affairs. The Center conducts its work in an objective, non-partisan and open fashion.

In testimony to President Wilson's belief in the unity of knowledge, the Center does not limit its scholarship to current policy issues, but sponsors broad and diverse investigations and promotes their use to elucidate the questions of the day, to provide a broader context within which current issues are debated, and to provide interaction between scholars and public policy officials. As a memorial to Woodrow Wilson, the Center differs from institutions that promote only pure research regardless of its applications, or those that focus solely on current policy issues. In everything it does, the Center strives to generate and disseminate "knowledge in the public service."

How is the Center governed?

The Center, while "in the Smithsonian Institution," is under the direction of its own independent board of trustees composed of the Secretary of State, Secretary of Health and Human Services, Secretary of Education, Chairman of the National Endowment for the Humanities, Secretary of the Smithsonian Institution, Librarian of Congress, and the Archivist of the United States, ten members appointed by the President from private life, and one member appointed by the President from time to time from within the federal government.

The Center is also advised and supported by a group of private citizens called the Wilson Council.

What happens at the Center?

The Wilson Center provides an exciting forum for ideas, discussion and dialogue on public policy issues. Some of the finest thinkers and scholars in the world come to the Center.

♦ The Center offers residential scholarships – an office, a telephone, a computer, research assistance, a stipend – to about 150 scholars each year. Roughly 20 come for the full academic year, the others for shorter periods. These scholars are professors, diplomats, journalists, business people, and government officials. They come to study, write, discuss topics that they have proposed, and interact with public policy officials. Their studies are concentrated in history and political science, and range throughout the humanities and social sciences. Topics of broad scholarly interest that intersect with and form a contextualized background for current public policy issues are favored. The scholars use many of the opportunities Washington offers and most of them build networks with people in the public policy community. Roughly 70 percent of the visiting scholars are American and roughly 70 percent of them are pursuing international

policy issues. Close to 75 scholars are in programs for Russian-area and East European specialists. There is also one special fellowship that was announced by the Secretary of State in January 1999, entitled "Galina Starovoitova Fellowship." The remaining 40 cover other regions of the world and other subject areas.

◆ The Center creates workshops and panels, assigning topics to scholars and experts who write, meet, and discuss. Publication in various formats then present the results of their combined efforts to a wide audience.

◆ The Center's staff routinely consults with U.S. government officials. The Center has ongoing programs on the U.S., Russia, Asia, Latin America, Eastern and Western Europe, international studies, and projects on nuclear nonproliferation, Cold War history, environmental and security concerns, and urban studies.

◆ The Center, through its Director's Forum series, provides an opportunity for outstanding scholars and key public policy officials to speak and to interact with scholars visiting the Center and with the general policy community in Washington.

◆ To increase coherence in the work done here, the Center devotes some special attention to the exploration of broad thematic areas central to its overall purposes. Three key themes are: governance, including such issues as the development of democratic institutions, democratic society, civil society, and citizen participation; the U.S. role in the world, including issues of partnership and leadership; and key long-term future challenges confronting the United States and the world. The Center also seeks to explore the broad interest of President Wilson, including the issue of government reform, international institutions and a more open trading system.

◆ The Center's programs and projects conduct more than 300 meetings per year at which scholars and policy makers exchange views. Most meetings are open to the public.

◆ The Center's more than 1,700 scholar alumni and alumnae resume their public professional activities – teaching, government service, journalism – after they leave the Center. Most publish books – more than 1,000 have been written at the Center.

◆ The Center itself reaches out to citizens, experts, and decision makers:

- *Dialogue*, an award-winning radio program, is heard weekly by more than 250,000 listeners nationwide.
- The Wilson Quarterly magazine's distribution reaches over 65,000 readers.
- The Woodrow Wilson Center Press sells almost 15,000 copies of its books per year. The Center's press and programs publish around 12 new titles per year.
- Center Scholars, Fellows, and staff write about 35 books every year at the Center, subsequently published by U.S. and foreign presses.
- The Center has produced with the Close Up Foundation and C-Span television

programs on key public policy issues that are reaching ten thousand high schools around the country.

- The Center's programs produce regular newsletters and bulletins on Russia, Latin America, Eastern Europe, Cold War history, and the environment and security, reaching thousands of readers. They also produce about 20 working papers and special reports in several series every year. The Center maintains a World Wide Web site and publishes a monthly calendar of events and a quarterly newsletter with circulations of about 10,000.

What is the relevance of the work of the Center's scholars to many of the world's most pressing public policy issues?

Of the Fellows and Guest Scholars in residence at the Center over the last twelve months, almost all were working on projects of relevance to contemporary policy issues. These included studies of national security issues in the 21st century, adoption, capital punishment, statistical work in the United States government, telecommunications history in the United States, the problems of Yugoslavia, economic change in China, the recent history of the peace process in Columbia and its future prospects, and a modern history of Iraq. Scholars arriving at the Center in September 1999 are working on studies of campaign finance, campaign workers and interest groups in American politics, ethnic conflict in 1990s South Africa, the National Action Party in Mexico, federalism in Canada, India, and Nigeria, NAFTA, environmental law, planning for public sector reform in 2010, labor feminism and social policy in modern America, and a variety of other policy relevant topics.

While scholars are at the Center, they regularly make presentations regarding their work at institutions throughout the city. Even though not every scholar works on issues with immediate public policy relevance, the insights from research in such fields as philosophy, religion, and literature often shed invaluable light on topical issues and provide a better context within which current policy issues are discussed.

Notable Center Fellows have included: Secretary of State Madeleine Albright; historian Gertrude Himmelfarb, who wrote *The Idea of Poverty* at the Center; Pulitzer Prize-winning historian Gordon Wood; medieval scholar and Solidarity leader Bronislaw Geremek; sociologist Seymour Martin Lipset; and White House staffers/Distinguished Scholars Roger Porter and William Galston. Pulitzer Prize-winning books written at the Center include *W.E.B. DuBois: Biography of a Race* by David Levering Lewis, and *A Bright Shining Lie: John Paul Vann and America in Vietnam* by Neil Sheehan. Journalist Thomas Friedman won the National Book Award for *From Beirut to Jerusalem*, also written at the Center.

How does the Center link the worlds of scholarship and public policy?

The Center has been highly effective in developing informal and formal links between the world of scholarship and the world of policy. The scholars invited to the Center interact constantly with policy makers and private sector leaders. The Center is committed to strengthening these linkages for the mutual benefit of the scholars and the policymakers.

In addition, members of Congress and their staffs, top administration officials, representatives of federal agencies, the World Bank, foreign governments, the private sector, and non-governmental organizations regularly participate in Center activities. The Center has a well-deserved reputation among these representatives of the world of public policy for presenting significant, unbiased research that is an essential backdrop for decision-making.

In 1999 the Center held more than 300 meetings, attracting a diverse group from Washington, across the country, and around the world. Many senior officials have been to the Center and participated in Center meetings. Participants in Center meetings have included: the Chief Justice; the Secretary of State; the National Security Advisor; the Chairman of the Federal Reserve; four cabinet secretaries; the Director of National Drug Control Policy; two Undersecretaries of State; officials of the Department of Defense, the United Nations, and the National Security Council; numerous Ambassadors; several former and current Members of Congress; and members of Embassy staffs. Center workshops regularly attract participation from Congressional offices.

To what issues is the Center now giving sustained attention?

- | | |
|---|--|
| o Nonproliferation and Arms Control | o Political Processes and Elections in Russia |
| o Cold War International History | o Comparative Peace Processes in Latin America |
| o Bosnian Peace Process | o Local Self-Government in America |
| o Environmental Change and Security | o Urban Metropolitan and Regional Planning |
| o Transitions to Democracy and Market Economies in Eastern Europe | o Global Finance Issues |
| | o Chinese Foreign Policy |

How are the results of the work of the Center disseminated?

The Center informs a variety of publics with its many publications – books, Occasional Papers, newsletters, Link, The Wilson Quarterly (with an approximate circulation of 65,000 readers) – a World Wide Web site (<http://wwics.si.edu>), its nationally distributed radio program *Dialogue* (200 stations and more than 250,000 listeners), and numerous programs which are televised.

The Center has marvelous new communications facilities in its new home in the Ronald Reagan Building. The capabilities of the Center in the television and electronic media have been enhanced. Programs of the Cold War projects have already appeared on television, and in the spring of 1999 a series on “America’s Youth and World Affairs” developed in partnership with the Close Up Foundation appeared on C-Span. Another series will be developed in 2000.

Where does the Center get its money?

The Center receives money from the Congress and from the private sector. Each year the Center more than doubles the value of its federal appropriation through fund-raising and income-producing activities. Funds are raised annually from foundations, corporations, and individuals, and a successful drive to raise \$3 million to support the Center’s new facilities in the Ronald Reagan Building was completed in 1998. Competitive grants are received from other

government agencies for special projects, The Wilson Quarterly brings in subscription income, and the Center's endowments annually produces over \$1.5 million of revenue. Private donors are attracted to the Center in part by its stature as a federal institution and by the steady base of appropriated funding it receives. Much of this funding would vanish if the Center's appropriation were to cease. One of the Center's continuing goals is to increase its private funding and to use its federal appropriation to leverage income-producing activities.

What are some of the books written at the Center?

Notable books written at the Woodrow Wilson Center include:

Richard Breitman, The Architect of Genocide: Himmler and the Final Solution

Winner of the Fraenkel Prize, awarded by the Liener Library in London for contemporary history

Albert H. Cantril & Susan Davis Cantril, Reading Mixed Signals: Ambivalence in American Public Opinion About Government

Stephen Clingman, Bram Fischer: Afrikaner Revolutionary

Winner of the Sunday Times Alan Paton Award (the South African equivalent of a Pulitzer Prize) for non-fiction

E.J. Dionne, They Only Look Dead: Why Progressives Will Dominate the Next Political Era

Called by President Clinton the single book he found most interesting and useful in 1996

Anatoly Dobrynin, In Confidence: Moscow's Ambassador to America's Six Cold War Presidents, 1962-1986

Chosen by *The New York Times Book Review* as a Best Book from 1995

Thomas Friedman, From Beirut to Jerusalem

Winner of the National Book Award

John Lewis Gaddis, We Now Know: Rethinking Cold War History

Alonzo L. Hamby, Man of the People: A Life of Harry S. Truman

Godfrey Hodgson, The World Turned Right Side Up: A History of the Conservative Ascendancy in America

Michael Kammen, American Culture, American Tastes: Social Change and the Twentieth Century

Morton Keller & R. Shep Melnick, Taking Stock: American Government in the 20th Century

William Leach, Land of Desire: Merchants, Power, and the Rise of A New American Culture
Finalist for the National Book Award

David Levering Lewis, W.E.B. DuBois: Biography of a Race, 1868-1919
Winner of the Pulitzer Prize for biography, Bancroft Prize for History, finalist for the National Book Award and finalist for National Book Critics Circle Award

Robert S. Litwak, Rogue States and U.S. Foreign Policy: Containment after the Cold War

Mario Vargas Llosa, The War at the End of the World

James T. Patterson, Grand Expectations: The United States, 1945-1974
Winner of the Bancroft Prize for History

David Rusk, Cities without Suburbs

Neil Sheehan, A Bright Shining Lie: John Paul Vann and America in Vietnam
Winner of the Pulitzer Prize

Sanford F. Shram and Samuel H. Beer, Editors, Welfare Reform: A Race to the Bottom?

David Stoll, Rigoberta Menchu and the Story of All Poor Guatemalans

Who are some of the notable Fellows of the Center?

Among notable Fellows have been:

<u>Diplomats</u>	<u>Historians</u>	<u>Public Policy Scholars</u>	<u>Journalists</u>
Madeleine K. Albright	Gertrude Himmelfarb	Seymour Martin Lipset	John J. Fialka
Simcha Dinitz	Gordon Wood	Joseph S. Nye, Jr.	Thomas Edsall
George F. Kennan	Edward Tenner	Roger Porter	Timothy Garton Ash
William G. Miller	Sean Wilentz	Robert Fishman	Elaine Sciolino
Elliot Richardson			

FUNDING PATTERNS

Throughout its history the Woodrow Wilson Center has been a highly effective public/private partnership. Non-appropriated funds make up a substantial portion of the Center's annual budget, more than doubling the public benefit of its annual appropriation. Under the Center's former Board Chairman, efforts to increase the level of non-appropriated funds were intensified; at no expense to the taxpayer, a professional fund-raising firm was engaged, additional fund-raising staff hired, and a new development committee appointed.

Non-appropriated funds derive from outside gifts, competitively awarded grants, endowment income, and The Wilson Quarterly's subscription sales and advertising. These non-appropriated monies are used to pay the salaries of 51 staff (certain administrative personnel, research and program aides, some clerical support personnel, and the staff of The Wilson Quarterly), accelerated fund-raising efforts, radio production costs, and research assistance stipends. A combination of appropriated and non-appropriated monies supports public meetings, publishing, and scholars' stipends.

It is essential to emphasize that this blended funding represents a public/private partnership in the fullest sense. **Federal funding of the Center's core structure is required to cover precisely those things that private funders are least likely to support**, while the existence of this core structure enables the Center to compete successfully in its increasingly urgent quest for private funds.

FY 2001 FEDERAL BUDGET PRIORITIES**SALARIES AND EXPENSES**

Funding Estimates and Appropriation Request
(dollars in thousands)

	<u>FY 1999</u>		<u>FY 2000</u>		<u>FY 2001</u>		<u>Increase</u>
	<u>Actual</u>		<u>Appropriation</u>		<u>Proposed</u>		<u>Requested</u>
	<u>Wk.</u>	<u>Yrs.</u>	<u>Wk.</u>	<u>Yrs.</u>	<u>Wk.</u>	<u>Yrs.</u>	<u>Amount</u>
		<u>Amount</u>		<u>Amount</u>		<u>Amount</u>	
Fellowship Program	—	\$943	—	\$983	—	\$1,169	\$186
Scholar Support	10	655	9	705	9	643	-62
Public Service	17	1,686	18	1,897	18	2,217	320
General Admin.	11	1,348	13	1,769	13	1,522	-247
Smithsonian Fee	—	205	—	135	—	135	—
Conf. and Outreach	6	953	10	1,109	10	1,459	350
Building Requirement	—	<u>50</u>	—	<u>165</u>	—	<u>165</u>	<u>—</u>
Total	44	\$5,840	50	\$6,763	50	\$7,310	\$547

FY 2001 Increased Costs

For FY 2001, the Center requests an increase of \$547,000 for the following: payroll and stipend adjustments to fund a portion of payroll costs to reflect the legislated pay raise of 4.94 percent effective January 2000, and partial-year costs of the scheduled FY 2001 3.9 percent increase; costs of within-grade increases and career ladder promotions; and corresponding fellowship stipend increases, as shown by program on the following pages. The fellowship line seeks an increase in funding for additional fellowship appointments (see pg.12); and an increase is sought in Public Service to appoint additional Public Policy Scholars (see pg. 16).

I. FELLOWSHIP PROGRAM

<u>FY 1999</u> <u>Actual</u>	<u>FY 2000</u> <u>Appropriation</u>	<u>FY 2001</u> <u>Proposed</u>	<u>Increase</u> <u>Requested</u>
\$943	\$983	\$1,169	\$186

In FY 1999 the Fellowship Program provided funding for 20 fellowship years. Fellows' stipends are based upon a policy that attempts simply to maintain the level of the individual's prior years salary. However, it has become increasingly difficult to achieve that goal. Even the majority of Fellows who bring substantial outside funding with them find that an appointment at the Center entails personal financial sacrifice. Happily, and for good reason, they are willing to make this sacrifice in order to avail themselves of the benefits that membership in the Center's community offers. For FY 2001, the Center is seeking an additional \$186,000 for the Fellowship Program that reflects the legislated pay raise of 4.94 percent effective January 2000, and partial-year costs of the scheduled FY 2001 3.9 percent increase. This increase also includes a request for additional fellowship years bringing the total slightly higher than 20. Within this funding, the Center seeks to appoint 2 "distinguished" scholars offering a higher stipend, that is enabling the Center to offer the equivalent of a GS-15 salary level. The advertised maximum has discouraged top level candidates from applying. Even a couple additional fellowships will leave the number of appointments the Center offers well below the levels in previous years. The approval of additional fellowship years will enable the Center to bring individuals from more disciplines; render greater attention to diversity and gender considerations; and attract top scholars who are now often going to other organizations which offer higher stipends.

At each stage in the process of selecting our Fellows for 2000-2001 we apply the injunction added to FY 1999 appropriation: "The Center should continue to keep the goal of bridging the gap between the worlds of scholarship and public policy in the forefront of their mission and increase the interaction between the Fellows, the programs, and the public policy makers." Special attention has been given to the likelihood that the project and/or the candidate would contribute to the application of research findings to policy issues. In addition, we have been particularly interested in candidates and projects that could reinforce the intellectual work of the Center's programs during 2000-2001, the period in time during which the Fellows will be in residence. While the selection process is not yet completed, we are confident that the projects of our 2000-2001 class of Fellows will be germane to public affairs and that the Fellows will interact closely with public service program activities.

The establishing act of the Woodrow Wilson Center mandates that the Center "symbolize and strengthen the fruitful relations between the world of learning and the world of public affairs." Accordingly we expect our Fellows to seek ways to share their expertise with the Washington policy community. The form of such interaction could range from a deep background briefing for an executive branch agency to an informal roundtable discussion with members of Congress and their staffs.

It is this continuing dialogue between public affairs and scholarship which Fellows consistently cite as a major benefit of their stay here. They find that the Center distinguishes itself from policy institutes in its consideration of issues in a broader and more reflective manner beyond a narrow analysis of current crises; at the same time they discover that the Center differs from academe in linking the worlds of ideas and of public policy. Free from the political and personal sparring that often infuses both the halls of academe and the corridors of power, open exchanges between academics and non-academics take place.

Commenting on the continuing dialogue between public affairs and scholarship and the Fellows' increased interaction with Center programs and public policymakers, distinguished historian Sean Wilentz remarked: "Meeting and talking with such a variety of fellows and staff was a major plus. Having the time to think and write deliberately was an expected, and welcome, change from the ordinary. More unexpectedly, I found myself caught up with (and enjoying) various government matters here in D.C., from testifying before the House Judiciary Committee to lunching with the French Ambassador. I learned a great deal from my Washington experiences - something that only could have come my way at the Wilson Center."

Richard John, Associate Professor of History from the University of Illinois at Chicago, working on the political origins of the modern communications infrastructure in the United States, commented on his stay at the Center: "The fellowship introduced me to a wonderfully diverse and lively group of scholars from a number of fields that included philosophy, literature, public administration, political science, and law. The frequent noontime seminars that the Center's United States Studies Program organized provided us with a stimulating and low-key forum to get to know each other and share ideas. I found it most illuminating to take advantage of my status as a Wilson Center fellow to meet with staff people at the FCC, the Department of Commerce, and the Progressive Policy Institute. The ability to invite Washington-area scholars, administrators, and policymakers to visit, turned out to be in and of itself, a major resource."

Historian and urban studies specialist, Margo Anderson, agreed on the marvelous opportunity the Center provides its Fellows for interaction with Washington area policymakers: "I was able to pursue research in federal government archives, the Library of Congress, and departmental libraries. I was able to make contact with many people in government who work on the policy aspects of my research on the history of household surveys and federal statistics. I was able to interact with a fine group of fellows and the Center staff, was able to cosponsor a conference while here, and generally learned a great deal."

In fiscal year 1999, the Woodrow Wilson Center welcomed scholars from Minsk to Milwaukee working on topics as diverse as: an analysis of the rise of American democracy; the marketing of medicine and the spread of consumer culture in 20th century China; race and etiquette in America from the 1960s to the 1990s; the recent history of the peace process in Columbia and its future prospects; a biography of Zhang Dongsun, China's leading independent intellectual; a history of the death penalty in America; a political history of judicial review; a history of adoption in the United States; a modern history of Iraq; and an analysis of Eastern Europe in the post-World War II years from 1945 to 1956.

Many of our FY 1999 Fellows paid particular attention to sharing their expertise with the Washington policy community. Historian Sean Wilentz wrote a great deal on the recent impeachment debate, publishing editorials in *The Washington Post*, *The New York Times*, the *Philadelphia Inquirer*, and the *Los Angeles Times*, and testifying before the Judiciary Committee. Historian Margo Anderson was a speaker for the United States Census Bureau Statistical Research Division Speakers Series and the 2010 Planning Staff New Millennium Speakers Series on how the political process dovetails with strategic planning for the Census Bureau. Journalist Ian Buruma spoke before the Council on Foreign Relations, and while in residence at the Center, met with democratic activists from China as well as U.S. Government officials dealing with Chinese affairs.

The current class of 21 Fellows who arrived in September 1999, represent a comparable diversity of individuals whose projects exhibit a similar breadth of topic and depth of quality: distinguished professor of political economy, Stephen Clarkson, is concentrating on NAFTA; historian Paula Baker, on campaign finance, campaign workers, and interest groups in American politics; political scientist William Taubman, on a biography of Russian Premier Nikita Khrushchev; African-American Studies expert, Patricia Sullivan, on the history of the National Association for the Advancement of Colored People; and law professor Richard Lazarus is concentrating on the evolution of environmental law in the United States.

FY 1999, FY 2000, FY 2001 performance goal:

- *offer public presentations by all appointed Fellows and Guest Scholars, including substantive interactions with the Washington policy community (ranging from deep background briefings for an executive branch agency, to hearings or informal roundtable discussions with members of Congress and their staffs, to appearances before the media discussing issues of the day)*

FY 1999 actual performance information:

- Fellows were able to meet with staff of other federal agencies, Washington-area scholars, administrators, and policymakers; one testified before the House Judiciary Committee and another spoke before the Council of Foreign Relations; and several published editorial articles in major newspapers on policy relevant issues. Interaction within the Center as well as outside with the Washington policy community proved beneficial to the Center's Fellows.

II. SCHOLAR SUPPORT

	FY 1999 <u>Actual</u>	FY 2000 <u>Appropriation</u>	FY 2001 <u>Proposed</u>	Increase <u>Requested</u>
Personnel Costs	\$ 572	\$ 622	\$560	\$-62
Library	<u>83</u>	<u>83</u>	<u>83</u>	<u>0</u>
Total	\$ 655	\$ 705	\$643	\$-62

This budget line consists of personnel associated with the Center's library, its book and serial acquisitions budget, and staffing in our Scholar Selection and Services Office (formerly the Fellowship Office).

In FY 2001, pay costs will decrease by \$62,000. This reduction reflects vacancies filled at lower grade levels. Salary and benefit expenses reflect the legislated pay raise of 4.94 percent effective January 2000, and partial-year costs of the scheduled FY 2001 3.9 percent increase; and costs of within-grade increases and promotions. These costs have been calculated on the basis of a position-by-position analysis. The decrease in funding under this line item was accomplished through a thorough review and reorganization of staff positions. The effort consolidated both Public Policy Scholars and Fellows under one office and resulted in the reassignment of positions both into and out of Scholar Support leading to increased efficiency and lower cost.

FY 1999, FY 2000, FY 2001 performance goal:

- *management of fair competition for all fellowship applicants to ensure that their research projects intersect with issues of concern in the field of public affairs and with the activities of the Center's public service programs*

FY 1999 actual performance information:

- The Center receives approximately 500 applications for 21 fellowship appointments at the Woodrow Wilson Center during the annual competition. The applications are reviewed by carefully selected outside panels. During each stage of the selection process care is taken to "continue to keep the goal of bridging the gap between the worlds of scholarship and public policy in the forefront of their mission and increase the interaction between the Fellows, the programs, and public policy makers."

III. PUBLIC SERVICE

	<u>FY 1999 Actual</u>	<u>FY 2000 Appropriation</u>	<u>FY 2001 Proposed</u>	<u>Increase Requested</u>
Personnel				
Costs	\$ 1,234	\$ 1,428	\$ 1,598	\$ 170
Panel	12	12	0	-12
Project				
Initiatives	150	167	179	12
Public Policy				
Scholars	<u>290</u>	<u>290</u>	<u>440</u>	<u>150</u>
Total	\$ 1,686	\$ 1,897	\$ 2,217	\$ 320

This category consists of the personnel costs for the staff who produce the Center's public programs and projects, and the modest travel and incidental expenses incurred by panelists who advise in the annual fellowship selection process. In FY 2001 the Center will include all panel expenses in the project initiatives line. It also includes important new initiatives in public service that began in FY 1999 that include but are not limited to: the Congress Project, the History and Public Policy Project, the Middle East Project, the Environmental Change and Security Project, and the Africa Project. An explanation of these projects are described in the following pages.

For FY 2001, \$170,000 in increased pay costs are requested for annualizing the 4.94 percent legislated pay raise in FY 2000 and partial-year costs of the scheduled FY 2001 3.9 percent increase; costs of within-grade increases and career ladder promotions. Pay costs have been calculated on the basis of a position-by-position analysis that took into consideration both the redeployment of some staff positions to other sections of the budget and the establishment of new positions within this Public Service section. Personnel costs in FY 2000 are now estimated to be less than originally planned due to delays in hiring and the filling of vacancies at lower levels. The Center also seeks an increase of \$150,000 for Public Policy Scholars (see pg. 21).

New Project Initiatives

The Center continues to devote a great deal of effort to maintaining a high level of relevant public programming and to making those activities open to the general public. These activities continue to grow, giving the Center even more visibility as described below.

In response to the urging of the Congress, one of the objectives of the present leadership of the Wilson Center is to increase the volume and the visibility of the valuable work done by the institution on the major domestic problems confronting American democracy as it moves into the new century. In keeping with that aim, the Center has recently sponsored a variety of scholarly

investigations into contemporary issues, including a scientific survey into American attitudes towards government, a study of the future of the merit system in the nation's higher civil service tradition, a look at the impact of recent welfare reform, a study of the history of the problems of urban and regional planning in the United States, an analysis of the difficulties facing local governments in the federal system, and a careful review of the state of knowledge with regard to the most important issue areas of national public policy.

A set of new initiatives is now in development. The Center has organized an effort on the relationships between religion and public policy in recent decades, and another in the field of public philosophy to explore contemporary thinking about what the role of government ought to be as we move into the new century. In addition, the Center is sponsoring more meetings and publications on problems of urban, regional and environmental policy in America, and it is also developing a project on future challenges facing our country and longer-term thinking by the policymaking community.

Out of a mix of its private and federal funding, the Center launched the Congress Project in June of 1999, designed to contribute to the public's understanding of the Congress and its work. The Project brings together Members and staff from the Hill, congressional scholars, and journalists, to discuss various aspects of the policy process. In 1999, the Project explored "Congress and the Purse Strings" through a series of four seminars. In 2000-01, the Project will undertake a new series on party and committee leadership lessons learned in processing major legislative initiatives in recent years. The Project will also conduct seminars in the fall of 2000 on the impact of presidential campaigns on congressional agendas, and the freshman congressman experience.

History and Public Policy Project

The envisioned "History and Public Policy Project" (HPPP) would build on the Wilson Center's (and supporting foundations') \$2.5 million investment in the Cold War International History Project (CWIHP) and its achievements as a clearing-house and epicenter of a large international network of scholars, teachers, journalists, archivists and policymakers. Moving beyond the confines of the Cold War era (and CWIHP's exclusive empirical focus), HPPP would serve as a crucial bridge between the scholarly community and the world of public affairs, by creating:

- a non-partisan forum for fast but sober, critical, and scholarly assessment of newly-released historical materials and their impact on public policy. Emphasis would be on new historical materials which allow for fresh, unprecedented insights into the inner workings and foreign policies of foreign powers, laying the groundwork for policymakers to gain a more nuanced and informed understanding of countries and issues, such as nuclear proliferation, border disputes, crisis management, and various specific trouble spots;
- opportunities for incisive reassessment of the methods and processes by which the United States carries out foreign policy analysis and intelligence assessment in order to improve future

decision-making. An examination of new archival sources and oral histories will facilitate a better understanding of the effectiveness of U.S. policies and the reactions of other state actors;

- a meeting ground for exchange, interaction, and collaboration between scholars, journalists, and decision-makers (and their staff), that would provide scholars with access to current and former officials and vice versa. HPPP will seek to integrate the insights of social scientists, natural scientists, technologists, and practitioners with experience in government, diplomacy, the military, and business to provide in-depth context on critical foreign policy issues and identify opportunities for the effective use of history in the policy process; and

- a clearing-house to coordinate and make accessible to policymakers new international sources and research on the most pressing threats to U.S. national interests and international security, on the forces shaping these problems, and on their historical and conceptual foundations.

Middle East Project

The Middle East Project of the Woodrow Wilson Center was launched in February 1998. It has been a solid success. The meetings organized on current issues in the Middle East and the Persian Gulf have been well-attended; in the Washington policy community, the project has established a reputation for seriousness, liveliness and an ability to probe issues in depth in both small and larger public meetings.

The Middle East and the Persian Gulf remain areas of primary importance to the United States. The Gulf remains a major source for oil and gas resources for America's allies in Europe and Asia. The future development of energy resources in the Caspian basin depends to a large degree on developments in the Middle East/Persian Gulf region. The US remains committed to Israel and a peaceful resolution of the Arab-Israeli conflict. Turkey is a major US ally whose role in Central Asia and the Caucasus and the Arab world, and as an ally of Israel, is growing. The danger of nuclear proliferation and the proliferation of other weapons of mass destruction remains of serious concern to the US; and the acquisition by regional states of long range missiles is already a problem. The efficacy of "dual containment," which characterized US policy towards Iran and Iraq in the Clinton years, is being reassessed.

In addition, individual countries in the region are undergoing an important social and political transformation with significant implications for the United States. The struggle between the conservatives and the reformers in Iran is a reminder of a larger struggle in the region for democratization in several countries in the area. Qatar and Yemen held their first ever elections and women are pressing to get the vote in both Qatar and Kuwait. Women are becoming an important force in social life and politics, as they push for legal rights, political empowerment and educational and employment opportunities. Local groups and NGO are increasingly vocal in their demands for adherence by governments to international human rights standards. An interesting debate is under way in Iran, Egypt and other states on the relationship between religion and democracy.

The Wilson Center seeks in 2000 to expand its Middle East program in order to keep abreast of these developments, to continue to serve the Washington community through lectures, seminars and discussion groups, and to remain at the forefront of Washington area research centers dealing with the Middle East.

Africa Project

In July 1999, Director Lee Hamilton announced the inauguration of an Africa Project, administered by the Division of International Studies. This new initiative is led by Consulting Director Gilbert Khadiagala, Associate Professor of Comparative Politics and African Studies at Johns Hopkins University's School of Advanced International Studies, and is supported, in part, through a grant from the Ford Foundation. The Africa Project will seek to draw from Washington's strategic location as the seat of the federal government and international financial institutions to initiate a sustained dialogue that informs and educates policymakers and the wider community about African issues and about United States policy toward Africa. Within the Center, the Africa Project supports residential fellows whose research focuses on this important region and works with the Center's other projects and programs on cross-regional issues, such as governance, the development of state capacity, crime and corruption, and pressing health and social problems such as the AIDS crisis in Africa.

Environmental Change and Security Project

The Environmental Change and Security Project (ECSP) of the Woodrow Wilson Center provides specialists and other interested individuals with a "road map" to the myriad views, activities, and policy initiatives falling under the rubric of environment, population, and security. Through meetings, publications, and the activities of the staff, ECSP explores a wide range of academic and policy-related topics including various conceptual linkages among environment, population, and security; how these ideas are nested in broader debates over redefining security; how policymakers in the United States and other countries are utilizing these ideas and making policy; and how governments, non-governmental organizations (NGOs), and businesses are responding to the causes and symptoms of important environmental and demographic issues. The Project also focuses a special series of meetings and publications on the role of environment in U.S.-China relations.

ECSP has helped to expand the network of experts from diverse professional backgrounds, fostering new dialogue and comparative insights in its dual capacity as a neutral forum and an information clearinghouse. Similarly, the Project tries to expose numerous scholars and practitioners not working on environmental and population issues to these timely and important analyses and debates, thereby spurring greater interest in the field.

Meetings bring policymakers and specialists together to provide new information, exchange and generate new ideas, and prompt more organized efforts within government to address environment and security issues. The Project's seminars and workshops initially examined broad themes such as various conceptions of environment and security linkages and have progressed to more specialized topics including NGO activities on food security. Each

session brings together junior and senior scholars and practitioners with diverse backgrounds. ECSP also hosts a public seminar series to further broaden awareness of these issues to the public. Past meetings have featured presentations by current and former heads of government agencies and departments both within the United States and in other countries, U.S. senators and representatives, heads of foundations and think tanks, media personalities, and eminent scholars whose work has contributed to the environment and security fields.

Most importantly, ECSP has served as an impartial information clearinghouse for research and policy initiatives on environment, population, and security. The Project publishes two annual journals, *The Environmental Change and Security Project Report* and *The China Environment Series*, as tools for researchers, policymakers, and educators. Both the *Report* and the *Series* feature articles by scholars and practitioners, summaries of meetings, reviews of recent literature in the field, comprehensive bibliographies, and up-to-date information on governmental, non-governmental, and academic activities related to these emerging fields.

Canada Project

There is a new Canada Project at the Center exploring one of our most important bilateral relationships. The U.S. and Canada have cooperated closely on international diplomacy, regional defense, and cross-border environmental issues. And Canada is, by far, our country's largest trading partner.

Yet despite this, the U.S.-Canada relationship is not getting the attention in the United States that is proportional to its importance. Canada is - in the words of our former Ambassador to Canada, James Blanchard - "the invisible world next door." The Canada Project will bring to light some of the broader issues between our two countries. The Center anticipates looking at, among other things, the broad cultural and political differences and similarities between our two countries; major and emerging issues of U.S.-Canada trade, including hemispheric trade expansion; and some of the long-term bilateral and global challenges facing our two countries.

Canadian Ambassador Raymond Chretien spoke at the Wilson Center about the future of U.S.-Canadian relations and suggested various topics that might be explored by the Canada Project.

Ongoing Project Initiatives

- ◆ Global Finance and Investment - a project that sponsors a continuing working group on issues involving currency stability, international trade and investment flows, and in recent months the Asian financial crisis. This project provided much of the staff work for the Center's conference on "Crisis and Transition: Southeast Asia, Southeast Europe, and the Global Economy."
- ◆ Electronic Commerce and National Sovereignty - a series of working group and public meetings on issues of the rapid spread of electronic commerce and the implications for

trade, tax policy, and ultimately national sovereignty. The working group will be composed of computer industry representatives, information systems specialists, investment managers, and representatives from the executive departments and Congress, and will deal with a series of issues in which technologies are rapidly surpassing institutions and national legal systems.

- ◆ The Comparative Urban Studies Project - a project which operates through a working group of internationally recognized urban researchers and a focus on urban governance to touch on all the major issues that are affecting cities today and in the future. The goal is to a) advance our understanding of the relationship of urban governance to urban growth and management; and b) bring together U.S. policymakers and urban researchers in a substantive discussion about how to build the viable urban governance structures and strong democratic civic culture that are essential for sustaining cities. In coming months, the project will examine the topics, "Urban Governance: Building Sustainable Urban Communities in the Global Arena," and "Politics, Urban Preservation, and Revitalization." The project will also host a series of "Mayor's Forums."

Public Policy Scholars

The Center will continue to appoint scholars who are working on important issues of public policy, who will make significant presentations from their research while they are in residence at the Center. The Center also seeks to increase the number of Public Policy Scholars in an effort to achieve its goal of a more policy relevant focus.

The following list indicates the important projects the Public Policy Scholars worked on during FY 1999:

- A former deputy national security advisor to the Vice President researched two issues: developing a dialogue with China on global climate change and US national security organization for the twenty-first century.
- A leading Turkish journalist who used to work with President Ozal and is a perceptive analyst of the entire Eastern Mediterranean and Middle East, and Balkan regions studied the evolution of democracy in Turkey.
- A Slovakian scholar and assistant to a former president of the country worked on issues of democratic reform in central Europe.
- A Serb who once served as Yugoslavia's Deputy Foreign Minister, fell out with the Milosevic regime, and is now teaching in South Carolina was here for the summer working on the needed steps in economic and political reform in Serbia.
- A former Commerce Department official was here writing a book on economic competitiveness.

- A senior professor from the University of Texas was here working on the cultural components of trade, and an evaluation of NAFTA.
- A former U.S. Ambassador to the Ukraine, examined "State Building in Ukraine: Creating Democratic Civil Society."
- A senior writer and former chief diplomatic correspondent of the *New York Times*, wrote on "Iran's Quest for Greatness."
- A former director of public affairs for IBM Corporation in Washington, examined "The Digital Age and Analog Diplomacy: Global Electronic Commerce."
- A senior Fellow, from the Institute for National Strategic Studies, National Defense University analyzed "The Modern History of Iraq."

FY 1999, FY 2000, FY 2001 performance goal:

- *hold multi-day conferences directly relevant to current issues as well as other meetings, noon discussions, seminars, and colloquia for the general public*

FY 1999 actual performance information:

- The Center devotes a tremendous amount of effort to maintain a high level of relevant public programming and offer these activities to the general public. A set of new initiatives are in development that are directly relevant to current issues as well as other continuing topics. Seminars, meetings, and multi-day conferences are planned for such topics as: Canada's relationship with the United States; Global Finance and Investment issues; Comparative Urban Studies topics; and the Congress Project. The number of meetings held at the Center has increased to more than 300 per year.

IV. GENERAL ADMINISTRATION

	FY 1999 <u>Actual</u>	FY 2000 <u>Appropriation</u>	FY 2001 <u>Proposed</u>	Increase <u>Requested</u>
Personnel				
Costs	\$ 737	\$ 770	\$ 890	\$ 120
Travel	43	43	43	0
Other	<u>568</u>	<u>956</u>	<u>589</u>	<u>-367</u>
Total	\$1,348	\$ 1,769	\$ 1,522	\$ -247

The General Administration budget line includes expenses of the offices of the Director, Deputy Director, planning and management, financial management office, personnel, and support services. It also presents in centralized fashion nearly all the non-salary support funds available to the Center.

For FY 2001, General Administration will decrease by \$247,000. Pay costs are requested for the legislated pay raise of 4.94 percent effective January 2000, and partial-year costs of the scheduled FY 2001 3.9 percent increase; and costs of within-grade increases and promotions. As a result of our recent reorganization to improve the efficiency and effectiveness of Center operations, some staff positions have been both redirected into and out of this section. Pay costs have been calculated on the basis of a position-by-position analysis. In FY 2000 the Center plans to build additional work space in the library area and outfit this space with office equipment.

The administration of the Center has received from KPMG Peat Marwick that company's annual audit of federal and non-federal funds, including a review of the Center's management controls over all its accountable assets, with a report that again results in an unqualified opinion on the Center's financial statements and no findings in its A-133 audit.

FY 1999, FY 2000, FY 2001 performance goal:

- *receive the annual audit of federal and trust funds from the Center's external auditing firm indicating full compliance with all applicable accounting standards and sound administrative accountability*

FY 1999 actual performance information:

- The administration of the Woodrow Wilson Center has received from the outside auditing firm, KPMG Peat Marwick, that company's annual audit of federal and non-federal funds, including a review of the Center's management controls over all its accountable assets, with a report that results in an unqualified opinion on the Center's financial statements and no findings in its A-133 audit.

V. SMITHSONIAN FEE

FY 1999 <u>Actual</u>	FY 2000 <u>Appropriation</u>	FY 2001 <u>Proposed</u>	Increase <u>Requested</u>
\$ 205	\$ 135	\$ 135	\$ 0

This amount is used to pay the Smithsonian Institution for various specialized services provided to the Woodrow Wilson Center, including legal, accounting, benefits management, EEO, contracting, inspector general, and risk management. The annual fee is based on a formula related to the cost of the services that the Smithsonian Institution provides.

VI. CONFERENCES AND OTHER OUTREACH

	FY 1999 <u>Actual</u>	FY 2000 <u>Appropriation</u>	FY 2001 <u>Proposed</u>	Increase <u>Requested</u>
Personnel Costs	\$401	\$432	\$782	\$350
Conference Support	125	250	250	0
Publishing	144	144	144	0
<i>Dialogue</i>	0	0	0	0
<u>Wilson Quarterly</u>	<u>283</u>	<u>283</u>	<u>283</u>	<u>0</u>
Total	\$ 953	\$1,109	\$1,459	\$350

This category consists of the personnel costs for the publications office, *Dialogue*, and staff of the public affairs office. Staff positions originally allocated under "new initiatives" in the Public Service section have been properly reallocated to the appropriate outreach activity under this section. The Woodrow Wilson Center's conference and other outreach activities are designed to benefit national and international audiences with the results of Center-sponsored programs. In FY 2001, pay costs will increase \$350,000 for legislated pay raise of 4.94 percent effective January 2000, and partial-year costs of the 3.9 percent increase scheduled for January 2001; and costs of within-grade increases and promotions. Pay costs have been calculated on the basis of a position-by-position analysis. Six activities comprise the Center's principal outreach efforts: (1) major conferences, (2) books and related publications, (3) our radio program *Dialogue*, (4) The Wilson Quarterly, (5) student programs, and (6) Internet access.

Conference Support

Federal support for conference activity enhances the Center's ability to plan and develop significant intellectual gatherings. The availability of these federal funds helps to leverage contributions from other sources and encourages prospective donors to step forward and participate in Wilson Center conference financing. This multiplier effect extends throughout

Wilson Center programming and exemplifies the public/private partnership that stands behind all Center activities. All conference activity is now accounted for in the Outreach section.

FY 1999-2001 Conferences

A limited number of major conferences dependent in varying degrees on federally appropriated funds are scheduled each year. These conferences span a wide variety of subject matter and touch upon virtually all regions of the world. For example, FY 1999 conferences addressed such subjects as "Sovereignty in the Digital Era," "Global Internet Resources on the "Cold War" (CNN), "The State of Urban Education Reform in the U.S.: Lessons for D.C.," "The Peace Process in Colombia," "Brazil's Struggle for Economic and Political Reform," "The Informal Economy and Crime in Urban Settings," "Working Group on Global Finance," "Two Years of Asian Economic Crisis," "International Aspects of Space Exploration in the 21st Century," "Ukraine" Briefing Series, "Metropolitics Project," and "The Information Age Congress and the Policy Process."

Conferences planned for FY 2000 with a modest amount of federal conference appropriation money include:

- "NATO and Europe in the 21st Century: New Roles for a Changing Partnership"
- "Ukraine's Relations with its Western Neighbors"
- "Crisis Proportions: HIV/AIDS in Southern Africa"
- "US-China Relations Since Tiananmen Square"
- "Sovereignty in the Digital Age" (series continued from FY 1999)
- "Nonproliferation Forum" (series continued from FY 1999)
- "Priorities in Conflict: Executive and Congressional Budgets"
- "New Evidence on the Vietnam War"
- "New Evidence on the Cold War in the Balkans"
- "The Opening of the Former Warsaw Pact Countries Military Archives"
- "New Evidence on the Korean War"
- "Politics and Policy of Historic Revitalization: A Key to Sustainable Development in Urban Centers"
- "Global Finance" (series continued from FY 1999)
- "Ukraine and Central Europe: Multi-level Networks and International Relations"
- "Contributions of American Volunteers to the 1989 Czechoslovak Velvet Revolution: Lessons Learned for Further Civil Society Development"
- "The Impact of the Euro in Europe & Beyond"
- "The Crisis of Democratic Governance in the Andes"

For FY 2001 some of the conferences that are in the planning stages covering a broad range of topics include:

- "Local Governance in Ukraine"
- "Global Finance" (series continued from FY 2000)

"Population and Water: Breaking Out of the Vicious Circle"
 "Sovereignty in the Digital Age" (series continued from FY 2000)
 "Nonproliferation Forum" (series continued from FY 2000)
 "American Governance and the Information Revolution"
 "New Evidence on the Cold War in the Middle East"
 "New Evidence on the Cold War in Southern Africa"
 "New East-bloc Evidence on the Warsaw Pact and NATO"
 "Ethnic Minority Issues and Prospects for Regional Stability in the 21st Century"

Publishing

The Woodrow Wilson Center Press publishes books written at the Center, the Center's newsletter, and its calendar. The Press also manages the Center's Website.

Some books are the main products of fellowships, and others are reports on major conferences or the results of collaborative workshops. All have been judged to be important contributions to knowledge or to communication before the Press decides to publish them. The books are edited by the Woodrow Wilson Center Press and distributed by major scholarly presses such as the presses of Cambridge, Johns Hopkins, and Stanford universities. These books are promoted throughout the world to scholars, specialists, and students and, when appropriate, the general public, selling a combined total of 10,831 copies from January to December 1998. In FY 1999, nine new titles were published:

Brothers in Arms: The Rise and Fall of the Sino-Soviet Alliance, 1945-1963, ed. Odd Arne Westad

Comparative Peace Processes in Latin America, ed. Cynthia J. Arnson

Dilemmas of Scale in America's Federal Democracy, ed. Martha Derthick

Paradoxes of Democracy: Fragility, Continuity, and Change, by S. N. Eisenstadt

The Quest for Sustained Growth: Southeast Asian and Southeast European Cases, by Samuel F. Wells, Jr., Barry M. Hager, Keith Crane, Paul Tibbitts, and Karen Zietlow

Rabin and Israel's National Security, by Efraim Inbar

Reading Mixed Signals: Ambivalence in American Public Opinion about Government, by Albert H. Cantril and Susan Davis Cantril

Taking Stock: The Evolution of American Government in the Twentieth Century, edited by Morton Keller and R. Shep Melnick

India and Pakistan, ed. Harrison, Kreisburg and Kux

Welfare Reform: A Race to the Bottom? edited by Sanford F. Shram and Samuel H. Beer

Twelve titles are currently scheduled for publication in FY 2000, with subjects that include China in the cold war, English business history, Russian business, European identity, Latin American corruption, U.S. welfare, U.S. civil service, the U.S. Congress, and international electronic communication, as well as topics in security and urban studies.

The newsletter was redesigned and named *Link* in October 1998. It appears five times a year and is circulated to about 10,000 addresses. *Link* covers important meetings of the Center, describes publications and broadcasts, and offers institutional news. For the spring 1999 NATO summit, parts of which were held at the Center, a special issue included articles by Secretary of State Madeleine Albright, former National Security Adviser Zbigniew Brzezinski, and former Supreme Allied Commander in Europe General Andrew J. Goodpaster, as well as an interview with Lee Hamilton, director of the Center.

Dialogue

The Woodrow Wilson Center produces a weekly, half-hour radio program called *Dialogue* that covers issues in national and international affairs, history, and culture. *Dialogue* follows an interview format and draws its guests primarily from the pool of scholars in residence at the Woodrow Wilson Center. However, outside experts are also frequent participants ensuring the inclusion of timely and relevant issues in public and cultural affairs. *Dialogue's* goals are to acquaint a national and international audience with the range of scholarship at the Center, to make discussions of relevant political, social, and cultural issues available to them, and to serve as an intellectual resource for other educational institutions. *Dialogue* reached a milestone when recording its 500th show (June 1999) which was aired the first week in October 1999.

Dialogue is broadcast on approximately 200 radio stations in the United States and is available on CD in 30 college libraries across the country. Abroad, the program is heard by a large network of listeners, especially in Europe and Japan, thanks to our collaboration with NPR Worldwide. *Dialogue* is carried by NPR Worldwide's satellite as part of their 24-hour service which includes NPR flagship programming such as Morning Edition, Car Talk and All Things Considered. This service ensures *Dialogue's* availability to the Armed Services Network and other stations and networks abroad and is an important component in our efforts to expand the international reach of *Dialogue*. Previously the satellite carriage has been offered free of charge; however, in the coming year *Dialogue* must begin to pay for this service.

This past year, *Dialogue* co-hosted a Space Conference at the Center. In this connection, *Dialogue* produced a double CD set entitled "History of the Heavens" with Dr. Richard Berendzen. This is a new product that repackaged four *Dialogue* programs with Dr. Berendzen. It has been used in development, outreach and marketing to highlight the work of the Center and *Dialogue*. *Dialogue* hopes to make this and similar productions available on the Center's Web site through a proposed streaming media server. It is furthermore possible that the CD set will be distributed commercially through a "Books-on-CD" vendor. In the coming year, *Dialogue* plans to produce similar "multi-version" products, starting with the compilation of four programs on environmental issues. This CD package will be produced in collaboration with the Center's Environmental Change and Security Project.

Dialogue staff has provided audio production and marketing consultation for a new radio series based on commentaries from the director of the Center, Lee Hamilton. *Dialogue* plans to continue to explore a range of broadcasting venues for the series.

Finally, *Dialogue* will continue its heavy involvement in the planning and production of the television series, "Close Up at the Wilson Center." Co-produced with the Close Up Foundation and broadcast on C-SPAN, this series promises to further disseminate to a wide audience research and knowledge harbored at the Center. In addition, *Dialogue* will design and implement television programming for the forthcoming INTERNEWS television channel and pursue opportunities for private satellite network microcasting.

Operating under the *Dialogue* department of the Woodrow Wilson Center, the audiovisual support program manages the Center's electronic media production, audiovisual requirements, and related technical facilities. This is a new effort in fiscal year 1999 precipitated by the Center's new facilities requirements and the expanded electronic outreach opportunities both inherent in the building and mandated by the Center's mission of "Knowledge in the Public Service."

Services provided by *Dialogue* include audiovisual support for the Center's active meeting schedule (approximately 300 meetings per year in various rooms throughout the Center), technical support and logistics for the visiting electronic media (for example television and radio broadcasters), program design and production for television broadcast (i.e. Close Up at the Wilson Center), program design and production for the Center's public theatre, and design and oversight of the Center's new archive of recorded event materials.

Dialogue has managed the addition of three major upgrades to the Center's auditorium; theatrical lighting for television production, a portable "set" as a television backdrop, and a fiber optic video circuit for access to satellite broadcasting services. *Dialogue* was responsible for the design and installation of the presentation systems in the Center's public theatre and the DVD production for the video program.

Several new projects are in development or underway. *Dialogue* has prepared detailed budgets outlining the costs of producing both a documentary film about the work of the Center and an interactive kiosk to provide the public material and information about the Center. These budgets will be used in the fund raising effort for the project. *Dialogue* has proposed to implement a streaming media server to compliment the Center's growing Web site and will soon begin producing materials for the public's access to Center programming. *Dialogue* has proposed to manage the Center's effort for "in-house" digital photography and image preparation for the Web and publications. In addition to our continuing television series with the Close Up Foundation, we are developing two projects for digital satellite-based television programs, one for public access and one for a private satellite network. We are also continuing the effort to plan and design an "in-house" television production facility for the Center and will work with the Center's Development office to secure funding for this project.

ECSP is collaborating with *Dialogue* to package and distribute a special environmental collection of six *Dialogue* interviews in a three-disc set. About half of the funding for this project is being provided by *Dialogue* with their federal funds, with the remaining half coming from ECSP trust fund sources.

The Wilson Quarterly

The Woodrow Wilson Center has published *The Wilson Quarterly* since 1976 as part of its special mission as the nation's "living memorial" to the twenty-eighth President of the United States. The *Quarterly* draws upon the work of the Center's Fellows, Public Policy Scholars, Guest Scholars, and staff, as well as the proceedings of numerous seminars and conferences sponsored by the Center and other sources. Topics covered in recent issues of the *Quarterly* range from the divergent paths of the two Koreas and the presidency of South Africa's Nelson Mandela to the digital economy, the debate over America's moral "reconstruction," and the continuing challenge of school reform. Forthcoming issues will cover the urban sprawl, voter ignorance, the American role in the world, the future of Russia, and the challenges and promise of genetic research.

While in no sense a house organ, the *Quarterly* is nonetheless an integral part of the Center, making use of the Center's scholarly resources and addressing the same broad range of topics that are of concern to the Center. It is gratifying to note that the *Quarterly* has maintained its strong readership over the last twelve months. Federal support toward the costs of the *Quarterly*'s postage helps assure wide dissemination of this key outreach vehicle.

Student Programs

The Close Up Foundation is a nonprofit, nonpartisan, civic education organization committed to providing students a practical understanding of how public policy affects their lives and how individual and collective efforts affect public policy. For nine years, scholars and staff have volunteered their time to lead seminars held at the Center for high school students visiting Washington as part of the Foundation's intensive government studies program. More than 400 students from 25 states participated in Wilson Center/Close Up seminars in 1999.

Speakers and Topics:

Cynthia Arnson, Assistant Director, Latin American Program
Peace Processes in Latin America

Lee H. Hamilton, Director of the Woodrow Wilson Center and Former Member of the U.S. House of Representatives
Challenges to United States Foreign Policy

Robert M. Hathaway, Director of the Asia Program, Woodrow Wilson Center
Political Culture in China and the Role of Dissidents

Robert S. Litwak, Director of International Studies, Woodrow Wilson Center
Maintaining Peace in the Post Cold War World

Walter Reich, Yitzhak Rabin Memorial Professor of International Affairs, Ethics and Human Behavior, George Washington University and Senior Scholar, Woodrow Wilson Center

Atrocities of War: Is Kosovo another Holocaust?

Leslie D. Simon, Former Director of Public Affairs, IBM Corporation and Public Policy Scholar, Woodrow Wilson Center

Policy Issues of the Digital Age

Martin C. Sletzinger, Director of East European Studies, Woodrow Wilson Center

The United States Role in Kosovo

Michael H. Van Dusen, Deputy Director, The Woodrow Wilson Center

Rogue Nations and their Leaders

Samuel F. Wells, Associate Director, Woodrow Wilson Center

The Role of NATO

This spring, the Wilson Center collaborated with the Close Up Foundation and C-SPAN on three pilot television programs taped at the Center. George Liston Seay, producer and host of *Dialogue*, and John Milewski of Close Up hosted the programs and moderated panels made up of current and former Fellows, WWICS staff and others who have had association with programs or projects at the Center. The series was entitled "America's Youth and World Affairs" and focused on the history of the Cold War and the post-Cold War world, including a look at future policy dilemmas such as environmental problems of the 21st century. The programs were designed for high school students. For each program, the Close Up Foundation brought in an audience of students who participated with their own challenging and thoughtful questions, and C-SPAN taped the programs and broadcast each three times. One of the goals of this project has been to broaden the dissemination of Wilson Center knowledge and research. Building on this year's successful efforts, *Dialogue* and Close Up are already working to continue this series in the spring of 2000.

The research assistants program of the Center was established to provide recipients with positive educational experience. These internships serve to increase the recipients' knowledge and education in their respective areas of study and/or to provide a useful practicum in research, program methodology, or professional processes. Approximately 50 college students each semester serve as part-time research assistants to our Fellows, Public Policy Scholars and to several of our programs. The opportunity to work with distinguished senior scholars and practitioners adds a valuable internship practicum to their classroom training. As those who have benefitted directly from the internship program and know its value to scholars and students, Wilson Center alumni have continued to provide financial support for it. In the spring of 1999, almost 1,400 former Fellows and Guest Scholars were solicited for contributions; more than \$14,000 was raised. Staff will also continue to explore other avenues of private support for this worthwhile program. Simultaneously, the Center is searching for research assistance candidates who are willing to work for free. This past spring and summer research assistants came from twenty-eight colleges and universities throughout the country who represent some of the best and brightest minds of their generation. Their assistance is instrumental to the Fellows' productivity, and their youthfulness and enthusiasm help energize the entire Center.

World Wide Web

The Center's principal Website, <http://wwics.si.edu>, is now the best source of news about the Center, updated daily with announcements of forthcoming meetings, reports of recent ones, and other information about the Center's staff, scholars, and publications. The most important parts of a major redesign were implemented in FY 1999, most notably the home page itself and the calendar page. The redesign will continue into FY 2000 to include providing sound files over the web and an archive of texts of recent speeches and lectures. Reworking of pages about the Center's scholarly programs and projects is underway, too, and how best to create a good search engine is being studied.

The Center also supports two more specific sites devoted to the Cold War International History Project (<http://cwhip.si.edu>) and the Environmental Change and Security Project (<http://ecsp.si.edu>). The Cold War site added a large number of documents to its archive in FY 1999 to support the television series *Cold War* on CNN.

VII. BUILDING REQUIREMENTS

<u>FY 1999</u> <u>Actual</u>	<u>FY 2000</u> <u>Appropriation</u>	<u>FY 2001</u> <u>Proposed</u>	<u>Increase</u> <u>Requested</u>
\$ 50	\$ 165	\$ 165	\$ 0

The Woodrow Wilson Center moved into new quarters in the Ronald Reagan Building during August 1998. With this move Center activity increased tremendously, and it is expected this trend will continue this year with a full schedule of events already planned. The new space allowed the Center to draw larger crowds; have several meetings running simultaneously; and the capability to record important meetings. In the theater located on the first floor a film about the life and times of Woodrow Wilson is on display daily for viewing by the general public.

Fiscal Year 1999 was the Wilson Center's first full year of occupancy in the Ronald Reagan Building. Incidental costs such as after-hours utilities, guard and janitorial service for public events, and Public Health Service fees for coverage of staff or public medical emergencies are charged to this budget line. Also included are "work order requests" to the General Services Administration (GSA) for on-site projects and repair jobs. Communication costs for local, long-distance, and international telephone service, including equipment and maintenance, are charged to Building Requirements as well.

The Center requests no increase for building requirements.

APPENDICES

CONSOLIDATED STATEMENTS, FY 1999, FY 2000, AND FY 2001
(dollars in thousands)

Total - All Programs	Non-appropriated Funds				Appropriation
	Beginning Net Assets	Income & Transfers	Expense & Transfers	Ending Net Assets	
FY 1999 (actual)	\$107,006	\$ 8,946	\$14,036	\$102,693	\$5,840
FY 2000 (estimate)	\$102,693	\$10,345	\$13,818	\$ 99,214	\$6,763
FY 2001 (estimate)	\$ 99,214	\$ 9,255	\$12,947	\$ 95,522	\$7,310

As detailed below, non-appropriated fund income derives from a wide range of competitively awarded grants, gifts, endowment income, and *The Wilson Quarterly's* subscription sales and advertising. Non-appropriated expenses represent the financial activity entailed in the execution of the projects and programs so funded, along with support for a proportional share of the Center's overall administrative budget. The column titled "Appropriation" displays the federal fund amounts detailed on the preceding pages. **In each case, FY 2000 and FY 2001 non-appropriated fund activity is conservatively budgeted; it is the Center's longstanding practice to reflect in the out-years only those monies for which the source is already known and the outcome reasonably secure.** Although fund-raising activities at the outset always have uncertain results, every effort is being made to exceed current levels for FY 2000 and FY 2001.

General Center	Non-appropriated Funds				Appropriation
	Beginning Net Assets	Income	Expense & Transfers	Ending Net Assets	
FY 1999 (actual)	\$105,516	\$3,165	\$7,351	\$101,330	\$3,483
FY 2000 (estimate)	\$101,330	\$4,881	\$7,907	\$ 98,304	\$4,178
FY 2001 (estimate)	\$ 98,304	\$4,770	\$8,189	\$ 94,885	\$4,398

General Center non-appropriated funds derive from foundation grants, gifts (including new building challenge), endowment income, and overhead recovery on grants. Expenses consist of the salaries of twelve administrative personnel, reimbursement to the Smithsonian Institution for certain administrative services, staff and related expenses of the Development and Public Affairs office, conferences and meetings funded from grants and finishing the new building. Reflected in the beginning FY 1999 net assets is \$102.7 million for the 30 years of contributed building facilities for the Center's use at the Ronald Reagan Building. The Center will recognize proportionately each year \$5.300 million of this amount. Reduction in federal support has forced the Center to increase fund-raising endeavours for the privatization of the research assistance program, *Dialogue*, and partial publication activities. Based entirely on non-appropriated funds and managed by the Associate Director, a new process of dialogue between Israelis and Arabs has begun with the purpose of improving communication and understanding in the hope of advancing the Middle East peace process.

In FY 2001 an amount of \$250,000 for conference support is included in the appropriation figure. This amount will be distributed to the various programs when the conferences have been determined.

Fellowships	Non-appropriated Funds				
	<u>Beginning Net Assets</u>	<u>Income</u>	<u>Expenses</u>	<u>Ending Net Assets</u>	<u>Appropriation</u>
FY 1999 (actual)	\$0	\$594*	\$594*	\$0	\$ 0
FY 2000 (estimate)	\$0	\$0	\$N/A	\$0	\$ 983
FY 2001 (estimate)	\$0	\$0	\$N/A	\$0	\$1,319

The Fellowship Program provides funding for approximately 22-23 appointments each fiscal year. Once the annual competition is completed and fellowship awards are accepted, each Fellow, according to their research projects, is assigned to a program within the Center. In fiscal year 1999, these fellowship appointments have been distributed to the various programs in the following tables. Upon completion of future year fellowship competitions, the new appointments will also be distributed by program; at that time the appropriation amount for that fiscal year will indicate zero (as shown in FY 1999).

Center trust funds also support numerous research scholars who spend time at the Center under a variety of programs. The trust fund amounts shown above are distributed across the following tables where the funding in question is expensed. In each case, FY 2000 and FY 2001 non-appropriated fund activity is conservatively budgeted; it is the Center's longstanding practice to reflect in the out-years only those monies for which the source is already known and the outcome reasonably secure.

*These figures are also shown in the various programs according to the Fellows' project. The amounts shown in Fellowships are not included in the grand totals since they are accounted for by program. They are listed in the Fellowships section to show a level of activity.

Kennan Institute	Non-appropriated Funds				
	Beginning <u>Net Assets</u>	<u>Income</u>	<u>Expenses</u>	Ending <u>Net Assets</u>	<u>Appropriation</u>
FY 1999 (actual)	\$290	\$1,406	\$1,303	\$393	\$320
FY 2000 (estimate)	\$393	\$1,020	\$1,123	\$290	\$192
FY 2001 (estimate)	\$290	\$1,040	\$1,091	\$239	\$177

The Kennan Institute receives most of its non-appropriated funding from an annual competitive grant award from the Program for Research and Training on Eastern Europe and the Independent States of the Former Soviet Union (Title VIII). The Title VIII grant currently supports the salaries of four staff members, stipends for American research scholars and short-term scholars, research assistance for those scholars, Kennan Institute publications such as its monthly calendar and meeting reports, and the cost of travel for seminar and noon discussion speakers. This funding brings approximately 25 American scholars from across the nation to Washington for one- to nine-month periods annually. Recent scholars' research topics have included: regionalism in Russia and Ukraine, political competition and economic reform in post-communist transitions, and predicting ethno-political conflict in the former Soviet Union. The Kennan Institute also hosts approximately 80 public meetings per year and provides a wide range of meeting reports and paper-length publications to the public free of charge.

A grant from the Bureau for Educational and Cultural Affairs of the U.S. Department of State for the Regional Scholar Exchange Program allows the Kennan Institute to provide fellowships and bring scholars and researchers from the former Soviet Union to Washington D.C. for a period of six months to work on specific research topics. Some of the recent research has been: conflicts in multi-ethnic regions throughout the former Soviet Union, U.S. policy in Central Asia, and economic issues in Ukraine and Russia. The Kennan Institute hosts annually approximately 20 scholars from the Newly Independent States.

The Kennan Institute also derives income from interest on the Institute's endowment which supports non-American short-term scholars, conferences, and helps to defray general office expenses.

During FY 2000-2001, the Kennan Institute will focus particular attention on several multi-year projects including Ukraine, civil society and social capital in rural Russia, Ukraine-Russian relations, issues of regional Russia, and the role of women in post-communist transitions. To locate additional information about the Kennan Institute you may access the Center's main Website (<http://wwics.si.edu>) to review meeting reports and the most recent occasional papers.

Latin American Program	Non-appropriated Funds				
	Beginning				Ending
	Net Assets	Income	Expenses	Net Assets	Appropriation
FY 1999 (actual)	\$555	\$423	\$577	\$401	\$351
FY 2000 (estimate)	\$401	\$354	\$651	\$104	\$207
FY 2001 (estimate)	\$104	\$125	\$184	\$ 45	\$192

Non appropriated-funds are derived from foundation grants, donations, and private corporations. They are used to support the staff salaries and activities of several multi-year projects which deal with critical issues of public policy, a few examples of which follow. "Peace and Security in the Americas" brings policymakers together with scholars to consider non-partisan policy approaches to drug control mechanisms, including briefings for members of Congress and their staff. "Comparative Peace Processes" works to resolve civil conflict by promoting open dialogue among key actors in six different countries. Other projects, including those on social policy and democratic governance, use the Wilson Center's unquestioned reputation for non-partisan debate and the highest academic standards to commission cutting-edge research and to bring that research to the attention of the key members of the policy community in this country and throughout the hemisphere. Non-appropriated funds also enable the Latin American Program to disseminate the results of these meetings and this research in the form of brief "Bulletins," Working Papers, or books such as *Comparative Peace Processes in Latin America* and *Strategic Balance and Confidence Building Measures In the Americas*. In addition, non-appropriated funds cover the cost of most seminars and conferences held by the Latin American Program at the Woodrow Wilson Center including briefings for congressional staff. Conferences held in the past year with non-appropriated and appropriated funds were: "The Peace Process in Colombia and U.S. Policy," "Citizen Security and The Consolidation of Democracy in Latin America," and "The Brazilian Crisis: Economic and Political Implications." Fiscal Year 2000 and 2001 income estimates are prudently lower, reflecting the uncertain result of all fundraising efforts. Nonetheless, every effort will be made to maintain or exceed current levels. To learn more about the Latin American Program you may access the Center's principal Website (<http://wwics.si.edu>) to review the program's activities.

Division of International Studies	Non-appropriated Funds				
	Beginning				Ending
	Net Assets	Income	Expenses	Net Assets	Appropriation
FY 1999 (actual)	\$289	\$ 902	\$ 918	\$273	\$418
FY 2000 (estimate)	\$273	\$1,281	\$1,344	\$210	\$307
FY 2001 (estimate)	\$210	\$ 689	\$ 890	\$ 9	\$371

Non-appropriated funds are derived from foundation grants. They are used to support the staff salaries and activities of three multi-year projects, the "Environmental Change and Security Project" (ECSP), the "Cold War International History Project" (CWIHP), and the "Nonproliferation and Arms Control Project." All three projects -- preeminent in their respective

issue areas — provide objective coverage of new scholarship in fast-moving subject areas. Through a range of publications and meetings, these projects provide a forum through which scholars and practitioners can debate new ideas and learn about cutting-edge academic and policy initiatives in the United States and abroad.

ECSP's main focus is to provide a "road map" to the myriad views, activities and policy initiatives falling under the rubric of "environment, population, and security." The *Environmental Change and Security Project Report*, the principal clearinghouse of information in this emerging field, features new articles by scholars and practitioners, disseminates the findings of ECSP conferences and meetings, and provides up-to-date information on the state of research and policy initiatives of governmental, non-governmental and academic institutions. ECSP also publishes the *China Environment Series* as an outgrowth from its ongoing working group on Environment in U.S.-China Relations. To make project programming and publishing more accessible to wider audiences, ECSP maintains an active web site (<http://ecsp.si.edu>) featuring meeting reports and the full text of all project publications.

The CWIHP remains at the forefront of efforts to gain access to post-Communist archives to improve our understanding of Cold War history. Future CWIHP activities include conferences on the Korean War, and the implications of the new Cold War history for current U.S. policy-making. The findings of CWIHP activities are disseminated through the *CWIHP Bulletin*, working papers, edited volumes, and the CWIHP website

The Nonproliferation and Arms Control Project sponsors monthly meetings on important topical issues (e.g., the threat of nuclear, biological or chemical weapons terrorism) that bring together policy specialists from government, business, and academia.

The Division also sponsors a Middle East Project and an Africa Project to address policy issues in these regions of importance to the United States. In 1999, the Division inaugurated a new project on the information revolution whose meetings and publications will explore the efforts of states to preserve national sovereignty in an age when the internet and electronic commerce operate above and beyond national borders. In addition to supporting these projects, trust funds provide the means for conferences and meetings on a range of other political, economic, and military issues related to vital U.S. foreign policy interests. In each case, FY 2000 and FY 2001 non-appropriated fund activity is conservatively budgeted; it is the Center's longstanding practice to reflect in the out-years only those monies for which the source is already known and the outcome reasonably secure.

Asia Program	Non-appropriated Funds				
	Beginning Net Assets	Income	Expenses	Ending Net Assets	Appropriation
FY 1999 (actual)	\$150	\$243	\$181	\$212	\$224
FY 2000 (estimate)	\$212	\$251	\$222	\$241	\$199
FY 2001 (estimate)	\$241	\$252	\$219	\$274	\$185

Non-appropriated funds derive from two Asia Program-dedicated endowments – one for activities on US-Japan relations and one for US-Korea relations. Additional funding has been obtained from several foundations, including a grant from the Smith Richardson Foundation for the study of US-China relations and a grant from the Chiang Ching-kuo Foundation for International Scholarly Exchange for the study of events in the greater China area. These funds make possible seminars and conference that focus on not only bilateral and multilateral relations, but also the events and developments in Asia that are of importance to ordinary American taxpayers. Careful and in-depth analyses and other reports resulting from these programs are disseminated to Congressional staffs, other government officials and the media.

Recent Asia Program events have explored a range of topics, such as the prospects for further economic, legal and political reform in China, China-Taiwan issues nuclear security on the Korean peninsula and in South Asia, political and social transformation in Indonesia, Japan's financial system reform, and the continuing impact of the Asian financial crisis.

The Wilson Center's Asia Program recently revamped its webpages (<http://wwics.si.edu/PROGRAMS/REGIONAL/ASIA/ASIA.HTM>). In addition to a new look and improvements in navigability, there are up-to-date meeting reports, online debates, announcements of coming events, and an e-newsletter.

Division of United States Studies	Non-appropriated Funds				
	Beginning Net Assets	Income	Expenses	Ending Net Assets	Appropriation
FY 1999 (actual)	\$172	\$ 34	\$ 135	\$71	\$496
FY 2000 (estimate)	\$ 71	\$ 132	\$ 150	\$53	\$193
FY 2001 (estimate)	\$ 53	\$ 55	\$ 52	\$56	\$182

The Division of United States Studies derives non-appropriated funds from the Smith Richardson Foundation, the Schumann Foundation, the Mellon Foundation, the Fannie Mae Foundation, and the Siemens Corporation. The culmination of the Smith Richardson grants are being used for the costs of two volumes published this year-on the current problems and prospects of local self government in the United States, and on the historiography of national level public policy in the 20th century. The Schumann Foundation supports the publication of a volume published in the summer of 1999, based on extensive research, exploring varying attitudes toward

government on the part of the American people. The Mellon Foundation grant is funding three separate humanities-oriented projects: a seminar on social science and public philosophy; a workshop series on public philosophy and the American political tradition; and a conference and publication on religion and American public policy. The Fannie Mae Foundation grant supports research on the most important influences in the development of American metropolitan regions since World War II. The Siemens Corporation contribution assists in operating the Division's meetings program and planning projects.

East and West European Program	Non-appropriated Funds				
	Beginning			Ending	
	<u>Net Assets</u>	<u>Income</u>	<u>Expenses</u>	<u>Net Assets</u>	<u>Appropriation</u>
FY 1999 (actual)	\$33	\$286	\$306	\$13	\$254
FY 2000 (estimate)	\$13	\$370	\$371	\$12	\$221
FY 2001 (estimate)	\$12	\$373	\$371	\$14	\$203

East European Studies (EES) receives a vast majority of its non-appropriated funds from Title VIII, the Program for Research and Training on Eastern Europe and the Independent States of the Former Soviet Union (formerly the Soviet and East European Research and Training Act of 1983), administered by the Department of State. The Title VIII grant supports residential research stipends for American specialists on Eastern Europe who are selected through national competitions. Presentations by these scholars and other specialists, some from Eastern Europe, concentrate on the political and economic transitions in Eastern Europe plus security issues relevant to US policy (NATO and EU expansion, Bosnia, Kosovo etc.). Most of these noon discussions and seminars are open to the public and the Washington policy and academic communities at large, while others are presented specifically to policy-making government groups. A bimonthly newsletter and longer Occasional Papers disseminate reports and analysis from EES events to a local and national audience at no cost. In addition, the EES page on the Wilson Center web site contains complete listings of the program's activities making the most up-to-date information about Eastern Europe available to all interested parties at the touch of a button. The Title VIII grant funds travel for speakers, publishing expenses, and some office and salary expenses. It also supports the Junior Scholars' Training Seminar, now in its thirteenth year, which is cosponsored with the American Council for Learned Societies. This annual seminar brings together recent or pending American Ph.Ds, chosen via a national competition, to discuss their work and the state of the field with senior American scholars. Federal conference funds enable East European Studies to hold conferences such as "The Revolutionary Changes of 1989 and the Continuing Problems of Transition in Eastern Europe," and "NATO and Europe in the 21st Century: New Roles for a Changing Partnership."

West European Studies cooperates on a number of pan-European seminars and conferences with East European Studies on topics such as NATO democratization and expanding trade and investment. West European Studies also sponsors a series of meetings on the challenges

posed by the expansion of the European Union and the North Atlantic Treaty Organization. It works with other programs of the Center on comparative studies of regionalism and the decentralization of governmental functions as these occur around the world, and on issues of global trade, investment, and finance.

Comparative Urban Studies Project	Non-appropriated Funds				
	Beginning			Ending	Appropriation
	Net Assets	Income	Expenses	Net Assets	
FY 1999 (actual)	\$1	\$84	\$84	\$0	\$11
FY 2000 (estimate)	\$0	\$84	\$84	\$0	\$ 0
FY 2001 (estimate)	\$0	\$ 0	\$ 0	\$0	\$ 0

The Comparative Urban Studies Project (CUSP) derives non-appropriated funds from the U.S. Agency for International Development through a cooperative agreement with the University of Michigan's Population Fellows Programs. These funds are used to pay the salary of a project associate and to make possible a range of seminars, workshops and conferences devoted to contemporary urban studies. Research findings are disseminated to a broad international audience in newsletters, Occasional Papers, and conference reports available in print and on the web. By linking together academic and policy communities, CUSP engages experts from around the world in a substantive evaluation of urban practice, incorporating sound scholarship into the policy-making process. A grant from USAID has been used to organize a series of workshops on the relationship between urbanization and national security in order to identify policy options available to the U.S. government that address the threat of disease, over-population, citizen security, and environmental degradation in cities around the world. Currently, an extension of the USAID grant pays for a three meeting series on the challenges of urban development in Central America and Africa. In January 2000, a meeting of seventy practitioners from Central America and the Caribbean met in Guatemala City to discuss the impact of disaster on urban health and development. In the summer of 2000, a meeting will be held in South Africa examining the needs of HIV/AIDS orphans in urban areas in Southern Africa.

The Comparative Urban Studies Project also organizes an ongoing series of Mayors' Forums in which U.S. mayors meet with urban experts to discuss the challenges of governing America's cities. FY 2000 federal conference funds support a meeting on "Metropolitan Economic Strategy in the U.S." that will be held at the Woodrow Wilson Center in the fall of 2000.

<u>The Wilson Quarterly</u>	<u>Non-appropriated Funds</u>				<u>Appropriation</u>
	<u>Beginning Net Assets</u>	<u>Income</u>	<u>Expenses</u>	<u>Ending Net Assets</u>	
FY 1999 (actual)	\$0	\$1,749	\$1,749	\$0	\$283
FY 2000 (estimate)	\$0	\$1,966	\$1,966	\$0	\$283
FY 2001 (estimate)	\$0	\$1,951	\$1,951	\$0	\$283

In its effort to bring the best of the world of ideas to a broad American readership, The Wilson Quarterly operates largely as a self-sustaining enterprise. Its trust fund income is derived from its 65,000 subscriptions nationwide, list rental, single-copy sales, advertising, and, when necessary, transfers from general Center funds (part of which The Wilson Quarterly has played an instrumental role in raising). Contributing to income, non-appropriated cash reserves will be drawn down \$408,000 in FY 1999, covering current years' operating losses. A further \$677,000 in FY 2000 and \$622,000 in FY 2001 drawn from dwindling non-appropriated cash reserves available for such purposes are estimated to be needed to offset annual deficits for FY 2000 and FY 2001. Income is used to cover the expense for salaries and benefits, manuscripts, illustrations and art work, printing, paper and distribution, administration, acquisition of new subscribers, and fulfilment of orders. Federal funds partially support the cost of postage.

ENDOWMENT PRINCIPAL FY 1999
(dollars in thousands)
Based on Market Value

GENERAL CENTER

Carried Forward From FY 1998	\$15,810
Change in Value During FY 1999*	\$ 2,266
Balance End of FY 1999	\$18,076

KENNAN INSTITUTE

Carried Forward From FY 1998	\$ 6,251
Change in Value During FY 1999*	\$ 917
Balance End of FY 1999	\$ 7,168

LATIN AMERICAN PROGRAM

Carried Forward From FY 1998	\$ 997
Change in Value During FY 1999*	\$ 143
Balance End of FY 1999	\$ 1,140

ASIA PROGRAM

Carried Forward From FY 1998	\$ 3,164
Change in Value During FY 1999*	\$ 454
Balance End of FY 1999	\$ 3,618

EAST EUROPEAN STUDIES

Carried Forward From FY 1998	\$ 36
Change in Value During FY 1999*	\$ 5
Balance End of FY 1999	\$ 41

WEST EUROPEAN STUDIES

Carried Forward From FY 1998	\$ 53
Change in Value During FY 1999*	\$ 8
Balance End of FY 1999	\$ 61

*Amount received includes new contributions (\$19,000), endowment income reinvested into principal (\$623,000), and a realized gain (\$319,000) due to a change in small cap equity managers in June 1999, and unrealized gains of (\$1,340,000) due to a change in index managers in August 1999, and an unrealized gain of (\$1,492,000).

ENDOWMENT PRINCIPAL FY 2000
(dollars in thousands)
Based on Book Value

GENERAL CENTER

Carried Forward From FY 1999	\$18,076
Estimated to be Received During FY 2000	\$ 135
Estimated Balance End of FY 2000	\$18,211

KENNAN INSTITUTE

Carried Forward From FY 1999	\$ 7,168
Estimated to be Received During FY 2000	\$ 62
Estimated Balance End of FY 2000	\$ 7,230

LATIN AMERICAN PROGRAM

Carried Forward From FY 1999	\$ 1,140
Estimated to be Received During FY 2000	\$ 5
Estimated Balance End of FY 2000	\$ 1,145

ASIA PROGRAM

Carried Forward From FY 1999	\$ 3,618
Estimated to be Received During FY 2000	\$ 21
Estimated Balance End of FY 2000	\$ 3,639

EAST EUROPEAN STUDIES

Carried Forward From FY 1999	\$ 41
Estimated to be Received During FY 2000	\$ 0
Estimated Balance End of FY 2000	\$ 41

WEST EUROPEAN STUDIES

Carried Forward From FY 1999	\$ 61
Estimated to be Received During FY 2000	\$ 2
Estimated Balance End of FY 2000	\$ 63

ENDOWMENT PRINCIPAL FY 2001

(dollars in thousands)

Based on Book Value

GENERAL CENTER

Carried Forward From FY 2000	\$18,211
Estimated to be Received During FY 2001	\$ 135
Estimated Balance End of FY 2001	\$18,346

KENNAN INSTITUTE

Carried Forward From FY 2000	\$ 7,230
Estimated to be Received During FY 2001	\$ 62
Estimated Balance End of FY 2001	\$ 7,292

LATIN AMERICAN PROGRAM

Carried Forward From FY 2000	\$ 1,145
Estimated to be Received During FY 2001	\$ 5
Estimated Balance End of FY 2001	\$ 1,150

ASIA PROGRAM

Carried Forward From FY 2000	\$3,639
Estimated to be Received During FY 2001	\$ 21
Estimated Balance End of FY 2001	\$ 3,660

EAST EUROPEAN STUDIES

Carried Forward From FY 2000	\$ 41
Estimated to be Received During FY 2001	\$ 1
Estimated Balance End of FY 2001	\$ 42

WEST EUROPEAN STUDIES

Carried Forward From FY 2000	\$ 63
Estimated to be Received During FY 2001	\$ 2
Estimated Balance End of FY 2001	\$ 65

NATIONAL ENDOWMENT FOR THE ARTS
· APPROPRIATIONS REQUEST
FISCAL YEAR 2001

Submitted to the Congress
February 2000

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Chairman's Statement	1
I. Framework for Responding: Strategic Goals	2
II. Challenge America: Programmatic Response	3
III. NEA Direct Grants	4
IV. State Partnership Grants	4
V. Positive Alternatives for Youth Pilot	5
VI. Highlights of the FY 2001 Budget Request	5
VII. Program Support	8
VIII. Salaries and Expenses	8
IX. Endowment's Unique Federal Role	8
X. Summary	9
Table 1. Proposed Allocations for FY 2001	7

BUDGET PLAN

Fiscal Year 2001 Budget Plan	11
Chart 1. Correlation Between Current Grantmaking Categories and FY 2001 Funding Goals	12
Challenge America	
I. The Need	15
II. What We Could Achieve With Increased Funding	20
Chart 2. Challenge America Priorities	17
Table 2. Detail of Challenge America Funding	19

Endowment Projects and Initiatives

I.	The Need	35
II.	FY 1999/FY 2000 Funding Status	36
III.	Funding Categories/Strategic Goals	39
IV.	Leadership Initiatives	55
Table 3.	FY 1999 and FY 2000 Allocations	37
Table 4.	FY 1999 and FY 2000 Organizational Grants by Category	38
Chart 3.	Map of Communities in which ArtsREACH has had an Impact	56
Program Support		63
Chart 4.	Detail of Program Support Activities	65

Salaries and Expenses

I.	Introduction	67
II.	Administrative Mandates	68
III.	Computer Conversion	69
IV.	Discussion of S&E Components	70
V.	Office of Inspector General (OIG)	74
VI.	President's Committee on the Arts and the Humanities (PCAH)	75
Chart 5.	FY 2001 S&E Components	67
Chart 6.	Detail of Object Classification	76
GPRA		77

FY 2001 Performance Plan**FY 1999 Performance Report**

FISCAL YEAR 2001 BUDGET EXECUTIVE SUMMARY

Chairman's Statement

The arts reflect the past, enrich the present, and imagine the future.

Vision:

An America where the arts play a central role in the lives of all Americans.

Mission:

*The National Endowment for the Arts, an investment in America's living cultural heritage, serves the public good by **nurturing** human creativity, **supporting** the cultivation of community spirit, and **fostering** the recognition and appreciation of the **excellence and diversity** of our Nation's artistic accomplishments.*

Upon becoming Chairman of the National Endowment for the Arts, one of my first duties was to initiate a planning process to develop a five year Strategic and Performance Plan for Fiscal Years 1999 through 2004. Our planning revealed that while that Arts Endowment has successfully nurtured the development and growth of arts organizations and institutions over the past three decades, today, there still exist sections of the country, areas of cities, and rural areas that are not fully participating in the great wealth of art experiences available in our Nation. To meet this demand, in the FY 2000 Budget, I proposed **Challenge America**, an exciting new initiative that would use the strength of the arts to enhance America's families and communities by: connecting arts organizations more closely with families and communities; providing access to the arts to a broad range of arts activities in communities where such activities are not readily available; providing opportunities for the development of cultural organizations in communities not previously served by the NEA; and supporting and strengthening community arts organizations. I believe this program is so critically important to our Nation that **Challenge America** is the cornerstone of our FY 2001 Budget Request. For FY 2001, I am requesting funding of \$150 million for the National Endowment for the Arts with \$48.968 million allocated to **Challenge America**, and the balance allocated to ongoing grantmaking activities and operating costs.

Over the past year, in communities all across the Nation, I have spoken about **Challenge America** to members of the arts community, Mayors and local representatives, Congressmen and Senators, businessmen, educators, artists, and private citizens. **Challenge America** has been well-received. Despite the favorable reception of **Challenge America**, the Arts Endowment did not receive the level of funding requested for this initiative in FY 2000, the FY 2001 request is a renewal of our commitment to the strategic goals embodied in the **Challenge America** initiative: **Access to the Arts; Arts Education; Positive Alternatives for Youth; Cultural Heritage/Preservation; and Community Arts Development**. The State Arts Agencies would continue to participate as our partners in this initiative through **State Partnerships**, with 40 percent of the funding going to the states to address these same goals.

To more closely align the FY 2001 budget with the Strategic Plan, we are restructuring our Grants to Organizations categories to directly link our grant-making mission with agency goals. As the Endowment's grantmaking categories evolve towards this goal-oriented structure, we have begun to track grant data in the Government Performance Results Act (GPRA) format for grants awarded during FY 1999. Preliminary data for FY 1999 is encouraging. For example, we project being able to: reach more than 5 million children through arts education and related projects; increase access by supporting approximately 7,500 concerts, performances or readings; support more than 200 exhibitions, fairs, and festivals; conserve, document and preserve over 3,000 highly significant works of art, artifacts or collections; support 940 classes, workshops and activities in arts instruction to teach knowledge of and/or skill in the arts; support more than 1,000 residencies in and outside of schools; and support the creation of more than 400 works of art. Grant projects are expected to reach more than 5,000 locations beyond the location of the direct grant recipient and generate a match of nearly \$300 million. The FY 2000/FY 2001 Performance Plan contained under the GPRA Tab provides more examples of what the NEA anticipates achieving through its grant awards, as well our future goals for FY 2001.

We believe that the arts are essential to the American experience. Creativity and cultural heritage often provide avenues through which people of different backgrounds can communicate and find common ground; can share their individual and community experiences; and can learn from the diverse expressions of others. When you look closely at the way Americans live and talk to one another, you see the arts at the very center of how they define themselves to their neighbors and the way they collectively define themselves to the rest of the world. We talk about the films or plays we've seen, the books we've read, or the music we sing, play, or listen to. When we look for solutions to community problems, we often employ art as a means of communication and as a means of personal expression. The success of Endowment initiatives such as the "Mayors' Institute on City Design" which brings together Mayors and design professionals to examine urban design problems and issues, and "Your Town," the rural counterpart of the Mayor's Institutes, are prime examples of this. Family heritage, a sense of place, a sense of cultural identity; as well as a national identity, are embedded in the art that Americans create, experience and perform every day. It is appropriate for the Arts Endowment to devise strategies for supporting and reaffirming the centrality of the arts to community and family well-being. To position the National Endowment for the Arts to assume a national leadership role in celebrating individual and collective creativity, and preserving the rich heritage of our diverse cultural expressions for generations to come, we are requesting funding of \$150 million for Fiscal Year 2001.

I. Framework for Responding: Strategic Goals

To implement our vision of *a Nation where the arts play a central role in the lives of all Americans*, the following strategic goals were established. These goals provide the foundation for our FY 2001 Budget Request:

- **Access:** Broaden public access to the excellence and diversity of the arts.
- **Creativity:** Foster opportunities for the creation and presentation of artistically excellent work.

- **Arts Education:** Strengthen the role of the arts in our Nation's educational system and encourage lifelong learning in the arts.
- **Preservation:** Preserve our Nation's cultural heritage for the 21st Century.
- **Organizational Stability:** Strengthen the organizational and financial capabilities of America's arts organizations.
- **Community Arts Development:** Help address the concerns of America's communities through the arts.
- **Partnerships:** Strengthen the Endowment's partnerships with the public and private sectors.
- **Strengthen the NEA** as an innovative, efficient, and effective organization.

II. Challenge America: Programmatic Response

Challenge America responds to a longing on the part of communities and families and artists and arts organizations for an engagement in which the arts are at the center of community life. For over 30 years, the Endowment has been nurturing the systems that deliver art to the American people, increasing the supply of both art and institutions that provide our cultural experiences. **Challenge America** funds will accomplish two larger purposes: 1) in places where the NEA has been engaged in the past, it will use the cultural resources that have been developed and connect them with families and communities to achieve new and synergistic outcomes; and 2) in places where the agency has not had a history of support, the NEA will offer special opportunities to develop cultural organizations and programming so that the same services we've helped to build in many places around the country will be available to all Americans.

Five of the agency's Strategic Goals are embodied in the **Challenge America** initiative: **Access to the Arts**; **Arts Education**; **Positive Alternatives for Youth**; **Cultural Heritage/Preservation**; and **Community Arts Partnerships**. The State Arts Agencies would continue to participate as our partners in this initiative, with 40 percent of the funding going to the **State Partnerships** to address these same goals.

Under **Challenge America**, funds for the above purposes will be distributed through four distinct mechanisms.

- State Arts Agencies will receive 40 percent of Challenge America grant funds, in accordance with standing Congressional policy, to support activities in their states which address the specific areas named above.

- Approximately 900 communities nationwide will receive, through a fast-track review process, small, direct grants for the development of the arts in areas of the country and in communities which have been under-represented in NEA's direct grants.
- Approximately 150 arts organizations will receive grants to support comprehensive model partnerships with community organizations and strengthen the capacity of arts organizations to meet the growing community demands on arts resources.
- Finally, the Endowment will fund 15-20 national initiatives, such as artist residencies in communities and schools, which would be developed in partnership with other national organizations and Federal agencies to address the above-described goals of Challenge America.

III. NEA Direct Grants

The amount requested for NEA program grants constitutes the bulk of the Endowment's traditional discretionary grant-making authority to nonprofit arts organizations providing arts experiences for the American public. The \$48 million budget request (not counting new direct grant funds requested for Challenge America) is consistent with the amount appropriated in FY 2000, and would support approximately 1,800 grants for the following types of projects: orchestra and chamber music concerts; dance touring; opera; national radio and television broadcasts, model arts education initiatives; the ArtsREACH set-aside for twenty underserved states; national leadership initiatives; artist residencies in schools and neighborhoods; mentorships with master artists; museum exhibitions; poetry and writing fellowships; folk arts, storytelling and historic preservation projects; film, theater and music festivals; city design and downtown renewal projects; and others.

IV. State Partnership Grants

The amount requested for State Partnerships under the State and Regional formula, the underserved set-aside, and **Challenge America** partnerships is consistent with the current Congressional policy of reserving 40 percent of Endowment grant-making funds for the state and regional arts agencies. Since FY 1997, the Endowment has engaged the states in extensive partnership consultations resulting in the consolidation of several hundred state grants into fewer comprehensive partnerships grants, increasing efficiency and reducing administrative overhead. The 56 State and Territorial Arts Agencies and their six Regional Organizations support a myriad of arts activities within their jurisdictions. In FY 2000, approximately 1,200 projects will be supported through the partnership agreements.

V. Positive Alternatives for Youth Pilot

In FY 2000 we are piloting a leadership initiative with partnerships between arts organizations and community groups to support arts activities for students during the critical after-school hours which constitute the prime time for juvenile crime. The Arts Endowment is particularly interested in programs in underserved areas where individuals lack access to quality arts programs due to geography, economic conditions, education, ethnic background or disability. Key to this initiative is the strengthening of existing and the formation of new partnerships, particularly those that bring together artists and arts organizations with sectors outside of the arts. This initiative will pilot the fast-track grants aspect of the proposed **Challenge America** initiative with grants of \$5,000 or \$10,000, and a simplified application and expedited application review.

VI. Highlights of the FY 2001 Budget Request

For FY 2001, we are requesting funding of \$150 million, of which, \$48.968 million would be allocated to **Challenge America**. To more closely align the FY 2001 budget with the Strategic Plan, we have been working towards restructuring our grantmaking categories to be directly linked with agency goals. Additionally, we examined our funding structure in light of current programming, grantmaking and related Congressional action. It was determined that the indefinite, Matching Grant funds should be merged with and replaced by the Direct Grants funds. In FY 1996, the Congress restricted the Endowment's ability to make awards in support of a grantee's season of activity. Prior to that time, grant applications requesting seasonal support often had large project budgets that could accommodate indefinite Matching Grants funds. With the switch to project grants, the project budgets decreased, thus diminishing the arts organizations' ability to raise the higher match required of indefinite Matching Grant funds. The Endowment is also reaching out to smaller and more diverse organizations nationwide. It is generally more difficult for such organizations to meet the required indefinite funds match. This is also true for various activities of the **Challenge America** initiative, such as the small grant component. Finally, because of the increase in the proportion of Endowment funds going directly to State Arts Agencies (which typically do not receive indefinite Matching Grants funds), a disproportionately high percentage of direct grants to organizations must utilize the indefinite Matching Grants funds.

Merging and replacing indefinite Matching Grants funds with Direct Grants funds in no way impacts the general requirement that grants be matched on a one-to-one basis. Further, the Endowment has always retained the authority to impose higher matching requirements as appropriate. It is also important to note that this change will not alter the state funding allocation as they are now based upon total funds available for grantmaking.

Proposed allocations for FY 2001 are shown in Table 1. For reference, the allocations for the FY 1999 and FY 2000 appropriations also are shown. We have included a line for **Challenge America** funding (totaling \$48.968 million) in both Endowment Direct Grants and the Partnership Grants; the States' share of **Challenge America** would equate to 40 percent of this total. The basic State Grants and Underserved Set-Aside Grants were maintained at 40 percent of total grantmaking funds. A breakdown of the **Challenge America** allocations are shown under the Challenge America Tab.

Table 1. Proposed Allocations for FY 2001.

	(\$ thousands)		
	(1)	(2)	(3)
	FY 1999 Appropriated (\$98M)	FY 2000 Appropriated (\$97.6M)	FY 2001 Request (\$150M)
Direct Endowment Grants:			
Program Grants (\$1-\$1 match)	33,584	34,781	47,914
Matching Grants (\$3-\$1 match)	14,500	12,951	
Challenge America	----	0	29,381 a/
(Subtotal)	48,084	47,732	77,295
State Partnerships:			
State & Regional – Formula	25,486	25,001	25,097
Underserved Set-Aside	6,952	6,820	6,846
Challenge America	----	0	19,587
(Subtotal)	32,438	31,821	51,530
Program Support	977	1,157	1,475
Administrative:			
Salaries and Expenses	15,977 b/	16,918	19,700
Computer Replacement	490	----	0
(Subtotal)	16,467	16,918	19,700
Grand Total	97,966 c/	97,628 d/,e/	150,000

a/ For FY 2001, we propose eliminating the Indefinite Matching Grants funds.

b/ Includes an FY 1999 Administrative Rescission of \$34,000 per P.L. 106-51.

c/ Excludes FY 1998 carryover funds and commitments, gifts, transfers and other funds totaling \$5,075,184; of this, \$2,113,717 was committed and/or restricted.

d/ Includes a rescission of 0.38% per P.L. 106-113 which was applied to all accounts.

e/ Excludes FY 1999 commitments of \$1,342,799 and unobligated funds of \$1,420,926 carried over to FY 2000.

VII. Program Support

The amount requested for Program Support (see Table 1) provides funding for activities that primarily serve the field; for example, panels, research activities, guideline printing, etc. For FY 2001, modest increases requested in these areas predominantly cover costs associated with **Challenge America** as well as a higher number of applications under the ongoing grant categories. Nominal increases in guideline printing also are included. The Program Support activities are discussed more fully under the Program Support Tab.

VIII. Salaries and Expenses

The amount requested for Salaries and Expenses (see Table 1) provides funding for staff, GSA Rental payments, travel, communications, and all other administrative activities required to run the agency. Increases in Rent and Personnel Compensation, which account for almost 83 percent of the total S&E budget, have driven operating costs up. The Endowment has been advised that GSA plans to renovate the Old Post Office Building and, therefore, is directing that the Endowment move to new space during FY 2001. The GSA Rent would increase by 63 percent from the current rate of \$1.9 million to \$3.1 million in FY 2001. Under a directed move, GSA generally covers a significant portion of the costs associated with moving to a new facility; however, based upon prior experience and GSA relocation guidelines, we could face additional costs of approximately \$1.4 million which would have to be covered through a supplemental appropriation or by reprogramming from the grantmaking to S&E account. Should GSA's plans change, rental cost for our current location will increase by about \$390,000, a 20 percent increase over the current rate.

IX. Endowment's Unique Federal Role

The nonprofit arts in America have blossomed since the Arts Endowment began making grants in 1966. As we enter a new century, more Americans are reached, and communities enriched, by the arts today than even the founders of the Endowment could have imagined. Either directly through grants, or indirectly through grantees' outreach activity, the Endowment supports the arts and culture in American cities and towns of every size. For example, in FY 1998, the Endowment awarded approximately 1,300 direct competitive grants; through touring and outreach activities to communities beyond grantee home-base locations, these grants resulted in approximately 2,700 additional indirect activities, many in "small" towns with populations of only a few thousand. Based upon preliminary analysis of FY 1999 data, of more than 1,300 grant awards reviewed, there were more than 5,000 indirect activities. However, there are vast areas of the Nation where we need to do more and **Challenge America** will help us achieve that goal.

The Arts Endowment plays a unique role in supporting the arts and its leadership serves as a catalyst and standard bearer. Some of the key areas in which the Arts Endowment has an impact on the national level are: Provides **national recognition of artistic excellence and merit**; provides **access** to the arts, regardless of geographical location, income levels, age, disability, or race/ethnicity; **convenes**, at the national, regional and community level, representatives of the arts and public and private sectors to recognize and explore ways the arts can enhance the quality of life for all of our citizens; provides national leadership in **arts education** for our children; supports **recognition, preservation and sharing of America's** traditional and diverse **cultural heritage**; through a modest investment of Federal dollars, is a powerful **financial catalyst**, with unique capacity to leverage funds from the private sector and other Government agencies; and, serves as a **national symbol and voice** for American culture at home and abroad.

X. Summary

This first budget request of the new 21st Century represents an opportunity to broaden access to the arts and strengthen communities and their arts organizations and to artists. This can be achieved through **Challenge America** which will connect communities and families to the arts in new ways and with significant impact. This request reflects a new level of collaboration between the Arts Endowment and its partnerships with the State Arts Agencies in each state and jurisdiction. The awards made possible through our **projects and initiatives**, through the **States**, and with the much needed infusion of funds for **Challenge America**, demonstrate that investment in the arts is an investment in our communities, our children and our future.

FISCAL YEAR 2001 BUDGET PLAN

For FY 2001 the National Endowment for the Arts is requesting a budget of \$150 million which includes \$48.968 million for the funding of **Challenge America**. In our FY 2000 budget we proposed **Challenge America** as the Endowment's response to the demand that the programs and initiatives, nurtured by the Endowment during the past 30 years, are broadly available; and the arts infrastructure, strengthened by the Endowment, places art at the center of community and family life. Although **Challenge America** was not funded in the FY 2000 appropriation, the positive response from communities throughout the Nation and numerous members of the House and Senate encouraged us to feature **Challenge America** as the cornerstone of our FY 2001 Budget Request. During FY 1999, we conducted a reassessment of our Planning & Stabilization funding category to determine the best approach for the Endowment to take in implementing Strategic Plan Goal No. 5, Strengthening Organizations. We concluded that the Community Arts Partnerships under **Challenge America** would be best suited for helping arts organizations improve their capacity to meet the artistic needs of their communities.

The FY 2001 Budget Request, in general, is presented in a format more closely aligned with our Strategic and Performance Plans. More specifically, we intend to structure our former Grants to Organizations categories in a manner that directly links grantmaking with agency goals. For FY 2001, applicants will be asked to request support for projects that help to carry out the goals of the Arts Endowment. Leadership Initiatives are used for support of projects that advance the arts significantly, and have demonstrable national or field-wide importance.

When we restructured the Endowment after the FY 1996 budget cuts, we consolidated 17 discipline-based programs into four broad categories and structured the Endowment's operations around those categories. With adoption of the Strategic Plan of FY 1999, we moved to tailor our grantmaking operations to the goals previously outlined. This change began in FY 2000 and continues in the FY 2001 grant applications. Chart 1 is a comparison of the existing grantmaking categories and the modifications planned for FY 2001.

Chart 1. Correlation Between Current Grantmaking Categories and FY 2001 Funding Goals.

Strategic Plan Goal	Current Category	FY 2001 Funding Goal
1	Access	Access to the Arts for all Americans
2	Creation and Presentation	Creation & Presentation of Artistically Excellent Work
3	Education	Lifelong Education in the Arts for All
4	Heritage & Preservation	Preservation of our Cultural Heritage
5	Planning & Stabilization	Strong and Stable Arts Organizations

Strategic Plan Goal 6 (Community Arts Development) is primarily addressed through Leadership Initiatives. Goal 7 (Partnerships) is addressed through Leadership Initiatives, Partnership Agreements and Interagency Agreements.

The type(s) of projects we support under these goals are:

Access to the arts for all Americans. Projects may include, but are not limited to:

- Exhibitions, performances, distribution of artistic work, and other activities that provide public access to a diverse range of art in settings that may include arts spaces, community centers, schools, senior centers, parks, etc.
- Touring to rural, statewide, or multi-state areas.
- Outreach projects that involve diverse communities and reach new audiences.
- Innovative uses of new technology to enhance public access to the arts.

Creation and presentation of artistically excellent work. Projects may include, but are not limited to:

- Opportunities for artists to create and refine work, within one or across several art forms or disciplines. This may include commissions, residencies, rehearsals, workshops, and the re-creation or imaginative reinterpretation of existing works as well as the development of new work.

- The public presentation, exhibition, performance, or publication of high-quality artistic works of all cultures and periods (literature projects must focus on contemporary writers). This may include festivals, premieres, and second or subsequent productions of new American works; and the use of new technology to help present work.

Lifelong education in the arts for all. (Support under these guidelines is limited to learning activities for children, youth, or adults that are conducted by arts organizations or artists and that are designed to increase their understanding of or skills in the arts.) Projects may include, but are not limited to:

- Arts instruction (not for academic credit) that is offered by arts organizations or artists.
- Master classes, workshops, residencies, and apprenticeship programs.
- Performances, exhibitions, demonstrations, and after school programs that are designed especially for students.
- Training and professional development for artists and arts professionals.

Preservation of our cultural heritage. Projects may include, but are not limited to:

- Festivals, exhibits, and other presentations of artists and art forms that reflect and increase the public's appreciation for our diverse cultural traditions.
- Apprenticeships and other forms of instruction that pass artistic repertoire, techniques, and traditions on to future generations.
- The documentation, recording, or conservation of highly significant works of art, artifacts, and collections of art, or of cultural traditions and practices.

Strong and stable arts organizations. Projects may include, but are not limited to:

- Technical assistance to help arts organizations develop long-range plans, improve skills, or otherwise develop strategies to strengthen their capabilities or those of their fields.
- The institution of training and marketing strategies to enhance artists' or arts organizations' capacity to increase earned income.
- Conferences that provide information, training, networking opportunities, and resources field-wide.

The major components of our FY 2001 Budget Request are discussed under the following sub-tabs.

Challenge America

I. The Need

Challenge America is a goal-oriented program that embodies six of the agency's Strategic Goals by targeting \$48.968 million of new FY 2001 Endowment funding resources.

The over-arching goals of **Challenge America** are: **Access to the Arts**; **Arts Education**; **Positive Alternatives for Youth**; **Cultural/Heritage Preservation**; and **Community Arts Development**. The State Arts Agencies would continue to participate as our partners in this initiative through **State Partnerships** to address the same goals.

In developing **Challenge America**, and in updating it for the FY 2001 Budget Justification, the Endowment worked closely with the State Arts Agencies and representatives of arts organizations, other government agencies, and the private sector to develop a common agenda and explore partnerships and strategies that will increase investments in the arts and strengthen the role of the arts in our Nation's communities. **Challenge America** is a national, coordinated effort to work together towards this common agenda.

Under **Challenge America**, funds for the above purposes will be distributed through four distinct mechanisms.

- **State Partnerships**

State Arts Agencies will receive \$19.588 million (40 percent) of **Challenge America** grant funds, in accordance with standing Congressional policy, to support activities in their states that address the six specific areas named above.

- **Fast-Track Grants**

Approximately 1,079 communities nationwide will receive small, direct grants totaling \$9 million, through a fast-track review process, for the development of the arts in areas of the country and in communities which have been under-represented in NEA's direct grants.

- **Comprehensive Partnerships**

Approximately 160 grants, totaling \$16 million, to arts organizations will support comprehensive model partnerships with community organizations and strengthen the capacity of arts organizations to meet the growing community demands on arts resources.

- **National Initiatives**

Finally, the Endowment will fund about 15-20 national initiatives, totaling \$4.38 million, developed in partnership with other national organizations and Federal agencies to address the above-described goals of **Challenge America**.

Challenge America responds to a longing on the part of communities and families and artists and arts organizations for an engagement in which the arts are at the center of community life.

For 30 years, the NEA has been nurturing the systems that deliver art to the American people, increasing the supply of both art and institutions that provide our cultural experiences. **Challenge America** funds will accomplish three larger purposes:

- In places where the NEA has been engaged in the past, it will use the cultural resources that have been developed and connect them with families and communities in a way that has never happened in the past.
- In places where the agency has had limited or no history of support, the NEA will offer special opportunities to develop cultural organizations and programming so that the same services we've helped to build in many places around the country will be available to all Americans in the next century; and
- For arts organizations attempting to meet the demand for arts services within their communities, the NEA will help them strengthen their internal and community support structure for the arts.

During FY 1999 we conducted a major reassessment of the needs of arts organizations to strengthen their capacity to provide arts services. Ten meetings were convened to discuss the operational environments in which arts organizations do business. The participants included experts from the business, academic, foundation and research communities as well as arts organizations and artists. It was made clear that to maximize the role of arts organizations in addressing the demand for arts services within communities, **Challenge America** needs to help organizations become more adaptable and strengthen their capacity to supply valued arts resources. **Challenge America** will enable arts organizations to thoughtfully plan for their future and how best to meet the needs of their communities while concurrently ensuring that they have the capacity to meet those needs.

Chart 2 lists the priorities that will be addressed through **Challenge America**.

As shown, we have divided the chart to show focus areas and the activities which would be covered by \$9 million in small grants, \$16 million in comprehensive grants, and, \$4.38 million allocated to fund 15-20 Leadership Initiatives. In addition, \$19.588 million would be granted through the State Partnership agreements for complementary activities in support of **Challenge America**.

Chart 2. Challenge America Priorities
To strengthen families, communities, and the Nation through the arts

Focus Area	Small Grants \$3.0 million	Comprehensive Grants \$16 million
	1,079 fast-track, small grants to provide access to the arts and support for the development of the arts especially in areas of the country and in communities that have previously been underrepresented in the NEA's direct grants	180 grants to arts organizations to support comprehensive model partnerships with community organizations
Arts Education	To support partnerships of school districts, arts organizations, and/or other community and education groups, that enable teachers/instructional supervisors to integrate arts and community arts resources into the pre-K through 12 instructional programs. Projects are limited to: • Training and professional development for teachers and artists who will work in educational settings. • Artist-teacher collaborations, including residencies for artists in schools. • Information technology strategies, such as Internet or CD-ROM projects, that support the integration of the arts in education.	To support model education partnerships that use the arts to strengthen and sustain educational improvement in the pre-K through 12 instructional programs. Projects must bring artists, arts organizations, and other community arts resources together with school districts, educators, students, and parents. Projects may include, but are not limited to: • Professional development initiatives for teachers and artists. • Prototype technology strategies for linking teachers and schools to community arts resources. • National models that demonstrate the effective role of arts education in educational reform.
Access to the Arts	To support partnerships between arts organizations and community groups that are designed to broaden the diversity of arts participation by providing access to the arts. Of particular concern are projects for older adults, individuals with disabilities, geographically isolated areas, or underserved communities. Projects are limited to: • Arts activities that are designed to reach geographically isolated areas or underserved communities. • Arts events that provide affordable entry, transportation arrangements, or program accommodations (e.g., sign language interpreters, audio description, large print labelling, etc.) for older adults, children, or individuals with disabilities.	To support model partnerships between arts organizations and community groups for the presentation/exhibition/performance/publication of artistic works that are designed to broaden access and sustain community engagement in the arts. Projects may include, but are not limited to: • Arts activities that take place outside of an arts organization's home at alternate venues in the community. • Extended residencies for dance companies and other organizations in new communities. • Tours and extended residencies. • Innovative uses of technology to engage a community more fully in the arts.
Positive Alternatives for Youth	To support partnerships between arts organizations and community groups for arts experiences, outside of the school day or school year, that provide positive alternatives for youth-at-risk. Projects are limited to: • Artists' residencies in venues such as arts organizations, neighborhood facilities, low-income housing projects, tribal communities, or juvenile facilities. • Artist-led programs that provide facilities, materials, and guidance during non-school hours. • Job training in conjunction with artists' residencies.	To support model partnerships between arts organizations and community groups for arts experiences, outside of the school day or school year, that provide positive alternatives for youth-at-risk. Projects may include, but are not limited to: • Apprenticeships or mentoring. • Job training. • Projects for youth-at-risk that include their households. • Joint programs with counseling services, juvenile justice organizations, health services, etc., to involve youth-at-risk with the arts.

NOTE: Does not include \$19.588 million for Challenge America Partnerships with States/Regions and \$4.38 million for Leadership Initiatives.

Chart 2. Challenge America Priorities
To strengthen families, communities, and the Nation through the arts

Focus Area	Small Grants	Comprehensive Grants
Cultural Heritage/Preservation To support partnerships between arts organizations and community groups that promote understanding of a community's living artistic cultural heritage and diversity. Projects are limited to: • Inventories of a community's cultural assets, and the dissemination of this resulting information to the community. • Activities such as festivals, exhibitions, performances, celebrations, or the passing on of oral histories that share and promote understanding of a community's cultural heritage	To support model partnerships between arts organizations and community groups that promote greater understanding of and sustained involvement in a community's diverse cultural heritage. Projects must focus on the preservation of a community's living artistic heritage or the preservation of public art with recognized community value. Projects may include, but are not limited to: • The conservation of a community's significant objects or monuments. • Major archival preservation, cataloguing, or documentation of a community's artistic heritage, traditions, or practices. • Restoration of landscapes that reflect the cultural heritage of a city, community, or tribe. • Retrospective exhibitions of a state or area's traditional crafts.	To help establish the arts more firmly in the community and to help arts organizations meet the growing community demand for arts services. Support is available for model partnerships of arts organizations and organizations representing other sectors that address key community concerns, and for projects that strengthen the planning, management, and financial capacity of arts organizations to design and deliver services to their community. Projects may include, but are not limited to: • Model partnerships of arts organizations and other community groups that come together to use the arts to address community needs in areas such as health, social services, juvenile justice, etc. • Development of templates to strengthen the arts as a focal point for community rejuvenation and economic development. This may include public art projects. • Establishment of an arts district within a community, including the exploration of needs and benefits, economic impact, zoning regulations, etc. • Development of collaborative approaches among arts organizations to design and deliver services. One example would be an arts incubator where arts organizations share office space, ticketing systems, and staff to maximize limited resources. • Strategic planning and implementation by individual arts organizations or by networks of arts organizations that would enhance their organizational capacity to meet growing community demands for arts services. This might entail exploration of internal and/or external changes affecting arts organizations, such as changes in a performance venue, organizational structure, or in the corporate or public funding environment. • Development of innovative technological solutions that would enhance the capacity of arts organizations, individually or collectively, to provide community services. • Development of financial resources, such as endowments, to build the capacity of arts organizations to deliver services. • Preparing the next generation of arts leaders to assume management and artistic direction of our Nation's arts organizations through mentoring and coaching programs, distance learning opportunities, and other training options for professional development.
Community Arts Development To strengthen the role of the arts in communities through the development or implementation of partnerships between arts and other community groups, and through initiatives that are designed to enhance the managerial capacity of arts organizations to serve their community. Projects are limited to: • Partnerships that connect the arts to economic development by highlighting the arts and culture as a focus for promoting tourism or rural or downtown development. • Partnerships that aim to make a community more livable through design by addressing civic design issues, such as the design of buildings or public spaces or the restoration of historic structures. • Partnerships that come together to develop community cultural action plans for arts and culture that are geared toward encouraging artists, strengthening arts organizations, and applying cultural solutions to community needs. • Professional development and training opportunities, including mentoring and coaching programs, that enable arts organizations to improve their management skills and otherwise increase their capacity to deliver arts services to their community.		

NOTE: Does not include \$19.588 million for Challenge America Partnerships with States/Regions and \$4.38 million for Leadership Initiatives.

Table 2 shows the allocation of funds under **Challenge America**, in terms of the priority funding areas addressed by this initiative.

Table 2. Detail of Challenge America Funding

	(\$ thousands)
	FY 2001 Total Request <u>(\$150M)</u>
Challenge America Overview:	
Small Grants	9,000
Comprehensive Grants	16,000
Leadership Initiatives	4,380
State Partnership Agreements	<u>19,588</u>
	48,968
Challenge America Focus:	
Arts Education	4,550
Access to the Arts	6,680
Positive Alternatives for Youth	4,550
Cultural Heritage/Preservation	4,550
Community Arts Development	<u>9,050</u>
	29,380
State Partnerships	<u>19,588</u>
Total	48,968
Detail on Challenge America State Partnerships:	
Partnership Agreements (Equal share to all SAAs)	11,700
Arts Education	2,000
Access to the Arts	3,000
Cultural Heritage/Preservation	1,000
Community Arts Partnerships/Positive Alternatives for Youth	<u>1,888</u>
	19,588

II. WHAT WE COULD ACHIEVE WITH INCREASED FUNDING

The \$48.968 million increase in grantmaking funds requested for **Challenge America** would support a wide range of exciting new projects and initiatives that would be carried out through direct grants, leadership initiatives and our partnerships with State, Regional and Local Arts Agencies/organizations.

In developing **Challenge America**, we worked closely with national organizations representing various arts fields and communities to see how they would address the goals defined by **Challenge America**. In response to the proposed funding increase of \$29.38 million, the representatives of arts organizations and communities identified a variety of programs that would result in more than 1,079 communities receiving support and help to leverage more than \$30 million in other funds. Under the **Challenge America** initiative, funds would be allocated as follows:

- **Arts Education:** Expanded support for programs that bring the benefits of arts education to schools, students, parents and teachers; \$4.550 million.
- **Access to the Arts:** Greater access to the arts for families and communities; \$6.680 million.
- **Positive Alternatives for Youth:** Positive alternatives for youth such as after-school arts programs; \$4.550 million.
- **Cultural Heritage/Preservation:** Increased efforts to preserve our Nation's cultural heritage; \$4.550 million.
- **Community Arts Partnerships:** Strengthening and development of partnerships that improve the livability of communities; \$9.050 million.

The type(s) of activities arts organizations would support and examples of proposed projects are listed under the priority areas identified below.

We also sought input from the State Arts Agencies (SAAs) in the development of **Challenge America** to identify the type of projects they would support. Under the **Challenge America** initiative, States would receive additional funds of \$19.588 million allocated as follows:

- **Partnership Agreements:** Each of the 50 States and jurisdictions (District of Columbia and Puerto Rico) would receive an additional \$225,000 for activities identified by SAAs for a total of \$11.7 million.
- **Arts Education Partnerships:** Expanded support for programs that bring the benefits of arts education to more schools in every state for a total of \$2.0 million.

- **Regional Presenting and Touring:** Greater access to the live performing arts for families and communities through the "NEA Regional Presenting Program" for a total of \$3.0 million.
- **Folk and Traditional Infrastructure Initiative:** Including both grants to SAAs/ROs (Regional Organizations) and projects initiated by the Endowment for a total of \$1.0 million.
- **New Community Partnership Fund:** New or expanded partnerships that strengthen families and communities through the arts. Projects could involve after-school programs to provide positive alternatives for youth or model partnerships of arts and non-arts interests that address key community concerns, and projects that strengthen the planning, management, and financial capacity of arts organizations to design and deliver services to their community for a total of \$1.888 million.

In response to the proposed funding increase of \$225,000 per State, as a group, arts agencies in the 50 States and the District of Columbia identified 228 separate initiatives for which they would use \$11.475 million in additional funds. The SAAs would be able to support approximately 4,000 additional project grants and help leverage approximately \$32 million in other funds. The type(s) of activities SAAs would support and examples of proposed projects are listed under each of the funding priorities discussed below.

Challenge America would address the following five priority areas. Essential to each of these activities is the formation of partnerships which will strengthen families, communities and the Nation through the arts.

A. Arts Education

1. Through Direct Grants, awards would be made in approximately **200 communities** and three national initiatives would be undertaken. Increased funds would be used to support collaborations and partnerships for lifelong education in the arts for all Americans including: programs in the arts for young people; expanding community-based arts education programs for children and adults; making the arts a part of basic K-12 education in American schools; encouraging professional development activities for arts professionals and teachers; and increasing public understanding of the arts. For example:
 - Arts in basic education: Grants would be awarded to support the following types of projects: To expand school-based arts infusion programs such as the one run by the Greater Augusta Arts Council of Georgia which combines a comprehensive, sequential curriculum-based program infusing the arts into the curriculum on the same level as other core subjects. Or, projects designed to increase the number of early childhood literacy readiness projects,

similar to the one currently administered by the **Wolf Trap Foundation for the Performing Arts** in Vienna, VA. A third type of project would involve supporting city-wide arts education plans like the one developed in **Richmond, VA** between local school districts and local arts agencies to integrate arts education into local schools; this project included hiring and training of teachers and artists to work in the schools.

- **Expansion of school partnerships:** Grants would be awarded to implement partnerships to establish arts education programs in local schools. For example, a textbook series, such as **OPERA America's Music! Words! Opera!** curriculum, developed by opera experts and teachers, has been successfully used by teachers and their artist partners in classrooms across the country. Grants also would be awarded for programs such as the **Akron Art Museum's** education program which involves adopting a local school and having the students attend special activities at the museum; in addition, a part-time person would work with students at the school. The program also includes a studio class for teens and art appreciation/art history classes for adults. The **Hartford Stage Company** invited teachers from Connecticut for a three-day colloquium entitled, "The Life and Work of Tennessee Williams," which involved scholarly talks, workshops and live presentations by theater artists, and breakout seminars to engage teachers in an in-depth exploration of William's work. During the school year, teachers participated in a professional development series focusing on plays in the theaters' season.
 - **Expansion of inner-city and low-income arts education programs:** Grants would be awarded to help communities and artists form sustainable partnerships aimed at arts education for underserved children and youth. An example is the **American Musical Theater Festival** in Philadelphia, PA, which received a grant to support **The Digital Youth Network**, a musical theater, technology and education project with WHYY Public TV and Philadelphia middle schools. This program links inner-city students creating original works of art with their peers in other communities through live video and Internet communications. The project serves as a model for placing top-quality artists in contact with students who have little or no opportunity for arts education.
2. **Through Partnerships with the State Arts Agencies and their Regional Arts Organizations,** State Arts Agencies would use increased funds to support: artists' residencies in schools; initiatives that raise educational standards by incorporating the arts into the K-12 curriculum; collaborations among arts, education and community organizations; and learning in the arts for people of all ages. For example:

- The **Illinois Arts Council** would collaborate with arts and education organizations to develop programs that encourage parents to attend and discuss arts events with their children. The programs would include event-specific materials to assist parents and children to share arts experiences. They would also include ticket subsidies to assist parents. The initiative would especially target generations of parents who received little or no arts education in their school years.
- The **Utah Arts Council** would help an underserved rural school engage an artist to create a public artwork. The residency would be designed to emphasize and involve the students in the process as well as in the resulting work of art.
- The **New Jersey State Council on the Arts** would award advancement grants to enable four schools/school districts to further efforts toward development of an arts-infused curriculum, demonstrating the full power of the arts to educate. An additional ten sites would receive assistance to prepare to undertake such projects in the future.
- In **Michigan** fifteen county fairs and community arts agencies would join to support artist residencies in rural communities. Each artist would work with area youth to create a project for the fair, as well as demonstrate, conduct workshops, and create their own work during the fair. Collaborators include: extension agencies, youth groups (i.e., 4-H), Michigan State University, Michigan Department of Agriculture, and Michigan Association of Fairs and Exhibitions.

B. Access to the Arts

1. **Through Direct Grants**, awards would be made in approximately **220 communities** and four national initiatives would be undertaken. Increased funds would be used to support collaborations and partnerships that provide access to the arts for all including projects which: increase availability of arts activities for persons in rural and inner-city communities; widely tour, broadcast, exhibit, present and publish artistic work; and use new technologies to bring the arts to the public. For example:

- **Access Grants to Organizations:** Communities with limited access to performances, exhibitions, and films will broaden opportunities for citizens to participate in forms of the arts to which they normally have not had access, through awards to museums, arts organizations, libraries and other community organizations that present the arts. Projects like that conducted by the **Fulton Opera House** in Lancaster, PA, which holds signed performances of each main stage play, available free of charge to the deaf community, would be supported.
- **Presentation:** Arts organizations in communities across America will receive grants to support the creation and presentation of the arts to their citizens. Projects like that conducted by the **Miami-Dade Community College** in Miami, FL, which focus on activities to engage audiences and give the local community increased opportunities to deepen their understanding of targeted art forms, would be supported. This program provides discipline-based artists' residencies in music, Hispanic theater and jazz as part of arts access and audience building. Teams comprised of members of the Cultural Affairs staff, faculty from the School of Arts and Humanities, community-based artists and professionals, and nationally and internationally recognized artists work together on residency plans.
- **Touring to Smaller Communities:** Grants would be awarded to support national touring of performing arts such as theater and opera. Touring programs would work in association with local presenters, universities and/or community theater and/or opera companies to reach communities outside major urban centers. Projects such as **Alabama Shakespeare Festival, Inc.**, Montgomery, AL, will tour **Taming of the Shrew** to underserved communities in the Southeast and surrounding regions including South Carolina, Arkansas, Tennessee and Louisiana. Another project which could be replicated is the **Des Moines Metro Opera, Inc.**, Indianola, IA, three state, nine-week tour of a new opera, **Rumpelstiltskin**, which includes 320 interactive classroom workshops and 80 performances at public and private schools, concert halls, retirement homes and health and human service agencies.
- **Expanded Venues for the Arts:** Projects would be supported to expand the presentation of arts to community auditoriums, libraries and churches. Projects such as the **University of Iowa/Hancher Auditorium's** audience development

residency with the Colorado String Quartet increased audiences for chamber music among church-goers and library users. The Colorado Quartet worked with the clergy, congregations, music directors, organists and choirs in activities that culminated in the integration of chamber music into Sunday worship services. A book discussion series in libraries helped audiences learn more about chamber music.

2. Through Partnerships with the State Arts Agencies, would use increased funds to support touring and presentation of exhibits and performances within their state; arts festivals and fairs; and distribution of information and artwork through various channels, including broadcast and the Internet. For example:

- The Louisiana Division of the Arts would develop and tour three small/medium-sized exhibits of the work of Louisiana visual artists throughout the state. The exhibits would travel to 12 underserved communities and/or non-traditional exhibition spaces.
- The Nevada Touring Initiative would provide a roster of performing artists/companies and writers to community/arts organizations statewide. This program would enable artists to create and present new work, provide community partnership opportunities for presenting organizations, and expand access to cultural experiences for a growing audience.
- The Alabama State Council on the Arts would commission a film documentary on the arts and artists of Alabama, past and present. The one-hour film would be broadcast on Alabama Public Television in the year 2001. Traditional and contemporary artists in all disciplines would be featured, and the film would be made available to county libraries and contain a curriculum guide for teachers.
- The Washington State Arts Commission would expand access by digitizing 4,500 artworks from the State public art collection, making them available via web site and CD-ROM. A virtual "tour" of the artworks, funded through the state's percent for art program, would be organized by artist, region, medium, year or route traveled.

Through Partnerships with the Regional Arts Organizations, increased funding from the Endowment would be used to ensure that underserved communities in every part of the country enjoy enhanced access to the live performing arts through the assistance of **regional touring networks**, developed by six **Regional Arts Organizations (RAOs)** in partnership with their member SAAs and the Endowment.

These programs would encourage block booking to reduce costs, provide fee subsidies to bring costs of events within the reach of families, and offer training and technical assistance to local arts presenters, who are often community volunteers. With excellent music, theatre, and dance performances available in their communities, families are encouraged to attend cultural events together.

Unfortunately, funds for such activities have fallen far short of the growing demand. The RAOs report unmet demand of \$4.4 million in funds requested by 398 qualified community presenting groups in 1998. They also estimate that unmet demand would be far higher if the availability of touring programs were more widely known.

With the goal of giving more Americans direct access to quality performing arts experiences, we propose to build on the existing regional network to create an **NEA Regional Performing Arts Touring Program**. \$3 million would be added to the \$2 million currently available to create a total fund of \$5 million. With this investment, support would reach 1,200 new communities and involve 3,500 engagements of artists/companies in FY 2001. In addition to performances, every engagement would include a school or community educational program, with each program reaching an average of 200 students. To prepare communities to benefit from engagements, the NEA Regional Touring Program would provide training for participating teachers, artists, and community presenters. The latter group would include volunteers, working behind the scenes to bring the arts to their communities.

C. Positive Alternatives for Youth

1. Through Direct Grants, awards would be made in approximately **147 communities** and three national initiatives would be undertaken. Increased funds would be used to support collaborations and partnerships, which help improve the lives of children and youth who are at-risk, through projects that provide after-school and other positive alternatives. For example:

- **After-School Youth Arts Programs:** Studies and evaluations have shown that arts programs designed for youth-at-risk are highly effective in altering the course of troubled lives.

The Endowment would provide grants for national demonstration projects in communities to support creative after-school learning opportunities. Projects supported would be similar to Out of the Dumps run by the Metropolitan Arts Commission in Nashville, TN, in which the local arts agency partners with the local public housing authority on a community beautification project. Local arts teachers teach youth living in public housing to design, paint and preserve murals.

- **At-Risk Youth Partnership Initiative:** The NEA, in partnership with other Federal agencies, would support model projects that demonstrate and document the value of working with arts organizations to create positive alternatives for at-risk youth. Examples of projects that would be supported include: the Conflict Resolution Education in the Arts partnership with the U.S. Department of Justice (DOJ), which provides conflict resolution education, training, and technical assistance to arts programs for youth in high-risk environments. In FY 1999 the Arts Endowment and DOJ also began a national demonstration program designed specifically to involve the arts in community delinquency and violence prevention efforts. The Arts and At-Risk Youth Program will continue to support multi-component arts programs that integrate arts activities, job skill development, work experience, and conflict resolution training for high school youth during non-school hours.

- **Students as Teachers:** Grants would be awarded to museums and other arts organizations to develop programs that train students to teach other students about the arts. For example, the Fine Arts Museums of San Francisco developed the "Museum Ambassadors" program that places high school students in museums to teach younger visitors about the exhibitions. The "Docent for a Day" education program operated by the David and Alfred Smart Museum of Art, Chicago, IL, introduces 5th graders from Chicago's south-side public schools to the basic elements of art by having them select a favorite work and present it before an audience of students, teachers and parents. The program aims to develop a student's self confidence and involve the parents in the learning process and its rewards. In another project, the Cleveland Museum of Art (Ohio), in cooperation with local chapters of Save our Sons/Save our Sisters, brings at-risk high school students into the museum to serve as paid assistants in their education program. Students assist with studio arts classes, give tours of the collection to their peers, and work alongside the professional staff in a variety of jobs.

- **Peer Mediation:** Studies and experience have shown that the arts can be used effectively in resolving day-to-day conflicts and preventing violence between young people. Grants would be awarded to arts organizations to form partnerships with local service organizations to reach at-risk youth in low-income neighborhoods. For example, dance companies could offer dance classes which couple peer mediation and drug intervention.
2. **Through Partnerships with the State Arts Agencies and their Regional Arts Organizations,** increased funding from the Endowment would be used to work with arts and community organizations to develop and support arts programs that provide **positive alternatives for youth-at-risk.** For example:
- The **Ohio Arts Council** would expand a grant program providing funds to arts and non-arts organizations that serve at-risk youth through arts programming in any discipline. Funded programs would have to reach children within the K-12 age group and include interactive, participatory arts activities. Programs would be free and held at times when youth would be most apt to participate, i.e., after-school, on weekdays or on weekends.
 - The **South Dakota Arts Council** would expand its artist-in-school residency program to include after-school sites and local facilities for youth-at-risk. Twelve artists would work at 35 sites and reach 30,000 young people.
 - The **West Virginia Arts & Humanities Section** would support grants to five arts organizations, working in partnership with community organizations, to design and implement after-school arts programs for at-risk youth.
 - The **Kansas Arts Commission** would award grants to five community organizations to support arts programs that focus on providing positive experiences for young people whose situations place them at-risk for crime, dropping out of school, and involvement in unstable environments.

D. Cultural Heritage/Preservation

1. **Through Direct Grants,** awards would be made in approximately **201 communities** and three national initiatives would be undertaken. Increased funds would be used to support collaborations and partnerships that preserve our cultural heritage including projects which preserve

the art works, artifacts and artistic practices of our Nation's many cultural traditions and increase public awareness of our cultural heritage. For example:

- **Heritage & Preservation Grants:** Communities will survey and document their cultural assets to preserve our Nation's cultural heritage for the 21st century through Heritage and Preservation grants awarded to museums, arts organizations, and film archives. Museums and arts organizations would receive grants to conserve highly significant works of art, artifacts and collections. To preserve our cultural heritage, we would fund projects such as: the West Virginia Folk Arts Apprenticeship Program at **Davis and Elkins College**, Elkins, WV, that pairs traditional artists with a new generation of practitioners for one-on-one instruction and outreach initiatives focusing on West Virginia's smaller ethnic communities; the **Delta Blues Education Fund**, Clarksdale, MS, that supports the Delta Blues Education Program, including classes, performances, and residencies with master Delta Blues musicians teaching a core group of apprentices daily, for one-year, helping to preserve an important American art form. The "Jazz Sports" program, conducted by the **Thelonious Monk Institute of Jazz**, in Washington, DC and Los Angeles, CA, teaches students and others in the audience of sports events about the history and development of jazz to preserve the legacy of jazz by nurturing the next generation of jazz artists and building the listening audience. "Jazz Sports" students also perform at community functions and sporting events.
- **Cultural Heritage Trails Initiative:** Citizens throughout the country would be able to discover their heritage through cultural heritage trails, a Federal partnership developed between the DOT and the NEA. For example, the **American Music Trail**, which traces the roots and movement of American music forms such as jazz, which began in New Orleans and traveled north to Chicago, is currently under production.
- **Cataloguing of Works:** Many museums have valuable collections that are not catalogued. Projects would be awarded to museums such as the **New Orleans Museum of Art** to catalogue its Asian art collection that includes an under-researched trove of Japanese objects.

- **Local Traditions Initiative:** A national Local Traditions Initiative would be supported in partnership with community-based local arts agencies to identify artists who reflect local heritage and develop new programs to make them more a part of community life. Endowment seed funding would assist local agencies in creating and stabilizing new, professionally-staffed programs to work proactively in their communities to strengthen and make more visible their traditional folk arts heritage. Local arts agencies would be expected to assume support for these programs and positions after a period of time.
 - **Culture Clash's "Radio Projects"** in Miami, New York, Costa Mesa, San Francisco and Washington, DC involved the creation of collaborative oral history theatre pieces, bringing together the three artists in Culture Clash with community members in each of these cities. The project is dedicated to producing work that breaks down barriers between diverse groups of people, using the arts to promote healing in communities fractured by ethnic and social strife, and developing an awareness of a community's cultural heritage.
2. **Through Partnerships with the State Arts Agencies and their Regional Arts Organizations,** increased funding from the Endowment would be used to expand efforts to **document and preserve cultural heritage** by: recognizing and supporting the work of master folk artists; supporting apprenticeships in the traditional arts; supporting festivals, websites, and heritage trails; and supporting the work of state folklorists. Funds would also be used for conservation of works of art. For example:
- The **Georgia Council for the Arts** would award six traditional arts apprenticeships to encourage Georgia's folk artists to maintain and pass on their cultural traditions. The Council would also draw on its archive of recordings, photographs, and written material to create an online database, thereby increasing public access to a unique and important record of the state's ever-changing heritage.
 - The **Idaho Arts Commission** would support folk life documentation and training for community scholars to enhance and preserve Idaho's cultural heritage. The project would: identify new community scholars; train community scholars; enhance the quality of the apprenticeship program; and provide technical assistance to folk and traditional artists ready to tour or exhibit.

- The **Wisconsin Arts Board** would create cultural heritage trails to expand public opportunities to explore the State's diverse cultural regions. The project will support the documentation of traditional cultures within different areas of the State, resulting in local events and/or exhibits highlighting regional culture.
- The **Arkansas Arts Council** would award grants for conservation and maintenance of works of outdoor sculpture and development of sculpture sites as part of the State heritage tourism program.

E. Community Arts Development

1. **Through Direct Grants**, awards would be made in approximately 293 communities and five national initiatives would be undertaken. Increased funds would be used to support collaborations and partnerships that assist community building through the arts, including projects to: promote and use the arts to make communities more livable, help community-based coalitions apply arts-related solutions to economic development and social issues, and enhance public awareness of the importance of the arts to communities. For example,
 - **Mayors' Institute for City Design**: With increased financial support, Mayors from approximately 35 additional communities would be able to participate in the very successful Mayors' Institutes for City Design, through the addition of five regional institutes, working with professional designers and architects to address problems faced in the design of their cities.
 - **ArtsSHARE**: ArtsSHARE Residencies, would enable American artists and communities to share with other countries this Nation's cultural heritage and creative inspiration.
 - **Community Public Art Initiative**: Citizens in communities will benefit from public art commissioned by local governments and arts agencies to celebrate American creativity at the turn of the century.
 - **The Cleveland Foundation** funded National Arts Stabilization (NAS) to design and implement a \$10 million program to help 17 local arts organizations attain best business practices over five years. Participants included four theaters: Dobama Theatre; Cleveland Play House; Cleveland Public Theatre; and Great Lakes Theater Festival. NAS will assess each organizations's functional and financial strengths and weaknesses and then provide consulting services in such areas as long-range planning, financial management, and information technology.

2. Through Partnerships with the State Arts Agencies and their Regional Arts Organizations, increased funding from the Endowment would be used to **build community partnerships** through support for local arts agencies, community-wide cultural planning, creation of partnerships for cultural tourism, and community design initiatives. For example:
- The Alaska State Council on the Arts would make grants to five rural communities and village councils to implement arts-centered economic development or community revitalization projects. The agency would also provide 15 incentive grants to stabilize existing local arts councils and support emerging culture centers and local arts councils.
 - Seven additional sites would participate in the Iowa Arts Council's three-year community arts development process, which fosters long-term collaborations among community groups, educational institutions, and local artists. Activities include training, cultural planning, resource development, and evaluation. The program is implemented in partnership with the U.S. Department of Agriculture – Rural Development Office.
 - The South Carolina Arts Commission would build on the South Carolina Mayors' Design Institute to provide follow-up services for communities of participating mayors. Mayors, other city officials, and civic leaders would receive intensive technical assistance and facilitation focused on community design challenges that they have identified.
 - The Oregon Arts Commission would expand its exemplary Arts Build Communities Initiative, begun as a partnership of the NEA, the USDA Forest Service, the National Park Service, and the State of Oregon. The initiative would be extended to an additional fifteen rural or underserved communities or regions. It currently includes projects addressing community cultural development, rural and economic development, youth-at-risk, and community education.

State arts agencies would also use new funds to **strengthen the capacity of arts organizations** to serve their communities. Efforts in this area would include increased program and administrative support and technical assistance in a wide variety of areas.

- The **Hawaii State Foundation on the Arts** would provide technical assistance to arts organizations in board and volunteer development.
- The **North Carolina Arts Council** would strengthen the programs and administrative functions of ten arts organizations established within the past five years.
- The **Vermont Arts Council** would assist local arts service organizations with planning grants, professional development grants, technology improvements, and salaries/fringe benefits for new staff.
- The **Massachusetts Cultural Council** would provide technical assistance in marketing, development, and management to enhance the organizational capacity of 25 cultural groups.

Endowment Projects and Initiatives

I. The Need

The Endowment's ongoing programs have led to the extraordinary growth of non-profit arts organizations in America over the past 30 years and the development of an intricate infrastructure of arts support. Endowment funding also has fueled the establishment of State Arts Agencies in all 50 states and territories. The growth of non-profit arts organizations has resulted in more jobs for artists, support personnel, neighboring businesses, construction and repair workers, printing and advertising firms, maintenance workers, parking lot attendants, etc. More Americans are reached and more communities are enriched by the arts than ever thought possible when the Endowment was established. The economic impact of the arts is staggering. For example, based on an earlier study conducted by the National Assembly of Local Arts Agencies, the arts create over a million full time jobs; over \$25 billion in salaries, wages and entrepreneurial income; some \$800 million in local government tax revenues; over \$1 billion in State government tax revenues; and more than \$3 billion in Federal taxes.

There is an extraordinary important human element to the growth and availability of the arts -- the effect on our children. The Endowment has a long history of supporting programs that bring the arts to schools and other venues, thus assuring that children and adults of all ages and ethnic and economic backgrounds can experience the arts. When the arts are integrated into the school curricula, they stimulate creativity, curiosity, discipline and deeper involvement with other academic pursuits. Children who participate in the arts in school do better academically. Endowment programs that provide positive alternatives for youth help them discover their potential and brighten their prospects. Through the Endowment's ongoing projects and initiatives:

- State Arts Agencies will receive 40 percent of all grantmaking funds, in accordance with standing Congressional policy, to support activities in their States, which further the Endowment's mission of making excellent art available to as many Americans and communities as possible.
- Approximately 1,400 organizations will receive grants to support projects and arts activities, which provide increased opportunities for Americans to experience the arts regardless of their economic situation or geographical location. Through these grants, the lives of citizens are enriched and the economic well-being of their communities is enhanced.
- Some 44 Leadership Initiatives will support projects of national significance.

- About 40 fellowships will be awarded to outstanding individuals in Literature. Over the years, numerous Literature Fellowship recipients have gone on to receive major awards such as the Pulitzer Prize, National Book Award and MacArthur Fellowships.
- Annual events will continue to honor masters in the Folk and Traditional Arts through National Folk Heritage Awards and masters in the field of jazz through Jazz Masters Awards.

Continued support for our ongoing programs and initiatives is essential to protect the public investment in the non-profit arts that has been made for over 30 years. We believe the structure currently in place will allow us to continue to support the exemplary projects discussed below. All these efforts will be complemented by the **Challenge America** initiative, the next logical step to more fully engage the non-profit arts infrastructure with Americans in communities, large and small, throughout the land.

II. FY 1999/FY 2000 Funding Status

For FY 1999, Congress appropriated \$98 million, of which \$80.522 million was available for grantmaking. This was combined with \$1.688 million of uncommitted grantmaking funds carried over from FY 1998, donated funds, prior-year deobligations, and other transfers, for a total of \$83.245 million. In addition, \$1.045 million of committed funds were carried over into FY 1999 for grants that did not get obligated before the end of FY 1998. On August 17, 1999 a \$34,000 rescission was imposed pursuant to P.L. 106-51 and was taken from administrative expenses.

For FY 2000, Congress appropriated \$97.6 million which reflected a rescission of \$372,400 (0.38 percent). Of these funds, \$79.5 million is available for grantmaking. This was combined with \$427.452 million of uncommitted grantmaking funds carried over from FY 1999, and \$1,535 of donated funds, for a total of \$81.924 million of grantmaking funds.

Table 3 shows the grantmaking and operating funds available in FY 1999 and FY 2000 and how they were allocated. The State Partnership funding was maintained at 40 percent of total grantmaking funds, but it appears slightly higher because of the transfer of NEA Arts Education funds to the Partnership grants.

Table 3. FY 1999 and FY 2000 Allocations.

ACTIVITY	(\$ thousands)	
	FY 1999 Obligations (\$98 M)	FY 2000 Allocations (\$97.6 M)
Funding Areas:		
Competitive Grants	38,890 a/,b/	36,982
Leadership Initiatives	8,091 b/,c/	8,559 d/
State Partnerships:		
State & Regional – Formula	27,680 e/,f/	27,192 g/
Underserved Set-Aside	7,152 h/	6,820 i/
(subtotal)	34,832	34,012
Program Support	839 j/	1,157 j/
Administration:		
Salaries and Expenses	16,128 k/,l/	16,918 l/
Computer Conversion	490	....
Policy Research and Analysis	206 m/	....
(subtotal)	16,824	16,918
Grand Total	100,276 n/	97,628 n/,o/

a/ Includes a \$150,000 Heinz Company Foundation gift for arts education project support and \$7,185 of other gifts.

b/ Includes \$1,488,003 of uncommitted and \$1,045,401 of committed FY 1998 funds carried over into FY 1999, \$500,000 of Administrative funds reprogrammed into grantmaking funds, and \$303,006 of deobligations of prior year funds.

c/ Excludes \$985,000 of Underserved funds, \$20,000 of State & Regional funds, \$1,342,799 of committed funds and \$60,181 of uncommitted funds carried over into FY 2000; and includes \$75,000 of gift funds and \$430,000 of interagency funds received in FY 1999.

d/ Excludes \$400,000 of Underserved funds, \$1,342,799 of FY 1999 commitments and \$60,181 of FY 1999 carryover funds.

e/ Includes \$2,200,000 of Arts Education funds awarded to State Arts Agencies; of this, \$6,471 was carried over into FY 2000.

f/ Includes \$20,000 of Partnership funds which were obligated under Leadership.

g/ Includes \$2,191,000 of Arts Education funds awarded to State Arts Agencies; excludes \$6,471 of FY 1999 Arts Education carryover funds.

h/ Includes \$199,991 of uncommitted FY 1998 Underserved funds carried over into FY 1999 and \$985,000 which was obligated under Leadership.

i/ Includes \$400,000 which will be obligated under Leadership.

j/ Excludes \$137,522 carried over to FY 2000; of this, \$79,209 is OPRA funds (\$13,922 is committed).

k/ Includes \$778,357 of FY 1998 carryover Administrative funds and \$128,328 of deobligations; also includes an FY 1999 Administrative funds rescission of \$34,000 pursuant to P.L. 106-51, and reprogramming of \$500,000 to the grantmaking account.

l/ Excludes \$255,507 of unobligated funds which were carried over into FY 2000.

m/ Prior to FY 1999, OPRA was under the S&E Account; these are FY 1998 carryover funds.

n/ Excludes \$361,185 of uncommitted grantmaking funds which were carried over into FY 2000.

o/ Reflects a rescission of \$372,400 pursuant to P.L. 106-113.

Table 4 shows FY 1999 and FY 2000 applications, grants, amounts requested, and amounts recommended for funding under the Grants To Organizations categories that were in effect during those fiscal years. The new funding approach, that more closely links grant funding with Agency goals, will not be implemented until FY 2001. For FY 1999, we awarded 1,407 grants totaling \$38.9 million for which \$168.3 million had been requested. Overall, 23.1 percent of the amount requested by applicants for FY 1999 was funded -- this is down from 25.5 percent in FY 1998 and 33.8 percent in FY 1997. As a result of our expanded outreach efforts and the ArtsREACH initiative, we experienced an increase in the number of grant applications received in FY 1999.

For FY 2000, we anticipate awarding 1,483 grants totaling \$36.4 million; this would represent 20.9 percent of the amount requested by applicants for FY 2000.

Again, the downward trend continues from FY 1999. As we continue to stimulate new applications and achieve increased geographical coverage in our applicant pool, we will be faced with ever-tightening funding and higher rejection rates unless we achieve some growth in our budget.

Table 4. FY 1999 and FY 2000 Organizational Grants by Category.

FY 1999						
Category	Number of Applications	Estimated No. of Grants Recommended	Percent of Applications Recommended	Amount Requested (\$ millions)	Proposed Allocations (\$ millions)	Percent of Funds Requested
Heritage & Preservation	270	169	62.6%	\$16.7	\$3.5	21.0%
Education & Access	828	432	52.2%	\$59.2	\$12.3 a/	20.8%
Creation & Presentation	987	681	69.0%	\$64.1	\$17.2	26.8%
Planning & Stabilization	232	125	53.9%	\$28.3	\$5.9	20.8%
Total	2,317	1,407	60.7%	\$168.3	\$38.9 a/ b/ c/	23.1%

FY 2000						
Category	Number of Applications	Estimated No. of Grants Recommended	Percent of Applications Recommended	Amount Requested (\$ millions)	Proposed Allocations (\$ millions)	Estimated Percent of Funds Requested
Heritage & Preservation	373	187	50.1%	\$20.1	\$3.9	19.4%
Access	510	244	47.8%	\$36.4	\$7.4	19.3%
Education	551	272	49.4%	\$34.9	\$6.0	17.2%
Creation & Presentation	1,182	710	60.1%	\$73.1	\$18.9	23.1%
Planning & Stabilization	105	70	66.7%	\$7.6	\$2.2	28.2%
Total	2,721	1,483	54.5%	\$174.3	\$36.4 d/	20.9%

a/ Includes \$150,000 of Heinz Foundation money.

b/ Includes FY 1999 media Broadcast Grants in GTO's totaling \$2,987,000.

c/ In FY 1999, GTO's include \$1,488,003 of uncommitted and \$370,450 of committed FY 1999 money and \$248,860 of reprogrammed FY 1999 Administrative Funds.

d/ Includes FY 2000 Arts on Radio and Television Grants funded through Access totaling \$3.0 million.

Under FY 1999 Leadership Initiatives, in which we support projects of national significance and model projects, we funded a total of \$9.2 million in grants, cooperative agreements and interagency agreements. Of these, about \$2.3 million were awarded for special Millennium projects. In FY 2000, we have allocated \$8.6 million for Leadership Initiatives. Of this, about \$1.1 million will be awarded for Millennium projects.

III. Funding Categories/Strategic Goals

The revised Strategic Plan established seven over-arching programmatic goals, which are implemented through **Leadership Initiatives, Partnership Agreements, and the following grantmaking categories: Heritage & Preservation, Creation & Presentation, Access, Education and Planning & Stabilization.** During the FY 2000 application cycle, we suspended funding for Planning & Stabilization while we conducted a major reassessment of the Endowment's support for organizational stability projects. For FY 2000, we will only provide interim funding for projects that offer services to the field and respond to vital issues affecting the professional needs and goals of artists and arts organizations. For FY 1999 and FY 2000, organizations were limited to one category application per grant cycle, except when they apply as a consortium with other entities. Under Congressional mandate, we have also limited direct grant awards to individuals for Literature Fellowships, American Jazz Masters and National Heritage Fellowships in the Folk and Traditional Arts.

To help in understanding the types of projects that will be funded under each goal, examples are provided. The Arts Endowment awarded 1,609 grants in FY 1999 under the third year of its new category structure. Each of these grants addressed at least one of the Agency goals described earlier in this request. Following are examples of outstanding FY 1999 projects organized by primary goal.

Access

This goal seeks to broaden public access to excellence and diversity in the arts. In FY 1999, grants under the Education & Access category (which we split into two separate categories in FY 2000) supported projects whose primary goal was access.

Very Special Arts Montana, in Missoula, was awarded a grant of \$10,000 to support a consortium project to provide dance programs for people of all ages with and without disabilities. Very Special Arts Montana, Young Audiences of Western Montana, and the Montana Transport Company have worked together for the past five years to promote dance in schools, in residential care facilities for people with disabilities, and in community performance venues. The project's mechanisms include master class workshops with professional dancers, school enrichment programs for K-6 populations, community-supported modern dance concerts, and the creation of teaching materials and follow-up activities for the classroom teachers.

Like the above project, many access projects supported by our grants have a strong secondary goal of lifelong education in the arts. The **Tucson Theatre Company, in Arizona,** received a grant of \$22,000 to support the *Latino/Native American Playwright Mentorship Program*. Participants are working with playwright-in-residence Elaine Romero, a member of Tucson's Mexican American community. She is conducting writing workshops, supervising play development and readings, and providing feedback on the nuances of the theater arts. The project encompasses all aspects of the playwrighting process from artist's conception to public readings, and provides writers the opportunity to work with directors and actors. The goal of the project is to offer emerging playwrights the opportunity to create work that reflects their cultural heritage and attract members of their communities to staged readings.

A different kind of performing arts access project is occurring in South Dakota. **South Dakotans for the Arts**, in Deadwood, also was awarded \$22,000 to support the development, promotion, and touring of the Dakota Children's Theatre Company. In partnership with the Black Hills Playhouse and the South Dakota Arts Council, the project seeks to provide greater access to quality theater experiences for South Dakota children and to provide work opportunities for the State's theater professionals. The theater company will create original musical productions designed for performance by elementary and secondary-level students. Scripts will be based on legends of the High Plains or on historic figures and events. The Black Hills Playhouse, a summer theater, will produce the plays, and professional directors will cast students to perform with company members. Other students will participate as assistant directors, stage managers, and technicians.

Programs for adults are the focus of an access project conducted by **World Music, Inc. of Cambridge, Massachusetts**. A grant of \$12,000 is supporting a multidisciplinary effort by World Music to expand audiences for music and dance traditions of many cultures. Under the rubric of "world music," musical expressions from a host of cultures within and outside of the United States have gained tremendous popularity in recent years. The project involves cultural, community, and educational organizations throughout the Boston area and is offering opportunities for semester-long classes, master classes, workshops, and one- to three-week intensives in a variety of music and dance forms. World Music's belief is that a better informed audience will support continuing concert and residency activities for professional artists and help keep cultural traditions alive.

American music is the focus of a project currently under way in **Grand Rapids, Michigan**. The **Grand Rapids Symphony Society** received a grant of \$35,000 to support concert performances and a recording project related to *ReachOut! Chamber and Symphonic Music Initiative*. The multi-part project is presenting a new chamber music series presented free of charge over the course of the 1999-2000 symphony season; is broadening awareness and understanding of 20th century American music by featuring at least one piece by an American composer at every concert of the "Classical Series;" and is endeavoring to preserve 20th century American music by producing a compact disc capturing the American music highlights of the season. The goals of the project are to reach more members of the Grand Rapids community, develop a larger and more educated audience for the symphony's future seasons, and use the compact disc recording as a promotional and educational tool.

Access to arts training is another important focus of a number of projects.

Appalshop, in Whitesburg, Kentucky - serving as fiscal agent for the American Festival Project - received a grant of \$45,000 to support a multi-site effort aimed at establishing arts-based community collaborations for arts training and performance among populations that have little access to the arts. The project will work with community organizations in **Louisville, Kentucky; Knoxville, Tennessee; San Antonio, Texas; Amherst, Massachusetts; New Orleans, Louisiana; and Helena and other smaller Montana communities, including the Blackfeet Indian Reservation**. Artists participating include playwright/director/educator Rodrigo Duarte Clark, theater director Dudley Cocke,

dancer/choreographer Liz Lerman, theater artist and writer Robbie McCauley, and dance company director Jawole Willa Jo Zollar. Another training project, focused on the multiethnic urban communities of Northern California's East Bay region, is centered in **Richmond, California**. The **East Bay Center for the Performing Arts** was awarded a grant of \$40,000 to support mainstage performing arts productions, community performance events, and educational programs. Thousands of children and adults are being offered the opportunity to study with skilled instructors and master artists from dance, music, and theater traditions of West Africa, Mexico and Laos. The Center has ten resident ensembles that provide performance opportunities for advanced students, as well as intern and mentor/apprentice programs. The training program annually involves 3,000 students, and the production and performance activities include up to 300 youth and adult performers, thirty to forty professional artists, and audiences totaling about 40,000.

Programming in the folk and traditional arts has expanded around the country as many have heeded the call to "honor the past, imagine the future." The **National Council for the Traditional Arts, in Silver Spring, Maryland**, received a grant of \$100,000 to support increased folk arts programming in celebration of the millennium. The project will increase access to live performances by promoting large urban festivals with multiple outdoor stages, national tours to underserved communities, folk arts programs and cultural interpretation in National Parks, and fieldwork that will reassert the critical role of research in understanding tradition. Through its innovative programming, the NCTA has opened the doors of major performance venues to folk artists, and its festivals and tours are attracting growing audiences. Festivals supported include two of the most attended folk festivals in the United States -- the National Folk Festival in East Lansing, Michigan and the Lowell Folk Festival in Massachusetts. The Lowell Folk Festival attracts more than 200,000 people annually.

A even larger audience for traditional music can be generated by media projects. To streamline these grants, under a new FY 2000 Endowment initiative entitled "Arts on Radio and Television," arts broadcast proposals, which in the past had come in under three different Grants to Organizations categories, will be reviewed by a single panel with access as the primary goal. A recently awarded FY 2000 grant of \$225,000 to the **New York Foundation for the Arts for Ginger Group Productions** will support production of *American Roots Music*, a three-part primetime television series examining the genesis of American folk music during the 20th century. *American Roots Music* will be a vivid, richly textured film experience that weaves rare archival performance and documentary footage (dating back to 1910), recordings, and photographs with newly created interviews and performances of contemporary popular musicians. Blues, traditional country, western swing, gospel, Cajun, Zydeco, Norteño (Tex-Mex), Native American pow-wow, and other dynamic music forms evolved during the 20th century as a kind of soundtrack for America. The series will document how innovative musicians from many backgrounds collaborated with each other and a handful of visionary entrepreneurs and scholars to recombine roots forms into the rich tapestry of American music that we know as rock, rhythm and blues, country, and rap. The series will be accompanied by a DVD boxed set, a website, a book, a compact disc, and a home video. Other components may include a teacher/curriculum guide, a radio series, and a community outreach plan.

Producer/director Jim Brown of Ginger Group Productions will collaborate on this effort with the Smithsonian Institution, the Rock and Roll Hall of Fame, the Country Music Foundation, and the Library of Congress.

The Arts Endowment continues to play a major role in supporting projects that give diverse audiences access to contemporary American writers and writing. For example, **Writers in the Schools, in Houston, Texas**, was awarded a grant of \$35,000 to support creative writing residencies in juvenile probation facilities in and around Houston. Founded in 1983, Writers in the Schools has placed professional writers and artists in more than 700 residencies in schools and local communities, impacting nearly 65,000 students and teachers. The new project will create writing workshops at sites such as Westside Detention Center, Burnett-Bayland Reception Center, Burnett-Bayland Home, the Delta Three Bootcamp, and Youth Village. Student participants will have the opportunity to visit the Menil Collection museum, using the art that they see as raw material for stories and poems. Student writing and instructional material resulting from the residencies will be published and distributed to writers, teachers, and juvenile probation workers throughout the country.

Creativity

This goal seeks to foster opportunities for the creation of new work in a wide variety of arts disciplines and for the presentation of new or existing work.

The largest number of grants were made in the performing arts disciplines of dance, music, theater, musical theater, and for projects of a cross-disciplinary nature. For example, **The American Music Theater Festival, in Philadelphia, Pennsylvania**, received a grant of \$79,000 to support a consortium project to commission and produce a series of new musical theater works. The grantee and **Spoletto Festival, USA (Charleston, South Carolina)** are collaborating on the creation and presentation of new musicals that will explore legendary events and mythic stories from the American experience. Pooling the artistic resources of two producing organizations will help provide artists with greater opportunities. Other project goals are to begin to develop a lasting body of new works that portray stories that have become key American legends, myths, and archetypes and to attract additional partners for each project to ensure the works reach the widest possible audience. Participating creators include Julie Taymor, Steve Reich, Beryl Korot, and Elliot Goldenthal.

Another large-scale project is taking place in **South Texas** under the auspices of the **Guadalupe Cultural Arts Center, in San Antonio**. The center, the major Latino arts organization in the Southwest, was awarded a grant of \$75,000 to support *Gateways*. This project is intended to increase cultural exchange and collaboration between artists in the United States and Mexico. GCAC will commission new choreography to be presented by the resident dance company, and will present work in other media that will deepen audience understanding of arts and culture across borders. Included are a series of binational visual arts exhibitions, one of which will tour Latin America; a music program that will explore traditional Mexican *norteño* and contemporary Tejano *conjunto* music;

performance arts and theater presentations; a literature program focusing on writers of Latina identity; and a film program that will explore pioneer women filmmakers from the United States, Mexico, and Latin America.

Half a continent away a purely dance project will take place this year in **Lewiston and Portland, Maine**. **Bates College, in Lewiston**, recently received a fiscal year 2000 grant of \$10,000 to support the Bates Dance Festival 2000. This festival is the major producing, presenting, and training program in the State. The project, *Building a Better Bridge: The Advancement of Producer/Artist/Community Partnerships*, evolved from the Festival's commissioning and residency program, which offers artists blocks of uninterrupted time - a critical need for all artists - as well as studio space, support staff, peer feedback, lodging, and meals. The new project will enhance opportunities for artists to create new work, get feedback during the developmental process, provide for formal and informal performances, and engage with diverse audience constituencies through a wide range of outreach activities. Dance artists David Dorfmann, Ronald K. Brown, Mark Dendy, Patrik Widrig, and Sara Pearson are among those participating.

As with dance, new theater work rarely develops in a vacuum. This is demonstrated by a project supported by an Endowment grant of \$41,500 to the **National Theatre of the Deaf, in Chester, Connecticut**. The grant is supporting expenses for the development, production, and touring of a new work by playwright Romulus Linney based on a work by Willard R. Trask entitled *The Unwritten Song*. Linney will adapt Trask's compilation of oral tradition songs and poems into a work for the stage that will also be translated into American Sign Language (ASL). The work will be performed in the National Theatre of the Deaf's signature style of ASL as well as spoken English. Genji Ito, who will compose original music, will also train acting company members (hearing and deaf) in performing his music and in its physical and visual manifestations. A series of workshops will take place prior to rehearsals to develop the necessary skills and techniques that the actors must employ when working on the finished text. In addition to Linney and Ito, artists involved in workshop training are director/choreographer Ping Chong, choreographer David Dorfmann, director J Ranelli, and deaf poet and translator Ella Mae Lenz. A ten-week tour of western states, including **Washington, Oregon, California, Nevada, Utah, Arizona, and New Mexico** is planned from February through May 2000.

Another new theater work is being created in **Indiana** through a consortium headed by the **Indiana Repertory Theatre, in Indianapolis**. A grant of \$39,500 was awarded to support commissioning and development of a new stage adaptation by playwright Charles Smith of Indiana native Theodore Dreiser's novel *Sister Carrie*. This consortium project between Indiana Repertory Theatre and the Theatre Department at Ohio University in Athens, Ohio, where Charles Smith is on the faculty, will extend the new work development process into a new model of professional and educational collaboration. The project will satisfy long-term goals of both organizations: Indiana Repertory Theatre's goal to develop new work by American writers that explore Midwestern values and issues; and the University's goal to create innovative methods to expose students to working professionals while observing and participating in the creative process from conception to production.

A number of grants were made to performing arts projects where the primary focus was presentation of existing work. For example, **Coro de Niños de San Juan, Inc., in Puerto Rico**, was awarded a grant of \$10,000 to support Christmas concerts and a tour to rural areas of the island. The primary concert took place at the Performing Arts Center Festival Hall in San Juan and the tour consisted of eight free public performances. The concerts included classical, traditional, and international Christmas music and songs, with special attention to Puerto Rican traditions and works of Puerto Rican composers. Programming during the tour performances included *trullas* which are traditional Puerto Rican carols. The performing chorus consisted of children ages 5 to 15 who were selected by audition. During the tour phase they performed in cultural and community centers, and visited institutions for AIDS patients, the elderly, and individuals with disabilities.

A multidisciplinary presenting project at the **University of Kansas, in Lawrence**, was supported by an Endowment grant of \$28,000. The project is presenting four companies or ensembles that showcase the influence of African American culture on contemporary performing artists. This project is the second of a four-year effort by the University to explore key cultural influences in the performing arts at the turn of the century. Participating artists include choreographer Donald Byrd and The Group along with jazz musicians Max Roach, Vernon Reid, and Geri Allen in the production "Jazz Train;" the St. Louis Black Repertory Company performing "Tell Me Something Good;" "Hot Mouth," a postmodern a capella oratorio; and Dael Orlandersmith in her one woman show "The Gimmick."

A number of exhibitions of visual art were supported through the Creation & Presentation grants. For example, the **University of Virginia's Bayly Art Museum, in Charlottesville**, received an FY 2000 grant of \$50,000 to support an exhibition of site-specific work by contemporary artists in indoor and outdoor locations throughout Charlottesville. The exhibition, conceived as a collaboration among artists, scholars, museum curators and directors, art galleries, and historic sites, will be extended through publication of a catalogue and a symposium. The artists will be commissioned to create pieces, in concert with specific community groups, that respond to Thomas Jefferson's legacy and his broad knowledge in law, politics, science, technology, horticulture, art, history, and his commitment to American independence. Participating artists, including Alice Aycock, Mel Chin, Ann Hamilton, Dennis Oppenheim, Lucio Pozzi, and Bill Viola, will complete their work this summer, and then return in the fall for a symposium to address the impact of the project and the role of the artist in the 21st century.

An FY 2000 grant of \$38,000 to **Bemis Center for Contemporary Arts, in Omaha, Nebraska**, will support residencies for visual artists to create new work. In contrast to the Charlottesville project, the Bemis residencies offer artists the opportunity to focus on work in the studio. Bemis is unique in that its facilities allow artists to work on sculpture and installation work on a very large scale. Many resident artists have never before had the opportunity to work in this way. Access to special equipment, technical assistance, and time to explore new ideas and new work is a critical need for serious visual artists. Such opportunities come too rarely for artists who often must teach or pursue non-art activities to make a living. Bemis resident artists are provided with housing and work

space, technical assistance, and a monthly stipend for three- to six-month periods. Residents are required to give at least one informal slide lecture about their work and are encouraged to participate in "Open Studio" events for the public. Work created during the residencies is often exhibited in gallery space accessible to the Omaha community.

Although the Endowment makes a relatively small number of grants in the design field, the projects supported are crucial for expanding both scholarly and public understanding of important design issues. For example, the **Southern California Institute of Architecture, in Los Angeles** was awarded an FY 2000 grant of \$40,000 to support a three-part project addressing the state of public multi-unit housing in Los Angeles. The goals of the project are to initiate design research into the challenging problem of providing affordable (and humane) housing, and to blur the lines between academic research and professional practice by bringing together a diverse group of architects, with representatives of local, regional, and national Government agencies and housing authorities. The result will be to produce design proposals or demonstration projects for public housing that respond to the changing social, cultural, and economic conditions of Los Angeles and other cities. The project will contain an exhibition component comprised of video case studies, drawings, digital images, and models of demonstration projects; a public symposium that will allow scholars, housing officials, architects, and community members to discuss public housing challenges and solutions; and a publication that documents the exhibition and the symposium.

The Endowment's support of media projects over the years has been important in nurturing new work in independent film and non-commercial radio and making this work available to the public. A grant of \$20,000 this year to the **Cleveland International Film Festival, in Ohio**, will support the 24th annual Festival and the Third Annual Midwest Independent Filmmakers Conference. The Festival, held in the spring, presents current work from around the world and complements screenings with educational programs whose aim is to deepen audience understanding of the art of film. In addition to feature films, the Festival will present documentaries, short films, and work by student filmmakers to the more than 32,000 people expected to attend. Artists are invited to attend and discuss their films with audiences. The Midwest Independent Filmmakers Conference will offer workshops and panels on a variety of professional practice topics. Film Forums will bring filmmakers and audiences together to discuss the content and artistic merit of the films exhibited. A Student Film Festival component enables several hundred high school students to show films and then discuss their work with visiting filmmakers.

Endowment support has nurtured creation and presentation of the best American writing in a number of ways. Literature is the one discipline where we may still award non-honorary fellowships to support the creation of new work. Creative Writing Fellowships and grants for translation projects are awarded to prose writers and poets in alternating years. In FY 2000, 41 fellowships of \$20,000 each were awarded in fiction, creative non-fiction, and prose translation. **Cynthia Shearer of Oxford, Mississippi** will use her fellowship to complete a novel about Neshoba, a 19th century utopian community established in Tennessee before the Civil War to purchase and train slaves in skills necessary to survival as free citizens. **Beth Kephart, of Devon, Pennsylvania**,

will spend her fellowship year finishing a memoir that traces her autistic son's childhood. **Charlotte M. Choyt of Lee, New Hampshire**, is writing a collection of stories, *Men, Women, and Other Animals*, that explores encounters between animals and humans in a variety of situations. **Donald A. Yates of St. Helena, California**, who translated the first collection of Jorge Luis Borges's work into English, will use his fellowship to support the first translation from Spanish to English of another Argentinian writer, Edgar Brau. A number of American writers whose first national recognition came with Endowment fellowships have gone on to win major book awards. The fellowship selection process is rigorous and fair, involving blind jurying of applicants' manuscripts in a months-long process carried out by a panel of twelve experts.

Presenting projects in literature expose new authors to new audiences. For example, the **Miami Book Fair International, Inc., in Florida**, received an FY 2000 grant of \$45,000 to support "midlist" American and international literary writers at the next Fair through the organization's *Congress of Authors* program. Efforts such as this ensure that authors whose work is unlikely to be promoted by publisher-financed book tours can attend and read during the eight-day event. Since 1984, the Miami Book Fair International has presented over 2,000 authors and provided the multi-ethnic Miami community with programming that promotes reading, encourages writing, heightens awareness of the literary arts, and provides audiences the opportunity to sample literature in other languages and from other cultures. The event is attended by more than 250,000 people and has featured writers such as Mario Vargas Llosa, Adrienne Rich, Octavio Paz, Yevgeny Yevtushenko, Bei Dao, Bharati Mukherjee, and Olgo Orozco.

Education

This goal seeks to strengthen the role of the arts in the U. S. educational system and encourage lifelong learning in the arts. While grants in many categories may contain educational components, the arts education goal is met primarily through Education and Access grants. As was discussed earlier, we split this category into two distinct categories in FY 2000 as we refined our grantmaking process.

Since 1992 the **Log Cabin Literary Center, Inc., in Boise, Idaho**, has held public readings by well-known writers, sponsored creative writing classes, and coordinated an intensive summer workshop for young writers. An FY 1999 grant of \$30,000 supports a current project that places writers in schools and communities throughout the State for 28-week residencies. Each participating writer will hold weekly workshop sessions, take students to visit the Boise Art Museum to develop written work in response to current exhibitions, and help teacher-hosts develop skills to teach creative writing on their own. Serving 2,700 students in grades 3 through 12, the residencies will occur in nine Idaho school districts, including Meridian, Pocatello, Garden Valley, Glenns Ferry, Weiser, and Wilder. The Center was recently selected as one of four organizations nationwide to be part of Houston's Writers in the Schools Apprenticeship Initiative, which assists community literary organizations in developing and enhancing educational programs.

In the small Midwestern city of **Sheboygan, Wisconsin**, the **Sheboygan Arts Foundation** and its widely-known presenting facility, the **Kohler Arts Center**, received a grant last year of \$25,000 to support residencies by artists working in the visual, performing, and literary arts. Although creation of new work is part of the project, the primary emphasis is education. Artists will collaborate with local traditional artists in the Hmong, Hispanic, and ethnic German and Dutch communities, as well as with local teens, to create community-based work. The goal of the residencies is to impart an understanding of the traditional art forms of various community groups. In the first residency, Filipina-American choreographer Pearl Ubungen and members of her company will develop new work through interviews and workshops with Sheboygan residents. The second residency will bring writer Julie Pinomaki and photographer Wing Young Louie to the city where they will involve residents in a project to document neighborhoods using photographs and text. The third residency features sculptor Eddie Dominguez working with teens and adults on a large carved, glazed ceramic mural.

As was true with the access and the creation and presentation goals, a large number of education-focused grants were awarded to performing arts organizations. In **Honolulu, Hawaii**, the **Honolulu Dance Theatre, Ltd.** received a grant of \$5,000 to support redevelopment, production, and presentation of the lecture/performance piece *Gotta Dance!* Designed to introduce children to the art of dance, *Gotta Dance!* will be made available to K-6 children in public and private schools, home schoolers, and children with disabilities. The program will encourage children to experience and understand dance through lecture and participation. A select group of young dancers will be included in the production, which will help the audience identify with the program's subject matter. The project will reach more than 6,000 students and teachers and will be presented at the Hawaii Theater in Honolulu.

The **Children's Theatre Company and School, in Minneapolis, Minnesota**, received a grant of \$27,000 to support a consortium project providing in-depth educational programs to foster critical thinking skills in students from inner-city schools. The *School Partners/Neighborhood Bridges* program will team the Children's Theatre Company with Whittier Community School for the Arts, Lucy Craft-Laney Community School, experts in the use of storytelling for education, and more than 20 community artists. The program consists of classroom workshops involving elementary students, teachers, and trained artists. The project's goals are to utilize theater and storytelling to stimulate critical thinking so that students make progress in learning, cultural adaptation, and socialization. A large percentage of the students in the project's audience are defined as at-risk children whose family household incomes are below the poverty line. The two schools involved are racially and ethnically diverse, with students from African-American and Hispanic communities, as well as recent immigrants from Somalia. Many of the students are in English as a Second Language programs, where storytelling has already proven effective in building communication skills. The story and theater production workshops will prepare student participants to design, direct, and stage-manage a culminating performance.

In another large Midwestern city, the **Mosaic Youth Theatre of Detroit, Michigan**, was awarded a grant of \$16,500 to support its Youth Ensemble Training Program. This after-school program provides free theatrical training in acting, vocal performance, technical theater, and theatrical design to young people ages 12-20. The young theater artists developed by this program participate in the Theatre's youth ensemble, a troupe of 65-80 young people who work with professional actors, writers, musicians, composers, and designers to create a production that reflects their own life experiences. The ensemble's plays are performed in schools, professional theaters, and community venues in the Detroit area and have been taken on tour.

Educational outreach by symphony orchestras is an important way for professional performing artists to share their gifts with young people, develop knowledgeable future audiences, and stimulate some students to learn music themselves.

The **Greenville Symphony Association, in Greenville, South Carolina**, received a grant of \$7,000 to support an outreach program entitled "An Orchestra's Most Excellent Adventure." The program, in conjunction with the county school district, is featuring symphony concerts during the 1999-2000 season to 6,500 area fifth graders. The Greenville Symphony will perform music from the Renaissance, Baroque, Classical, Romantic, and Modern periods with costumed actors portraying featured composers on stage, and providing a narrative about the music. The program was developed to support the school district's history curriculum and it is a mandatory part of the history program for fifth graders. Music and classroom teachers in the schools are being provided with classroom materials and are being trained by the Symphony's education coordinator during half-day seminars prior to the concert presentations.

Education of artists who may not have access to important skill-building training is another goal of Endowment support. In the folk and traditional arts, highly creative artists often lack business and marketing skills such as knowledge about how to bring their talents into public view. The **Alaska Native Heritage Center, Inc., in Anchorage**, received a grant of \$70,000 to support a consortium with Alaska Pacific University to create business skills workshops for Alaska Native artists. The workshops, held during the winter months, will focus on issues such as understanding existing and potential markets, business planning, tax issues, and interacting with the public. One of the Center's missions is to educate the public about the artistic traditions of Alaska Natives, and create and expand economic opportunities for Native artists by forging links between the most successful Alaska Native artists and those who are just beginning to consider a more profitable arts career.

In education, radio and television has the ability to reach wide audiences and create great impact. For example, the **Jack Straw Foundation, in Seattle, Washington**, was awarded a grant of \$10,000 to support a project in consortium with Arts and Visually Impaired Audiences to carry out the *Blind Youth Audio Project*. A series of workshops is introducing visually impaired youth to the creative possibilities of audio production by helping them create a radio program of their own designs. The goal of the project is to develop accessibility techniques for audio production so that blind and visually impaired people interested in becoming radio producers will have more creative opportunities in the medium. During the workshops, students are receiving hands-on training in a professional

recording studio, working with professional engineers, radio producers, and other instructors. They are performing and recording music, conducting and recording interviews, writing and producing public service announcements and short radio plays, and ultimately will produce a 30-minute radio show. The finished program produced by each workshop is broadcast around the state on the Evergreen Radio Reading Service.

Preservation

This goal seeks to preserve our Nation's cultural heritage for the 21st Century and beyond. In FY 1999, grants under the Heritage & Preservation category, as well as Folk Infrastructure Grants under Leadership Initiatives, addressed the goal of preservation.

Grants under the Folk & Traditional Arts Infrastructure Initiative were made for the first time in FY 1998. The purpose of these grants was to preserve and strengthen the longstanding and productive partnership between the Arts Endowment and State Arts Agencies in building a national support infrastructure for the folk and traditional arts. The field is rich in artistic potential, but it is limited by the small number of field-specific, professionally-staffed organizations dedicated to preservation and public programming. For example, the **South Dakota Arts Council, in Pierre**, received a grant of \$25,000 to support the *South Dakota Folk Arts Apprenticeship Project*. South Dakota has a rich mix of cultures that have maintained traditional arts practices for many decades. Field work done by folklorists in South Dakota since 1984 has provided information on many folk artists representing thriving ethnic and occupational communities: Lakota, Nakota, and Dakota peoples; people of Czech, Norwegian, German, Russian German, and Finnish heritage; as well as farmers, cowboys, and ranchers. The Sioux of South Dakota have one of the richest Native American cultures with still-thriving arts in the United States. Three past National Heritage Fellowships winners have come from this community. Other art forms still alive among the nations are beadwork, tipi making, foodways, buckskin clothing making, and pow wow music. The apprenticeships program will help artists skilled in these areas pass their knowledge to another generation so that South Dakota's unique cultural heritage will live on. It will also help identify and recommend folk artists working in all traditions for statewide touring programs.

The majority of Heritage & Preservation grants were made in support of folk and traditional arts projects. For example, the **Apache Tribe of Oklahoma, in Anadarko**, received a grant of \$5,000 to support workshops, taught by Tribal elders, in the creation and decoration of tribal material culture items. The goal of the project is that the patterns, forms, colors, and styles of beading, twining of fringe, and the collecting and use of paint be preserved and passed on to younger tribal members. A needs assessment established that the artistic skills and knowledge necessary for the creation and reproduction of the Tribe's traditional clothing reside in a limited number of Apache people, all over the age of 70. This is one example of an area where tribal knowledge of indigenous lifeways will disappear unless the traditions are passed on. Another distinctly American area of traditional arts is the Delta blues. The **Delta Blues Education Fund, in Clarksdale, Mississippi**, was awarded a grant of \$15,000 to support its continuing Delta Blues

Education Program. For the past four years the fund has focused its programming on successful and innovative after-school apprenticeships with local blues artists. The project brings together children and master Mississippi Delta musicians for classes on instrumentation, performance, and musicianship necessary to play traditional Delta blues. Musicians Johnnie "Mr. Johnnie" Billington, Michael James ("Dr. Mike"), Harvell Thomas, Dione Thomas, and Roosevelt Harper will work one-on-one with students for a year. The most talented will be selected to perform at blues and folk festivals and other venues.

Perhaps the most visible of the Endowment's preservation activities is the National Heritage Fellowships Program. Since 1982 we have annually awarded up to twelve grants to master folk and traditional artists who have met the criteria of excellence, authenticity, and significance within a tradition. Each grant is now made for \$10,000 and artists able to travel are brought to Washington, DC for recognition by the White House and Congress and to participate in an evening concert. For example, in FY 1999 a Heritage grant was made to **Alfredo Campos, a horsehair hitcher now living in Federal Way, Washington.** One of the most colorful, intricate, and prized cowboy crafts is horsehair hitching and Alfredo Campos is the acknowledged master. Campos learned western ranching life and skills as a young man in Tucson, Arizona, and developed a special interest in braiding *reatas*, the traditional vaquero lariat. When ranching life was ended by economic changes, Campos moved to the Northwest and spent his days helping to build Boeing aircraft. By night, he braided rawhide and became aware of hitching, a skill little practiced in the Southwest due to its intricacy and time demands. Using a few historic examples made by cowboys, Campos taught himself the knots and designs of horsehair hitching. The impeccable craftsmanship of his quirts, headstalls, bosals, and reins became key to a renaissance in the art form. Another grant was made to **Mary Louise Defender Wilson, a Dakota/Hidatsa traditionalist and storyteller from Shields, North Dakota.** A member of the Standing Rock Sioux tribe, Ms. Wilson is the daughter and granddaughter of Sioux midwives and storytellers, and she began to learn the old ways from the time she was a child. Indian storytelling is more than a pastime; it is an "oral university" that teaches people how to be human, how to function in society. Traditional repertoires of tales embody systems of belief and principles of behavior that are as relevant to the Sioux people today as they were in centuries past. Ms. Wilson's concern for her storytelling tradition and her people continues to grow. She seeks out elderly storytellers in order to expand her knowledge and her legacy to future generations. She has taught storytelling through a North Dakota Arts Council apprenticeship program, gives lecture demonstrations throughout the region, and trains teachers in Indian storytelling and culture. In addition, she produces a radio program to teach the Sioux language and promote the intellectual value of traditional knowledge.

Preservation of unique visual arts expressions is also important to our Nation's cultural history. **The Massachusetts Bay Transportation Authority, in Jamaica Plain,** received a grant of \$5,000 to support a conservation survey of artworks in the Boston area subway system's public art collection. Conservation and treatment is a vital issue in the public art field. The works to be studied, all installed when stations were renovated in the early 1980s, have suffered from deterioration and damage and are in need of restoration.

This project is part of the MBTA's "Adopt the Arts" program, which is an initiative to provide for maintenance of the artworks by allowing individuals, corporations, and universities to adopt a piece and make tax-deductible contributions toward its care. The survey will look at a mural by Morgan Buckley, two benches by William Keyser, a neon sculpture by Alejandro and Moira Sina, an installation by Mags Harries, and a tile wall by Joyce Kozloff. A professional conservator will provide a detailed analysis of each artwork and make recommendations for treatment.

Film preservation is another important area. **George Eastman House, in Rochester, New York**, was awarded a grant of \$50,000 to support *Repatriated American Films*, a project to preserve and restore up to twelve previously "lost" American films discovered in foreign archives. The films were returned to the United States from film vaults and archives in Eastern Europe, New Zealand, Norway, Great Britain, France, and Australia. The George Eastman House is one of the American film archives to welcome our prodigal films, and is in the process of creating duplicate negatives on safety film and striking new prints for exhibition. Among the works being preserved are *The Trespasser*, a 1929 drama starring Gloria Swanson in an acting and singing role; *Drifting*, Todd Browning's 1923 silent horror film; and *The Russian Lion*, a 1910 Vitagraph production that was an unprecedented experiment in genre mixing. In addition to the physical preservation of the films, major work will need to be done on the historical reconstruction of the American release versions. Manufacturers, censors, and exhibitors in other countries often recut American films for political or cultural reasons, and some have completely different story lines than the original productions.

In the field of literature, preservation is often focused on the reprinting and distribution of significant works of fiction that have gone out of print. Equally important is to preserve the thoughts and ideas of important American writers gained through interviews while they are still alive. The **Council of Literary Magazines and Presses, in New York City**, as fiscal agent for *The Paris Review*, received a grant of \$7,500 to support the *Review's* Writers-at-Work interview series. Founded in 1953, *The Paris Review* is one of the Nation's most important literary magazines. Its 45-year-old interview series has featured writers such as William Faulkner, Ernest Hemingway, T. S. Eliot, Ralph Ellison, and Maya Angelou. Each quarterly issue will contain one to three interviews and will be promoted by national readings, on-line chats, press release mailings, and posting of excerpts on *The Paris Review* web site. Potential interviewees during the project period include poets Jorie Graham, Adrienne Rich, and Carolyn Kizer; playwright August Wilson; and novelists John Edgar Wideman, Jamaica Kincaid, David Foster Wallace, T. C. Boyle, and Shelby Foote. *The Paris Review* is circulated to 65,000 readers annually.

Preservation is crucial in the performing arts as well. New technology has made such preservation more possible and economically feasible. For example, the **Colorado Dance Festival, Inc., in Boulder**, received a grant of \$10,000 to support *Tap 2000*, a project bringing together four generations of tap artists. The artists, ranging in age from 15 to 80, will gather in several discussion pools to look at aesthetic, philosophical, and practical issues for the tap field, examining both the legacy of tap and its future. The project includes four phases: Audio-conferenced telephone sessions (including

discussions of oral history and interview techniques); taped discussion sessions each led by one artist; publication of edited transcripts of the tapes in International Tap Association newsletters over the course of a year; and archiving of the tapes at key dance libraries in the United States. Artists and scholars committed include Brenda Bufalino, Fred Strickler, Herbin Van Cayseele, and Sally Sommer.

In San Francisco, California, 42nd Street Moon received a grant of \$9,000 to support production of a compact disc recording of the 1918 Jerome Kern/P. G. Wodehouse musical, *Oh Lady! Lady!!*. The organization 42nd Street Moon is dedicated to the preservation and performance of lost and rarely performed classics of American musical theater. As part of its 1999 season, it presented *Oh Lady! Lady!!*, immediately followed by a recording session to cut the CD. The release and distribution of the recording is set for early 2000.

The Louisiana Philharmonic Orchestra, in New Orleans, received a grant of \$12,500 to support a celebration of Louisiana's colonization three hundred years ago, and preservation of its French, Creole, and African-American cultures. The project activities, in conjunction with the statewide celebration *FrancoFete*, includes an international search for published and unpublished compositions by Louisiana composers, a concert by the Louisiana Philharmonic, and a compact disc recording using original scores and period instruments. The recovery, performance, and recording of important, yet forgotten music has the potential to expand the repertoire for the entire orchestral field. There was a time when the music of 19th century Louisiana was considered in the same breath with the music of composers from New York, Cincinnati, Boston, and Philadelphia. Much of the music recovered by the project is either formerly unknown or was published but never publicly performed. The project will also include educational and community outreach activities, and the donation of all recovered music to national archives and music schools.

Organizational Stabilization

This goal also seeks to strengthen arts organizations' ability to achieve their artistic and public service purposes by becoming more adaptable and stable. FY 1999 grants in Planning & Stabilization also addressed this goal. In FY 2000 the Endowment limited the number of Planning & Stabilization grants while it completed an evaluation of the category's effectiveness. A few grants were made to support services to the field projects in the various disciplines.

The League of Chicago Theatres Foundation, in Illinois, received an FY 2000 grant of \$25,000 to support the planning and development stages of the "Chicago Theater Loyalty Program." The project will give the League's member theaters access to marketing technology currently in use in the business sectors. Such business staples as frequent flyer programs, transmedia credit card programs, and frequent shopper cards give businesses access to valuable customer data. If used by the theater community, such strategies have the potential to develop and expand audiences while leveraging the support of new funding partners. The goal of the League's project is to promote theater in Chicago and encourage ticket sales among its member theaters. Additional earning potential for the theaters may

result from cross-promotions with participating businesses, hotels, and coffee bars. During the planning phase, the League will set up a program to educate its members and provide consultants to explore which marketing techniques will have the greatest benefit.

One of the services of the **Williamstown Art Conservation Center, in Massachusetts**, is dissemination of information about preventive care of cultural objects in the collections of museums and historical societies in the Northeast. The Center was awarded a grant of \$25,000 in FY 2000 to support a project in "preservation outreach." The plan is to provide up to 24 workshops to small, rural, and minimally-staffed institutions that tend not to be reached through regular workshop channels due to lack of funding for travel and other expenses. Over a two-year period, Williamstown conservators will conduct workshops that will emphasize low-cost practices and solutions to common problems and contain a hands-on training component. Topics to be covered are preservation and re-housing of three-dimensional objects; object numbering - accession labeling for museum objects and cultural artifacts; identification and preservation of 19th and 20th century photographic prints; and housekeeping for historic house museums. Each workshop participant will receive a notebook of reference materials, including supplier lists and instructional information, product samples, and tools.

Community Arts Development

This goal seeks to address concerns of America's communities through the arts. It was primarily supported in FY 1999 by ArtsREACH, a pilot program of grants in 20 states previously underserved by the NEA direct grant pool. ArtsREACH is designed to encourage communities to engage in cultural planning or assessment, or to enable project implementation where a cultural plan was already in place. ArtsREACH is discussed under Section IV. Leadership Initiatives, below.

Local arts agencies have been able to address community arts development goals under the Planning & Stabilization category. In FY 2000, despite the limitation on the types of activities P&S grants could support, many communities found ways to improve their arts infrastructures through well-designed services projects. For example, the **Broward County Cultural Affairs Division, in Fort Lauderdale, Florida** received a grant of \$32,000 to support a multi-faceted project to develop a web site with a searchable database and online ticketing capabilities, as well as provide technical assistance to county cultural organizations in developing and implementing strategies to increase earned income. In partnership with the Broward Center for the Performing Arts, the Cultural Affairs Division will provide technical and financial assistance to local arts organizations in a cooperative marketing project designed to expand radio, television, and Internet advertising. These two partners will also work with the Broward County Library System to create a regional Cultural Information Center with a box office and on-line ticketing services. The e-commerce software that will be used for the ticketing service is a special program developed by the Broward County Office of Information Technology.

Partnership

This goal seeks to strengthen the Endowment's partnerships with the public, non-profit, and private sectors. This includes partnerships with State and Regional Arts Agencies, private arts funders, other Federal agencies, and communities and artists from abroad. In FY 1999 this goal was addressed at the highest level through Partnership Agreements with 56 State and Territorial Arts Agencies and seven Regional Arts Organizations.

For its FY 1999 activities, the **Georgia Council on the Arts** received a Partnership Agreement award of \$543,600 that provided support in three areas: its State plan; arts education activities; and programs in underserved communities. These Federal funds were combined with more than \$2.96 million in State appropriated funds to support 289 grants in 65 communities, almost half of which are rural. Grassroots Agencies (local redistributing organizations) helped ensure that these funds reached into all of Georgia's 159 counties to support activities statewide. Grantees included: performing groups; schools; artists; museums and galleries; independent presses and parks and recreation centers which undertook a range of projects such as exhibitions; performances; readings; arts festivals; classes; and school residencies. Representative awards ranged from \$88 to the Concert Association of Newton County for the Capitol City Opera's performance of *Pinocchio* for students; \$1,500 for the Mt. Zion Civil Rights Movement Museum's Freedom Choir, which preserves and presents the music of the original Albany Freedom Singers; and a grant of \$105,659 to the Atlanta Symphony to support a range of activities, including special concerts in conjunction with the Martin Luther King, Jr., holiday, youth performances and free concerts in Atlanta's Piedmont Park.

Fiscal Year 1999 was the first year of the **NEA Regional Touring Program**, under which six multi-state regional arts organizations are supporting tours of performing arts events in 50 States and two U.S. jurisdictions. The purpose of this support is to give all Americans access to excellence in the live performing arts. Emphasis is placed on support for engagements in underserved communities, and virtually all engagement include school or community educational activities. For the 1999-2000 season the regional arts organizations are using \$1.9 million provided by the Arts Endowment to support groups in 476 communities and sponsor 1,368 performances and 2,523 related activities in dance, music, theater, musical theater, and opera. The six participating regional arts organizations are **Arts Midwest, in Minneapolis; Mid-America Arts Alliance, in Kansas City; Mid Atlantic Arts Foundation, in Baltimore; New England Foundation for the Arts, in Boston; Southern Arts Federation, in Atlanta; and Western States Arts Foundation, in Denver.**

In partnership with the President's Committee on the Arts and Humanities, and with the help of gifts from private funders, the Endowment is co-sponsoring a three-year effort to recognize organizations and programs that offer exemplary programs of artists and scholars working with young people. The *Coming Up Taller Awards*, non-matching grants of \$10,000 each, were made to ten organizations in 1999. One outstanding example, **The Hilltop Artists in Residence Program, in Tacoma, Washington**, created in 1994 by Kathy Kaperick and master glass artist Dale Chihuly, provides a daily program of arts

instruction, academics, tutoring support, and mentoring. It has become a gathering place for youth who find that the safety and camaraderie of the studio atmosphere is a welcome alternative to life on the streets. Working with hot glass demands concentration and generates excitement, and besides giving students skills in a beautiful artform, glassblowing teaches teamwork, discipline, and the importance of strict adherence to rules. Funded in part by the City of Tacoma, Hilltop Artists in Residence operates in partnership with Tacoma Public Schools, conducting instruction after-school and during the summers on school grounds and recently as an official alternative school. Currently there are 400 young people, ages 8 to 20, participating in Hilltop's programs.

IV. Leadership Initiatives

Leadership Initiatives advance the arts significantly and have demonstrable national or field-wide importance. Millennium Projects supported as Leadership Initiatives had project activity nationwide and incorporated significant community participation as a primary element of the project.

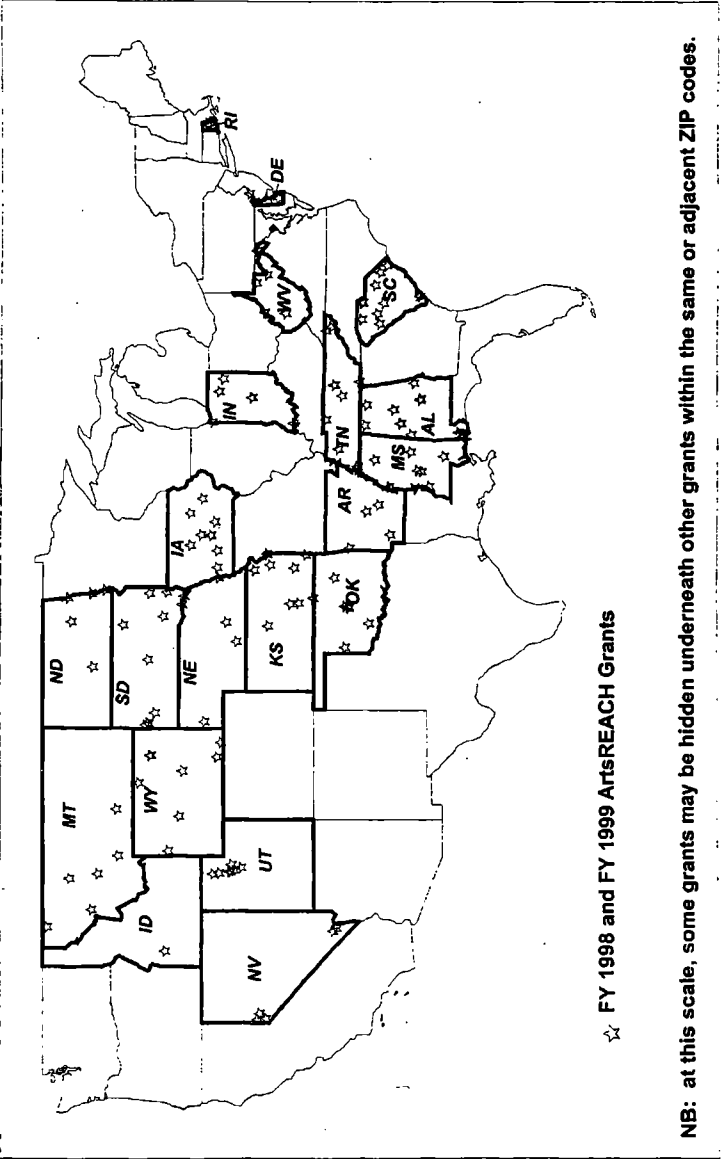
A. ArtsREACH

FY 2000 is the third year of the ArtsREACH pilot that limits applications to non-profit organizations and public agencies located within twenty designated States which received five or fewer direct Endowment grants in FY 1997 or FY 1998. The ArtsREACH grants enable communities to develop and implement cultural plans in partnership with local arts organizations. The ArtsREACH initiative has been exceptionally well-received in the target States as well as by Congress. In the first round of ArtsREACH (in FY 1998), we received 172 applications requesting over \$1.5 million. We awarded 84 grants totaling \$729,537. In FY 1999, we received 136 applications requesting \$1.2 million and awarded 83 grants totaling \$750,302. For FY 2000, we have budgeted \$750,000 for ArtsREACH grants; applications are not due until April 1, 2000.

One significant component of ArtsREACH involved sending Endowment staff to communities within each designated State. Through these visits, staff learned more about cultural resources in these locales, and engaged local representatives in dialogues about the Endowment's various funding categories, including ArtsREACH. One of the most compelling results documented by ArtsREACH statistics is the overall increase in the total number of grant awards made within these States in both our Grants To Organizations categories as well as ArtsREACH. For example, the number of Endowment grants to the targeted States have increased by almost four-fold from 57 grants in FY 1997 to 209 grants in FY 1999. A map showing the communities upon which an ArtsREACH grant has had some impact is shown in Chart 3. In addition to the cities shown on the map, over 538 partnerships were formulated between participating organizations.

Chart 3. Map of Communities in which ArtsREACH has had an impact.

FY 1998 and FY 1999 ArtsREACH Grants



An ArtsREACH grant made in FY 1998 for which we have results was a \$10,000 award to the **Community Drama Association of Des Moines, Iowa**, to support a community assessment and creation of a cultural plan. At issue was the identification and evaluation of the cultural assets of the immigrant and refugee populations of the city, and development of a plan to share these assets with the community as a whole. Des Moines has received a large influx of immigrants from Vietnam, Cambodia, Laos, Bosnia, and Sudan. However, this diversity is not yet reflected in the city's art community. Working in partnership with a number of arts and non-arts organizations in Des Moines, the project generated the creation of the *Culture Cafe*, a monthly performance venue at the Des Moines Community Playhouse. The assessment phase of the project identified more than two dozen artists largely unknown in the area. An example is Aldijana Radonic, a dancer who toured Europe professionally before escaping war-torn Bosnia and coming to the United States. She was discovered living in Des Moines, her talents unknown to the community. In addition to performing at the *Culture Cafe*, Ms. Radonic has been provided rehearsal space by the playhouse where she is teaching traditional Bosnian dances to Bosnian youth living in Des Moines. The grantee reported that our funding encouraged local funders to provide matching money as early as the planning phase. The impact of grants like these in FY 1998, and those awarded late in FY 1999, has been substantial. By supporting cultural planning, the ArtsREACH effort encourages organizations to widen their circle of participation through coalitions with arts as well as non-arts partners. We estimate that the 83 grants awarded last year will involve more than 500 organizations of various types as participating partners.

B. Positive Alternatives for Youth Pilot

The Positive Alternatives for Youth Pilot is a new FY 2000 Leadership Initiative designed to support partnerships between arts organizations and community groups for artists' residencies, outside of the school day or school year, that provide positive alternatives for youth. The Arts Endowment is particularly interested in programs in underserved areas where individuals lack access to quality arts programs due to geography, economic conditions, education, ethnic background, or disability. Key to this initiative are the strengthening of existing and the formation of new partnerships, particularly those that bring together artists and arts organizations with sectors outside the arts. *This initiative will pilot the Fast Track Grants aspect of the Arts Endowment's proposed Challenge America Initiative with grants of \$5,000 or \$10,000, to be matched \$1 to \$1, with a simplified application and expedited review.* Organizations will be notified whether they are receiving a grant approximately three months after they apply. Projects are limited to:

- Artists' residencies in venues such as arts organizations, neighborhood facilities, low-income housing projects, tribal communities, or juvenile facilities.
- Artist-led programs that provide facilities, materials, and guidance during non-school hours.
- Job training in conjunction with artists' residencies.

For the purpose of this initiative, artists' residencies are defined as interactions between youth and artists that provide opportunities for young people to participate in and/or learn about arts disciplines. Residencies also enhance the powers of perception and self-expression of the youth involved and help them to communicate creatively with tools and skills they might not otherwise develop, such as concentration, individual discipline, and team participation. Projects will focus on youth 18 or younger. Both existing and new projects are eligible to apply.

C. Millennium Initiatives

With the approach of the 21st Century, the Endowment has supported several exciting projects to celebrate America's century in the arts as we enter the new Millennium. These projects respond to President Clinton's charge: "*Honor the past. Imagine the future.*" For example, we funded: the Mars Millennium Project that involves and challenges artists, scientists and school children all across the country to envision living on the planet Mars; *Continental Harmony*, a national composers project that places composers in residence in communities all across America; SOS!2000 (Save Outdoor Sculpture), which builds upon the Endowment's commitment to preserve outdoor sculpture in each of the 50 States and Washington, DC; the Favorite Poem Project, which involves creation of audio/video cassettes of Americans reading their favorite poems aloud; the National Millennium Residency Project, which places artists in residency in each state and territory for 9-12 month periods to focus on families, values, health, communities, and cultural diversity; and several Media projects, for national distribution, ranging from the Afro-American presence in modern dance, to American photography, and to jazz. Two of these projects, the Mars Millennium and Continental Harmony, are discussed in greater detail below.

Mars Millennium Project

The U.S. Department of Education, National Endowment for the Arts, National Aeronautics and Space Administration and its Jet Propulsion Laboratory, and the J. Paul Getty Trust are sponsoring a national educational program -- the Mars Millennium Project. The project engages elementary, middle, and high school students across the country in an exploratory endeavor based on the marriage of art and science, complemented by the use of technology. With a goal to "create a new community yet to be imagined," participants work with art, science, and technology, through general educators, artists, scientists, designers, and engineers, to design communities in which humans could actually live on Mars in the year 2030.

This cross-disciplinary project helps develop student and teacher knowledge and skills in architecture, design, the arts, sciences, math, and engineering, as well as advance technology skills. An appropriate curriculum is being designed. Teachers and students will interact with practicing artists and scientists through a series of on-line chats, and will have the opportunity for a showcase or website display at the conclusion of the project. The project will take place during the 1999-2001 school years.

Work on this project has been proceeding with exceptional results. For both teachers and students, there is a wealth of resource materials available both on-line and in hard copy from the sponsoring Federal agencies as well as the over 130 national organizations cooperating with us on this project. One of these resources is a first-of-its-kind educational video, *Windows on Mars*, produced by the National Endowment for the Arts and released in January 2000. The video is divided into four 15-minute segments that focus on art and architecture, music, storytelling and folk arts, and dance. Within each segment teachers students and others are stimulated with thought-provoking questions and insights into the ways the arts and sciences can combine to imagine, design, create and share a planned habitat for Mars in 2030. NASA TV put this hour-long video into its rotation schedule showing it monthly beginning in November 1999.

The *Windows on Mars* video has significant relevance and application in schools and youth groups around the country as they undertake their own Mars Millennium Projects. *Windows on Mars* is designed to be used by teachers and educators in conjunction with the *Project Participation Guide*, a teacher resource guide that is available electronically on the Mars Millennium Project website (www.mars2030.net). In addition, a *Teachers' Guide to Windows on Mars* is provided with the video and offers suggestions on how the participation guide and the video can be used together.

Continental Harmony

An FY 1998 cooperative agreement with American Composers Forum in **St. Paul, MN**, led to the development of a national project called *Continental Harmony*. In small towns and big cities all across the country, people are celebrating the new Millennium in a unique and vibrant way; by commissioning and performing new works of music. Organizations in every state have been selected to host a composer-in-residence during the year 2000, determining for themselves the types of music that would best reflect their history, culture, and hopes for the future. The range of works to be premiered is remarkable: **Grand Forks, ND**, a community devastated in 1997 by the overflowing Red River, will premiere a choral work entitled "Living with the River," reflecting the complicated relationship between people and the environment. **Cotton, MN**, a rural community of 5,000, will celebrate through a presentation featuring instruments that children are making from materials found in nature, especially the surrounding forest. The south rim of **Arizona's Grand Canyon** will be the site of a concert demonstrating how the art and traditions of diverse cultures can grow side by side, combining to create something new and beautiful. For example, a chamber ensemble including Native American and European instruments, might perform a work about the meaning of cultural identity.

D. Folk Arts Infrastructure Initiative

The Folk Arts Infrastructure Initiative is supported as a Leadership Initiative and is intended to establish a national support infrastructure for the folk and traditional arts. This initiative builds upon the longstanding and productive partnership between the Arts Endowment and State Arts Agencies. The folk and traditional arts field is rich in artistic potential, but it is limited by the small number of field-specific, professionally-staffed organizations dedicated to preservation and public programming. Grants under this initiative were first awarded in FY 1998 when the Endowment funded 34 grants totaling \$886,000. In FY 1999, we funded 32 grants totaling \$810,000. For FY 2000 and FY 2001, we are projecting awarding 32 grants totaling \$800,000.

E. Interagency Partnerships

Through interagency partnership agreements with other Federal agencies, we have participated in jointly funded projects that address arts education, rural arts development, public arts projects and at-risk youth. Two examples of jointly funded projects focusing on at-risk youth are:

Arts Programs for Juvenile Offenders in Detention and Correction Centers

This initiative is designed to develop and implement arts-based programming for juvenile offenders in juvenile detention and corrections facilities. The objectives of the initiative are:

- To provide juvenile offenders with arts programming to enhance the youths' cognitive, linguistic, social and civic development; and
- To provide, promote and coordinate collaborative arts programs in the community for juveniles coming out of correctional programs so they can continue their arts experience and develop positive peer and adult relationships.

This initiative supports the premise that participation in arts programming reduces risk factors (such as social alienation, school failure, and impulsivity) that cause youth to be more susceptible to problem behaviors and crime. It also enhances protective factors that enable youth to lead productive lives by increasing communication skills, discipline, conflict management techniques and positive peer associations.

The NEA, in partnership with the Office of Juvenile Justice and Delinquency Prevention (OJJDP) at the U.S. Department of Justice, is supporting six projects over a two year period. Three of these projects will serve as pilot sites for the establishment of an arts program in juvenile detention or corrections facilities with a community extension component. The other projects will serve to enhance three existing arts programs in juvenile detention or correctional facilities that have already been shown to be effective.

Concurrently, NEA and OJJDP will support a training and technical assistance component to ensure that focused, professional technical support is available to the three demonstration sites and the three enhancement sites. All sites will evaluate their programs to measure their effectiveness in breaking a potential cycle of delinquency in the youth participants. Demonstration projects are being established for up to \$100,000 each year, for two-years, at three sites: School District of Palm Beach (Palm Beach, FL); Gainesville State School (Gainesville, TX); and Monroe County Children's Center (Monroe County, NY). Existing projects will be enhanced with up to \$25,000 each year, for two-year projects at three sites: The Children's Museum Experimental Gallery (Seattle, WA); State of California, Fred C. Nelles Youth Correctional Facility (Whittier, CA); and Bronx Council on the Arts, Inc. (New York, NY)

Partnership for Conflict Resolution Education in the Arts.

The Partnership for Conflict Resolution Education in the Arts is a national leadership initiative designed to strengthen arts programs directed toward youth who, because of their family or community-circumstances, are at-risk of drug abuse and violence. The initiative, a collaborative effort between the NEA and Office of Juvenile Justice and Delinquency Prevention (OJJDP), provides professional education and training in conflict resolution skills to the artists, staff and administrators participating in these after-school and summer programs. The NEA program was developed in response to arts organizations that identified the need for training in conflict resolution principles, skills and terminology as a means to improve youth programs.

Workshop participants are instructed in how to integrate conflict resolution principles and processes into the design of their youth arts programs and how to build upon or establish partnerships with schools, the juvenile justice system, parks and recreation programs and other community-based organizations. These partnerships provide for stability and additional resources for the work of these artists and arts administrators. The professional workshop sessions are provided by the National Center for Conflict Resolution Education. Through interactive, experiential learning activities, participants explore five conflict learning areas: understanding conflict; tools for de-escalating conflict; tools for resolving conflict; negotiation processes; and group problem-solving processes.

Conflict resolution education teaches skills needed for creative problem solving. The arts provide a natural means of delivering these skills in terms that youth understand. Programs that effectively integrate conflict resolution skills into their classes teach individuals to understand multiple perspectives, identify interests, express points of view and create solutions that provide for mutual gain. With understanding and skill, youth can become peacemakers who see conflict as an opportunity for learning and growth.

Experiences of the participating program sites demonstrate that:

- When artists and arts administrators use these conflict resolution techniques, relationships with young people improve; oftentimes artists and arts administrators understand how to teach art, but need training in working with troubled youth to be fully effective.
- Artists and arts administrators develop a better understanding of conflict and of the reactions and behaviors of youth; and
- Tools for de-escalating conflict help artists and arts administrators deal positively with unacceptable youth behavior.

During 1999, projects were conducted in the following cities: Topanga, CA; Philadelphia, PA; Kansas City, MO; Providence, RI; Las Cruces, NM; Houston, TX; Eugene, OR; Staunton, VA; and Portland, OR.

Program Support

The FY 2001 Program Support budget request is \$1.475 million. The Program Support budget covers activities that are directly related to the Agency's interaction with the arts fields. These activities include the grant application review panels, printing of guidelines, production of agency publications in addition to the Annual Report and the "Guide of the NEA," council member travel, NEA Website maintenance, research projects, and accessibility projects. A discussion of the components follows. The Detail of Program Support Activities, Chart 4, is located at the end of the Program Support tab.

A. Panels and Reviewers

Applications received by the Endowment undergo a three-tier review process -- peer review, National Council on the Arts (NCA) review, and Chairman approval. The first tier of evaluation is used to determine artistic excellence and merit, and if agency guideline requirements are met. The reviewers are experts and laypersons in various arts fields; represent diverse backgrounds and cultures; and reflect wide geographic, ethnic, and minority representations. We use our Automated Panelist Bank System (APBS) to help ensure that panel composition meets these criteria. The increase from FY 2000 to FY 2001 is \$57,000; the majority of the increase is to cover reviewer activities associated with the Challenge America initiative.

B. Consultants

Consultants are mainly used in panel-related and NCA meetings. The increased funding in FY 2001 is primarily intended for facilitation of overview panels, meetings, or symposia that discuss issues relating to the arts fields. These issues include new field directions and how the Endowment should respond. In addition, panel chairs or arts fields experts may be requested to attend a NCA meeting to inform the Council on issues that arise during panel meetings or to make presentations regarding policy issues.

C. Printing and Reproduction

The Agency produces several ongoing publications that relate directly to the field. These include Guidelines for grant applications, brochures covering information about the categories of grants and fellowships offered by the NEA, Council Books, and the Agency's Annual Report and "Guide to the NEA." The agency also prints various publications used to inform the public about arts issues and agency initiatives. The FY 2000 publications will emphasize the Endowment's: millennium programs that have been designated as official millennium projects by the White House Millennium Council; investment in America's culture, communities and children; and programs that preserve America's cultural heritage.

D. National Council on the Arts Travel

Council Travel covers costs associated with member travel to attend the Council meetings, working groups, and other meetings including panels.

E. Website Outreach

To increase public access to the Arts Endowment, an Agency website was developed. Through the website, the public can review articles about various arts fields' activities, access Agency reports such as statistics based on the Survey of Public Participation in the Arts, request free Agency publications, and download the Agency's various Guidelines including application forms and publications.

F. Office of Policy Research and Analysis

In FY 2000 the Office of Policy Research & Analysis (OPRA) will continue to conduct a variety of research projects, and develop and disseminate data and information on issues that affect the various arts fields, individual artists, and the American people. OPRA will continue to design, build, and test a National database on arts organizations, prepare for the 2002 survey of Public Participation in the Arts (SPPA), and publish research monographs analyzing topics related to arts participation. Additionally, OPRA will initiate a study examining data on artists' earnings and support programs for artists.

The major focus of OPRA's efforts to improve the quality of information available on arts organizations has been on the development of a national database on arts organizations. Demonstrations of the capacity of this new database were provided in several forums during 1999 for public arts funders at the State and Federal level and for private supporters, such as foundations and service organizations. The unanimous view was that the new database will fill a major void in statistics on arts organizations in much the same way that OPRA's national survey of public participation in the arts filled a void in quality statistics on trends in arts audiences over the last decade and a half. The new national unified database on arts organizations, which links data on arts organizations collected at the State and Federal levels, is expected to be available in FY 2000.

The FY 2001 OPRA budget will support special tabulations of the 1997 Census of Service Industry data on arts organizations; continuing research of several disciplines and localities, using the newly developed unified national database on arts organizations; pre-test and implement plans for the 2002 SPPA; and the compilation of extract files containing information on artists identified in the 2000 Census.

G. Office for AccessAbility

The Arts Endowment continues its commitment to making the arts available to all Americans, including people with disabilities, older Americans, and those living in institutions. The Office of AccessAbility provides technical assistance to individuals and organizations in implementing the requirements of the Endowment's Section 504 Regulations and the 1990 Americans with Disabilities Act (ADA) by preparing and distributing publications designed to assist grantee organizations in making their facilities accessible and by conducting technical assistance workshops to provide "hands-on" training.

Universal design continues to be a major focus of the Office. This design process allows educators, designers, and developers to address the issue of making the arts fully accessible to artists, arts administrators and audiences regardless of age, nationality, or disability. In FY 1999, funding was provided to produce a collection of universal design models that will be widely disseminated to schools of design, designers and developers. In June 1999, the Office convened a group of leaders in universal design, who reviewed the last decade of progress and developed a wealth of recommendations on ways to further advance this important design process. Based on these recommendations, an FY 2000 project will be selected to create greater public awareness of the benefits of and need for universal designed environments.

In July 1999, the Endowment renewed its commitment with the Department of Health and Human Services, Department of Education, John F. Kennedy Center and the Social Security Administration to convene a series of summits to develop specific projects for removing barriers that artists with disabilities encounter in pursuing their careers. Meetings were organized that focused on issues such as gaining the training and education needed to launch or advance arts careers and supplemental security income. An interagency plan is presently being crafted to implement projects by FY 2001.

CHART 4

NATIONAL ENDOWMENT FOR THE ARTS DETAIL OF PROGRAM SUPPORT ACTIVITIES (\$ in Thousands)

ACTIVITIES	FY 1999 ACT	FY 2000 EST	FY 2001 REQ
Panels and Reviewers	\$422	\$518	\$575
Consultants	17	10	75
Printing and Reproduction	79 a/	219	232
NCA Travel	25	32	38
Website	.....	.....	40
Office of P R & A	232	310	420
Office for AccessAbility	64	68	95
Total Program Support	\$839 b/	\$1,157 b/	\$1,475
	=====	=====	=====

a/ FY 1999 included Guideline and Council Book printing only.

b/ Excludes \$137,522 of FY 1999 carryover funds.

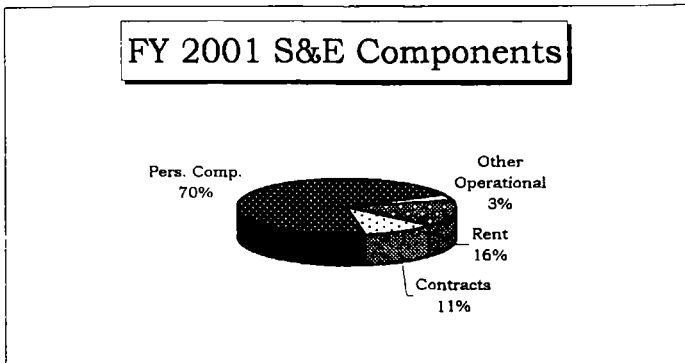
Salaries and Expenses

I. Introduction

For FY 2001, the Endowment requests \$19.7 million for Salaries and Expenses (S&E) to support administrative activities necessary to operate an independent Federal agency awarding new grants totaling nearly \$130 million and to monitor and process thousands of active prior-year grants. At the \$150 million request level the Salaries and Expenses budget would be 13 percent of total funding.

The Agency's S&E budget is comprised of personnel compensation, rent, contracts, and other operational costs; Chart 5 shows the FY 2001 S&E components. The Agency's FY 2001 budget increase over FY 2000 is approximately \$52.4 million; in comparison, the S&E budget increases by \$2.5 million. Of the \$2.5 million increase, we have determined that **85 percent is due to uncontrollable cost increases**. The uncontrollable cost increases are mainly the result of: Personnel Compensation increases (31 percent) due to pay raises, increasing Agency benefit costs, within-grade increases, and lump-sum payments made to employees leaving the Agency; GSA Rental increases (56 percent) resulting from increased square footage costs in the Old Post Office Building and the Endowment being "directed" to relocate to a new location; and Contractual Services (8 percent) associated with relocation costs that must be paid by the Agency.

Chart 5



The Agency's FY 1999-2004 Strategic Plan includes a management goal (Goal 8) that identifies and allocates resources, as necessary, to "Strengthen the NEA as an innovative, efficient, and effective organization." Two objectives are specifically related to activities covered in the S&E budget: improve the Agency's interaction with the public; and improve the efficiency and delivery of service. The Endowment has already made significant progress toward achieving these two objectives, but more remains to be done. To improve interaction with the public, we have: launched a website; increased funds available for staff travel to increase the Endowment's presence in communities throughout the Nation to promote initiatives such as ArtsREACH and Positive Alternatives for Youth; encouraged administrative support staff to attend conferences with arts organizations to provide information on grants management and financial reporting; and developed brochures outlining information about Endowment funding opportunities to encourage a broader range of applications.

The focus on improving efficiency and the delivery of service involves several initiatives. For example: the time between an application due date and grant award notification has been reduced by approximately four months; application forms are available in an on-line format through our website; and one generic final report form has replaced more than 100 different, category-specific forms previously used. A major key to achieving this objective is the use of technology to improve information databases, application processing, preparation of Council material, and information sharing. A Chief Information Officer was hired to oversee the Agency's information and technology management.

During FY 1999, the Agency prepared plans to identify and resolve Year 2000 conversion issues. With the implementation of these plans, the Endowment's centralized computer, telecommunication, and payroll systems successfully crossed into the Year 2000.

II. Administrative Mandates

The Agency's personnel requirements are a direct function of its mission, legal responsibilities imposed by Congress under the National Foundation on the Arts and the Humanities Act of 1965, as amended, (NFAHA), successive appropriations statutes and mandates, and the many other Federal statutes, regulations, and Executive Orders and circulars that govern the administration of Federal agencies. Below is a discussion of the Endowment's statutory responsibilities.

Basic Functions Required as a Independent Federal Agency

All Federal agencies must maintain basic administrative functions that include: budgeting; financial management; information systems management; personnel management; grants and contracts management; Inspector General; supply and building support; public information; legal counsel; civil rights and equal employment opportunity enforcement; and all of its programmatic functions.

National Foundation on the Arts and the Humanities Act of 1965, as amended, (NFAHA)

NFAHA mandates that all applications for grant assistance be subjected to a rigorous multi-step review. Specifically, the Act requires that: the chairman utilize advisory panels to review applications; that panels be composed of citizens reflecting wide geographic, ethnic and minority representation as well as individuals reflecting diverse artistic and cultural points of view, and that the panels further include lay members who are not engaged in the arts as a profession but who are knowledgeable about the arts. NFAHA also established a separate National Council on the Arts, and charges the Council with conducting a second level of review of all panel recommendations. Finally, the law requires a third level of review by the chairman.

NFAHA also imposes strict reporting requirements on all grantees, and requires the agency to recover grant dollars spent inappropriately. These authorities are important in ensuring accountability for taxpayer dollars.

Appropriations Bills Enacted since FY 1990

Pursuant to the FY 1998 legislation, the Endowment has been directed to: ensure that priority is given to awarding financial assistance for projects serving underserved populations; encourage public knowledge, education, understanding and appreciation of the arts; report to Congress on multi-state grants; and provide technical assistance to smaller organizations and those without sophisticated development offices, such as entities in rural or underserved communities operating with part-time or volunteer staff.

The Endowment has been given expanded authority to solicit and invest private funding. We have made some progress in this area, investing in Treasury Bills.

III. Computer Conversion

The Computer Conversion project was established to replace the Endowment's antiquated Wang Laboratories, Inc., (Wang) mainframe computing system. The goal is to migrate the Agency's Corporate Information Systems (CIS) from the Wang mainframe computer system to a Year 2000 compliant client-server platform. This need is further exacerbated by diminishing maintenance support as the equipment ages and repairs become more problematic. With assistance from GSA's Federal Systems Information Management Center (FEDSIM), contracts were awarded to install a Local Area Network (LAN) (which has been operational for more than a year), and to develop a new Enterprise Management Information System (EMIS).

Implementation of the Agency's new EMIS (excluding the financial accounting package) is ongoing. Portions of the program are undergoing testing and further refinement. Additional requirements are being developed and modifications and improvements are expected to continue. The Agency is also planning to implement a Commercial Off The Shelf (COTS) financial package that is Joint Financial Management Improvement Program (JFMIP) compliant in FY 2001.

To ensure operational continuity and the ability to parallel test, the Endowment modified its current Corporate Information Systems, running on the Wang Computer, to be Year 2000 compliant. Also, the Agency has budgeted funds to maintain the Wang Computer system through FY 2001.

IV. Discussion of Salaries and Expenses Components

The Salaries and Expenses allocations at the Request Level of \$150 million are discussed below. The Detail of Object Classification, Chart 6, is located at the end of the S&E tab.

A. Personnel Compensation and Benefits

During FY 1999, the Endowment continued to address its staffing needs by filling critical vacancies including: Directors for Presenting/Multidisciplinary, Design, and Literature; administrative assistants; and discipline (arts) specialists. To manage the Agency's information and technology, the Endowment established the Office of Information and Technology Management and hired a Chief Information Officer. FY 1999 ended with staffing levels well below our identified needs; we will continue to fill vacant positions in FY 2000.

In FY 2000, the Endowment estimates that \$12.902 million will be required for personnel compensation. This estimate includes the annualized cost of the FY 1999 3.68 percent pay increase (covering the ECI and Locality Pay adjustments) and the 4.94 percent pay increase for FY 2000. This estimate will support an annualized 162 FTE (157 staff, 4 Student Temporary Employment Program, and 1 President's Committee on the Arts and the Humanities staff funded with donated monies). The 162 FTE will enable the Endowment to finish filling critical vacancies carried forward from FY 1999, and hire personnel necessary to process the growing number of applications and grant awards.

The FY 2001 personnel compensation estimate of \$13.816 million will support an annualized 167 FTE and the annualized cost of the FY 2000 4.94 percent pay increase and the proposed 3.9 percent pay increase for FY 2001. The 167 FTE includes an increase of five staff over FY 2000. The additional staff will be necessary to support the increased application and grant award processing as a result of implementing the **Challenge America** initiative.

The amount budgeted for benefits is based on the Agency's adjusted composite benefit rate. The aggregate benefit rate is estimated to increase to 22 percent in FY 2001, up from 19 percent in FY 1999. This results from the continual increase in the number of employees under the Federal Employees Retirement System (FERS); FERS employees are expected to exceed 56 percent by FY 2001.

B. GSA Rental

In FY 1998, GSA informed the Arts Endowment of its intent to redevelop the Old Post Office Building (OPO), and therefore "directed" that we prepare to vacate the OPO. Since the initial letter of intent, the three agencies located in OPO have been working with GSA to locate another building. Many issues are still unresolved. We are waiting on GSA to provide information on issues that include build out costs, relocation costs covered by GSA since this a "GSA directed move," the date the relocation is expected to take place, and location options.

Given information currently available, the Endowment is requesting \$3.098 million for GSA Rent in FY 2001. This assumes that the Agency will be located in the OPO from October 2000 through March 2001, and will relocate to a new building in April 2001. The FY 2001 GSA Rent request represents a \$1.195 million increase over the FY 2000 estimate. Most of this increase can be attributed to three factors: OPO rental rates in FY 2001 will increase approximately 18 percent; rental rates will be significantly higher in a new location; and the new location's mandatory fire egress and circulation factor is approximately 104 percent higher than in the OPO. Should GSA's plan change and the Endowment does not relocate, the FY 2001 GSA Rent cost will increase approximately 18 percent over the FY 2000 estimate.

Past experience and discussions with other agencies indicate that the Endowment should anticipate costs above what GSA will cover in the event of a "directed move." We estimate that the Agency could be responsible for approximately \$1.4 million of these costs. This would cover items such as NEA's portion of GSA's Lease Acquisition Fee and security system costs, procuring a telephone system, space design, and purchasing furniture.

C. Contractual Services

Contractual Service activities include printing, training, miscellaneous services, Intergovernmental Personnel Act (IPA) Agreements, and communications and utilities.

1. Printing

FY 1999 printing costs under the S&E budget included the Agency's guidelines, Annual Report, miscellaneous publications, and notices in the Federal Register and Code of Federal Regulations. During FY 1999 the Endowment produced or reprinted the following publications: "Imagine," Brief Chronology of Federal Involvement in the Arts, and Writing America.

As of FY 2000, printing activities, which directly support the Agency's interaction with the field, are included in the Program Support budget. Descriptions of these activities and their associated cost estimates are contained in the Program Support Tab. For FY 2001, the Endowment is requesting \$66,000 for this object class. These funds will be used to print notices in the Federal Register and Code of Federal Regulations, and standard agency forms. The FY 2001 request takes into consideration the Government Printing Office (GPO) estimate that FY 2001 printing costs will increase 3.3 percent over FY 2000.

2. Training

The Endowment requests \$100,000 for Agency-wide training in FY 2001. Non-ADP training funds will be used to support approved employee training identified through an Agency-wide training needs assessment process, which includes the use of individual development plans. Emphasis will be placed on training in supervisory, leadership, and technical skills. The primary focus of ADP training will shift from classes for applications associated with the LAN to user and technical classes related to the agency's new EMIS and desktop applications.

3. Miscellaneous Services

The FY 2001 request for contractual services is \$1.734 million. The Agency uses contractual services for a multitude of activities that include: payroll and personnel processing with the U.S. Department of Agriculture; GSA Guard Service; health services with the U.S. Department of Justice; interagency audits; operation, modification and/or enhancements of Automated Data Processing (ADP) hardware and software systems; maintenance of the agency's LAN; services for temporary clerical personnel; management of agency duplicating and internal mail service; maintenance of duplicating and telephone equipment; and maintenance of the Wang Laboratories, Inc. computing system.

4. Intergovernmental Personnel Act Agreements

Intergovernmental Personnel Act agreements (IPAs) are used to bring experts in various fields to the Endowment. These individuals come from State or local agencies, universities or other organizations and offer the Endowment a unique view of their field and related issues. In FY 2001, \$98,000 is requested for these purposes.

5. Communications, Utilities, and Miscellaneous Charges

For FY 2001, \$320,000 is requested for communications, express delivery of time-sensitive panel and National Council on the Arts (NCA) materials, utilities, and equipment rental. Increases in this area are a result of the Agency's implementing the **Challenge America** initiative, the proposed postage rate increase, and increased efforts to assist potential applicants to apply for grants.

D. Other Operational

Other Operational services include staff and invitational travel, supplies and equipment.

1. Staff Travel

For FY 2001, the Endowment is requesting \$325,000 for local and out-of-town travel for staff (including the Office of Inspector General and the Endowment's portion for the President's Committee on the Arts and the Humanities). The Endowment uses staff travel primarily to ensure that information regarding agency programs, including its Leadership initiatives, are available to the broadest range of Americans and communities.

The increase in FY 2000 travel is earmarked for outreach efforts focusing on commercial partnerships and to support the Positive Alternatives for Youth pilot. The increase in FY 2001 travel will be used mainly to support the **Challenge America** initiative and to ensure that travel to other underserved areas is maintained. Additionally, the Agency has been advised that FY 2001 travel costs will increase approximately 8 percent over FY 2000 estimates due to the renegotiation of GSA's travel contract.

2. Supplies and Equipment

In FY 2001, the Endowment requests \$195,000 for Supplies and \$146,000 for Equipment. The Agency coordinates and manages the purchase and inventory of supplies and equipment through three central service offices.

The FY 2001 Equipment request represents an increase over the FY 2000 estimate due to implementing an ongoing Automated Data Processing (ADP) replacement plan. As the Endowment expands its use of technology to manage its Information Technology (IT) needs, it is critical that the Agency's LAN and individual PCs remain current with technological advances.

V. Office of Inspector General (OIG)

The Office of Inspector General was created in 1989 pursuant to provisions of the Inspector General Act Amendments of 1988 (P. L. 100-504). The OIG is responsible for conducting audits, for investigating allegations of unlawful or unauthorized activity, and for providing technical assistance to grantees on matters relating to the financial management of their awards. Consistent with dictates of the National Performance Review. The OIG is broadening its focus from strict compliance auditing to helping the agency evaluate and improve management systems to prevent waste, fraud and abuse, and ensure efficient, effective service.

There is no separate appropriation for the OIG. Instead, fiscal support for administering the activities of the OIG (e.g., personnel, travel, equipment, supplies, contractual services, etc.) is provided by the Arts Endowment and the associated costs are factored into appropriate object classes of the Agency's Salaries and Expenses Budget. No authority within the Endowment, other than the Chairman, approves the Inspector General's budget.

The following is a summary of the OIG costs:

	(\$ in thousands)		
	FY 1999	FY 2000	FY 2001
	<u>ACT</u>	<u>EST</u>	<u>REQ</u>
11.1 Personnel Compensation ¹	243	270	293
12.1 Personnel Benefits	45	45	49
21.1 Travel	1	5	5
24.1 Printing	0	1	1
25.2 Training	3	3	3
25.4 Contractual Services	0	10	10
26.0 Supplies	<u>1</u>	<u>2</u>	<u>2</u>
Total	293	336	363

¹Supports 3.37 FTE in FY 1999, 3.8 FTE in FY 2000 and 4.0 FTE in FY 2001.

VI. President's Committee on the Arts and the Humanities (PCAH)

The President's Committee on the Arts and the Humanities was established in 1982 by Presidential Executive Order to study and stimulate more private sector giving to the arts and the humanities. The current Executive Order expires on September 30, 2001. The costs of the PCAH are reflected in the various object classes of the Arts Endowment's Salaries and Expenses Budget. PCAH's logistical and administrative support activities (e.g., supplies, reprographic services, telephone service, etc.) are provided by the Arts Endowment. The National Endowment for the Humanities (NEH) shares half the cost of the PCAH, through an interagency agreement. Each Agency pays for 1 FTE and associated travel. In addition, each agency will include 1 additional FTE funded with donated monies.

The following is a summary of PCAH's total budget including the costs covered by NEH:

(\$ in thousands)

	FY 1999 <u>EST</u>	FY 2000 <u>EST</u>	FY 2001 <u>REQ</u>
11.1 Personnel Compensation ²	222	211	218
12.1 Personnel Benefits	49	49	51
21.1 Travel	6	6	6
23.1 Rent	60	61	129 ³
23.3 Postage	4	4	4
23.3 Telephone	5	5	5
24.0 Printing	3	10	10
25.4 Contractual Services	3	6	6
26.0 Supplies	2	2	2
31.0 Equipment	<u>6</u>	<u>5</u>	<u>0</u>
Total	360	359	431

²Excludes costs for 2 FTE paid with donated funds in FY 2000 and FY 2001.

³Assumes moving to a new location as of April 1, 2001 and full use of space.

CHART 6

NATIONAL ENDOWMENT FOR THE ARTS
 DETAIL OF OBJECT CLASSIFICATION
 (\$ in Thousands)

OBJECT CLASSES		FY 1999 Actual	FY 2000 Estimate	FY 2001 Request
11.1	Full-Time Permanent	\$8,299	9,041	9,629
11.3	Other Than Full-Time Permanent	1,320	1,414	1,496
11.5	Other Personnel Compensation	130	133	133
11.8	Special Personal Services	61	86	86
11.9	Total Personnel Compensation	9,810	10,674	11,344
12.1	Civilian Personnel Benefits	1,929	2,218	2,462
13.0	Benefits for Former Personnel	7	10	10
	Total Compensation & Benefits	11,746	12,902	13,816
21.0	Travel & Transportation of Persons	222	271	325
23.1	Rental Payments to GSA	1,773	1,903	2,098
23.3	Comm., Utilities & Misc. Charges a/	219	256	320
24.0	Printing and Reproduction	152	57	66
25.2	Other Services b/	1,733	1,527	1,734
26.0	Supplies and Materials	156	170	195
31.0	Equipment	127	87	146
99.0	Total: Salaries and Expenses	16,128 c/	17,173 f/	19,700
	Computer Conversion	490 d/	.....	.....
	Office of Policy Research and Analysis	206 e/	.....	.....
	TOTAL ADMINISTRATIVE	\$16,824	\$17,173	\$19,700

a/ Includes Transportation of Things formerly under Object Class 22.0.

b/ Excludes NEH reimbursement for one-half of PCAH expenses.

c/ Includes \$151,000 of FY 1998 carryover funds.

d/ Included in the President's Budget object classes as follows: \$433,116 in 25.2, and \$56,884 in 31.0.

e/ Included in the President's Budget object classes as follows: \$187,609 in 25.2, and \$18,531 in 41.0.

f/ Includes \$255,507 FY 1999 carryover funds.

NATIONAL ENDOWMENT FOR THE ARTS

FY 2001 Performance Plan

FY 1999 Performance Report

NATIONAL ENDOWMENT FOR THE ARTS

FY 2001 Performance Plan



AN INVESTMENT IN AMERICA'S LIVING CULTURAL
HERITAGE

February 2000

NATIONAL ENDOWMENT FOR THE ARTS

*The arts
reflect the past,
enrich the present,
and
imagine the future.*

VISION

A Nation in which the arts play a central role in the lives of all Americans.

MISSION

The National Endowment for the Arts,
an investment in America's living cultural heritage,
serves the public good by
nurturing the expression of human creativity,
supporting the cultivation of community spirit, and
fostering the recognition and appreciation of the **excellence** and **diversity** of
our Nation's artistic accomplishments.

NATIONAL ENDOWMENT FOR THE ARTS

FY 2001 PERFORMANCE PLAN

I. INTRODUCTION

The National Endowment for the Arts (NEA) presents its Performance Plan for the fiscal year 2001. This plan conforms with the requirements of the Government Performance and Results Act of 1993 (GPRA) and the guidance contained in Office of Management and Budget Circular A-11. This plan and the Agency's FY 2001 Budget Request of \$150 million are integrally linked with one another. The Agency's goals and objectives were used to build the FY 2001 budget request. The commitment of the NEA to utilize its Strategic Plan in its ongoing operations is particularly evident in the:

- budget presentation where we convey that the use of the Agency's goals for application submission replaces the use of funding categories, and
- Performance Plan where the performance goals and indicators mirror those contained in the Strategic Plan.

This document contains both the FY 2001 Performance Plan and the Agency's Performance Report for FY 1999.

II. PERFORMANCE HIGHLIGHTS

When examined as a whole, the breadth of accomplishments that the NEA has achieved will continue to achieve under its FY 2001 request is quite impressive. With a budget of \$150 million, citizens across the Nation will have increased access to the arts through concerts, performances, readings, tours, festivals and fairs; creation and preservation of work; arts instruction classes, demonstrations and presentations; and residencies in and out of school. The number of cities reached throughout the Nation will be in the thousands; the number of individuals reached in the millions. Hundreds of grants will be awarded to reach boundaries beyond the State in which the grant recipient resides. Children, especially those at risk, will be provided positive alternatives.

Particularly important for the American people is the Endowment's initiative entitled **Challenge America**. This initiative, targeted to strengthen families, communities and the Nation through the arts, is an unprecedented effort to respond to the overwhelming needs of communities to improve the livability and quality of life of its citizens. A particular focus of this initiative is to recognize the importance of partnerships between arts organizations, artists, schools, teachers, community organizations and the public and private sectors.

Challenge America, if fully funded, will enable approximately 1000 communities nationwide to receive grants that will:

- improve access to the arts for families and communities;
- expand support for programs that bring the benefits of arts education to schools, students, parents and teachers;

- provide positive alternatives for youth-at-risk, such as after-school arts programs;
- increase efforts to preserve our Nation's cultural heritage;
- improve the ability and capacity of arts organizations to serve their communities; and
- strengthen and develop partnerships that improve the livability of communities.

Provided below is a sampling of the Endowment's projected accomplishments through its grant programs and leadership initiatives and activities. This is in addition to the accomplishments anticipated under **Challenge America**.

- Supporting over 7,500 concerts nationwide;
- Supporting more than 200 exhibitions, fairs, and festivals;
- Conserving, documenting and preserving over 3,200 highly significant works of art, artifacts or collections;
- Supporting more than 1,000 residencies in and outside of schools;
- Supporting the creation of nearly 400 works of art; and
- Supporting more than 940 lessons, classes, and other means used to teach knowledge of and/or skills in the arts.

Millions of citizens will benefit from these projects, including millions of children. Grant projects are expected to reach more than 5,000 locations beyond the location of the direct grant recipient. And, a match of nearly \$300 million is projected to result from the projects supported.

III. PERFORMANCE GOALS AND INDICATORS FOR THE FY 2001 BUDGET REQUEST

The accomplishments anticipated by the Endowment in FY 2000 and 2001 are identified below by goal and objective. The Endowment places great import in ensuring the direct link between its annual plan and its budget. The charts that follow the narrative in this section reflect this linkage. In addition, the narrative and charts clearly articulate the Endowment's major initiative for FY 2001, **Challenge America**. Following the charts, the relationship of **Challenge America** to the Endowment's goals for FY 2001 is graphically displayed.

A. ACCESS GOAL

Objective 1: Increase number of, and broaden and diversify the kinds of, arts events or activities available to the American public.

Performance Indicator: A broad and diverse range of arts projects will be presented, exhibited, performed, toured, broadcast, and/or published.

FY 2000

Projects directly supported by the Arts Endowment would enable approximately 1,400 concerts, performances, and readings, and 50 radio and television broadcasts to occur throughout the Nation. Through Partnership Agreements with State Arts Agencies (SAA) and their Regional Arts Organizations (RAO), approximately 4,700 grants would be made using Arts Endowment funds to support activities such as concerts, performances, readings, exhibitions, fairs and festivals, publications, translations and writings about art. Through the Indemnity program, approximately 40 exhibitions and 3,500 objects from lenders worldwide would be accessible to the American public.

FY 2001 Request

In addition to the above, the **Challenge America Initiative** would directly enable the Arts Endowment to increase, by more than 60percent, the number of concerts, performances and readings, and residencies available to families and communities. In partnership with the SAAs and their RAOs, more than 3,600 grants would be made under **Challenge America** to enable communities and their families to benefit from acquisitions, concerts, performances and readings, exhibitions, fairs and festivals, publications, distribution of artwork and writing about art.

Objective 2: Provide access to arts experiences in communities where such activities are not readily available because of geographic, economic or other factors.

Performance Indicator 1: A significant number of arts projects or activities will be funded to reach those located in rural, inner-city, and other underserved communities.

FY 2000

Projects directly supported by the Arts Endowment would enable approximately 475 concerts, performances, and readings, and 40 school and other residencies to occur throughout the Nation. (NOTE: The Endowment's major pilot program, ArtsREACH, was initiated in 1998 to target Endowment grants to organizations in 20 States that have been under-represented in our direct grant program. Indicators referencing the cultural planning aspect of this program can be found under the Community Arts Development Goal, objective 4.) Through Partnership Agreements with the SAAs and RAOs, 45 grants would be made using Arts Endowment funds, providing access to the arts to those located in rural, inner-city and other underserved communities.

FY 2001 Request

In addition to the above, the *Challenge America Initiative* would directly enable the Arts Endowment to increase, by more than 200percent, the number of concerts, performances and readings, audience services, and residencies. In partnership with the SAAs and their RAOs, 34 grants would be made under **Challenge America** to communities and families located in rural, inner-city and other underserved communities.

Performance Indicator 2: Research studies on national arts participation are initiated and sustained.

FY 2000

Support would be provided for planning the FY 2002 Survey of Public Participation in the Arts (SPPA) that determines trends and patterns in participation across demographic and socioeconomic groups and geographic areas. Reports from the 1997 report will continue to be published with additional detailed analyses.

FY 2001

Support would continue to be provided for the FY 2002 Survey of Public Participation in the Arts (SPPA) that determines trends and patterns in participation across demographic and socioeconomic groups and geographic areas.

B. CREATIVITY GOAL

Objective 1: Increase the number of works created and presented.

Performance Indicator 1: A significant number of projects, in a wide variety of art forms, will be funded that commission, develop, or present work, or that reinterpret existing work.

FY 2000

Projects directly supported would assist in the creation of over 300 works of art, and enable the occurrence of approximately 4,100 presentations and nearly 190 exhibitions, fairs and festivals, 65 professional artistic support, approximately 130 publications, and 85 school and other residencies. Through Partnership Agreements with the SAAs and RAOs, 297 grants would be made using Arts Endowment funds, providing opportunities for the creation and presentation of work.

FY 2001 Request

The FY 2000 level of activity will be essentially maintained in FY 2001.

Objective 2: Expand opportunities for artists to interpret, explore, and create work.

Performance Indicator: Support is maintained for projects that provide resources, time and space to assist artists in creating work.

FY 2000

Projects directly supported would enable approximately 115 residencies and 55 concerts, performances, or readings for artists to interpret, explore and create art. In addition, 41 fellowships would be provided to assist individual writers. Through Partnership Agreements with the SAAs and RAOs, 678 grants would be made using Arts Endowment funds, providing additional resources, time and space to assist artists in creating work.

FY 2001

The FY 2000 level of activity will be essentially maintained in FY 2001.

C. ARTS EDUCATION GOAL

Objective 1: Help ensure that the arts are basic to the education of children and young adults in grades pre-K through 12.

***Performance Indicator:** A wide range of projects are supported that contribute toward making the arts essential to basic education in American schools.*

FY 2000

Projects directly supported would provide for approximately 140 arts instruction classes or lessons, 190 school and other residencies in which activities take place in educational and other settings, and 10 curriculum development/implementation projects that include the design, implementation, and distribution of instructional materials, methods, evaluation criteria, goals and objectives. Through Partnership Agreements with the SAAs and RAOs, more than 1,500 grants would be made using Arts Endowment funds, contributing to making the arts essential to basic education in American schools.

FY 2001

In addition to the above, the *Challenge America Initiative* would directly enable the Arts Endowment to increase, by more than 50 percent, the arts education arts instruction, school residency, and curriculum development activities available to families and communities. In partnership with the SAAs and their RAOs, more than 1,300 grants would be made under **Challenge America** to support school residency programs and projects made available to families and communities nationwide.

Objective 2: Expand opportunities for children and adults to participate in and to increase their understanding of, or skills in, the arts.

***Performance Indicator:** A wide variety of projects are supported that are intended to increase the public's understanding of, or skills in, the arts.*

FY 2000

Projects directly supported would enable more than 875 concerts, performances and readings, nearly 300 residencies, and more than 450 classes, and related opportunities for children and adults to participate in and to increase their knowledge of, or skills in, the arts. Through Partnership Agreements with the SAAs and RAOs, nearly 1,300 grants would be made for art instruction or art classes, seminars, and other residency projects using Arts Endowment funds, providing additional opportunities for children and adults to participate in and to increase their understanding of, or skills in, the arts.

FY 2001

In addition to the above, the **Challenge America Initiative** would directly enable the Arts Endowment to increase, by more than 60 percent, the number of concerts, performances, and readings, arts instruction, and residencies available to families and communities. In partnership with the SAAs and their RAOs, 1,081 grants would be made under **Challenge America** in support of projects such as classes and instruction, residencies, and seminars in communities across the country to increase opportunities for children and adults to participate in and to increase their understanding of, or skills in, the arts.

Objective 3: Provide professional development opportunities for artists, arts professionals, and teachers.

Performance Indicator: *A significant number of projects and activities are supported that provide professional development opportunities for artists, arts professionals, and teachers.*

FY 2000

Projects directly supported would enable more than 65 professional development and training opportunities for artists, arts professionals, and teachers. Through Partnership Agreements with the SAAs and RAOs, nearly 250 grants would be made for professional development opportunities for artists, arts professionals, and teachers.

FY 2001

In addition to the above, the **Challenge America Initiative** would directly enable the Arts Endowment to nearly double its support of professional development and training opportunities for artists, arts professionals, and teachers. In partnership with the SAAs and their RAOs, more than 200 grants would be made possible under **Challenge America** for professional development opportunities for artists, arts professionals, and teachers.

D. PRESERVATION GOAL

Objective 1: Document or conserve highly significant works of art, artifacts, and collections of art.

Performance Indicator: A significant number of projects are supported that conserve, document, and preserve our Nation's art.

FY 2000

Projects directly supported would enable nearly 3,300 highly significant works of art, artifacts, and collections of art to be identified and documented, conserved, repaired and restored and thus conveyed to the next generation. Through Partnership Agreements with the SAAs and RAOs, 94 grants would be made using Arts Endowment funds, providing for additional works of art, artifacts, and collections of art to be documented or conserved.

FY 2001

In addition to the above, the **Challenge America Initiative** would directly enable the Arts Endowment to more than double the number of highly significant works of art, artifacts, and collections of art to be identified and documented, conserved, repaired and restored and thus conveyed to the next generation. In partnership with the SAAs and their RAOs, more than 150 grants would be made under **Challenge America** supporting projects related to documentation of artwork and collections of artwork, recording and filming, and restoration.

Objective 2: Honor, assist, encourage, and present those artists and forms of artistic expression and practice that reflect the many cultural traditions that make up our Nation.

Performance Indicator 1: Support is maintained for projects that assist, document and/or present artists, artistic tradition, techniques, practices, models, and forms of artistic expression that reflect our Nation's cultural traditions.

FY 2000

Projects directly supported would enable more than 400 concerts, performances, or readings, arts instruction, residencies and related activities to occur across the country; thus expanding the public availability and knowledge of the breadth and scope of the forms of artistic expression that reside in this Nation. In addition, eight apprenticeships would take place to pass artistic repertoire, techniques and traditions on to future generations. Through Partnership Agreements with the SAAs and RAOs, more than 300 grants would be made using Arts Endowment funds, providing for projects that assist, document and/or present artists, artistic tradition, techniques, practices, models, and forms of artistic expression that reflect our Nation's cultural traditions.

FY 2001

In addition to the above, the *Challenge America Initiative* would directly enable the Arts Endowment to increase, by nearly 75percent, arts activities that assist, document and/or present artists, artistic tradition, techniques, practices, models, and forms of artistic expression that reflect our Nation's cultural traditions. In partnership with the SAAs and their RAOs, more than 500 grants would be made under **Challenge America** providing support for projects or programs related to apprenticeships and related programs.

Performance Indicator 2: Participate in building a national folk arts infrastructure.

FY 2000

Projects directly supported would provide for 32 projects that contribute efforts to build a national infrastructure for the folk arts.

FY 2001

Projects directly supported would provide for approximately 34 projects that contribute efforts to build a national infrastructure for the folk arts.

Performance Indicator 3: Recognize the contributions of exceptional artists.

FY 2000

Projects directly supported would enable three American Jazz artists to be recognized for their significant contributions to jazz, artistic excellence, and impact on the music field, and thirteen National Heritage Fellows to be recognized for their artistic excellence and support of their continuing contributions to our Nation's traditional arts heritage.

FY 2001

The FY 2000 level of activity will be essentially maintained in FY 2001.

E. ORGANIZATIONAL STABILITY GOAL

Objective 1: Strengthen arts organizations' ability to realize their artistic and public service goals by becoming more effective, adaptable, and stable organizations.

***Performance Indicator 1:** Projects will be supported that improve the organizational and financial capability of arts organizations.*

FY 2000

During the FY 2000 application cycle, funding for Planning & Stabilization grants was suspended while the Arts Endowment conducted a major reassessment of its support for organizational stability to determine the best approach to respond to the needs of arts organizations. In FY 2000, projects would directly enable 54 marketing, professional administrative support, research/planning, and stabilization activities. Through Partnership Agreements with the SAAs and RAOs, more than 2,400 grants for organizational operating support, marketing, administrative support, artistic support, and equipment acquisition would be made using Arts Endowment funds.

FY 2001

In FY 2001, Planning and Stabilization grants will be installed at a higher level of support than available in FY 2000. Through Partnership Agreements with the SAAs and RAOs, more than 2,400 grants for organizational operating support, marketing, administrative support, artistic support, and equipment acquisition would be made using Arts Endowment funds.

***Performance Indicator 2:** Groups would be convened to discuss, evaluate and propose agency policies, programs and strategies that would help keep arts organizations strong.*

FY 2000

A series of topical meetings were convened for the purpose of looking at issues such as new philanthropic sources of support and changes in demographics. The Endowment also convened groups to assist the Agency in finalizing plans for an Organizational Stability category.

FY 2001

Following the outcome of the meetings in FY 2000, recommendations are being implemented in FY 2001 when the Endowment launches its new Stabilization program.

F. COMMUNITY ARTS DEVELOPMENT GOAL

Objective 1: Help make communities more livable through the arts.

Performance Indicator: A wide variety of projects would be supported that promote and use the arts and design as a vehicle to make communities more livable.

FY 2000

Projects directly supported would enable Mayors from 55 communities, large and small, to participate in the Mayors' Institute for City Design, co-sponsored with the U.S. conference of Mayors and the American Architectural Foundation. Also, the Millennium Trails project would enable 52 of the Country's historic trails to become part of America's legacy for the year 2000.

FY 2001

The *Challenge America Initiative* would directly enable the Arts Endowment to significantly increase its support for projects such as the Mayors Institute to make communities more livable.

Objective 2: Enhance public awareness of the importance of the arts in our lives and communities.

Performance Indicator: A significant number of projects would be supported that help disseminate information about, and foster appreciation of, the role of the arts in communities, as well as those that support research, analysis, and publications concerning the impact of the arts in communities.

FY 2000

Through Partnership Agreements with the SAAs and RAOs, approximately 120 grants would be made using Arts Endowment funds that will demonstrate the importance of the arts in our lives and communities.

FY 2001

In partnership with the SAAs and their RAOs, more than 400 grants would be made under **Challenge America** in support of projects that would be related to research, analysis, and publications concerning the impact of the arts in communities.

Objective 3: Increase opportunities for the positive development of children and youth.

Performance Indicator: Projects would be supported that promote the use or involvement of the arts to help improve the lives of children and youth.

FY 2000

Positive Alternatives for Youth, a new Agency pilot leadership initiative, will take place in FY 2000. It is anticipated that 150 communities will benefit from this program.

FY 2001

The *Challenge America Initiative* would enable the Arts Endowment to support approximately 600 apprenticeships, internships, residencies, and professional development or training opportunities intended to provide positive alternatives for youth.

Objective 4: Stimulate and strengthen the role of the arts in the economic and cultural development of communities.

Performance Indicator: *Projects would be supported that help community-based coalitions to develop community cultural plans or undertake cultural assessments that lead to strengthened roles of the arts in communities.*

FY 2000

Projects directly supported through the ArtsREACH Initiative would enable nearly 80 projects intended specifically to help community-based coalitions in targeted States, to develop community cultural plans or undertake cultural assessments. Through Partnership Agreements with the SAAs and RAOs, nearly 125 grants would be made using Arts Endowment funds that would help community-based coalitions to develop community cultural plans or undertake cultural assessments that lead to strengthened roles of the arts in communities.

FY 2001

In addition to the above, the *Challenge America Initiative* would enable the Arts Endowment to more than double its support for community-based coalitions to develop community cultural plans or undertake cultural assessments. In partnership with the SAAs and their RAOs, more than 400 grants would be made under **Challenge America** in support of projects that would stimulate and strengthen the role of the arts in the economic and cultural development of communities.

C. PARTNERSHIPS GOAL

Objective 1: Strengthen partnerships between the Endowment, State Arts Agencies, Regional Organizations of State Arts Agencies, and local governments.
Performance Indicator: 40 percent investment into partnership agreements with SAAs and RAOs in activities that support the mission and goals of the Arts Endowment.

FY 2000

For specific information, please refer to the Partnership Agreement information within each of the goals and objectives above.

FY 2001

For specific information, please refer to the Partnership Agreement information within each of the goals and objectives above.

Objective 2: Develop and strengthen partnerships with the nonprofit arts sector including national arts service organizations, colleges and universities and foundations.

Performance Indicator: Convene representatives from the nonprofit and for-profit sectors to facilitate mutual efforts to sustain and strengthen the arts.

FY 2000

Recommendations that resulted from an initial meeting with foundation representatives in September, 1998 will be addressed.

FY 2001

In FY 2001, the Endowment will be exploring opportunities for further collaboration.

Objective 3: Develop partnerships with the private sector and the commercial arts sector that enhance the arts in America.

Performance Indicator: Jointly invest with other funders in projects that support the arts.

FY 2000

The Endowment intends to convene an initial meeting with representatives of the commercial for-profit arts industry to determine ways they can work with the not-for-profit arts industry.

Through continued support from the Endowment and the Department of Education, the Arts Education Partnership will continue to facilitate collaborative planning and action among the 140 participating organizations at the national, State, and local levels, which will maximize collective efforts toward making the arts an integral part of educational improvement.

It should be noted that the Mars Millennium project would be implemented through partnerships with other Federal agencies and the private sector including the US

Department of Education, NASA, Getty Trust, AOL, USA Today, and Binney and Smith.

FY 2001

The recommendations that result from the FY 2000 meeting with the commercial for-profit and not-for-profit arts industries would be addressed in FY 2001.

Objective 4: Develop and strengthen partnerships with other Federal agencies.

Performance Indicator: *Work with other Federal partners to include and recognize the role and value of the arts in their activities.*

FY 2000

The Endowment would continue collaborations with an estimated 15 Federal partners to advance the role and value of the arts.

FY 2001

The Endowment would continue collaborations with an estimated 15 Federal partners to advance the role and value of the arts.

Objective 5: Develop and strengthen International partnerships.

Performance Indicator: *Projects or activities would be supported that encourage American communities and artists to engage in mutually beneficial exchanges with communities and artists from abroad.*

FY 2000

Projects directly supported would enable citizens in at least 30 different countries to experience the arts of our country through support of American organizations' tours abroad, and nine residencies to such countries as Ireland, Northern Ireland, and Japan.

FY 2001

The FY 2000 level of activity will be essentially maintained in FY 2001.

IV. MEETING THE PERFORMANCE GOALS: REQUIRED RESOURCES & OPERATIONAL PROCESSES

- A. Grant-making.** Historically, the primary means employed by the NEA in attaining its performance goals has been the awarding of grants and cooperative agreements for specific arts projects. However, in recent years, the NEA has greatly improved its ability to accomplish its goals and objectives by either undertaking or strengthening its leadership, convening, research, communication/dissemination and partnership efforts. The principal resource required by the Agency is the programmatic funding necessary to support these efforts. [Note: The table following this narrative correlates funding with Agency goals, objectives and performance indicators. This table also conveys information on numbers of grants and related initiatives.]
- B. Operations.** Programmatic funding alone is insufficient to accomplish the Agency's goals and objectives. Adequate and highly-skilled staff, reliance upon merit review, implementation of efficient and effective processes and sufficient resources to acquire the tools to support the staff, merit review and operations, are essential to achieving performance goals and objectives.
- *Highly skilled staff* is critical. Whether overseeing finance, budget or personnel; providing advice on theater, dance, music or literature; assessing efficiency or effectiveness of process and procedure; or ensuring availability of technological support and services, highly skilled staff are necessary. Following a reduction-in-force (RIF), necessitated by a 40 percent reduction in funding, the Endowment revised its organization and established positions essential to accomplishing its mission. These positions recognized the necessary balance between professional and clerical skills. Today, the Agency operates with approximately 165-170 positions – some 100+ positions **below** the pre-RIF staffing level. With the availability of improved technology and the need for considerable professional experience, fewer clerical positions exist today. The current staffing level is essential to attain the performance goals outlined in this plan.
 - *Reliance upon Merit Review.* One particular process stands out as critical to the work of the NEA; our **national merit review system**. Through this system, the Agency is able to draw upon the services of hundreds of arts practitioners and knowledgeable laypersons from across the country who review applications submitted to the NEA. Their judgements weigh heavily in the Agency's decisions to provide funding to its various applicants. In turn, the active participation of these advisory panelists plays a significant role in enhancing the credibility and fairness of the Agency's primary tool to achieve its goals and objectives, the awarding of grants.
 - *Improved Processes, Procedures and Resources.* Today, it is hard to imagine any organization operating any process or procedure that in some way does not involve technology. Technology has become essential. It is difficult to recall doing business without the use of e-mail. Soon, it will be difficult to imagine doing business without the use of the Internet. The NEA embarked upon a project to greatly

improve its technological capability. Concurrent with this effort was the goal of improving operations through the use of technology. To date, the NEA has implemented a Local Area Network (LAN) and is well on its way to converting its core, mission critical systems from a Wang Laboratories mainframe to a LAN-based computer platform. When this is accomplished, the Agency will not only have significantly improved its ability to conduct business internally, but it will have improved its ability to communicate with and provide information to the general public. It is important to note that this "migration" effort was not limited to replicating Wang-based systems with LAN-based systems. Rather, a comprehensive review of processes and procedures was undertaken to identify opportunities to improve process, reduce duplicative and inefficient workload and improve access to information. This effort contributes greatly to the attainment of the Agency's performance goals. However, until such time that the Agency fully migrates to the LAN-based system, it will continue to rely upon the considerably more limited Wang system for data collection, processing, reporting and assessing.

Finally, to maintain a highly skilled staff and to fully utilize improvements in technology, adequate resources need to exist to accomplish the following:

- **Training** - skills-based, supervisory, technology-based, etc.; and
- **Physical Office Environment** - adequate and properly equipped space essential to productive work.

V. VERIFYING & VALIDATING PERFORMANCE MEASURES

- A. Data Collection.** Applicants to and grantees of the NEA serve as the primary source of data for preparation of the Agency's performance plan. The performance indicators address issues such as number of concerts, exhibitions, works conserved, etc. This information is derived from applicant and grantee data.

Final Report Information. A few years ago, in response to the GPRA, the NEA initiated an effort to consolidate, modify and standardize its final report data collection efforts to ensure collection of data essential to measuring performance. Since that time, the NEA has refined its final report data collection by clarifying its data requests and presenting them in an easier to review and respond manner. Final report data represents final project accomplishments. Thus, this data will enable the NEA to report on the impact of its funding. Final reports, however, present an issue in terms of timing. That is, there is a time lapse between the fiscal year in which funds are appropriated and awarded for grants and the year in which the final reports are received from grantees. Grant projects take differing amounts of time to complete. The chart below outlines this based on information most recently available for FY 1999:

Fiscal Year <u>Year of Awards</u>	Grant Period End Dates	Final Report Due Dates	Percent of Grants <u>Awarded</u>
	<u>After Fiscal Year</u>	<u>After Fiscal Year</u>	
1999	6 months	9 months	25%
	12 months	15 months	47%
	18 months	21 months	18%
	24 months	27 months	8%
	30 months	33 months	2%

It is clear from this information that it will take approximately 15 months following the conclusion of the fiscal year to receive approximately 72 percent of the final reports. Subsequently, it will take a number of months to review the reports, enter data into a database and run and assess reports. Overall, one could conservatively estimate that it will take until the middle of FY 2001 before the NEA has received sufficient, final information to assess the overall impact of FY 1999 awards on the Agency's performance goals.

The guidance from OMB advises agencies that they will need to continue to report on a given fiscal year, beginning with FY 1999, until sufficient information has been received to make a reasoned judgement on whether the Agency's performance goals were attained. The NEA would need to determine whether 72 percent is realistic to make these judgements – taking into account how that 72 percent related to each goal. If disproportionate, the NEA might need to wait until 90 percent or more of the final reports were received. At 90 percent, the NEA would anticipate having to wait until the end of FY 2001 before sufficient information was available to make these assessments.

Application Information. There are a number of other stages in the application/grant process wherein information is provided by the applicant that the NEA can use to make projections of performance goal accomplishments. The NEA is currently in the process of refining its processes for collecting this information. Irrespective of which approach is used, the information collected will be available for applications recommended and will likely be received prior to the award of the grant. Information collected in one fiscal year is then extrapolated and used to project subsequent fiscal year data. Upon determining which applications are to be funded in the subsequent fiscal year, that year's information is used to update the extrapolated data and then to project years that follows. The chart below outlines this process:

<u>Fiscal Year</u>	<u>Fiscal Year Initially Extrapolated From</u>	<u>Fiscal Year Subsequently Extrapolated From</u>
1999	1998	1999 following FY 1999 grant decisions
2000	1998	1999 following FY 1999 grant decisions 2000 following FY 2000 grant decisions
2001	1999	2000 following FY 2000 grant decisions 2001 following FY 2001 grant decisions

In addition to the collection of final report data from grantees, the NEA also receives performance information from the national service organization for State Arts Agencies and their Regional Organizations. The SAAs and RAOs send their final report data to the National Assembly of State Arts Agencies (NASAA). In turn, NASAA is able to provide cumulative reporting on the activity of all SAAs and RAOs and provide that information to the NEA for inclusion in its performance assessing and reporting. The information from the NASAA is used to extrapolate subsequent year data similar to the process noted above.

Geographic Reporting. Subsequent to award, the NEA requires each recipient to report on the geographic location of planned project activities. This information is then used to project the geographic reach of NEA-supported projects. This is a recent data collection effort on our part.

- B. Data Validation.** In recent years, the NEA took three important steps to improve its capacity to receive, report and verify data. The first was to embark on a project of migrating from a Wang-based system to a LAN-based system (as previously discussed). The second was to standardize its data collection forms and tools. The third was to recognize within the Agency the importance of these data collection and assessment efforts and to establish a staff position entirely focused on Agency-wide application/grant data quality. These efforts have helped to improve the NEA's ability to verify data.

General Review. The accuracy of the performance-related data submitted by applicants and grantees is reviewed and verified at a number of steps in the NEA's application/grant processes. At present, it is reviewed by staff; commented on by panelists during the merit review process, as relevant; reviewed again by other staff during the grant processing stages, as relevant; and collected and assessed with the final report.

Data Consistency. Well over a decade ago, the NEA, in partnership with the SAAs and the RAOs, undertook an effort to develop and implement a national set of grant-making data collection and reporting standards. The intent of this effort was to develop common terms, definitions and data collection elements that could be used by both the States and the Federal government. Receipt of this information would enable reporting and assessment on a national level of State and Federal support for the arts. The NEA continues to utilize this common data collection and reporting tool, – which has been instrumental in presenting statistical information on NEA's efforts to attain its performance goals.

Applicant and State Flexibility. Applicants to the NEA have considerable discretion as to which funding areas they wish to apply for and the type of project they seek support. For example, an applicant may seek support to provide access to the arts one year and to undertake an arts education project the next. They may seek support for arts education for both years, but may request project support for training one year and for a residency the next year. As such, it is important to recognize that the extrapolations are reasonable estimates at the time the extrapolations are done; however, the NEA recognizes the impact that the external factor of applicant decision-making has on performance goal estimates and attainment. Similarly, SAAs have considerable discretion as to how they intend to allocate funds they receive from the NEA. Thus, in one year a State might emphasize access and in the next, arts education.

C. Data Validation. Each year that the NEA prepares its Performance Plans or considers data collection under its guidelines and final report processes, respectively, consideration is given as to the continued relevance of data elements previously requested and the need for new elements. Given that FY 1999 presented a significant modification to the final report data collection elements, the NEA is currently not in a position to assess whether substantive modifications should be made to these data collection tools.

D. Evaluation. At present, the NEA relies upon a number of vehicles to evaluate program accomplishments. These include:

- Conducting **site visits** as a means of determining the artistic and administrative status of selected applicants who seek support;
- Conducting **audits** of selected grantees or analyzing existing ones compiled by independent auditors or cognizant agency auditors to determine whether or not award recipients are fulfilling their obligations;
- **Evaluations** of selected projects and programs conducted to determine whether

program goals are being met;

- Use of our **national merit review panels and other specially-convened groups of outside experts**, including customers and laypersons, consulted regarding their views of the extent to which the agency is achieving its goals; and
- Reliance upon the **National Council on the Arts** for continued advice and input on agency activities.

STATISTICS FOR FY 2001 PERFORMANCE PLAN
(\$ in Thousands)

YR	OBJECTIVE	FUNDING CATEGORY	INDICATOR	FY 1999 Preliminary			FY 2000 Estimated			FY 2001 Proposed		
				# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity
1. ARTS: Broaden public access to the arts and diversify the kinds of arts events or activities available to the American public	1.1 Increase number of and diversify the kinds of arts events or activities available to the American public	Competitive and Leadership	Number of awards and funds	85	\$ 4,210	150	131	\$ 7,170	140	138	\$ 6,973	130
			Concerts/readings/performance									
			Exhibits and related events									
			Number of awards and funds	4,875	\$ 1,276		5,760	\$ 8,100		5,777	\$ 8,112	50
			Partnership									
2. ARTS: Broaden public access to the arts and diversify the kinds of arts events or activities available to the general public	1.2 Provide access to arts experiences in communities where such activities are not readily available (rural and inner city, townships or other underserved areas)	Competitive and Leadership	Number of awards and funds									
			Concerts/readings/performance									
			Exhibits and related events									
			Number of awards and funds									
			Partnership									
3. ARTS: Broaden public access to the arts and diversify the kinds of arts events or activities available to the general public	1.3 Increase number of and diversify the kinds of arts events or activities available to the general public	Competitive and Leadership	Number of awards and funds	50	\$ 1,903	475	107	\$ 1,866	475	94	\$ 1,492	40
			Concerts/readings/performance									
			Exhibits and related events									
			Number of awards and funds	46	\$ 112		47	\$ 120		45	\$ 129	35
			Partnership									
4. ARTS: Broaden public access to the arts and diversify the kinds of arts events or activities available to the general public	1.4 Increase number of and diversify the kinds of arts events or activities available to the general public	Competitive and Leadership	Number of awards and funds									
			Concerts/readings/performance									
			Exhibits and related events									
			Number of awards and funds									
			Partnership									
TOTAL				185	\$ 6,445	1,311	248	\$ 16,966	1,311	248	\$ 16,966	1,311

Gray represents predominant activity, not exclusive activity
Dollars rounded to the nearest thousand

STATISTICS FOR FY 2001 PERFORMANCE PLAN
(\$ in Thousands)

FUND	OBJECTIVE	FUNDING CATEGORY	INDICATOR	FY 1997 Preliminary		FY 2000 Estimated		FY 2001 Proposed	
				# of Awards	Estimate of Activity	# of Awards	Estimate of Activity	# of Awards	Estimate of Activity
2. CREATIVITY: Foster opportunities for the development of artistic talent of artistically excellent work.	2.1 Increase the number of works created and presented	Competitive and Leadership	Number of awards and funds	614	15,541	611	14,924	600	14,311
			Network created		351		340		330
			Exhibitions/readings/performance		4,111		4,111		4,111
			Exhibitions/performance		115		109		106
			Plays/festivals		82		80		75
			Professional support-services		68		66		60
			Publications		134		130		125
			Scholarship and other assistance		97		87		80
			Number of awards and funds	305	549	297	536	279	519
			Number of awards and funds	0	0	0	0	0	0
	2.2 Equal opportunities for artists to interpret, explain, and create work	Partnership	Number of awards and funds	104	2,993	104	3,120	99	2,939
			Partnerships with performance		43		41		40
			Partnerships to artists		112		115		110
			Scholarship and other assistance		0		0		0
			Number of awards and funds	603	2,146	606	2,094	600	2,091
			Number of awards and funds	0	0	0	0	0	0
			Number of awards and funds	0	0	0	0	0	0
			Number of awards and funds	0	0	0	0	0	0
			Number of awards and funds	1,717	21,638	1,690	21,175	1,680	20,933
			603 of 2 TOTAL						

Gray represents predominant activity, not end-use activity.
Dollars rounded to the nearest thousand.

STATISTICS FOR FY 2001 PERFORMANCE PLAN
(\$ in Thousands)

FUND	OBJECTIVE	FUNDING CATEGORY	INDICATOR	FY 1999 Performance			FY 2001 Estimate			FY 2001 Projection		
				# of Awards	\$	Percent Awarded	# of Awards	\$	Percent Awarded	# of Awards	\$	Percent Awarded
	3.3 Provide professional development opportunities for artists, arts professionals, and teachers	Cooperative and Consortium	Number of awards and funds for professional development, training and residencies	44	\$ 1,414	75	44	\$ 1,120	65	44	\$ 1,149	65
		Partnership	Number of awards and funds	54	\$ 664	75	54	\$ 664	75	54	\$ 664	75
		C.A. Direct	Number of awards and funds	0	\$ 0	75	0	\$ 0	75	0	\$ 0	75
		C.A. Partnership	Number of awards and funds	0	\$ 0	75	0	\$ 0	75	0	\$ 0	75
	TOTAL		Number of awards and funds	98	\$ 1,414	75	98	\$ 1,414	75	98	\$ 1,414	75

Gray represents precontract activity, not exclusive activity
Dollars rounded to the nearest thousand

STATISTICS FOR FY 2001 PERFORMANCE PLAN
(\$ in Thousands)

99AL	OBJECTIVE	FUNDING CATEGORY	INDICATOR	FY 1999 Performance			FY 2000 Estimated			FY 2001 Proposed			
				# of Awards	\$	Events or Activities	# of Awards	\$	Events or Activities	# of Awards	\$	Events or Activities	
4 PRESERVATION	4.1 Document or conserve highly significant works of art, artifacts, and collections of art objects	Competition and Partnership	Number of awards and funds	79	\$ 2,192	2,428	86	\$ 2,117	3,148	83	\$ 2,146	3,159	
			Competition, Artistic Endeavor, and Other Endeavor			11			11			11	
			Partnership	56	\$ 794	794	54	\$ 726	726	94	\$ 724	724	
			Partnership	0	\$ 0	0	0	\$ 0	0	102	\$ 2,374	1,500	
			Partnership	0	\$ 0	0	0	\$ 0	0	0	\$ 0	0	
	4.2 Increase, award, encourage, and present those artists and forms of artistic expression and practice that reflect the many cultural traditions in a place, for our state	Competition and Partnership	Number of awards and funds	0	\$ 0	0	0	\$ 0	0	183	\$ 1,174	1,174	
			Competition, Artistic Endeavor, and Other Endeavor			0			0			0	
			Partnership	123	\$ 2,496	2,496	131	\$ 2,988	2,988	130	\$ 2,993	2,993	
			Partnership			204			204			204	
			Partnership			218			218			218	
	4.3 Increase, award, encourage, and present those artists and forms of artistic expression and practice that reflect the many cultural traditions in a place, for our state	Competition and Partnership	Number of awards and funds	241	\$ 400	400	315	\$ 492	492	333	\$ 493	493	
			Competition, Artistic Endeavor, and Other Endeavor			0			0			0	
			Partnership	241	\$ 400	400	315	\$ 492	492	333	\$ 493	493	
			Partnership			0			0			0	
			Partnership			0			0			0	
			Partnership			0			0			0	
TOTAL TOTAL				441	\$ 6,244	6,244	544	\$ 9,643	9,643	543	\$ 12,678	12,678	

Gray represents personnel activity; not inclusive activity
Dollars rounded to the nearest thousand

STATISTICS FOR FY 2001 PERFORMANCE PLAN
(\$ in Thousands)

CYAL	OBJECTIVE	FUNDING CATEGORY	INDICATOR	FY 1999 Performance		FY 2000 Estimated		FY 2001 Proposed	
				\$ of Awards	Extent of Activity	\$ of Awards	Extent of Activity	\$ of Awards	Extent of Activity
5. ORGANIZATIONAL	5.1 Strengthen arts organizations by increasing their artistic and public service goals by becoming more effective, adaptable, and viable organizations.	Inspectorial and Leadership	Number of awards and funds	129 \$ 6,422		74 \$ 2,693		117 \$ 4,995	
			Administrative, Professional support, Administrative, Research/Planning, and Public/Program Development Staffing						
			Number of awards and funds	2,505 \$ 13,824		2,446 \$ 13,538		2,455 \$ 13,607	
		Partnership	Number of awards and funds						
		C/A Direct	Number of awards and funds			0 \$		0 \$	
		C/A Indirect	Number of awards and funds			0 \$		0 \$	
		C/A Partnership	Number of awards and funds			2,520 \$ 16,253		2,573 \$ 17,072	
			Number of awards and funds	2,634 \$ 30,469					
			GOALS TOTAL						

Other represents predecessor activity, not end-use activity.
Dollars rounded to the nearest thousand.

STATISTICS FOR FY 2001 PERFORMANCE PLAN
(\$ in Thousands)

Goal	Objective	Funding Efficient	Initiative	FY 2000 Preliminary			FY 2000 Estimated			FY 2001 Requested		
				\$ of Awards	\$	Extent of Activity	\$ of Awards	\$	Extent of Activity	\$ of Awards	\$	Extent of Activity
6 COMMUNITY ARTS DEVELOPMENT: Help address the concerns of low-income communities through the arts.	6.1 Help make communities more livable through the arts.	Competitive and	Number of awards and funds	2	\$ 920	60	2	\$ 860	55	2	\$ 936	60
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
	6.2 Enhance public awareness of the importance of the arts in low-income communities.	Competitive and	Number of awards and funds	124	\$ 760	722	121	\$ 745	722	121	\$ 745	722
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									
			Number of awards and funds									

Other represents predominant activity, not exclusive activity.
Dollars rounded to the nearest thousand.

STATISTICS FOR FY 2001 PERFORMANCE PLAN
(\$ in thousands)

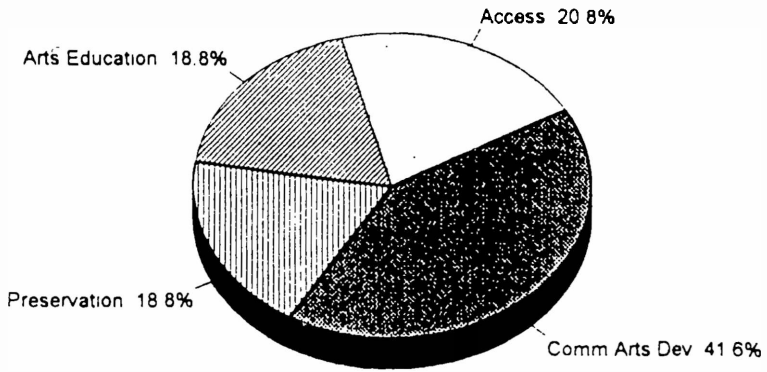
GOAL	SUBJECTIVE	FINDING CATEGORY	INDICATOR	FY 1999 Preliminary			FY 2000 Estimated			FY 2001 Estimated		
				# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity
7. PARTNERSHIPS	Strengthen the Endowment's partnerships with the public and private sectors.	Competitive and Leadership	Number of awards and funds	0	\$		0	\$		0	\$	
			Partnership I									
			Number of awards and funds									
			Partnership II									
		C.A. Direct	Number of awards and funds	0	\$		0	\$		0	\$	
			Partnership I									
			Number of awards and funds									
			Partnership II									
	72. Developing and strengthening partnerships with the public and private sectors including national and service organizations, colleges and universities, and foundations.	Competitive and Leadership	Number of awards and funds	11	\$	100	10	\$	95	11	\$	102
			Partnership I									
			Number of awards and funds									
			Partnership II									
		C.A. Direct	Number of awards and funds	0	\$		0	\$		0	\$	
			Partnership I									
			Number of awards and funds									
			Partnership II									
		C.A. Partnership	Number of awards and funds	0	\$		0	\$		0	\$	
			Partnership I									
			Number of awards and funds									
			Partnership II									

Gray represents predevelopment activity, not exclusive activity.
Dollars rounded to the nearest thousand.

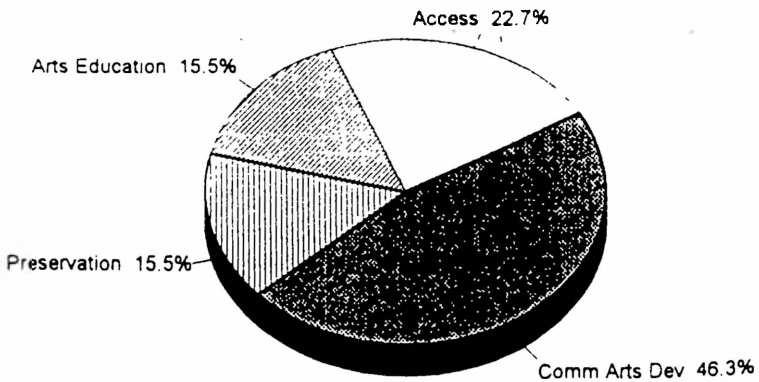
STATISTICS FOR FY 2001 PERFORMANCE PLAN
(\$ in Thousands)

FUND	CHARITATIVE	FUNDING CATEGORY	INDICATOR	FY 1998 Performance				FY 2000 Estimated				FY 2001 Targeted					
				# of Awards	\$	Expend. or Activity		# of Awards	\$	Expend. or Activity		# of Awards	\$	Expend. or Activity			
7-5 Develop and strengthen institutional partnerships	Competitive and Leadership	Partnership	Number of awards and funds														
			Progress in different countries														
			Number of awards and funds														
			C.A.-Direct														
			C.A.-Partnership														
			C.A.-Total														
			C.A.-Partnership														
			C.A.-Total														
			C.A.-Partnership														
			C.A.-Total														
GRAND TOTAL				30	\$ 270			19	\$ 446			20	\$ 485				
GRAND TOTAL				1,609	\$ 47,700			1,790	\$ 46,441			1,679	\$ 45,717				
C.A.-Direct				12,051	\$ 34,445			12,017	\$ 34,015			12,051	\$ 34,441				
C.A.-Partnership				0	\$ 0			0	\$ 0			1,079	\$ 29,300				
C.A.-Total				12,051	\$ 34,445			12,017	\$ 34,015			13,130	\$ 63,741				
C.A.-Partnership				0	\$ 0			0	\$ 0			7,004	\$ 19,549				
C.A.-Total				12,051	\$ 34,445			12,017	\$ 34,015			20,134	\$ 83,290				
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C.A.-Partnership																	

FY 2001 Challenge America Direct Grants



FY 2001 Challenge America Direct Grant Dollars



NATIONAL ENDOWMENT FOR THE ARTS

FY 1999 Performance Report



**AN INVESTMENT IN AMERICA'S LIVING CULTURAL
HERITAGE**

February 2000

NATIONAL ENDOWMENT FOR THE ARTS

FY 1999 PERFORMANCE REPORT

As required by the Government Performance and Results Act of 1993, the National Endowment for the Arts is pleased to submit its Annual Performance Report for Fiscal Year 1999. The report is based on, and covers, all performance goals and indicators in the annual performance plan. The chart that follows shows a comparison of the NEA's performance to date with the projected levels of performance as set out in the performance goals in the annual performance plan. The first set of columns identifies what the NEA anticipated it would accomplish in FY 1999 (as contained in the FY 2000 Performance Plan); the second set identifies FY 1999 as shown in the FY 2001 performance plan (this document). This chart is followed by graphic comparisons of the same data.

General Observations. When assessing differences between the original and current FY 1999 performance data, one must take four significant issues into account:

- **First, since applications for support of FY 1999 funds had not been received and acted upon by the time the Performance Plan was submitted last year, the NEA used available FY 1998 data as a baseline for making projections.** At that time, we also acknowledged that actual FY 1999 data would not be available until final reports on funded projects had been received by the Agency and related information entered into the Agency's data collection system and assessed. [NOTE: To date, approximately 16 percent of final reports for FY 1999 grants have been received.] The NEA anticipates a minimum of twenty-one to twenty-four months after the close of FY 1999 before sufficient information is received to fully assess that year's accomplishments.
- **Second, since submission of the FY 1999 projections last year, the NEA has improved its data collection and assessment capacity.**
- **Third, the performance report contains information under the heading of Partnership.** This refers to grants awarded to State Arts Agencies and their Regional Arts Organizations. **Partnership funding generally reflects legislative requirements that are largely formulaic.** In this context, each State has considerable discretion as to how it chooses to disburse its funds, based on each State's specific needs and priorities. Because of this flexibility, comparisons from year to year are not under the particular direction of the Federal agency. Thus, the NEA views performance data for the Partnership line as subject to external factors; in this case, subject to the choices made by each State and Regional Arts Agency.
- **Fourth, applicants to the NEA have considerable discretion as to which category of support to apply and as to the nature of their projects.** The NEA issues guidelines which are used by organizations to submit applications. The guidelines identify areas of funding (e.g., Heritage and Preservation, or Education, or Access, etc.) that directly relate to each of the Agency's goals. The guidelines also broadly address the types of eligible projects (e.g., presentations, arts instruction, residences, etc.). Based on historical data, the NEA projects numbers of applications and types of projects or activities to be funded; however, it is not until the applications are actually received and reviewed that a clearer picture emerges.

Thus, from year to year, applicant interests may change from one area to another or from one type of project to another. This discretion on the part of applicants reflects their choices and determinations; the funding decisions of course reflect Agency judgements. To a large extent, adjustments in accomplishments are reflective of external factors.

Specific Observations. The assessment that follows is based on information contained in the applications of successful FY 1999 applicants, not the final report. The NEA intends to continue to update its data as final reports are received.

Overall, there are six areas in which there are notable changes in accomplishments from the initial FY 1999 projections to current projections. These concern the number of concerts/performance/readings, artwork creation, repair/restoration/conservation of work, arts instruction, residencies, and exhibition, fairs and festivals. Concerning concerts/performance/readings, repair/restoration/conservation, arts instruction and residencies, there was a significant increase in activity. Concerning artwork creation and exhibitions, fairs and festivals, there was a significant decrease in activity. The differences, we believe, are primarily due to the factors noted above – that is, the differences reflect choices on the part of the applicants (e.g., which area of support to apply to and the type of project to seek funding for).

The differences also reflect the availability of more current data – which improves data projections. As noted earlier, initial 1999 projects were developed by extrapolating data from FY 1998 grant data. As applications for 1999 are acted upon, data becomes more current and more specific to 1999. As final reports are received, the accuracy of the data further improves. The chart below presents this situation.

	Concerts, performances, readings	Conserve, repair, restore	Arts Instruction	Residencies	Artwork Creation	Exhibitions, Fairs and Festivals
1998:						
Original Projection	2200	900	270	470	900	470
Current Projection	5800	2100	600	570	1100	330
1999:						
Original Projection	2200	900	270	470	900	470
Current Projection	7500	3200	940	1000	400	200

Given that the funds available between 1998 and 1999 were essentially the same, one could reasonably conclude that the level of activity would be the same. Thus, 1998 and 1999 original projections are identical. However, what we find is that as final report data is received for 1998 and as grants were awarded and final report data is received for 1999, both sets of numbers improve in accuracy. With this improvement in accuracy, one finds a close correlation between the activity undertaken in 1998 and that undertaken in 1999 with one exception, artwork creation.

Provided below are brief accounts of differences in level of activity by Agency goal and objective.

Goal 1, Access: The reduction in activity primarily reflects a reduction in the funds and grants awarded.

Goal 2, Creativity:	The changes in activity primarily reflect applicant determinations.
Goal 3, Arts Education:	The changes in activity primarily reflect applicant determinations. The NEA received and funded more applicants in this area than originally anticipated.
Goal 4, Preservation:	The changes in activity primarily reflect applicant determinations.
Goal 5, Organizational Stability:	There were no significant changes in activity.
Goal 6, Community Arts Development:	There were no significant changes in activity.
Goal 7, Partnership:	There were no significant changes in activity.

Project Examples - Results from FY 1999 Projects. This is the time when the Arts Endowment's vision of having a Nation in which the arts play a central role in the lives of all Americans comes to life. It is in reading the final report narratives from our grantees that we become more aware of the potential impact the arts can play in the lives of our communities. (NOTE: The following information came directly from the final report of these organizations.)

- **Sioux City Symphony:** a project submitted under Goal 2, Creativity: *Foster opportunities for the creation and presentation of artistically excellent work.*

In the 1998-99 season, the Sioux City Symphony Orchestra, with support from the National Endowment for the Arts, embarked on an exciting new outreach and audience development program. The project consisted of five concert performances and educational outreach activities performed by members of the Symphony in rural communities in the Iowa, Nebraska, South Dakota tri-state area. Many of these rural communities had never heard symphonic and chamber music performed on a professional level before. The goal of the program was to bring the quality of the Symphony's artistry to student and adult audiences in rural communities and to cultivate appreciation for symphonic music amongst audiences for whom quality orchestral performances are geographically inaccessible.

Among the performances presented by the Sioux City Symphony was a unique full-day string festival in the rural town of Cherokee, Iowa. The city of Cherokee and the Cherokee Public School District served as host for the event, working in partnership with members of the Sioux City Symphony to present a series of string master-classes, lecture-demonstrations and string instrument coaching sessions. In one instance, professional members of the Sioux City Symphony performed in the district-wide orchestra, sitting side-by-side with young elementary and middle school string players. Many of these young children had never heard a professional violinist before. After hearing the sound of their school orchestra fortified by musicians from the Sioux City Symphony, one of the children exclaimed "...Wow!! I never knew this music could sound so beautiful. We sound great."

After the day-long master-class session, a string ensemble from the Sioux City Symphony worked with school children and college students at the University of South Dakota prior to a formal concert on February 2, 1999. The members of the orchestra provided string quartet coaching opportunities to emerging talent at the University and coached soon-to-be graduates on how to "make it" as professional musicians. This performance provided the opportunity for the Sioux City Symphony to develop a first-ever partnership with the University and the Shrine to Music Museum. As a result of this performance an arrangement was made for an exhibit of rare musical instruments from the Museum to be displayed at Sioux City Symphony concerts in the 1999-2000 season. This exchange of services benefits both institutions; providing the orchestra with a venue for its artistry in the state of South Dakota, and providing the Museum with a venue for its collection in the state of Iowa. The grantee states that NEA support was the catalyst for this interesting partnership and for Sioux City Symphony's Satellite Series concerts. More such partnerships are in the works for the future.

In the rural towns of Wakefield and Wayne, Nebraska members of the Sioux City Symphony Orchestra presented a full day series of educational residency activities and formal concerts for over 500 culturally underserved residents. Located in the area of the Winnebago Native American Tribe of Nebraska, the region has little industry and economic activity. The Sioux City Symphony worked closely with principals and school officials in both communities to develop a plan which would pave the way for the introduction of an instrumental music program in the region. Members of the Sioux City Symphony gave young students opportunities to play on their instruments, creating an instrument "petting zoo." Children actually held a violin and cello bow and "played" on the strings of the professional instruments while Symphony members fingered a simple tune. The purpose of the project was to build interest in instituting a school string program in the 1999-2000 year. The program will be a partnership with the Sioux City Symphony which, with proper funding, will provide the school district with a string specialist one day a week to begin a third-grade string orchestra program in the schools. Plans were also made to present a chamber music concert in the tribal headquarters or the Bureau of Indian Affairs Community Center on the Winnebago Reservation in 1999-2000.

Pittsburgh Public Theater Corporation: a project submitted under Goal 3, *Arts Education: Strengthen the role of the arts in our Nation's educational system and encourage lifelong learning in the arts.*

In the 1998-99 season, the Pittsburgh Public Theater, with support from the National Endowment for the Arts, embarked on a new educational initiative. The initiative consisted of age-appropriate theater games for elementary school children, a series of theater classes and student matinee performances for upper middle school and high school students, and a classical acting workshop, culminating in a summer production, for college students. The goal of the initiative was to reach out to students at an early age, fostering an appreciation for and understanding of theater through many developmental stages, thus, leading to a lifelong interest in theater and in the arts.

Partnering organizations included a mix of urban, rural, and suburban schools. Although

most schools were from Allegheny and surrounding counties in southwest Pennsylvania, one school from Bowling Green, Ohio also participated.

Local and national artists actively participated in various aspects of the project including Andrew Sachs, a playwrighting instructor from Carnegie Mellon University; Donald Wadsworth, a voice coach from Carnegie Mellon, and Ron Siebert, an acting instructor from Carnegie Mellon. Brian Dykstra was a guest artist for the Young Company production, and he taught high school Shakespeare classes.

The components of this educational initiative provided a gradual introduction to and promotion of the appreciation of theater among students from elementary school through college levels. This initiative consisted of the following programs:

- Elementary school students from economically and ethnically diverse areas of the city were linked through *Creative Dramatics*, a fourteen-week program in which 150 children from six different schools were introduced to the theater arts through a variety of games and activities.
- A total of eight **Open Stage Student Matinee** performances were provided to school groups throughout the region. Attendance at these performances totaled approximately 3,680.
- Interested students explored the theater arts by enrolling in **training classes**. These offerings, designed to help students gain skills, self-confidence, and an appreciation for the craft, included a contemporary acting workshop, Shakespeare intensive workshop, Saturday acting classes and technical theater classes. Over 153 students participated in these training classes.
- The Theater's fifth annual **Shakespeare Monologue and Scene Contest**, held in February 1999, provided students in grades 4-12 opportunities to hone their talents as they presented selections of Shakespeare's work before an audience. Coached and judged by the Theater's artistic staff and professional actors, 550 students from 100 local schools participated in the event.
- The Public's **Young Company**, consisting of 30 college students majoring in theater arts, presented William Shakespeare's *Twelfth Night*. Under the instruction and mentorship of the Theater's artistic staff and local theater professionals, the production was mounted (from the design and creation of sets, lighting, sound, and costumes, marketing and promotion of the production) and performed over a two-week period.

STATISTICS FOR PERFORMANCE REPORT ON FY 1999

GOAL	OBJECTIVE	FUNDING CATEGORY	INDICATOR	FY 1999 in FY 2000 Performance Plan				FY 1999 in FY 2001 Performance Plan				Difference			
				# of Awards	\$	Extent of Activity		# of Awards	\$	Extent of Activity		# of Awards	\$	Extent of Activity	
1. ACCESS: Broaden public access to the excellence and diversity of the arts.	1.1 Increase number of, and broaden and diversify the kinds of, arts events or activities available to the American public.	Competitive and Leadership	Number of awards and funds Concerts/readings/performance Radio and television broadcasts	129	\$ 5,938	600		85	\$ 4,210	1,394		-44	\$ (1,728)	794	
	1.2 Provide access to arts experiences in communities where such activities are not readily available because of geographic, economic, or other factors.	Competitive and Leadership	Number of awards and funds Concerts/readings/performance Research School and other residential	65	\$ 2,307	246		99	\$ 1,993	478		-36	\$ (714)	232	
GOAL 1 TOTAL				194	\$ 8,245			184	\$ 6,203			-10	\$ (2,443)		

STATISTICS FOR PERFORMANCE REPORT ON FY 1989

GOAL	OBJECTIVE	FUNDING CATEGORY	INDICATOR	FY 1992 in FY 2000 Performance Plan			FY 1992 in FY 2001 Performance Plan			Difference	
				# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity
2. CREATIVITY: Foster opportunities for the creation and presentation of artistically excellent work.	2.1 Increase the number of works created and presented.	Competitive and Leadership	Number of awards and funds								
			Artwork created	555	\$ 15,494	750	614	\$ 15,841	351	59	\$ 347	-399
			Concerts/readings/performances			1,250			4,213		2,963
			Exhibitions			90			25		25
			Fairs/fairtrade			340			82		-258
			Professional support-artistic			96			68		-28
			Publications			60			134		74
			School and other residencies			66			87		21
	2.2 Expand opportunities for artists to interpret, explore, and create work.	Competitive and Leadership	Number of awards and funds	125	\$ 2,901	2	104	\$ 2,994	53	-21	\$ 93
Concerts/readings/performances					2			51			
			Fellowships to writers			40			40		0
			School and other residencies			150			112		-38
GOAL 2 TOTAL				680	\$ 18,395		718	\$18,835		38	\$ 440

STATISTICS FOR PERFORMANCE REPORT ON FY 1989

GOAL	OBJECTIVE	FUNDING CATEGORY	INDICATOR	FY 1989 in FY 2000 Performance Zinn			FY 1999 in FY 2001 Performance Zinn			Differences		
				# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity
3. ARTS EDUCATION: Strengthen the role of the arts in our nation's educational system and encourage lifelong learning in the arts.	3.1 Help ensure that the arts are basic to the education of children and young adults in grades pre-K through 12.	Competitive and Leadership	Number of awards and funds	55	\$ 2,567	60	61	\$ 3,267	177	6	\$ 700	
			Arts Instruction									
			Curriculum develop/Implement School and other residences									
	3.2 Expand opportunities for children and adults to participate in and to increase their understanding of, or skills in, the arts.	Competitive and Leadership	Number of awards and funds	107	\$ 2,939	40	202	\$ 4,806	358	93	\$ 1,847	
Arts Instruction												
Concerts/performance/readings School and other residences												
	3.3 Provide professional development opportunities for artists, arts professionals, and teachers.	Competitive and Leadership	Number of awards and funds	54	\$ 1,258		48	\$ 1,414		-6	\$ 156	
Arts Instruction, Curriculum development, Professional development/training, and School and other residences												
GOAL 3 TOTAL				216	\$ 6,764	158	311	\$ 9,487	79	95	\$ 2,703	

STATISTICS FOR PERFORMANCE REPORT ON FY 1989

GOAL	OBJECTIVE	FUNDING CATEGORY	INDICATOR	FY 1989 in FY 2000 Performance Plan			FY 1989 in FY 2001 Performance Plan			Difference		
				# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity
4. PRESERVATION: Preserve our nation's cultural heritage for the 21st century.	4.1 Document or conserve highly significant works of art, artifacts, and collections of art. Competitive and Leadership		Number of awards and funds Conserve, repair, restore Identification/documentation	52	\$ 2,416	850	78	\$ 2,082	3,268	26	\$ (324)	2,418
						38			53			15
GOAL 4 TOTAL	4.2 Honor, assist, encourage, and present those artists and forms of artistic expressions and practice that reflect the many cultural traditions that make up our nation. Competitive and Leadership		Number of awards and funds Apprenticeships Art instruction Cultural/readings/performance American Jazz Masters National Heritage Fellowships School and other residences	172	\$ 4,038	32	123	\$ 2,906		-49	\$ (1,132)	
						26			204			-24
						75			218			143
5. ORGANIZATIONAL STABILITY: Strengthen the organizational and financial capabilities of America's arts organizations.	5.1 Strengthen arts organizations' ability to realize their artistic and public service goals by becoming more effective, adaptable, and stable organizations. Competitive and Leadership		Number of awards and funds Marketing, professional support, administrative, research/planning, stabilization/endowment/challenge	224	\$ 6,484	12	201	\$ 4,988		-23	\$ (1,496)	
				123	\$ 6,074		129	\$ 6,422		6	\$ -348	
						148			129			-19
GOAL 5 TOTAL				123	\$ 6,074		129	\$ 6,422		6	\$ -348	

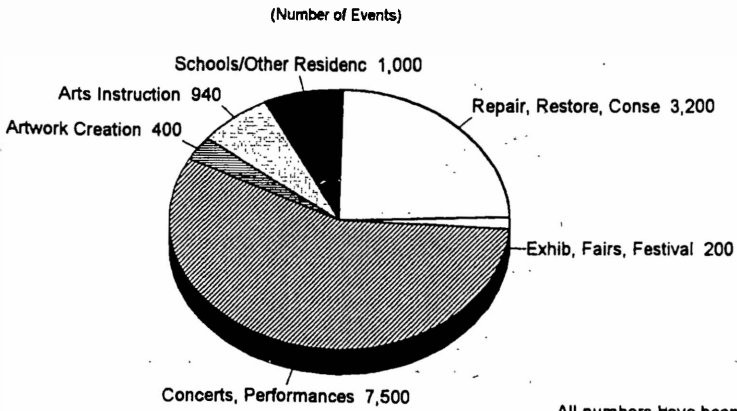
STATISTICS FOR PERFORMANCE REPORT ON FY 1999

GOAL	OBJECTIVE	FUNDING CATEGORY	INDICATOR	FY 1999 in FY 2000 Performance Plan			FY 1999 in FY 2001 Performance Plan			Difference		
				# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity
6. COMMUNITY ARTS DEVELOPMENT: Help address the concerns of America's communities through the arts.	6.1 Help make communities more livable through the arts.	Competitive and Leadership	Number of awards and funds									
			<i>Majors at Inn for City Design</i>	5	\$ 745	60	2	\$ 920	60	-3	\$ 175	0
			<i>Artworks (projects) created along the Millennium Legacy Trails</i>			0			52			
	6.2 Enhance public awareness of the importance of the arts in our lives and communities.	Competitive and Leadership	Number of awards and funds	0	\$		0	\$		0	\$	
	6.3 Increase opportunities for the positive development of children and youth.	Competitive and Leadership	Number of awards and funds	13	\$ 277		0	\$		-13	\$ (277)	
GOAL 6 TOTAL	6.4 Stimulate and strengthen the role of the arts in the economic and cultural development of communities.	Competitive and Leadership	Number of awards and funds	86	\$ 808	86	84	\$ 849	84	-2	\$ 44	-2
				104	\$ 1,827		86	\$ 1,769		-18	\$ (88)	

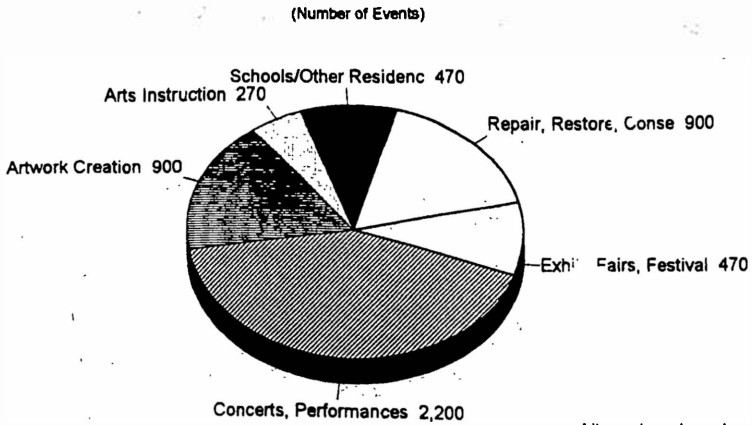
STATISTICS FOR PERFORMANCE REPORT ON FY 1989

GOAL	OBJECTIVE	FUNDING CATEGORY	INDICATOR	FY 1989 in FY 2001 Performance Plan			FY 1989 in FY 2001 Performance Plan			Differences		
				# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity	# of Awards	\$	Extent of Activity
7. PARTNERSHIPS: Strengthen the Endowment's partnerships with the public and private sectors.	7.1 Strengthen partnerships between the Endowment, state arts agencies, regional organizations of state arts agencies, and local governments.	Competitive and Leadership	Number of awards and funds	0 \$	-		0 \$	-		0 \$	-	
	7.2 Develop and strengthen partnerships with the non-profit arts sector including national arts service organizations, colleges and universities and foundations.	Competitive and Leadership	Number of awards and funds	0 \$	-		11 \$	100		11 \$	100	
	7.3 Develop partnerships with the private sector and the commercial arts sector that enhance the arts in America.	Competitive and Leadership	Number of awards and funds	0 \$	-		0 \$	-		0 \$	-	
	7.4 Develop and strengthen partnerships with other federal agencies.	Competitive and Leadership	Number of awards and funds	3 \$	75		7 \$	127		4 \$	52	
			<i>California w/federal partners</i>			12			15			
GOAL TOTAL	7.5 Develop and strengthen international partnerships.	Competitive and Leadership	Number of awards and funds	5 \$	465		21 \$	250		-3 \$	(215)	
			<i>Projects in different countries</i>			30			30			
				8 \$	540		20 \$	477		12 \$	(63)	
GRAND TOTAL			Competitive and Leadership	1,570 \$	48,810		1,607 \$	547,881		30 \$	(530)	

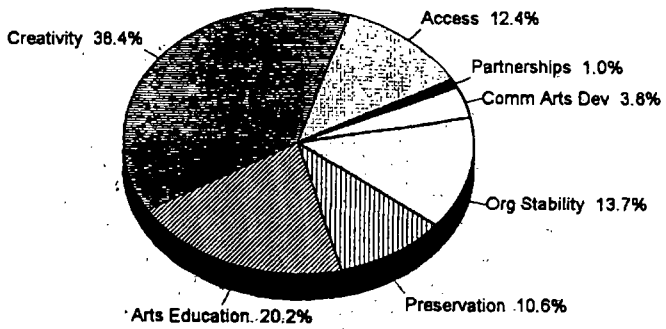
FY 1999 As Shown in FY 2001 Performance Plan



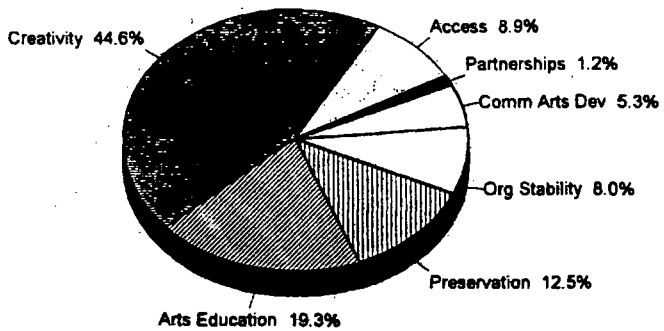
FY 1999 As Shown in FY 2000 Performance Plan



FY 1999 Direct Grant Dollars As Shown in FY 2001 Performance Plan



FY 1999 Direct Grants As Shown in FY 2001 Performance Plan



NATIONAL ENDOWMENT FOR THE
HUMANITIES

Budget Request

for

Fiscal Year 2001

Submitted to Congress
February 2000

NATIONAL ENDOWMENT FOR THE HUMANITIES

FY 2001 Appropriation RequestTABLE OF CONTENTS

	<u>Page Number</u>
I. INTRODUCTION AND SUMMARY STATEMENT	1
Overview	1
Rediscovering America	2
Context of the Budget Request	5
Forging Partnerships with Other Institutions	7
Thinking Strategically and Planning for Results	8
Summary of FY 2001 Request by Key Strategic Objectives	9
II. BUDGET TABLE	16
III. PROGRAMS	
Federal/State Partnership	18
Education Programs	22
Preservation and Access	30
Public Programs	38
Research Programs	45
Extending the Reach	54
Challenge Grants	56
Regional Humanities Centers	62
Treasury Funds	64
IV. FY 2001 GPRA PERFORMANCE PLAN	67
V. ADMINISTRATIVE FUNDS	85

NATIONAL ENDOWMENT FOR THE HUMANITIES

Fiscal Year 2001 Budget Request

INTRODUCTION AND SUMMARY STATEMENT

The National Endowment for the Humanities and the Administration request an appropriation totaling \$150 million for NEH for fiscal year 2001:

- \$107.77 million for the Endowment's grant programs in support of high quality education, research, preservation, and public programming in the humanities and for the projects and programs of the 56 state humanities councils;
- \$12.53 million for the NEH Challenge Grants program to stimulate and match private, nonfederal donations in support of humanities institutions and organizations;
- \$4 million in special Challenge funds to support the establishment of Regional Humanities Centers around the country;
- \$4 million to stimulate and match nonfederal contributions to humanities projects supported by the Endowment; and
- \$21.7 million for administrative expenses necessary to operate the agency.

Overview

In the 1965 legislation that established the National Endowment for the Humanities, the Congress of the United States declared that "encouragement and support of national progress . . . in the humanities . . . , while primarily a matter of private and local initiative, is also an appropriate matter of concern to the Federal Government." Acknowledging the federal government's interest in "promoting progress in the humanities," the 89th Congress expressed this interest in a single, powerful observation: "Democracy demands wisdom and vision in its citizens." NEH has worked conscientiously for nearly three and a half decades to fulfill this broad mandate. By supporting high quality projects and programs in the humanities, the Endowment helps Americans develop "wisdom and vision" by expanding their knowledge of human history, thought, and culture.

On September 29, 2000, NEH will observe its thirty-fifth anniversary, just two days before the start of fiscal year 2001. On the occasion of this anniversary, how fitting it would be for the 106th Congress to honor the foresight of its predecessors by providing a budget for the Endowment that would enable the agency to implement a vigorous and innovative array of humanities programs for the American people. A budget of \$150

million for NEH in FY 2001 would significantly enrich the cultural and intellectual life of the nation by:

- improving the quality of humanities education offered to American schoolchildren and college students;
- providing opportunities for citizens to engage in a lifetime of learning about the nation's history and culture and the history and culture of other areas of the world;
- preserving and democratizing Americans' access to millions of brittle books, pages of historical newspapers, objects of material culture, and other important cultural and intellectual resources in the humanities;
- restoring the agency's leadership position in humanities research and scholarship and creating new opportunities for scholars to advance our knowledge and understanding of the people, ideas, and events that make up the record of civilization;
- extending the reach of the agency's programs and grant opportunities more widely throughout the country, especially to those regions and among those groups and communities that have been underserved by our national programs;
- strengthening and broadening the programs of the 56 state humanities councils; and
- enhancing the ability of the nation's cultural and educational institutions to raise nonfederal support for their humanities activities and operations.

Building on our nearly thirty-five years of experience in supporting high quality humanities projects, the FY 2001 NEH budget request would help to restore the agency's leadership role in advancing the humanities across the nation. This budget offers a carefully balanced plan that will provide vital funding to the agency's core grant programs and establish fresh, new grant opportunities and program emphases that would dramatically increase the Endowment's reach.

Rediscovering America

The centerpiece of the FY 2001 NEH budget request is a multi-faceted, agency-wide initiative; *Rediscovering America*, that encourages Americans to discover anew the nation's history and culture and preserve its rich heritage for the benefit of future generations. Through this initiative, NEH is expanding its core educational mission in an effort to advance knowledge and understanding of the humanities for *all* Americans.

At the heart of *Rediscovering America* is a series of initiatives that focus on the culture and heritage of regional America. The United States has always been a country of regions—places defined by myth and history; by landscape and natural resources; by language, art, music, and poetry; and by architectural and engineering marvels. Through this initiative, the Endowment will help each American learn what it means to live in a region, to consider how their worlds shape people who enter it from other places, and to imagine how that culture is changed as new people enter.

A special focus of the *Rediscovering America* initiative is our recently launched grant competition to establish Regional Humanities Centers throughout the country. Under this special competition, NEH will fund the creation of regional humanities centers where American traditions, cultures, and aspirations can be explored in the context of place. At each center, a wide array of activities will use the humanities to explore the region's distinctive culture. Each center will thus serve as a cultural hub for its region. (The Regional Humanities Centers component of the *Rediscovering America* initiative is discussed in more detail in a separate section of this budget request, beginning on p. 62.)

In the initial phase of the Regional Humanities Centers competition, which took place in the fall of 1999 and is using \$1 million in funds that NEH has raised from the nonfederal sector, 16 planning grants were awarded in seven U. S. regions. It is anticipated that four additional planning grants in three regions will be awarded in July 2000. Recipients of these planning grants will then be eligible to apply for implementation awards in the second part of the competition. For FY 2001, NEH requests \$4 million in special matching funds to support successful implementation projects selected during this second phase. The remaining \$6 million needed to fund the start-up year of these centers will be raised privately.

In addition to the Regional Humanities Centers program, other special *Rediscovering America* efforts planned for FY 2001 include:

- *Extending the Reach* initiative: In FY 2000, NEH began a series of new outreach programs, collectively called *Extending the Reach*, to encourage underserved institutions, communities, and areas across the nation to participate more fully in Endowment programs and activities. The initiative consists of three categories of grants: (1) grants in states that have either received relatively few awards from NEH in recent years or have a low ranking in terms of per capita NEH funding; (2) grants to special types of institutions identified in government-wide Presidential Executive Orders concerning historically black colleges and universities, Hispanic-serving institutions, and tribal colleges; and (3) new and/or enhanced grant efforts in our core program divisions and offices that target underserved geographic areas, institutions, and populations. This new, ambitious outreach initiative will be continued and enhanced in FY 2001. (See page 54 of this budget request for a fuller description and discussion of this new strategic initiative.)

- Sound recordings preservation initiative: The Endowment requests \$1 million in additional funds for FY 2001 to begin a new initiative to preserve endangered sound recordings. Through this initiative, we will expand our capacity to preserve and provide access to recorded sound collections, with special emphasis on such traditional music forms as folk, jazz, and blues. Grants would enable institutions to reformat their deteriorating collections onto more stable media and to make their holdings widely known through the creation of catalog records that would be entered into national bibliographical networks. This effort responds directly to guidance provided by the FY 2000 House Conference Report (106-406): "The managers are concerned that much of the musical heritage of the nation—as represented by early sound recordings—is irrevocably lost with each passing year. Consequently, the managers strongly encourage the National Endowment for the Humanities to strengthen and expand its support of efforts to preserve the rich and important heritage of early sound recordings." This initiative will also build on the experience and success of NEH's major initiative for the preservation of brittle books, which was undertaken at the request of Congress in FY 1989.
- Folklore initiative: Although the Endowment annually supports a small number of folklore-related projects, this field generally does not receive as much attention and support as many other humanities fields. In FY 2001, we therefore request \$1 million in additional funds to begin a new effort to encourage and support projects on folklore that will interpret the meaning and significance of the traditional customs and art forms of peoples and cultures. This initiative will occupy a central place in our *Rediscovering America* initiative and will complement other programs such as Regional Humanities Centers, the sound recordings preservation initiative, and NEH's My History is America's History initiative.
- An NEH-designed and sponsored project—My History is America's History—is encouraging Americans of all ages to learn more about their family's history and to place it in the context of the broad sweep of American and world history. The project, which consists of a printed guidebook and an interactive Web site, was launched last fall during the Thanksgiving holiday period. It is now helping Americans to place their family's stories on the Internet and in doing so to explore American history and the history and culture of the places in which their ancestors lived. My History is America's History is being complemented by an Endowment-wide focus on projects that relate to family history and to regional history and culture.
- Digitization of collections initiative: The Endowment requests funding to launch a new program in its Preservation and Access division that would enhance access to materials important to the nation's heritage. The program would provide grants to museums, libraries, archives, and historical sites to enable them to digitize their major humanities collections. This effort will emphasize collections that are pertinent to the study of America's regional

history and culture and will bring online tens of thousands of digital images of manuscripts, maps, photographs, artifacts, and other resource materials that are important for understanding the nation's history and culture.

- In the NEH Challenge Grants program, a special initiative for local history is planned for FY 2001 that would encourage small institutions to strengthen their humanities resources in local history and to raise donations from nonfederal sources.

Other key ingredients of NEH's FY 2001 budget plan that will advance the humanities throughout the United States include:

- A significant increase in the number of opportunities for the nation's school and college teachers to attend NEH-supported humanities seminars and institutes, and the establishment of new, related grant programs that would help seminar and institute participants disseminate the results of their work to other teachers and schools;
- Increased support for high quality television and radio programs, museum exhibitions, and library reading and discussion programs that will help Americans engage in a lifetime of learning;
- Increased support for NEH's flagship humanities research programs and the creation of new grant opportunities for the nation's scholars through a three-year Archaeological Research initiative and the establishment of a new program of Travel to Research Sites grants; and
- A significant increase in funding for the NEH Challenge Grants program, allowing for the implementation of new opportunities for small and medium size institutions to improve their humanities programming through long-range institutional planning.

NEH's work in FY 2001 will be complemented and supplemented by the local programming of the 56 state humanities councils, all of which would receive significant funding increases at our request level. Collectively, the efforts of the Endowment and the state councils at the FY 2001 request level would bring the benefits of the humanities to millions of Americans across the country.

Context of the Budget Request

After several years of appropriations at about the \$110 million level, for FY 2000 Congress provided a modest budget increase—to \$115.26 million—for NEH. This increase affirms the Endowment's national importance and acknowledges the agency's hard work in bringing the humanities to the nation's citizens. It also illustrates the bipartisan support NEH enjoys in both the House and the Senate.

The FY 2000 funding increase has provided a small measure of relief to our chronically underfunded core programs and has enabled us to take the first steps in launching a number of new initiatives for the American people. The Endowment and the Administration now ask Congress to build on this momentum by making a more significant investment in NEH for FY 2001—to \$150 million—that would allow the agency to implement these new efforts and to extend the impact and reach of the agency's ongoing programs.

Although the FY 2001 NEH request of \$150 million represents a 30 percent increase over our current funding level, this amount is still well below the \$172 million budget the agency had at its disposal in FY 1995. Indeed, the 36 percent reduction in funding that NEH sustained in FY 1996—a reduction significantly larger than virtually every other federal agency—forced us to close down many effective grant programs, to lay off a quarter of our employees, and to downsize and reorganize our administrative functions. Since 1996, the number of grants NEH has been able to award to humanities scholars, educators, institutions, and organizations has diminished correspondingly. This has resulted in a serious decline in the availability of humanities programs for the American people and has eroded the humanities infrastructure the Endowment worked hard to build over the last three and a half decades.

The effects of the FY 1996 reduction and subsequent series of level budgets have been profound—

- At present, we are only able to support about one-third the number of summer seminars and institutes for teachers that we supported before the budget cuts. In effect, 1,600 humanities teachers each year are now denied the intellectual rejuvenation that could be gained from participating in these widely acclaimed professional development programs. But the ultimate losers are the approximately 240,000 students who could have been reached by these teachers;
- Endowment-supported films and museum exhibitions available to the public in 1999 fell to 23 hours of television and 19 museum exhibitions at 66 venues, down significantly from the 71 television-hours and 36 museum exhibitions at 200 venues that were available to our citizens in the mid-1990s. This means that the cumulative audience for quality humanities programming fell by approximately 70 million viewers and that almost four-million people did not have the opportunity to engage in lifelong learning by visiting educational presentations in museums and historical organizations;
- Approximately 15,000-20,000 fewer brittle books, as well as more than 200,000 fewer pages of U. S. newspapers, are being preserved on microfilm each year, thus slowing the Endowment's efforts to preserve and increase access to these important intellectual resources; and

- The Endowment's ability to support research and scholarship projects, such as the preparation of documentary editions of the papers of historically important Americans, has fallen precipitously.

The proposed FY 2001 budget would enable NEH to reverse these trends by bolstering support for classroom teaching, public television programming and museum exhibitions, research and scholarship, and preservation efforts for Americans of all ages and walks of life. The \$150 million we are requesting will help the Endowment regain a portion of the funding it lost in FY 1996, while also instituting new grant activities that would re-invigorate federal support of the humanities for the American people.

NEH continues to enjoy the strong support of Congress, the Administration, and the American people. Following its lead of last year, we urge Congress to demonstrate its continuing commitment to the cultural and educational well-being of the nation by honoring our request for additional funds and endorsing our dynamic FY 2001 budget and program plan. At the opening of the new century, this is a propitious time to make a wise investment of \$150 million in public funds that will yield important dividends for the nation.

Forging Partnerships with Other Institutions and Organizations

The Endowment is committed to developing viable partnerships, whenever possible, with other institutions and organizations to advance the humanities. The NEH Office of Enterprise serves as the focal point for the agency's many efforts in this area. Through this office, we seek to build partnerships and to supplement the federal funds Congress provides to the agency. The office's recent successes in forging partnerships and raising nonfederal funds for the humanities include:

- helping to raise \$1 million in nonfederal funds for grants that the Endowment is awarding during the planning phase of the Regional Humanities Centers initiative;
- securing grants from the Geraldine R. Dodge Foundation in New Jersey for two new pilot education programs for New Jersey teachers: Humanities Teacher Leadership grants and Humanities Scholars in Residence grants. The Endowment requests FY 2001 funds to expand these programs to teachers in the rest of the nation;
- facilitating the Endowment's partnership with MCI WorldCom and the Council of the Great City Schools to create and promote the EDSITEment Web site, one of the nation's premier Internet resource for humanities education; and
- helping to establish the agency's Schools for a New Millennium program, which is encouraging schools and teachers to become more proficient in using new electronic materials to teach the humanities.

In FY 2000 and FY 2001, the Enterprise Office will continue to play a critical role in developing the Endowment's *Rediscovering America* initiative, particularly the Regional Humanities Centers and the My History is America's History project. The office will also take the lead in forging partnerships with other federal agencies—such as the Department of Education and the National Science Foundation—as well as with nonfederal institutions and organizations. These partnerships, which will support a variety of FY 2001 initiatives and emphases, represent important opportunities to broaden the reach of the humanities in significant and enduring ways.

While we will continue to seek new partnerships and new sources of funding, particularly funding from the private sector, we hasten to point out that such funding could never serve as more than a small complement to federal support for the humanities. Studies show that the private sector could not and would not fill the financial void if NEH's federal funding were to decline significantly or cease altogether. This reality dramatizes the need for a continuing federal role and underscores why the nation is wise to maintain a vigorous federal presence in the cultural life of America.

In an effort to bring into greater focus the Endowment's wide-ranging initiatives and emphases, NEH Chairman Bill Ferris also has recently established a number of agency-wide working groups organized around broad thematic areas. These working groups—"Regional America," "Teaching and Lifelong Learning," "Humanities, Science, and Technology," and "Humanities in an International Context"—are in the process of developing reports that document what the agency has done in these areas in the past, what we are now doing, and what new avenues could be pursued in the future. A number of the working groups' preliminary recommendations for new initiatives and partnerships have been integrated into this FY 2001 budget request. In addition, we have reserved a small amount of FY 2000 program funding to help support programming initiatives that have emerged from the early work of these groups. A modest amount of funding is similarly proposed for FY 2001 to help implement these recommendations.

Thinking Strategically and Planning for Results

Strategic Planning

NEH's interest in developing new ways of promoting the humanities and in finding new partners to share in this endeavor is a reflection of our continuing effort to be more strategic in our activities and operations. To this end, we have put in place a multi-year strategic plan that is serving as an effective blueprint for agency programs and operations. The plan identifies long-term goals and objectives and outlines various strategies to achieve those goals and objectives. This plan was developed in accordance with the Government Performance and Results Act of 1993. We have also re-organized the agency's former Office of Planning and Budget into a newly focused Office of Strategic Planning. The function of this new office is to inform the Endowment's planning activities, particularly those relating to policies, operations, and programs. Decisions on agency-wide initiatives and priorities will thus be made with full

understanding of their contexts, interactions, and effects. One of the office's chief responsibilities is to develop and coordinate strategic and performance planning.

For the past two years the Endowment has also developed annual performance plans that set forth goals and indicators at the level of funds requested each year. Included in this budget submission (beginning on page 67) is NEH's performance plan for FY 2001, which is keyed to the \$150 million request and covers each program and grant activity proposed in the budget.

Data Collection and Analysis

The Endowment's interest in thinking strategically is also reflected in our plans to increase significantly our data collection and analysis activities at the FY 2001 request level. (Data collection activities are supported through the Planning and Assessment Studies program located in the Office of Strategic Planning and funded out of the agency's Administrative budget.) For many years, the Endowment's ability to support national data collection projects and evaluative studies in the humanities has been severely limited, due primarily to the agency's deep funding reduction of FY 1996 and the subsequent series of level budgets. In FY 2001, the Endowment proposes to continue the effort that we are beginning in FY 2000 to rebuild our capacity to collect, analyze, and disseminate information on conditions in the humanities. At the request level, for example, renewed efforts will be made to collect vital information about humanities Ph.D.s (the core of the humanities labor force) and humanities institutions. We believe that the budget and program planning process at NEH would be better informed by a more systematic effort to collect and analyze a wide range of data on the humanities. Reflecting our renewed commitment to this important area of the agency's work, our FY 2001 budget proposes a four-fold increase—to \$400,000—in Administrative funds in support of the Planning and Assessment Studies program.

Summary of FY 2001 Budget Request by Key Strategic Objectives

Strategic planning has proven to be a valuable tool for helping the Endowment to envision its future and to identify ways it can better serve the American people. The two long-term strategic goals the agency has set for itself in the plan—to advance knowledge and understanding in the humanities in the United States and to broaden public awareness of, access to, and participation in the humanities—serve as touchstones for all of our programming, policies, and operations. Indeed, the FY 2001 NEH budget is integrally tied to key programmatic objectives of our strategic plan, as highlighted below.

STRATEGIC OBJECTIVE: Strengthen teaching and learning in the humanities in schools and colleges across the nation

The Endowment's FY 2001 budget request would significantly enhance the agency's and the Administration's ability to improve the quality of humanities education in the nation's schools and colleges. Funding would be provided to rebuild the Endowment's core education programs, which were decimated by the FY 1996 budget

cuts, and to implement a number of new grant opportunities that would extend the reach and impact of humanities programs across the country. NEH's education grants have a long-term impact because they concentrate on teachers, particularly those who teach the K-12 grades. The ultimate beneficiaries of such projects are the hundreds of thousands of American students—in rural, inner-city, and other classrooms, as well as in colleges and universities—who annually are taught by these teachers.

The Endowment's education programming in FY 2001 will continue to emphasize innovative projects that make use of electronic technologies to teach history, literature, languages, and other humanities subject areas. The Endowment has been very active in recent years on this front. In the fall of 1997, NEH joined with MCI WorldCom (then, the MCI Corporation) and the Council of the Great City Schools in establishing a new Web site, EDSITEment, to provide electronic access to the best humanities education materials on the World Wide Web. EDSITEment has attracted considerable attention among educators, students, and parents since going online. It is recording more than 56,000 user-sessions per month and has more than 600 external sites linked to it. In addition, in-service training sessions related to the site have reached more than 42,000 teachers and 700,000 students. In an effort to extend the impact of this innovative effort, more than 1,000 teachers attending NEH Summer Seminars and Institutes and the summer programs sponsored by the state humanities councils will participate directly in EDSITEment training sessions over the next two years. Another 175,000 students will be reached as a result of this effort.

In FY 1996, the Endowment launched a three-year initiative, Teaching with Technology, that helped develop high quality Web sites in a number of humanities subject areas. Building on the success of Teaching with Technology, in FY 1998 we put into place another new multi-year program emphasis—Schools for a New Millennium. The aim of this programming effort is to help jump-start the process by which American schools and their teachers become competent and comfortable with new electronic humanities materials. Based on the high quality of the planning grants we have supported in the initial rounds of this competition, we plan in FY 2000 to award a handful of implementation grants. Additional funds requested for this initiative in FY 2001 would support a fuller slate of implementation awards. This funding would allow us to demonstrate the full Millennium Schools concept without restricting support for other important NEH education activities. And, in keeping with the agency's objective of broadening the reach of its programming, FY 2001 funding is requested to begin awarding small Visitors' Awards that would enable educators from a region to consult with Millennium Schools grantees about how to improve their use of electronic humanities materials.

Increased funding in FY 2001 would also permit the Endowment to establish a grant program for Humanities Scholars in Residence. As part of the agency-wide *Extending the Reach* initiative, these small consultancy grants will be targeted at states that have received relatively small amounts of funding from the Endowment over the years and at schools that have not participated in NEH projects. Through this grant opportunity, individual schools around the nation would receive small awards to support

visits by humanities scholars and master teachers. The consultant-visitors would spend two to three days at a school, develop written recommendations regarding the school's teaching of the humanities, and then serve a follow-up residency at the school. NEH has received a grant from the Geraldine R. Dodge Foundation to field-test this new program among selected New Jersey high schools in FY 2000.

The FY 2001 budget request would also allow the Endowment to provide some much-needed funding relief to NEH's program Seminars and Institutes, the acclaimed national faculty development program that helps revitalize school and college teachers' understanding of the humanities. Increased funding would make possible 62 seminars and institutes for school and college teachers, significantly higher than the 49 awards we were able to make at our FY 1999 appropriated level. The increased number of seminars and institutes would provide educational opportunities for an estimated 575 college teachers and 615 school teachers. Also, with the FY 2001 funds requested, we propose to expand the reach of seminars and institutes by providing small Humanities Teacher Leadership grants to approximately 75 participants that would allow them to disseminate the results of their seminar or institute work to other teachers and schools. In keeping with a number of the agency's other outreach efforts, these grants would be concentrated in states and regions that have not received many awards from the Endowment in the past. The Geraldine R. Dodge Foundation is also helping to support this pilot grant activity among New Jersey schoolteachers in FY 2000.

The Endowment is proposing a variety of additional humanities education efforts at the FY 2001 request level. New activities would include projects involving pre-service humanities teachers, which would enable student teachers to become well versed in the subject areas they will teach. We would also implement a pilot program of awards, jointly supported in our Education and Public divisions, for content-based, after-school projects. These awards would provide appropriate NEH-funded materials—such as EDSITEMent, Web-based and CD-ROM humanities projects, and documentary films—to students enrolled in after-school programs.

STRATEGIC OBJECTIVE: Provide opportunities for Americans to engage in lifelong learning in the humanities

The great expansion of historical and cultural programs for the general public in recent decades demonstrates that Americans have a strong appetite for the knowledge and intellectual stimulation that is available through the humanities. A major objective for NEH is to provide support for high quality public programs in the humanities to meet this demand and to make learning in the humanities a lifetime endeavor.

While NEH-funded projects now annually reach millions of people of diverse social, cultural, and economic backgrounds, a critical goal of our strategic planning has been to broaden even further Americans' access to and participation in the humanities. To this end, the Endowment's *Extending the Reach* initiative is specifically aimed at encouraging and supporting projects and programs that have the capacity to reach

Americans in towns, communities, and regions that have had relatively limited access to quality humanities programming.

In keeping with the overall strategy of our FY 2001 program plan, funds are requested both to rebuild the Endowment's time-tested core public programs and to establish new grant activities and initiatives that would extend the geographical reach of the agency's public programming efforts. In FY 1999, for example, the Endowment initiated a pilot program of Consultation grants—small grants to organizations that have not previously received an NEH grant—that enable them to collaborate with humanities scholars and experienced grantees at other institutions. This grant opportunity is being continued in FY 2000 and would be expanded significantly with FY 2001 funds. At the request level, another new grant initiative would award modest grants to small- to mid-sized museums throughout the country for the purpose of mounting a traveling version of a successful NEH-funded exhibition. We also would expand our support for reading and discussion programs for new adult readers, as well as make small grants to public libraries to enable these institutions to make use of packaged reading and discussion programs or exhibitions developed by large national organizations such as the American Library Association. Finally, building on the success of the *Girls Dig It* project—a nationwide archaeology program for adolescent girls, most of whom are from urban, low-income, and minority families—FY 2001 funding would allow us to support projects that offer humanities-rich, after-school educational programs for at-risk youth.

STRATEGIC OBJECTIVE: *Maintain and strengthen partnerships with the state humanities councils*

An essential strategic objective of the Endowment is to maintain and strengthen our partnerships with the state humanities councils. In recent years, the recasting of our relationship with the councils into a true Federal/State Partnership has presented fresh opportunities for the National Endowment for the Humanities to work with individual humanities councils in the states to design thoughtful and stimulating programming for all the nation's citizens. As befits this special partnership, the active participation of the state humanities councils will be crucial to the success of NEH's *Rediscovering America* initiative. State councils will be involved in the planning phase of the overall initiative and will also be given special encouragement to participate in the work of the Regional Humanities Centers that NEH will be helping to establish around the country.

At NEH's FY 2001 request level, the state humanities councils would receive a dramatic boost over their current appropriated level, to \$38.32 million. With this funding, grants made by the state councils would increase by more than 30 percent, to more than 6,500 awards, and individual state councils would be able to implement bold new initiatives to engage more of their citizens with quality humanities programming.

As part of the agency's *Extending the Reach* efforts, councils in fourteen states received grants from the Endowment in FY 2000, to encourage statewide partnerships and enduring networks among humanities organizations. In FY 2001, funding for the state humanities councils would reinforce the Endowment's goal of extending its reach to

more of the nation's citizens, particularly those who have not experienced or participated in quality humanities projects. FY 2001-requested funding would allow the councils to develop partnerships with statewide organizations such as library systems, historical societies, archives, museums, and state centers for the book. At the request level, the state councils also will be able to implement new initiatives that help build the capacity of local institutions to conduct humanities programs and services.

STRATEGIC OBJECTIVE: *Preserve and increase the availability of cultural and intellectual resources essential for the American people*

The FY 2001 request would enable the Endowment to make great strides toward achieving one of its key strategic objectives, as well as a major goal of the *Rediscovering America* initiative: to preserve and to make more accessible resource materials important to the nation's cultural heritage. The heart of the agency's preservation effort in FY 2001 will continue to be the support we provide for major projects to microfilm brittle books, U.S. newspapers, journals, documents, and other materials held by the nation's libraries, archives, and other cultural and educational institutions that would otherwise be lost. Another high priority will be our continued support for the National Heritage Preservation program, which is helping institutions maintain and stabilize their fragile material culture collections. Many of these objects are now inadequately housed and frequently inaccessible to scholars, curators, students, and the general public.

The FY 2001 request level would also permit a number of new preservation and access initiatives that would significantly broaden the scope of humanities materials and resources available to the American people. Among the program emphases we would implement or expand in FY 2001 include: a major initiative to digitize historically significant collections held by museums, libraries, historical organizations, and archives; a new sound recordings initiative to preserve and provide access to recorded sound collections, with special emphasis on folk, jazz, and blues; and additional awards as part of a recently initiated *Extending the Reach* category of "preservation assistance" grants to small libraries, museums, and other institutions to support staff attendance at preservation training sessions, to fund on-site consultations by preservation experts, or to purchase preservation supplies and equipment. In FY 2001, NEH would explore the ways in which the Endowment could continue its partnership efforts with the National Science Foundation in support of a variety of digital research and development projects. In the first round of NEH's current partnership with NSF in FY 1999, the Endowment invested \$1 million in six projects of importance to the humanities, with NSF contributing another \$9 million to these same projects.

STRATEGIC OBJECTIVE: *Facilitate basic research and original scholarship in the humanities*

The support of advanced research and scholarship that broadens our knowledge and understanding of the humanities would be greatly enhanced at the agency's requested FY 2001 budget level. Among the many programmatic emphases planned in this area, perhaps none is more critical than restoring and strengthening our core programs and

rebuilding our national leadership in humanities scholarship. The Endowment also proposes to begin to increase gradually the maximum stipend amounts of our fellowship and stipend awards to bring them more in line with today's academic salaries and with awards offered by other funding institutions. In the first step of this process, awards in FY 2001 would increase from \$30,000 to \$35,000 for fellowships and from \$4,000 to \$4,500 for summer stipends. The increases are necessary to account for inflation in the decade since award amounts were last raised. These programs would thus become more enticing for today's foremost humanities scholars.

The Endowment also requests funds for FY 2001 to re-establish a version of our former program, Travel to Collections, which was discontinued in the early 1990's due to funding pressures in the agency. Under the new, reconstituted program—Travel to Research Sites—scholars would receive \$1,500 stipends to defray some of the cost of traveling to research libraries and archives, both at home and abroad, to consult important humanities primary resource materials. This re-invented program would particularly encourage junior-level and independent scholars to conduct research at under-utilized and/or newly opened archives.

FY 2001 funds are also requested to permit the Endowment to launch a three-year Special Opportunity for Archaeological Research. This is a critical undertaking: NEH support for important archaeological fieldwork and research has diminished considerably since the downsizing of the agency in FY 1996. A new special initiative would allow us to support a range of synthetic and comparative archaeological studies important to the humanities and to encourage archaeologists to make the results of their work more widely available electronically and via other media.

As part of the Endowment's *Extending the Reach* initiative, the Research division in FY 2000 also will be implementing a new program in support of humanities research by faculty employed at historically black, Hispanic-serving, and tribal colleges and universities. This effort will be continued and enhanced in FY 2001.

STRATEGIC OBJECTIVE: *Strengthen the institutional base of the humanities*

The Endowment's FY 2001 budget request earmarks significant funding to expand our national effort to strengthen the institutional base of the humanities by leveraging nonfederal support for humanities institutions. NEH is nationally recognized as an essential agent for encouraging private giving to the humanities.

Through the NEH Challenge Grants program, the Endowment provides matching grants to institutions to raise funds for renovations, new construction, and other capital improvements; to acquire materials, collections, and equipment; and to create endowments whose income can be used to maintain, preserve, and catalog collections—all activities that ultimately contribute to substantive humanities programming. Because grantees are required to raise at least three times the amount of the federal award, challenge grants are an effective means of stimulating nonfederal contributions to humanities institutions.

Increased funding for the NEH Challenge Grants program in FY 2001 would restore the program's regular awards to a more viable level. In recent years, the decreased NEH budgets have meant that many worthy Challenge projects either could not be supported because of lack of funds or could only be supported at greatly reduced levels.

The Endowment will extend the reach of its Challenge Grants in FY 2001 by establishing special competitions that would offer awards with lower matching requirements to smaller and traditionally underserved institutions whose impact is primarily local or regional. As part of the agency's *Rediscovering America* initiative, special competitions would be held for smaller institutions to strengthen their resources in local and regional history. Similarly, two-year colleges would receive grants to endow faculty development, public lectures, and collaborations with community groups. And, small grants would be awarded in support of humanities-focused endowments at historically black colleges and universities, Hispanic-serving institutions, and tribal colleges. Finally, an important new emphasis in the Challenge Grants program proposed at the FY 2001 request level is a program of "pre-challenge" planning grants, with a 2:1 match, that would enable small institutions to develop long-range planning.

NATIONAL ENDOWMENT FOR THE HUMANITIES

Summary of FY 2001 Request
(in thousands of dollars)

	<u>FY 1999</u> <u>Approp.</u>	<u>FY 2000</u> <u>Estimate</u>	<u>FY 2001</u> <u>Request</u>
Federal/State Partnership	\$28,000	\$29,160	\$38,320
Education Programs	10,748	11,702	14,300
Preservation and Access	18,000	18,328	23,400 *
Public Programs	10,909	11,588	14,150
Research Programs	10,843	11,547	14,100
Extending the Reach	1,500	--	2,000
Enterprise Initiatives	--	398	500
Folklore Initiative	<u>--</u>	<u>--</u>	<u>1,000</u>
Subtotal	80,000	82,723	107,770
Challenge Grants	9,900	10,259	12,530
Regional Humanities Centers	--	797	4,000
Treasury Funds	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
Subtotal	93,900	97,779	128,300
Administration	<u>16,800</u>	<u>17,481</u>	<u>21,700</u>
TOTAL	\$110,700	\$115,260	\$150,000

* FY 2001 request includes \$1 million for a new Sound Recordings Preservation Initiative.

APPROPRIATIONS LANGUAGE**NATIONAL ENDOWMENT FOR THE HUMANITIES
GRANTS AND ADMINISTRATION**

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, [~~\$101,000,000~~] ~~\$129,470,000~~, shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, [~~\$14,700,000~~] ~~\$20,530,000~~, to remain available until expended, of which [~~\$10,700,000~~] ~~\$16,530,000~~ shall be available to the National Endowment for the Humanities for the purposes of section 7(h): Provided, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated. (Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (Public Law 106-113))

FEDERAL/STATE PARTNERSHIP
 (\$38,320,000)

The NEH Federal/State Partnership is a collaborative effort of NEH and the fifty-six state humanities councils to enable all of the nation's citizens—wherever they live—to have the benefit of substantive humanities programs that are designed locally with the concerns and needs of each state's citizens in mind. The goals of the state humanities councils, and those of the Partnership itself, reflect NEH's mission of advancing knowledge and understanding in the humanities in the United States and of broadening public awareness of, access to, and participation in the humanities.

State humanities councils are small organizations, governed by volunteer boards of directors, that operate in all fifty states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, the Northern Marianas, American Samoa, and Guam. The state humanities councils were established by the Endowment in response to the National Foundation on the Arts and the Humanities Act's requirement that federal support be provided for humanities programs "in each of the several states." Through the NEH Federal/State Partnership, grants are made annually to the state councils, which then award support, on a competitive basis, to locally initiated humanities programs in each state. State councils also design and conduct humanities projects of their own to ensure that good humanities programs reach citizens in all regions of each state. Because NEH cannot support more than half the cost of a state humanities council's activities, every federal dollar that a state council receives is matched by an equal amount of cash, goods, or services from local contributions. In recent years state humanities councils have annually attracted nonfederal contributions well in excess of the legislatively required 1:1 match, including more than \$6.7 million in funds from state legislatures in FY 1998.

By offering the people of each state opportunities for reasoned inquiry, reflection, and serious discussion with humanities scholars, the state councils contribute to the ability of American citizens to think more broadly and deeply about the decisions that shape our national life. In bringing citizens together face-to-face to plan and take part in council-funded projects, state councils across the country help Americans learn more about the nation's rich cultural heritage, thus strengthening the bonds of community.

Programs supported by the fifty-six state humanities councils enable NEH to extend its reach into every state and to all of the U.S. territories. In the past year, the state councils have made it possible for almost 18,000 scholars to join in vigorous and fruitful exchange with a broad range of public audiences, demonstrating that the humanities can be an integral part of the daily lives of Americans everywhere. These exchanges demonstrate as well that public audiences—not just those who are highly educated or live in an urban center, but also those who have few years of formal schooling or who live in small towns, inner-cities, and rural areas—are eager to learn about and discuss fundamental issues. For example, recent council-sponsored programs have addressed the growing diversity of the United States, the ties that bind people into communities and

communities into a nation, shared heritages, and the philosophical and ethical foundations of contemporary public issues, such as the influence of rapidly developing electronic technologies on peoples' lives.

State humanities councils are important partners in the Endowment's efforts to extend the reach of all its programs. Councils in fourteen states have received special Model Humanities Project Grants of \$20,000 each, intended to encourage creative statewide partnerships and enduring networks among humanities organizations. The Wyoming Council for the Humanities, for example, will join with the American Studies program at the University of Wyoming and the Wyoming Health Resources Network to develop a series of literature-based discussion programs. Designed for civic leaders, school boards, local governments, service organizations, business organizations, and labor unions, the programs will bring together a diverse group of people to talk about what makes a healthy community and a good society. Similarly, the Montana Committee for the Humanities will work with several partners, including the Center for the Rocky Mountain West at the University of Montana, the Montana Consensus Council, the Montana Extension Service, Bozeman Public Library, and the Western Heritage Center, on a project called "Toward Deliberative Dialogue in Western Communities" that will encourage more thoughtful public conversations on topics important to the civic and culture life of all Montanans. The Montana Committee, along with its partners, will develop bibliographies and reading collections, films and video collections, speakers bureau programs, reading and discussion programs, and a grant initiative that will focus on issues of civic engagement, deliberative dialogue, civic discourse, and related themes.

The competitively awarded grant projects that the state councils support are conducted by thousands of educational and cultural organizations and a wide variety of civic groups and public service organizations. The programs take place wherever people gather—in shopping malls, church basements, public housing sites, homes for the elderly, elementary and secondary schools, libraries, historical societies, union halls, humanities centers, Chautauqua tents, and on interactive communications networks. In the last year, state councils received more than 6,500 applications from various groups throughout their states and awarded grants to 73 percent (4,782) of them. Currently, councils expend almost 30 percent of their NEH outright funds on such grant programs.

As councils conceive new ways to reach more people and more diverse audiences, and seek to provide maximum outreach with available funds, they are sponsoring and conducting more of their own projects. In FY 1998, council-sponsored programs reached millions of Americans: among them were 240,000 participants in K-12 teacher projects; 538,000 in Chautauqua-type performances; 44,000 in literacy programs; 296,000 in book discussions; 150,000 attendees in cultural tourism projects; and, 745,000 participants in seminars, conferences, and lectures. Council-funded exhibitions attracted 4.9 million visitors, while council-funded media projects attracted audiences of 129 million.

Many councils reach audiences in their states through speakers bureaus, which respond to requests by community organizations and other groups for programs in which scholars and other experts engage the public in discussion of a particular humanities

topic. Similarly, councils continue to organize and support scholar-directed reading and discussion programs that take place in large and small public libraries in all regions of the country. To provide newly literate adults and their children with materials that they can experience together, councils are developing reading and discussion programs that use children's literature and specially written texts about regional history and culture. And, a number of state councils are collaborating with their state's literacy and adult education organizations to prevent the illiteracy of a parent from being passed on to the next generation. For example, in Eau Claire, the Wisconsin Humanities Council organized a literacy program for recent Hmong immigrants, for whom English is a second language, as part of the *National Connections* program designed originally by the Vermont Council on the Humanities.

In 1999, state humanities councils in Vermont and Washington, DC, were recognized for their outstanding contributions to children and families when they received "Coming Up Taller" awards from the President's Committee on the Arts and the Humanities. DC WritersCorps, a project of the Humanities Council of Washington, DC, focuses on serving youth in public schools and public housing by conducting writing workshops for the entire school year. The program provides, as well, an after-school mentoring program where students read books provided free to them, then come together with authors and other adults to discuss what they have read. The Vermont Council for the Humanities was recognized for its Teen Parent Reading Project. The Council developed specialized training for public health and social service providers to help them incorporate reading-related activities with parents into their comprehensive, individual home visiting services, thereby reaching teen parents and their children where they live.

One of the Endowment's strategic objectives is to strengthen teaching and learning of the humanities in schools and colleges across the nation, and in 1998 the state councils continued to play an active role in addressing major issues related to this objective. Many of these efforts help teachers at the local level respond to new, statewide initiatives and requirements, which are seldom accompanied by the resources needed for their successful implementation. For example, the West Virginia Council for the Humanities recently published *In the Mountain State: A West Virginia Folklore and Cultural Studies Curriculum* to assist teachers of fourth and eighth graders to teach West Virginia history. State councils are also helping to link institutions of higher learning, secondary schools, state departments of education, and cultural institutions such as museums and libraries to create education reform networks. Through these institutional networks, college and university professors, teachers, parents, and students are working together in substantive programs that help strengthen instruction in the schools.

As a further effort to enhance the quality of education in their states, several state councils support teacher institutes. Though expensive compared to other public programs, their benefits reach tens of thousands of students. The Florida Center for Teachers, part of the Florida Humanities Council, will offer twelve institutes in 2000 on such diverse topics as "Searching for a Sense of Place," "Plagues in Medicine and Myth," "Taking Humor Seriously," and "Archaeology and Community." Using the

Web-based EDSITEMENT resource, the NEH is now working with several state humanities councils to help teachers participating in their seminars and institutes to integrate electronic resources in the humanities into their teaching.

At the FY 2001 request level, the state humanities councils will be able to broaden their efforts to reach audiences in remote as well as densely populated areas, using projects such as traveling exhibitions and reading and film discussion programs in libraries, community centers, and workplaces. We will make a special effort to encourage the councils to develop programs that foster a sense of community, bringing together people from all walks of life, and extending their lifelong learning in the humanities. We will also encourage the councils to expand their partnerships with other organizations in their states. The state councils are increasingly sought out as partners by other statewide or local organizations because of their reputations for substantive, nonpartisan, reflective programs in the humanities. For example, the Arkansas Humanities Council has formed a partnership with the Department of Arkansas Heritage to administer a joint grant program in Arkansas heritage and preservation. Other recent partnerships include council programs with healthcare professionals and statewide bar associations.

State councils have taken a special interest in the financial and programmatic health and stability of cultural organizations within their states, since state councils rely on these institutions as both designers and delivery systems for substantive humanities programs. At the level proposed in FY 2001, state councils will be able to implement new initiatives that focus on building the capacity of local institutions to conduct humanities programs and services. Such initiatives take many forms, from work in community heritage and heritage tourism, to family reading and literacy programs, to school-based programs for both teachers and students.

State councils have been forced to curtail their grant programs in the face of severe funding pressures in recent years. The increased funding requested in FY 2001 would both rebuild and greatly improve the capacity of the councils to respond to grassroots efforts in the humanities.

EDUCATION PROGRAMS
(\$14,300,000)

Encompassing NEH programs that serve the nation's institutions of learning, from elementary schools to graduate schools, the Division of Education Programs provides national leadership in formal humanities education at all levels. The division takes seriously the words of the 1964 *Report of the Commission on the Humanities*, which reminded humanities scholars and teachers that they have the "privilege and obligation of interpreting the past to each new generation . . . who necessarily must live in one small corner for one little stretch of time." The division's programs help teachers and their students explore history, literature, culture, and traditions in order to experience the best that has been thought and said, not only by the great and famous, but by the myriad voices from around the world.

Through its two core grant programs, Education Development and Demonstration and Seminars and Institutes, the division addresses one of the Endowment's strategic objectives: to strengthen teaching and learning of the humanities in the nation's schools and colleges. In FY 2001, the Endowment plans to rebuild these core programs, which were seriously affected by budget cuts in 1996. Fiscal pressures in the intervening years have resulted in extremely low funding ratios in the Education Development and Demonstration program (11 percent of all applications for National Education Projects and 15 percent of all applications for Humanities Focus Grants were funded this fiscal year). Similarly, only 49 seminars and institutes have been funded for FY 2000, which will reach about 1,000 teachers—numbers that stand in sharp contrast to the 167 seminars and institutes, serving nearly 3,000 teachers, offered in the summer of 1995. Full funding at the FY 2001 request level would help revitalize these programs.

The year 2001 marks the fourth year of the Education Development and Demonstration program's special grant opportunity, Schools for a New Millennium. Building on the success of the division's Teaching with Technology initiative (1996-98), Schools for a New Millennium will strengthen humanities education in the United States by helping elementary and secondary schools incorporate today's rapidly evolving information technologies into more effective teaching and learning.

The division's EDSITEment project has received national recognition as a gateway to rich humanities resources on the Internet for teachers. Launched through an innovative public-private partnership involving the NEH, MCI WorldCom, the National Trust for the Humanities, and the Council of the Great City Schools, EDSITEment (<http://edsitement.neh.gov>) now comprises seventy-one Web sites selected for their excellent humanities content, interactive design, and usefulness in the classroom. Educational specialists working with the EDSITEment project have generated topic-based Learning Guides and corresponding online lesson plans. New lesson plans for grades K-8 will be developed to accompany twenty-two newly selected sites. The popularity of EDSITEment continues to increase; in October 1999, for example, 56,000 user-sessions were recorded—a significant increase over 40,000 user sessions one year ago. So far, EDSITEment training sessions have been held in a total of 973 schools in

forty-one districts, comprising more than 42,000 teachers and 700,000 students. Over the next two years, at least 1,000 teachers attending NEH Summer Seminars and Institutes and summer programs sponsored by state humanities councils will participate in EDSITEment training sessions. These teachers will in turn will reach 175,000 students within the year following their seminar experience.

In FY 2001, as the division rebuilds its core programs, it will also extend their reach to educators across the country. Two new programs that will target schools and teachers in states underserved by the Endowment are based on pilot projects funded by the NEH and the Geraldine R. Dodge Foundation. These programs reinforce the capacity of individual schools to improve their humanities programs through institutional-wide curricular planning and teacher professional development. The division will be seeking more partners from the private sector as we plan similar programs in other states. Each of these initiatives is described in detail below.

- Humanities Scholars in Residence program. To promote strong humanities teaching in our nation's elementary and secondary schools, the division launched a special competition in FY 2000 through the Education Development and Demonstration program called Humanities Scholars in Residence. This program will be directed at states receiving a disproportionately low share of funds from the Education division and at schools that to date have not benefited from our regular grant programs. These small consultancy grants will enable these institutions to enlist the services of expert humanities scholars and thus lay the foundation for improvements to school curricula. This effort will be continued and strengthened in FY 2001.
- Humanities Teacher Leadership program. Participants in NEH Summer Seminars and Institutes for School Teachers have been bringing their rich intellectual experiences back to the classroom since the inception of these programs in the early 1980s. In FY 2001, the Endowment will award approximately 75 small grants to seminar and institute participants to support follow-up activities that disseminate the results of their summer work to a larger group of educators. As with the Humanities Scholars in Residence program described previously, the Teacher Leadership program will concentrate on states proportionately underrepresented in terms of NEH support.

While continuing to focus primarily on in-service teacher training and faculty development, in FY 2001 the division will also promote improvements in two critical areas—out-of-classroom student learning and pre-service teacher education—and will encourage projects in the burgeoning field of world history:

- Content-Based After School Program. As more and more K-12 students enroll in after school programs, the need for well-delivered, carefully thought-out activities to occupy these hours becomes more urgent. Working parents are particularly concerned that students not be warehoused after school or left to fend for themselves in an understaffed facility, but rather engaged in a range of activities that are constructive and appropriately educational. Parents have particularly requested that

this time be used in part for computer-based learning that is fun as well as useful. In the year FY 2001, the Division of Education and the Division of Public Programs will jointly support content-based activities in after school programs. Beginning with a conference of stakeholders, the two divisions will work together to support pilot programs and to provide suitable NEH-funded materials—such as EDSITEMent, Web-based and CD-ROM projects, and films, with accompanying activity plans—to fill this important need.

- Training for Pre-Service Teachers Initiative. In response to the estimated shortfall of two million new teachers in American classrooms over the next decade, the Division of Education Programs intends to support projects that integrate activities in the schools into the training of student teachers. The division will also support projects that address more directly the need of new humanities teachers to be well-versed in their subject areas. A recent grant to the World History Association, for example, involves three schools of education, scholars in liberal arts programs, and pre-service teachers in developing models for teaching world history, a subject that is increasingly mandated by state standards of learning.
- World History Initiative. There is a shortage of teachers at all levels who are adequately prepared in world history. The division plans to expand its support of this important and burgeoning field of inquiry by inviting additional proposals on international and cross-cultural themes. Such projects, for example, might involve teachers or community college faculty in an NEH Summer Institute or Humanities Focus Grant exploring topics such as “nationalism” or “urbanization” from a global perspective, or a National Education Project grant might support the development of computer-based teaching materials that address the problem of inadequate world history textbooks.

In FY 2000 and FY 2001, as part of the agency-wide *Rediscovering America* initiative and the related “My History is America’s History” project, the division will encourage applications to its regular grant programs about regional studies and family history. Funded projects might include seminars and institutes for college faculty members about aspects of American regional culture, the development of regionally based curriculum materials, and workshops for teachers on using family history effectively in the classroom.

Education Development and Demonstration Program

The Education Development and Demonstration program supports projects to strengthen the teaching and learning of humanities subjects in K-12 schools and in colleges and universities across the country. While the federal government provides support to education in many forms, NEH programs are unique in focusing on the importance of deep knowledge of humanities subject matter in the classroom and on the absolute necessity that faculty be well-versed in the subjects they teach. This focus on

content-based professional development for teachers speaks directly to goal four (Teacher Education and Professional Development) of the National Education Goals, a bipartisan effort to improve the quality of education in American schools.

The Endowment has helped to create some of the most important and far-reaching improvements in American education in the last thirty years, such as the National Writing Project, writing-across-the-curriculum programs, the revival of interest in core curricula, and foreign-languages-across-the-curriculum programs. No other federal agency fulfills this key role of generating effective, content-based improvements in English, history, foreign languages, and the other humanities subjects.

The Education Development and Demonstration program continues to set standards of excellence and to address widely perceived needs in the education field. Through its small Humanities Focus Grants, the program recognizes and supports innovations and improvements by groups of teachers who work together in the same or neighboring educational institutions. Through its larger National Education Projects grants, the program helps educators marshal the necessary resources to launch broadly based efforts of clear national significance. The program also supports the creation of widely disseminated print, video, and electronic instructional materials and curriculum and professional development models.

During its three-year existence, the now-completed Teaching with Technology initiative attracted over 1,300 applications and awarded nearly 160 grants, ranging in size from \$25,000 to \$250,000. Projects supported include the development of online instructional materials on Russian language and culture under the auspices of the American Councils of International Education; Web-based teaching modules on the American jury system produced by the Constitutional Rights Foundation in Chicago; and a new CD-ROM on African art and culture published by the University of Iowa. These products will have a long and valuable life in our nation's schools and colleges and have set a standard of excellence for technological applications in the classroom. Although the formal Teaching with Technology initiative is at an end, it has been so successful that in other, current competitions most applications propose to make use of educational technology in one form or another.

In 1998, the Education Development and Demonstration program launched Schools for a New Millennium, a special grant program that helps elementary and secondary schools integrate new educational technologies into humanities instruction. Projects supported under this initiative have the following objectives:

- To engage a critical mass of educators within a single school in the sustained study of core humanities subjects;
- To help teachers explore and master innovative uses of technology to enrich their own and their students' knowledge and understanding of significant humanities topics;

- To enable schools to implement a comprehensive plan of professional development that links new knowledge of content and pedagogy in ways that transform the curriculum and eventually reach every student in the schools;
- To enlist the support and active collaboration of the wider community—colleges, libraries, museums, parents, and local businesses—in these reform activities; and
- To support schools that will serve as national models of excellence in humanities teaching and learning, especially through the innovative uses of technology in instruction.

Over the past two years, the program has received a total of 126 applications and has made 34 awards for Schools for a New Millennium planning projects in schools in 22 states. At the FY 2001 request level, the Endowment would be able to fund 10 Implementation grants of \$175,500 each. We also plan to enhance the reach of this innovative program through a new “Visitors’ Program” of small awards to schools that have not received Schools for a New Millennium grants but that want to benefit from the expertise of those who have.

To promote strong humanities teaching in our nation’s elementary and secondary schools, the division will launch a special competition in FY 2000 through the Education Development and Demonstration program called Humanities Scholars in Residence. This special competition will be directed at states receiving a disproportionately low share of funds from the Education division and at schools that to date have not benefited from our regular grant programs. Small consultancy grants will enable these institutions to enlist the services of expert humanities scholars and thus lay the foundation for improvements to school curricula. This effort will be continued and strengthened in FY 2001.

In FY 1999, the Education Development and Demonstration program received 318 applications (including applications for Schools for a New Millennium grants) and made 52 awards. In FY 2000, we anticipate 300 applications for National Education Projects, Humanities Focus Grants, and Schools for a New Millennium; and we expect to award 49 grants. In FY 2001, we expect about 350 applications across all these project types, of which approximately 54 would be supported.

Examples of Recently Supported Projects

(i) In fiscal year 1999, the California State University at Long Beach received a Humanities Focus Grant to help educators from the Long Beach Unified School District—with students of Southeast Asian origin constituting one-quarter of its population—to design a world history curriculum that includes the study of the rich cultures of this region. The teachers would collaborate with humanities scholars in developing lesson plans and curriculum guides on the history, geography, literature, art, and music of Southeast Asia. Participants would examine topics such as the historical

role of Southeast Asia as a cultural crossroads, political and economic interactions with the West, and present issues of nationalism. The resulting curriculum materials would be shared with teachers elsewhere via the World Wide Web.

(ii) In fiscal year 1999, the NEH awarded a Schools for a New Millennium planning grant to the Kansas State School for the Blind in Kansas City to develop a "virtual" wagon train journey on the historic Oregon Trail, using special screen-reading software and other digitized adaptations for use by the sight-impaired. Members of the project team will work with humanities scholars to deepen their understanding of the settlement of the West, making use of travelers' diaries and other primary records. Eventually, the team plans to collaborate with several partner schools in Colorado, Wyoming, and Nebraska.

Seminars and Institutes Program

NEH Seminars and Institutes offer college and school teachers opportunities to study significant topics and fundamental texts in the humanities and to revitalize their understanding of history, literature, and other humanities subjects. These residential summer projects give teachers assembled from throughout the country access to important humanities scholarship and to effective ways of conveying and advancing it.

Summer Seminars enable fifteen school or college teachers to come together for four to six weeks of concentrated study under the guidance of a distinguished scholar. The principal goal of a seminar is to engage teachers in the scholarly enterprise. In Summer Institutes, school or college teachers engage in an intense program of study with entire teams of humanities scholars presenting a broad range of perspectives on a given topic. Well suited to larger groups (as many as thirty-five school teachers or twenty-five college teachers), institutes also last up to six weeks and are a particularly appropriate mechanism for creating foreign language immersion opportunities. Increasingly, both seminars and institutes have been integrating digitized materials with the printed books and articles that are the usual focus of humanities study.

NEH Summer Seminars and Institutes have long been the nation's premier form of professional development for elementary and secondary school teachers of the humanities. Seminars and Institutes are also greatly prized by college and university faculty members. While other organizations sponsor workshops and summer study programs, NEH is one of the few that offers teachers opportunities to pursue serious, substantive intellectual inquiry that is focused on important topics and texts and that is sustained for a period of time long enough to make a fundamental and lasting difference. Teachers—and their students—profit immensely from these opportunities to work with distinguished scholars, as well as with a wide range of colleagues, at leading institutions of higher education and research libraries throughout the country and abroad.

For the summer of 2000, for example, literature teachers might opt for seminars or institutes focusing on Chaucer and his works or the poetry of Walt Whitman and Emily Dickinson. Teachers of history might choose to study Renaissance Humanism, the history and culture of the Great Plains, or issues of law and morality in American and British jurisprudence. Other seminars and institutes afford study of a rich array of additional humanities topics, including Machiavelli's *Prince*, world religions in America, Descartes and his age, interpretations of the Industrial Revolution, and the culture of the Spanish Caribbean.

In seminars and institutes such as these, teachers and administrators experience the excitement of intellectual discovery in the company of colleagues drawn from institutions from across the entire nation. Teachers who are excited about the subjects they teach communicate their enthusiasm to students, making the classroom an exhilarating place while also fostering understanding and retention of the material that is taught.

The transforming impact that NEH seminars and institutes have on teachers is communicated to their students for many years thereafter. In the summer of 2000, NEH will sponsor 49 seminars and institutes, serving a total of 935 school and college teachers. By June of the next year, those teachers will have reached an estimated 144,000 students. As mentioned previously, in FY 2001 the Endowment proposes to continue a special Humanities Teacher Leadership competition to help elementary and secondary school teachers share the benefits of their participation in seminars and institutes with other educators and schools. A pilot dissemination project, launched last year in New Jersey with the support of the Dodge Foundation, will provide a model for the implementation of Teacher Leadership programs in other states.

In FY 1999, the program received 122 applications to direct seminars and institutes, of which 49 were supported. In FY 2000, applications to direct seminars and institutes and for Humanities Teacher Leadership awards should total approximately 250, and about 127 will be supported. In FY 2001, out of an expected 200 applications, the program anticipates being able to fund 62 seminars and institutes, attended by 1,190 teachers, representing approximately 180,000 students. Teacher Leadership Awards would total 75 in FY 2001, out of an estimated 100 applications.

Examples of Recently Supported Projects

(i) Joel A. Tarr of Carnegie Mellon University received an award of \$124,370 to support a four-week summer institute for school teachers on the history of technology in the United States. During the summer of 1999, twenty-five school teachers from fifteen states, including four who teach in rural public schools, and one site interpreter from the United States Park Service, gathered to read and discuss a variety of historical studies and primary sources on four periods of the history of technology in America: pre-industrial, including Native American technology (to 1815); early industrial (1815-1890); late industrial (1890-1945); and post-industrial (1945-present). To enhance their readings, participants took part in field trips to industrial and technological sites in the Pittsburgh

area, incorporated materials from the World Wide Web, and worked individually on a case study of an era or a theme in the history of technology. Viewing American society through the lens of technology offered participants a deeper insight into the complex elements that drive historical change and prepared them better to inform their students about the critical role of technology in our culture. Results of the institute were also disseminated on a Web site.

(ii) Alan Mintz of Brandeis University conducted a six-week seminar for school teachers at the Jewish Theological Seminary. The seminar examined the Holocaust and how the telling of its story was shaped by evolving cultural contexts and expectations, particularly in the United States and in Israel. At least seventeen states recommend or mandate the study of the Holocaust in schools, and the subject is voluntarily taught in many more states. The fifteen participants, representing ten states, focussed on a variety of texts, including many likely to receive particular attention in the high school classroom: *The Diary of Anne Frank*, Elie Wiesel's *Night*, Art Spiegelman's *Maus*, and Steven Spielberg's *Schindler's List*.

PRESERVATION AND ACCESS
 (\$23,400,000)

The Division of Preservation and Access supports projects that preserve and increase the availability of resources important for research, education, and public programming in the humanities. These may include books, journals, newspapers, manuscript and archival collections, maps, photographs, films, sound recordings, oral histories, and objects of material culture held by libraries, archives, museums, historical organizations, and other repositories. The division also makes grants for the creation of dictionaries, atlases, encyclopedias, and other major reference works that preserve and portray the history and culture of the United States and the world.

By supporting projects that will create, preserve, and increase the availability of cultural and intellectual resources essential to the people of the United States, the division's programs and grant activities work toward achieving one of the major goals of the Endowment's strategic plan: to advance knowledge and understanding of the humanities in the United States.

Over the years, the Endowment has transferred to the Division of Preservation and Access a number of preservation- and access-oriented grant activities that had previously been supported in other NEH divisions, such as, grant programs in support of projects to document collections held by museums and historical organizations and projects to create bibliographies, indexes, and other guides to humanities materials. The Endowment's consolidation of all its support for preservation and access within a single division is based on the principle that preserving a collection without creating an adequate description of its location and holdings for the prospective user is ultimately as futile as establishing intellectual access to materials that may crumble when they are consulted.

Estimates suggest that over 80 million volumes constituting 25 to 30 percent of the holdings in the country's research libraries are disintegrating because of the acidity of their paper. Other materials such as photographs, films, sound recordings, and objects of material culture are similarly threatened by factors inherent to their physical structure or by the ways in which they are stored. At risk are resources that constitute a significant part of the nation's cultural legacy. These resources are crucial not only for current and future scholarship in the humanities but also as a foundation for humanities education in the nation's schools and colleges and for museum exhibitions, media projects, and other lifelong learning projects and programs.

The division continues to implement two distinct twenty-year plans for addressing the complex nature of the preservation problems confronting the nation's cultural institutions. The first plan, which was put in place in FY 1989, is concerned with preserving the intellectual content of books, documents, and other research materials held primarily in the nation's libraries and archives. The centerpiece of this plan is the provision of significant support for projects to microfilm brittle books and serials. This plan also provides funding for:

- projects that preserve the intellectual content of other threatened humanities resources (such as the U.S. Newspaper Program and the preservation of archival and special collections of unique materials at humanities institutions);
- the development of regional preservation and consultation services to help ensure that smaller cultural institutions across the country receive the kind of advice and knowledge they need to preserve their collections; and
- other projects that make possible increased preservation activity, such as education and training of preservation administrators and research and development projects to improve preservation methods and technologies.

Since its inception, this preservation plan has functioned effectively and efficiently and has helped stimulate preservation efforts throughout the United States. In the period between 1988 and 1999, the number of preservation programs in the nation's major research libraries rose from 76 to 118. In 1999, these institutions collectively employed 1,826 staff working on preservation activities. As a testimony to the accomplishments of the Endowment's plan, the Board of Directors of the Association of Research Libraries issued a statement commending "the overwhelming success of the NEH preservation program in preserving the nation's heritage and culture" and hailed the Endowment's effort "as a critically important program to ensure the preservation of and access to important . . . materials that are vital to our nation's ability to function as a democracy."

In recognition of the singular importance of the country's material culture collections and the magnitude of the preservation problems facing institutions responsible for them, a second twenty-year plan, the National Heritage Preservation Program, was inaugurated in FY 1990. Many material culture collections—such as archaeological and ethnographic objects, decorative and fine art, textiles, and historical artifacts—were formed when there was a more limited understanding of how best to maintain and conserve these holdings. Consequently, objects of material culture are now, for the most part, inadequately housed and frequently inaccessible to scholars, curators, and the general public. The Endowment's grants in this area focus on what has been identified as the highest priority of need: helping institutions stabilize material culture collections through support for projects to improve their storage and housing. Applicants may also request funds to establish regional or national training programs for the care and conservation of these collections and for projects to document material culture collections of significance to the humanities. In the first ten years of this program, awards have been made to institutions nationwide to stabilize collections of nearly 29.8 million archaeological, ethnographic, and historical objects important for research, education, and public programming in the humanities.

The Division of Preservation and Access has provided support to salvage the knowledge contained in endangered materials important to a variety of fields in the humanities. As a result of NEH's leadership, 80 libraries and library consortia across the nation have now participated in the national effort to preserve brittle books and serials. Indeed, when currently funded projects

are completed, approximately 950,000 embrittled volumes will have been microfilmed that are important to the study of American history and culture, as well as to the study of Western European literature, history, and philosophy; classic and medieval civilization; Slavic and Eastern European history; the history of art, architecture, religion, mathematics, science and technology; political science and economics; the history of the British Isles; and the history and culture of Central and Latin America, the Caribbean Basin, Africa, India, Southeastern Asia, Japan, and the Near East.

Newspapers chronicle the daily life of America's citizens in towns and cities across the country. They document the civic, legal, historical, and cultural events that have occurred in every region of the nation during the past 300 years. The Endowment's support for the preservation of United States newspapers enables organizations and institutions in individual states to locate, catalog, and microfilm their newspaper holdings. A centralized bibliographic record of all newspaper titles published in America since 1690 will eventually be created, and copies will be made of those newspapers that are the most historically important.

All fifty states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands have been engaged in newspaper planning projects or implementation efforts. The state projects continue to discover and preserve scores of little-known or forgotten newspaper titles. To date, 35 states, the Virgin Islands, and Puerto Rico, and eight national repositories (with newspaper titles from all over the country) have concluded their individual projects. When all currently funded newspaper projects are completed, records for approximately 139,000 unique newspaper titles will be available in a national database accessible through computer terminals at nearly 36,000 institutions in the United States and abroad. In addition, 58 million newspaper pages will have been microfilmed that otherwise would have been lost to future generations.

The division also supports projects to arrange, describe, catalog, and preserve archival materials and library special collections. Through grants made in FY 1999, for example, the University of South Carolina will catalog and rehouse 21,600 historic photographs and negatives of the American South; the Center for Puerto Rican Studies at Hunter College in New York will arrange and describe the textual and photographic records of four Puerto Rican government agencies established in New York City from 1930-1993; and the University of California at Berkeley will preserve and create Internet-accessible finding aids for the archives of four Bay Area architects, covering the period from 1890 to 1917.

In response to Congressional interest in ensuring the availability of materials that document the nation's rich musical and folkloric heritage, the Endowment is requesting \$1 million in additional funds for FY 2001 to expand the Endowment's capacity to preserve and provide access to recorded sound collections, with special emphasis on areas of traditional music such as folk, jazz, and blues. Under this new program emphasis, approximately 10-15 grants would be made to enable institutions to reformat their deteriorating collections onto more stable media and to make their holdings widely known through the creation of catalog records entered into national bibliographic networks.

In FY 1999, the division's support of projects to create research tools and reference works in the humanities encompassed grants that will support the preparation of encyclopedias of Appalachia and the American Great Plains; the compilation of a comprehensive reference work on Hittite, the earliest written Indo-European language; the production of the Database of Classical Bibliography; the documentation of Wasco, an American Indian language, and of Louisiana French; and the completion of an electronic lexicon on the varieties of New World Spanish from 1492 to the present.

Complementing the division's support in fiscal year 1999 for preserving and establishing access to a variety of cultural resources were its grants for projects to increase the permanent capacity of the nation's libraries, archival repositories, and museums to care for their collections. In this regard, preservation education remains a high priority for the Endowment. The University of Texas at Austin received a grant to support its graduate training program in library and archival preservation administration and conservation. This program is one of four advanced degree programs in conservation in the United States and the only one dedicated to preservation of library and archival materials. Two regional preservation field service programs received grants in FY 1999: the Upper Midwest Conservation Association in Minneapolis, Minnesota, and the AMIGOS Library Services in Dallas, Texas. These programs will continue to provide preservation workshops, surveys, and information services to hundreds of cultural institutions in the Upper Midwest and the Southwest, respectively. Another grant, to Cornell University, is supporting seven one-week workshops on the use of digital technology to provide a new form of access to the holdings of libraries, museums, archives and historical organizations. A Web-based introductory tutorial on digital imaging will also be developed as part of this project.

As part of the Endowment-wide *Extending the Reach* initiative, the division is launching a new grant category in FY 2000 that will provide libraries, archives, museums, and historical organizations with awards of up to \$5,000 to be used to cover the costs of attending preservation training events, to support an on-site consultation by a preservation professional, or to purchase preservation supplies and equipment. This initiative will specifically encourage applications from the 14 states and Puerto Rico that are the focus of an Endowment-wide initiative to enhance support to institutions in underserved geographic areas of the United States, but it also has the potential to reach institutions in all fifty states and the U.S. Trust Territories. Furthermore, the initiative will offer support to many institutions that would not ordinarily be able to compete successfully for funding at the national level. At the funding level requested for the Preservation and Access division in FY 2001, this new initiative would be able to make 80 awards, thus doubling the number of institutions that are expected to be reached in FY 2000.

In view of the staggering amount of endangered materials and the enormous costs of preserving them, the Endowment is also working to increase public awareness of the preservation crisis and thereby to help generate nonfederal support for preservation activities. For example, in conjunction with several other concerned organizations, NEH funded a documentary film on preservation, *Slow Fires: On the Preservation of the Human Record*. The film has been broadcast nationally on PBS television three times and over 1,300 copies on film or cassette have been purchased by U.S. universities, schools, libraries, archives, historical

societies, book manufacturers, and paper companies. It has been televised in Belgium and Portugal and been viewed by administrators of national and regional libraries in China, France, Great Britain, Belgium, Portugal, Germany, Switzerland, Czechoslovakia, Russia, Ukraine, South Africa, Brazil, Guatemala, Nicaragua, El Salvador, Costa Rica, and Peru, as well as by two of the Directorates of the Commission of the European Community. *Slow Fires* has been translated into Russian, Chinese, French, Portuguese, and Spanish. The Spanish version of the film was shown several times at an international conference of library administrators from 138 countries held in Barcelona, and it was also made available in 1995 to every national library in Central and Latin America.

The emerging National Information Infrastructure offers significant opportunities to broaden the access of students, scholars, and the general public to important cultural resources. To preserve and ensure the broadest possible access to America's cultural resources, the Endowment is requesting funding in FY 2001 to launch a major initiative to digitize important collections held in libraries, museums, historical organizations, and archives. These collections could include editions of the papers of our past Presidents, images of historical artifacts from all regions of the country, historical newspapers and archives, and other resources of direct benefit for teaching, research, and public programming. Under this initiative, NEH would encourage collaborative projects among large and small institutions to digitize materials relating to a particular historical or cultural figure, subject, or idea in order to create a coherent body of important humanities materials that will be available via the Internet to classrooms and homes across the nation. Students, scholars, and lifelong learners would have access to materials of historical significance in geographically dispersed collections that would otherwise be difficult to consult without travelling to the sites where they are held. Every classroom, cultural institution, and home in the United States with access to the Internet would be potential beneficiaries of this initiative.

To help ensure the most effective use of the new information technologies by humanities institutions, the Endowment will continue to support projects that focus on developing standards and best practices for the creation, dissemination, and maintenance of access to materials in digital formats. In FY 1999, NEH served as one of the sponsors of the Digital Library Initiative (DLI2). The DLI2 is conducted by the National Science Foundation and jointly supported by the Defense Advanced Research Projects Agency, the National Library of Medicine, the Library of Congress, the National Aeronautics and Space Administration, and other federal agencies. The primary purposes of this initiative are to provide leadership in research fundamental to the development of the next generation of digital libraries; to advance the use and usability of globally distributed, networked information resources; and to encourage existing and new communities to focus on innovative application areas, including the humanities. The response to this joint effort has been so enthusiastic that NEH is continuing the partnership during FY 2000. Grants made through the initiative in FY 1999 include support for the collaboration of librarians and computer scientists at Cornell University in the development of tools and procedures for ensuring the integrity, security, and preservation of digital collections. Another project, at Tufts University, is supporting the creation of a digital library for the humanities, which will contain literary, historical, and archaeological materials on topics ranging from ancient Egypt to

nineteenth-century England. Intended for high school and college students as well as for humanities scholars, the projects will enable users to visualize data in new ways, including the use of multimedia presentation techniques for reconstructing archaeological sites or mapping the cultural geography of urban areas.

To alert the general public to the cultural significance as well as the implications for public policy posed by the advent of digital technology, NEH made a grant to the American Council of Learned Societies to produce a documentary film, *Into the Future: On the Preservation of Knowledge in the Electronic Age*. The Endowment's award subsequently generated matching support from the Alfred P. Sloan Foundation and the Xerox Corporation. This film has been shown on PBS stations around the country and has been the focal point of substantial articles in the *New York Times*, the *Wall Street Journal*, *Business Week*, and *US News and World Report*. It has already been translated into Spanish, Chinese, and Japanese.

Federal matching funds are used as a form of project support whenever possible to stimulate third-party funding for preservation and access activities. This practice is proving to be quite successful. Since the establishment of NEH's Office of Preservation in FY 1986, Endowment-supported preservation projects have leveraged over \$15.9 million in gifts from private donors and foundations. Moreover, the division's grants, from FY 1994 through FY 1999, have generated cost-sharing totaling \$91 million; in FY 1999, cost-sharing equaled 95 percent of the Endowment's own investment of federal funds.

The Division of Preservation and Access made 62 awards in FY 1999, which encompassed 97 institutions and humanities organizations in 37 states. In FY 2000, the division expects to make about 108 grants, including an estimated 40 new Preservation Assistance Grants as part of the agency-wide *Extending the Reach* initiative. In FY 2001, at the agency's request level, 197 awards are projected, including an estimated 85-90 awards to small institutions in the division's new program to extend the reach of preservation activities, 12 awards to improve the storage and documentation of material culture collections, an estimated 27 awards that would support projects relating to the division's initiative for the digitization of humanities collections in nonfederal repositories, and 10-15 awards for the division's new initiative to preserve recorded sound collections documenting traditional music in the United States.

Examples of Recently Supported Projects

(i) The Southeastern Library Network (SOLINET) received a recent grant of \$913,000 to support the preservation microfilming of 8,610 brittle books printed between 1820 and 1960 on American, Latin American, African American, and European history and culture held by members of the Association of Southern Research Libraries. SOLINET, based in Atlanta, serves as the project coordinator and fiscal administrator. The project's participants include Emory University, the Georgia Department of Archives and History, North Carolina Central University, North Carolina State University, the State Library of Florida, Tulane University, University of Florida, University of Georgia, University of Kentucky, University of North Carolina at Chapel Hill, East Carolina University, University of South Carolina, University of South Florida, and the

University of the South. Selections for preservation are made at the individual institutions by panels of scholars and librarians. Bibliographic records for the microfilmed titles will be entered into the appropriate national bibliographic databases.

(ii) In FY 1999, the University of Oregon received a two-year award of \$600,000 to catalog 2,200 newspaper titles held in repositories throughout the state and to preserve on microfilm approximately 594,000 pages of deteriorating newsprint. Information about newspaper holdings in Oregon's repositories will be made available through national bibliographic networks and via a Web site maintained by the University of Oregon. Copies of microfilmed newspapers can be obtained through interlibrary loan.

(iii) In FY 1999, the NEH made an award to the University of New Mexico to create an Internet-accessible database of archival finding aids and catalog records that will provide unified access to collections held by four major repositories in the state. These collections include a broad array of visual, audio, and textual materials that document cultural interaction in the American Southwest from the Spanish colonial period through the twentieth century. The project will also make available a sampling of 400 digital documents, linked to the finding aids, that will serve as an educational resource. In addition, the project will develop a model for making the online archive accessible to other New Mexico repositories.

(iv) In FY 1999, the Endowment awarded Spelman College \$219,564 for a one-year project to survey the archival and manuscript holdings of twenty-nine historically black colleges and universities located in Arkansas, Kentucky, Louisiana, Missouri, Oklahoma, Ohio, Tennessee, Texas, and West Virginia. The project is resulting in descriptions of significant materials available for research in the national bibliographic databases and foster the development of archival programs at these institutions.

(v) The AMIGOS Library Services in Dallas, Texas, received a grant totaling \$601,910 in FY 1999 to support a regional preservation field service program for libraries, archives, and historical organizations in Arizona, Arkansas, New Mexico, Oklahoma, and Texas. Workshops on preservation and digital imaging, technical consultations, preservation surveys, and disaster response assistance are being offered throughout the region.

(vi) The Wheelwright Museum of the American Indian in Santa Fe received a recent grant of \$96,849 to support the rehousing of its Navajo artifact collection and related archive. This remarkably cohesive collection of 4,000 objects, which documents Navajo history and culture, is consulted regularly by scholars, and is used in exhibitions at museums and historical organizations. The museum has an excellent working relationship with the Navajo Nation, whose members use the collection in cultural renewal efforts. The NEH grant will enable the museum to purchase storage furniture for this important collection, which will help to ensure its long-term preservation.

(vii) In FY 1999, the Endowment awarded \$82,600 to East Tennessee State University for a project to prepare the *Encyclopedia of Appalachia*. This one-volume reference work will include 3,500 entries about an area that extends from the foothills of northern Mississippi and central Alabama to the birch forest of northernmost Maine. Intended for students, scholars, and the general public, the encyclopedia is focusing on the history, literature, art, music, folkways, and politics of this complex, but often misunderstood, region.

(viii) In FY 1999, NEH, in partnership with the National Science Foundation, supported a \$3,600,000 project at Michigan State University, East Lansing, Michigan, to create a fully searchable, online database of historically significant voice recordings that span the 20th century, including Thomas Edison's first cylinder recordings, the voices of Babe Ruth and Florence Nightingale, and Studs Terkel's interviews. The project is addressing unsolved technical problems regarding the digital preservation of sound and its delivery via the World Wide Web. It will also develop an acoustical engineering procedure for indexing digitized recorded sound, enabling a user who knows only a short phrase from a speech, for example, to locate the full text in a large recorded-sound database. The project will test the feasibility of creating online repositories of recorded voice materials.

PUBLIC PROGRAMS

(\$14,150,000)

Through the Division of Public Programs, the Endowment supports activities that engage Americans of all ages in the study, interpretation, and appreciation of important works, ideas, and events that constitute the record of human civilization. Congress authorized and encouraged the Endowment to foster public understanding and appreciation of the humanities in the belief that "democracy demands wisdom and vision in its citizens."

By providing opportunities for Americans to engage in lifelong learning, the activities funded by the Public Programs division address the agency's strategic goal of advancing knowledge and understanding in the humanities in the United States. By reaching millions of Americans of diverse social, cultural, and economic backgrounds, this division also addresses another of the Endowment's strategic goals—that of broadening public awareness of, access to, and participation in the humanities.

At the requested FY 2001 budget level, the Division of Public Programs will make its first priority that of extending the geographical reach of NEH-supported projects and better involving underserved populations in the humanities. This will be accomplished through three separate programs: (1) Our new program of Consultation Grants will enable organizations that have not previously received a Public Programs grant to collaborate with scholars in the humanities and with experienced grantees at other institutions. (2) The division will also make small grants to individual libraries that will enable them to take part in exemplary programs offered by national organizations and major institutions. (3) Grants to small and mid-sized museums throughout the country will be made for the purpose of receiving a traveling version of an NEH-funded exhibition. In addition to these programs, we will encourage all applicants to include a digital component in their plans for public humanities projects, thus providing increased access to the content of the humanities programs.

The second priority of the Division of Public Programs is to rebuild its core programs—drastically curtailed due to the funding cuts that occurred in FY 1996—so that American filmmakers, radio producers, museum curators, and other professionals can begin work now to ensure that in a few years' time the public will have access to public programs of the quality and variety that Americans have come to expect. In FY 2001, we will continue to support projects that involve the most accessible, enjoyable, and effective formats and venues for public humanities programs, including nationally broadcast radio and television programs, museum and library exhibitions that travel broadly throughout the United States, community-based reading and discussion programs, and substantive digital projects for the public. Because the division focuses on lifelong learning in the humanities, our guidelines for applicants will continue to stress educational goals and effectiveness as well as content of high quality. They will encourage applicants to address the particular needs of their proposed audiences; to include components for underserved groups, such as at-risk youth; and to explore ways to sustain and expand the impact of their projects.

At the FY 2001 requested budget level, projects supported through the Division of Public Programs would produce 83 hours of television and radio programming drawing 169 million viewers and listeners; 41 exhibitions presented at 119 venues across the country attracting over 17.5 million visitors; and 17 library reading and discussion projects and special projects at 474 sites involving more than 3.7 million people. In addition, the division will make 40 small grants to libraries, 52 Consultation Grants, and 6 grants for traveling exhibitions for small museums.

Humanities Projects in Media

Humanities Projects in Media supports the planning, scripting, and production of television and radio programs on significant works and subjects in the humanities for broadcast to general audiences. Several recent programs produced with Endowment support have garnered prestigious national awards: *Africans in America* and *Frank Lloyd Wright* each won a George Foster Peabody Award; *A Paralyzing Fear: The Story of Polio in America* received three Emmy Awards; and *A Life Apart: Hasidism in America* and *The U.S. Mexican War 1846-1848* each received an Emmy Award.

Endowment-funded programs are an important part of the schedules of both public radio and television. *New York*, an eight-hour documentary television series chronicling the history of New York City, was broadcast to wide acclaim in November 1999. *Eleanor Roosevelt*, broadcast in January 2000, is a two and one-half hour documentary film that examines the public and private evolution of a complex American life. *George Wallace: Settin' the Woods on Fire*, to be broadcast in April 2000, explores both Wallace the man and the decisions he made; the film chronicles Wallace's emergence as a national political figure against the background of the Civil Rights Movement and the transformation of American politics in the 1960s and 1970s. Featured on the fall 2000 PBS schedule will be *Building Big: David Macauley*, a five-part film series on the history and science of monumental engineering projects. This series, which will engage intergenerational audiences, will show how technological development and huge engineering projects have influenced the social, cultural, and economic lives of communities around the world. Also on the docket for this fall is *Jazz*, the latest production of the master documentarian Ken Burns. This film will explore the history and development of that quintessentially American musical form.

The division also supports the production of engaging, content-rich radio programs. Airing currently on National Public Radio's "All Things Considered" is *Lost and Found Sound*, a 52-week series that celebrates the millennium by exploring the history of 20th-century American culture through a variety of recorded sounds.

At the proposed funding level for FY 2001, the division would support approximately 31 radio and television projects, ensuring that the American public will continue to enjoy commercial-free access to the finest, most accurate programs in literature, history, and other disciplines of the humanities. Support would also be provided for full production of digital television projects that will enable producers of excellent humanities programs to design enhanced programming—that is, traditional analog television programs that are enriched with on-line content. Because ample support is crucial if humanities programs of high quality are to take full advantage of digital technology, the Endowment and the Corporation for Public Broadcasting have entered into a joint initiative, "Digital Parallel Production Grants." Collaborating for the first time, the agencies will each provide up to \$300,000 for the initiative. In FY 2001, the division would also continue to award Consultation Grants to filmmakers, producers, regional radio and television stations, and others who have not previously received an NEH grant.

The Endowment received 155 regular applications for media projects in FY 1999 and awarded 25 regular grants. Twelve Consultation Grants were also awarded. In FY 2000, we expect to receive 164 applications for regular grants, of which 27 would be supported, and to award 15 Consultant Grants. In FY 2001, we expect to receive 194 regular applications for media projects, of which 31 would be supported, and to award 21 Consultation Grants.

Examples of Recently Supported Projects

(i) The Endowment awarded a grant of \$30,000 to Rattlesnake Productions of Bozeman, Montana, to plan a 60-minute documentary film examining the country's most lucrative hard rock mining town—Butte, Montana—in the context of the social, cultural, economic, and political forces that created 20th-century industrial America.

(ii) The Long Bow Group, Inc., of Brookline, Massachusetts, received a production grant of \$700,776 for a two-hour documentary film on China's Cultural Revolution. Incorporating the personal stories both of its participants and its victims, the film will provide American audiences with a sweeping view of one of the salient events of the twentieth century.

Humanities Projects in Museums and Historical Organizations

Because they contain tangible objects that record our history and our cultural traditions, museums can provide unique educational experiences for children, families, and adults. The Endowment supports exhibitions of cultural and historical artifacts, and related publications and programming, that engage the general public in the themes and ideas of the humanities. Awards are also made to support the interpretation of American historic sites.

Evidence of the range of important topics and the potential impact of NEH support can be seen in the more than 120 NEH-funded exhibitions that will be available in the coming year at venues across the country. Exhibitions now on tour to American museums include shows on the lives of Jewish women in the upper Midwest, the photography of Ben Shahn and Adolphe Braun, Indians of the southeast, and life in the ancient Egyptian city of Amarna, the latter a blockbuster show that recently opened at the Museum of Fine Arts, Boston. Exhibitions currently under development will focus on such subjects as the history and development of the New Jersey Turnpike, the expedition of Lewis and Clark, art in Rome in the eighteenth century, America's rural heritage, and the New South. NEH-funded exhibitions will travel to museums throughout the nation and be seen by millions of visitors.

In FY 2001, the division will continue to support museums, historical societies, and historic sites that take seriously their mission to educate the public. The division will encourage museums to reach broader audiences by accompanying exhibitions with educational materials and programs, by collaborating with local community organizations, and by exploiting interactive electronic media.

At the budget request level, the Endowment could support the development of 41 exhibitions, covering a wide array of topics of broad public appeal. Also at the proposed budget level, the division would continue its initiative to involve small and mid-sized museums, many of them in rural areas and most new to the work of the Endowment, in the vital task of creating humanities exhibitions. This initiative would unfold in two ways: First, the division would continue to offer Consultation Grants, which enable smaller and more geographically diverse museums and historical organizations to consult with humanities scholars as well as with experienced humanities programmers at other institutions. Second, the division is planning to extend the geographical and institutional reach of public programs through a new series of awards to small and mid-sized museums that will enable them to host a traveling version of an excellent, NEH-supported exhibition and its accompanying public programs.

In FY 1999, the Endowment received 100 regular applications for museum exhibition, and made 33 awards. In addition, 10 Consultation Grants were awarded. In FY 2000, we expect to award 35 regular grants out of 106 applications and to award 20 Consultant Grants. In FY 2001, we anticipate 125 regular applications for museum projects, of which 41 would be supported. We expect to award 27 Consultant Grants.

Examples of Recently Supported Projects

(i) The Maine State Museum in Augusta received an award of \$55,866 to plan for a permanent exhibition and a public television broadcast interpreting domestic life in Maine, 1783–1940. The exhibition will trace central transformations in family life as it was shaped by such forces as urbanization, immigration, and technological developments.

(ii) The Alutiiq Heritage Foundation in Kodiak, Alaska, was awarded a \$194,555 implementation grant to produce a traveling exhibition, educational programs, a CD-ROM, and a catalog on the Alutiiq people of south coastal Alaska, featuring prehistoric and contemporary materials. The exhibition will travel to five sites in Alaska, the National Museum of the American Indian in New York, and the National Museum of Natural History in Washington, D.C.

Humanities Projects in Libraries and Archives

Libraries, as institutions, play a key role in enhancing the quality of cultural life in America. In addition to their intrinsic importance as places of individual study and learning, libraries and archives offer a natural setting for scholars and the general public to come together for discussion and critical inquiry. The Endowment seeks to use that setting to increase public understanding of the humanities through the discovery, interpretation, and greater appreciation of texts, media, Internet resources, and other collections available to Americans in libraries and archives. Because libraries are community-based institutions, the Endowment supports partnership projects that facilitate close collaboration with other cultural and educational institutions such as museums, school systems, parent-teacher organizations, broadcast and cable television stations, and literacy coalitions. This emphasis on partnerships and collaboration will continue in FY 2001.

The formats most often employed by projects supported by this program include reading and discussion series, interpretive traveling exhibitions, lecture series, and public conferences. Awards are also made for libraries, in collaboration with other cultural institutions, to explore the use of new technologies for the delivery of humanities programming.

In FY 2001, the Endowment will continue to support innovative reading and discussion programs such as the American Library Association's *Let's Talk About It*, a series for library audiences nationwide. The program will also continue to support traveling exhibitions for libraries. For example, *The Great Experiment: George Washington and the American Republic*, an exhibition about George Washington and the people of the new American republic, will travel to 40 libraries, augmented by curriculum guides, an interpretive catalog, and brochures. In addition, the division will continue to support reading and discussion programs for new adult readers, such as the *National Connections Project*, a recently funded project that will provide reading and discussion programs for adult new readers and their families at libraries throughout the United States. At the budget request level, the division would expand this kind of effort, perhaps in conjunction with a national foundation, by working with several state humanities councils and other institutions to make literature-based reading and discussion programs for newly literate adults a key ingredient in literacy efforts in all parts of the nation.

In order to increase the reach of outstanding national traveling exhibitions or reading and discussion programs, we will make small grants directly to libraries in rural areas, inner cities, on tribal reservations, and in other diverse sites. Also, public libraries and library systems just beginning their humanities projects will be encouraged to apply for Consultation Grants to help them enlist the aid of scholars in investigating their chosen humanities themes.

In FY 1999, the Endowment received 15 applications for regional and national projects in libraries and archives and made 5 awards. We expect to receive 16 applications for such large-scale library projects in FY 2000 and to make 5 awards. In addition, we anticipate making 80 small grants to libraries throughout the country to enable them to participate in the American Library Association's *Let's Talk About It: The Next Generation of Reading and Discussion Programs for Libraries* or to receive the Huntington Library's exhibition, *The Great Experiment: George Washington and the American Republic*. In FY 2001, we anticipate 19 applications and 6 awards for library projects. The Division will also make 40 small grants to libraries to engage their patrons in nationally distributed programs.

Examples of Recently Supported Projects

(i) National Video Resources in New York received an award of \$39,875 to plan a film and discussion series on the political, social, and cultural history of 20th-century America. The programs will take place at more than 500 libraries over the next five years.

(ii) The Louisiana Endowment for the Humanities was awarded \$233,934 to expand its successful statewide reading and discussion programs for adult new readers and their families to 20 libraries located nationwide. The project is designed to encourage newly literate adults to meet with their families at the library to discuss works of children's literature on such themes as courage and fairness.

Special Projects

Special Projects broaden public appreciation of the humanities through activities that employ innovative formats, venues, and collaborations to reach new audiences. The division recognizes the need for model, interactive multimedia projects for the general public, especially given the lack of historically accurate multimedia products currently available. This program particularly encourages proposals to use newer forms of computer-based technology to engage general audiences in exploring important topics in the humanities. For example, the division recently provided a planning grant to develop an online exhibition about United States maritime history from prehistory to the present. Planning is underway for a content-based Web site that uses interactive historical narrative and the resources of three Massachusetts history museums to create a virtual world in which to explore the theme of "Growing Up in Changing Times."

Special Project grants are often made to groups that reach underserved or "non-traditional" audiences, such as young people in out-of-school settings. An award made to Girls Incorporated will bring *Girls Dig It: A Nationwide Archaeology Program for Girls, Ages 12-14* to six cities around the country. Through this program, up to 100,000 adolescent girls, most of them from low income, minority families, will explore aspects of archaeology with scholars at various urban sites. In FY 2001, the division will expand its efforts to promote humanities-based after-school programs, especially for at-risk youth, and will use Consultation Grants to help youth organizations and other groups that reach underserved audiences.

Special Projects awards also help America's communities to reflect upon ideas, issues, and needs of importance to their citizens. For example, community groups in Iowa and West Virginia are currently using Special Projects Consultation Grants to consider the "sense of place" evoked, in each of their areas, by the Des Moines River and the virgin forests of Appalachia, respectively. Both projects will produce interactive multimedia components for diverse public audiences.

In FY 1999, the Endowment received 36 regular applications for Special Projects and awarded 8 grants. In addition, we made 2 Consultation Grant awards in this category. In FY 2000, we anticipate receiving 38 regular applications and awarding approximately 9 regular grants, as well as 4 Consultation Grants. In FY 2001, we expect 45 regular applications, of which 11 would be supported, and we anticipate awarding 4 Consultant Grants.

Examples of Recently Supported Projects

(i) The Arizona Humanities Council received a grant of \$39,990 to plan public programs using a variety of formats to explore the history, art, literature, and social and economic dimensions of the Colorado River. This six-state project will focus on such pertinent themes as transportation, irrigation, and the river as a symbol in art and literature.

(ii) Appalshop, Inc., of Whitesburg, Kentucky, received an award of \$300,977 to implement a series of nine-day programs, or "residencies," in different parts of the country. These programs will explore links between the life and culture of Appalachia with those of other regions. Such themes as American identity, the role of tradition in contemporary American life, and the connection between place and identity will be examined in a kind of domestic cultural exchange.

RESEARCH PROGRAMS

(\$14,100,000)

Through the Division of Research Programs, NEH addresses one of its major strategic goals: advancing knowledge and understanding in the humanities in the United States. By supporting basic research, the Endowment also facilitates faculty enrichment, improved teaching, and quality public programming in the humanities. The Research division pursues these objectives by supporting intense, sustained work by individual scholars (Fellowships and Stipends) and by supporting long-term, complex projects carried out by groups of scholars (Collaborative Research).

Projects supported by the division typically result in the publication of books and articles. In just the last four years, the Endowment's Research division received nearly 900 such grant products that were created with the assistance of its grants; in many cases, these volumes represent many years of research and long-term NEH support. These books are emblematic of U.S. leadership in the production of humanities scholarship. But, given the radical reduction in the Endowment's funding in FY 1996 and subsequent level budgets, it remains to be seen how long U.S. preeminence in the humanities endures in the twenty-first century.

An increase in funding for scholarly research in the humanities in FY 2001 will help reaffirm the nation's commitment to the importance of understanding human history, language, and culture. No nation, however rich or strong, can long afford to under-invest in its intellectual infrastructure. This is no less true for the humanities than for other critical disciplines, such as the sciences. It is a matter of grave concern, therefore, that the nation's research programs in the humanities, the mandate of this division, are currently funded at a fraction of their level of five years ago, and an even smaller fraction of their level of two decades ago.

At the FY 2001 request level, funding would be available to begin restoring and strengthening the Research division's core programs and to introduce two important new initiatives:

Travel to Research Sites. The Research division would encourage evidence-based scholarship using primary source materials by re-introducing and re-inventing the Endowment's former Travel to Collections program. The new program will target junior and independent scholars who often need only small amounts of money to defray travel costs to research locations in the U.S. and around the world. The program will promote best research practices in the use of archival and artifactual materials and encourage research at under-utilized and newly opened repositories.

Special Opportunity in Archaeological Research. A nation's cultural understanding is built not only on historical and literary documents, but also on the evidence presented by material culture. To renew and focus the unique NEH role in supporting archaeological research, the division would hold the first of three special

grant deadlines to encourage synthetic and comparative archaeological studies, to interpret and disseminate the results of archaeological field research, and to relate findings to other fields of inquiry.

In FY 2001, the Research division would also maintain and strengthen its new outreach program, *Extending the Reach*: Faculty Research at Historically Black, Hispanic-Serving, and Tribal Colleges and Universities. Begun in FY 2000, this program is part of an Endowment-wide effort to extend the reach of the agency's programs and grant opportunities.

Fellowships and Stipends Program

NEH Fellowships and Stipends enable individual scholars to apply their intelligence and imagination to projects that will promote knowledge and understanding in all fields of the humanities. The Endowment awards Fellowships and Stipends for projects that will advance specialized areas of research, stimulate scholarship in related fields, inform the teaching of the humanities at all levels, and provide the foundation for public programs in the humanities. The experience of Professor Christian Moevs of the University of Notre Dame, who was awarded a fellowship in 1997 to complete a book on Dante's *Divine Comedy*, illustrates the range of opportunities an NEH fellowship provides. In his final report to the Endowment, he notes the following outcomes of his year of study:

I not only did exhaustive bibliographic research into the medieval sources essential for my project (with many unanticipated discoveries), I also completed the draft of my book and wrote four articles. . . . A completely unexpected consequence of the grant is that I have changed quite radically as a teacher. . . . I would estimate that the performance of the students, the actual practical skills and knowledge that they acquired, was about *two to three times* what students in my previous courses had attained. . . . In sum, I knew that the Fellowships of the National Endowment for the Humanities were an important resource for the vitality of American study and research, but I had no idea how life-changing, career-enhancing, growth-producing they can be.

NEH Fellowships and Summer Stipends accomplish their purposes by providing individual scholars with time, the most precious of scholarly resources, that grant-recipients can use to carry out sustained research and writing. Fellowships for University Teachers provide scholars who are employed by institutions that grant the Ph.D. with six to twelve months of support. Fellowships for College Teachers and Independent Scholars provide a comparable level of support to scholars at other institutions of higher education and to humanities scholars not employed in higher education. Summer Stipends awards enable all these types of scholars to devote two uninterrupted months to a project in the humanities. NEH Fellowships and Stipends thus make an important contribution to the democratization of academic opportunity in the United States, addressing the agency's strategic objective to "expand the availability of quality humanities programs to greater numbers of Americans."

Since the early 1970s, NEH has proudly served as the primary funding source for individual scholarship in the humanities in the United States. But the number of awards NEH has been able to make and the real value of those awards has eroded considerably over the years. In 1979, for example, the Endowment awarded 369 full-year fellowships, or one for every 193 humanities doctorates in the country; in 1997, however, only 170 full-year fellowships were awarded, or one for about every 670 humanities doctorates in the country. Moreover, since FY 1990, the stipend for year-long fellowships has remained steady at \$30,000, an amount that is well below the annual salaries of most applicants, and increasingly anachronistic in the philanthropic world.

In view of the need to continue to attract an adequate supply of serious humanities researchers, the Endowment believes that the stipends of its awards for individual research in the humanities should be raised. At the FY 2001 request level we propose the first of two steps to provide for such an increase. The FY 2001 level for year-long fellowships would rise from \$30,000 to \$35,000 and for Summer Stipends from \$4,000 to \$4,500. If additional funds are available in subsequent years, these levels could be raised to \$40,000 and \$5,000, respectively.

In FY 2001, the Endowment also proposes to begin establishing annual benchmarks for the number of awards in these programs. At the request level, 180 Fellowships and 135 Summer Stipends could be awarded. This would be a first step in moving toward annual benchmarks of 200 awards in each program.

These increases would not merely recoup some of the losses these flagship programs incurred after the downsizing of the agency in 1996, they would signal our nation's commitment to supporting first-rate scholarship in the humanities. Only NEH is in a position to reverse the current situation of chronic under-investment in the study of human history, language, and culture.

Over the years, NEH Fellowships and Summer Stipends have proven to be an extremely effective way to support humanities research. On average, one-third of the awards for a given year result in a major publication within five years. Most other grant projects reach publication in subsequent years. Nearly all grantees report publishing articles based on their research and developing at least one new course or supplementing an existing course or courses. By actual count, NEH Fellowships and Stipends have resulted in the publication of over 2,500 books; these books have won ten Pulitzer Prizes, including the 1999 Prize for History awarded to Edwin Burrows and Michael Wallace for *Gotham: A History of New York City to 1898*. As a testimony to the beneficial effects of her NEH award, Amherst College professor Margaret R. Hunt, author of the award-winning book, *The Middling Sort: Commerce, Gender, and the Family in England, 1680-1780*, has written:

I cannot emphasize strongly enough what a profoundly positive effect a program like the NEH Summer Stipends program can have at any stage in a scholar's and teacher's career, but especially during those early years when it is so easy to find

oneself overwhelmed with the enormity of the task ahead and the insufficiency of the funds available to get it done.

Extending the Reach: Faculty Research at Historically Black, Hispanic-Serving, and Tribal Colleges and Universities

As part of the Endowment-wide commitment to extending the reach of the agency's programs, the Research division established in FY 2000 a program to support faculty research at institutions designated by Presidential Executive Orders 12876, 12729, and 1302. This new program will provide awards of \$24,000 to humanities scholars at the approximately 310 historically black colleges and universities, Hispanic-serving institutions, and tribally controlled colleges. These grants will support faculty release time and travel for research and will provide opportunities to bring visiting humanities consultants to campus to help out with a research project or to purchase books and other necessary scholarly resources. The program serves as the successor to the Endowment's former Graduate Study for Faculty at Historically Black Colleges and Universities program, which was designed for a far more limited universe of eligible institutions and faculty members.

While teaching is usually the primary mission of these Presidentially designated institutions, there are good reasons to encourage their faculty's serious involvement with humanities research as well. Effective teaching is content-based, and consequently teachers in humanities disciplines can profit immensely from conducting the kind of basic work by which knowledge and understanding in the humanities are built. Moreover, recent ideas about what constitutes *scholarship* have expanded the definition to include the synthesis and interpretation that are important for conveying knowledge and information beyond the specialists who generate it. At an even more fundamental level, some of the designated institutions have a privileged position and comparative advantage with respect to certain kinds of humanities research. Tribally controlled colleges, for example, have undertaken major efforts to preserve and document Native American languages, which is also a top priority of research linguists wherever they may teach. Similarly, historically black colleges and universities are themselves central to an understanding of African-American institutions of the Jim Crow era.

Proposed New Initiative: Travel to Research Sites

At the Endowment's FY 2001 request level, the Research division would re-establish and reinvent the former Travel to Collections program, a grant category that had to be discontinued earlier in the 1990s due to intense funding pressures on the agency. At its height in the late 1980s, the Travel to Collections program received approximately 1,300 applications annually, which resulted in 400 to 450 awards each year. Stipends of \$750 enabled scholars to travel to domestic archives as well as research libraries and other repositories around the world.

This new program will respond to the everyday needs of research scholars around the country and help bring humanities scholars into more direct contact with the primary source materials that inform their teaching and writing. It will also address a continuing need to promote scholarship based on best practices in archival research and will help democratize access to all the kinds of primary source materials on which the highest quality scholarship is based.

The reinvented program would be designed to reach a broad constituency and to encourage scholars, particularly junior-level and independent scholars, to consult underutilized primary source materials. Because of increased travel costs, the reinvented program would require a more realistic stipend of \$1,500.

In FY 1999, the NEH Fellowships and Stipend program received 2,088 applications and made 307 awards. In FY 2000, the Endowment anticipates receiving 2,145 applications and making 317 awards. At the proposed FY 2001 funding level, the Endowment anticipates making 530 awards, including 15 Extending the Reach awards and 200 Travel to Research Sites grants, from a pool of 3,245 applications.

Examples of Recently Supported Projects

(i) In 1999 Paul W. Harvey, professor of history at the University of Colorado at Colorado Springs, received an NEH Fellowship to write a history of religion in the American South from the Civil War to the present. The Fellowship will make possible the publication of a valuable historical synthesis that will highlight the diversity of the Southern religious experience. Based both on primary sources and a reading of existing secondary literature, the proposed book, entitled *Freedom's Coming*, will analyze struggles over the adaptation and retention of folk traditions in southern religious expression, comparing and contrasting the experiences of whites, blacks, and others in the region.

(ii) In fiscal year 1999, Valerie Hansen, a professor of history at Yale University, was awarded an NEH Fellowship to research the Silk Road, the fabled complex of ancient Asian mercantile routes. Using extensive archaeological and philological evidence newly available for Silk Road studies, Professor Hansen will study the history of social and cultural change along the trade routes from the second century B.C. to the eleventh century A.D. The resulting book will provide a detailed and comprehensive account of the history of the Silk Road and a new understanding of the history of Central Asia—an area of increasing importance in the post-Cold War world—as a whole:

(iii) Professor Pamela Ballinger of Bowdoin College in Brunswick, Maine, received an NEH Summer Stipend in 1999 for her research on "Yugoslavia's Forgotten Refugees: A Social History of the Istrian Exodus, 1934-1954." Her project took her to Italy and Croatia for two months, where she studied the displacement of 350,000 ethnic Italians from Yugoslavia after World War II. Professor Ballinger will compare the Italians' expulsion to those of other ethnic groups in Yugoslav regions such as Kosovo

and Vojvodina. Her scholarly research leads her to argue that the enduring resentment of the violence of the Tito regime in these areas contributed to the ferocity of the current struggles in the Balkans.

Collaborative Research Program

Through the Collaborative Research program, the Endowment provides support for a wide variety of scholarly activities involving teams of humanities researchers. Eligible projects include the preparation of documentary and literary editions, large-scale translation projects, wide-ranging synthetic studies of important topics in the humanities, and fellowship programs at centers for advanced study in the humanities. These undertakings are complex, often multi-year scholarly enterprises, and many involve partnerships with other public funding sources, private foundations, colleges and universities, and individual donors.

The recently published, NEH-supported *Oxford History of the British Empire*, for instance, brings together outstanding contemporary scholarship on a topic that ranges from the founding of colonies in North America and the West Indies in the seventeenth century to the reversion of Hong Kong to China at the end of the twentieth century. The five-volume history brought together the work of more than 125 scholars over a period of four years. NEH funding was crucial to the infrastructure of the project, which also was able to attract support from The Rhodes Trust, St. Antony's College of Oxford University, and the University of Texas at Austin. The editor-in-chief of the project, Roger Louis, established as a first principle that the British Empire began in the British Isles, not in the far-flung colonial empire that was to come later. Louis and his collaborators also incorporated the perspectives of the colonized as well as those of the colonizers. Writing in *The New York Review of Books*, Conor Cruise O'Brien has observed that the essays in the first two volumes "break much new ground and do so with a confidence based on extensive research and with refreshing lucidity and frankness."

The Collaborative program also supports residential fellowship programs at major U.S. research centers, domestic and foreign, and research pursued under the auspices of U.S. organizations facilitating international research. These partnerships with independent research institutions enable the Endowment to enhance access to important research collections and scholarly communities. Through its support for international centers and international research, the Endowment plays a major role in fostering humanities scholarship at the international level. In the past four years, 478 scholars from 43 different states, the District of Columbia, and Puerto Rico have benefited from NEH Fellowships at independent research institutions.

The work undertaken by NEH-supported fellows at these independent research institutions is widely acclaimed for its intellectual quality and significance. Alan Taylor of the University of California, Davis, who conducted research for his Pulitzer-Prize-winning book, *William Cooper's Town: Power and Persuasion on the Frontier of the Early American Republic*, while an NEH fellow at the American Antiquarian Society, recounts his experience:

NEH-funded research centers have immensely advanced my understanding of American history and culture. These centers provide opportunity for sustained reflection and for active engagement with scholars from a broad range of disciplines. . . . No isolated ivory towers, these centers are deeply involved in their local communities and in linking scholars to a national audience.

Proposed New Initiative: Special Opportunity for Archaeological Research

An article last fall in the *Washington Post* vividly underscores the importance of archaeological research in helping to expand our knowledge and understanding of our cultural heritage. The article relates the following tale:

By the winter of 1609, the third year in Jamestown, it had come to this: One man had killed and salted his wife for dinner and other hungry souls were chewing on the cartilage of poisonous snakes. . . . A famine had settled on England's first permanent settlement in North America. One colonist marched into the marketplace shaking his hand at the heavens and proclaiming that there was no God. That afternoon his lean body was found torn apart by wolves, which the remaining colonists took as a sign of an angry Almighty.

"This is not the picture of America's beginnings in Virginia that most of us learned in school," the *Post* article continues,

. . . dashing young English captain John Smith . . . lithesome, brown-skinned Pocahontas. . . . No, another picture is emerging from an extraordinary excavation that is redefining our understanding of Jamestown . . . a worldlier, more learned, more industrious and, yes, more gruesome community than schoolbooks or Hollywood have ever conveyed.

How is such knowledge created or discovered? The *Post* article further explains that until April 1994, "everyone believed that, except for a partial church tower, Jamestown had eroded into the river." But archaeologist William Kelso did not believe this, and his doubts were borne out when his preliminary excavations uncovered a portion of the first fort. Since then, Kelso's work on the Jamestown Rediscovery Project "has expanded tremendously," the *Post* says, financed in part by the National Endowment for the Humanities.

NEH's enabling legislation gives the agency important responsibility for supporting archaeological research like the Jamestown Rediscovery Project and, until recent years, the Endowment had played an influential role in the development of this field. In 1993, for example, the Research division received 75 applications for archaeology projects and funded 29 for a total of \$1,200,000 in outright funds and \$931,883 in matching funds. Because of cutbacks in the Endowment's funding, however, grants to archaeologists have dropped significantly. In 1999, the Collaborative Research program received 23 applications for archaeology projects and was able to fund only 4

for a total of \$330,000 in outright and \$244,770 in matching funds. To reverse this situation, and to rebuild the connection of archaeology with the humanities, the Endowment proposes a three-year Special Opportunity for Archaeological Research to begin in FY 2001.

The Special Opportunity will emphasize interpretive and comparative research, not just survey and excavation, and will encourage younger scholars to gain research experience under the supervision of senior archaeologists. The initiative would invite co-sponsorship by the National Science Foundation, the National Geographic Society, and other funding sources, and would focus on the following areas:

- projects that propose publication of heretofore unpublished archaeological data, and which therefore request support for writing and analysis rather than excavation;
- projects that are comparative in their approach and involve synthesis, in addition to analysis, of archaeological data; and
- projects that promise to facilitate the sharing of knowledge among several humanities disciplines—for example, projects staffed by historians, literary scholars, or linguists, in addition to professional archaeologists.

NEH has played, and with increased funding can reclaim, a unique role in the archaeological recovery of the human past. Projects supported by the agency, for example, have helped to document lives of many Americans—slaves and indentured servants, for example—who have been inadequately represented in the written record. Moreover, archaeology is indispensable to building an African past that can aspire to be as detailed and nuanced as the European record. Archaeological research also provides evidence of the antiquity of the “New World” and of the cultural complexity of pre-Columbian civilizations.

At the FY 2001 request level, the Endowment anticipates receiving 40 applications and making 14 awards under the new Special Opportunity for Archaeological Research.

Examples of Recently Supported Projects

(i) In fiscal year 1998, the University of Virginia received a three-year grant of \$300,000 in outright funds and an offer of \$290,000 in federal matching funds to support continuing work on a print edition of documentary materials relating to the life and career of George Washington. Divided into five series—Colonial period, Revolutionary War, Confederation period, presidency, and retirement—the project is expeditiously publishing more than 135,000 items from the Library of Congress, hundreds of private collections, and more than three hundred American and seventy foreign repositories. With the completion of three of the series, the editors are now concentrating on the war and the presidency. In addition, the project developed two recent exhibitions, “A Concert of

Mourning: The Death of George Washington” and “In His Own Hand: Editing the Papers of George Washington,” that were viewed by hundreds of visitors. Catalogues of both exhibitions have been made available to the public, and an online version of “A Concert of Mourning” is on the project’s Web site (<http://www.virginia.edu/gwpapers/>), along with sample documents such as the Farewell Address, letters, portraits, and contemporary prints of Washington as surveyor, general, statesman, and farmer. In cooperation with a private foundation, the editors are also producing a CD-ROM version of Washington’s papers that will eventually make the documents even more widely available.

(ii) In FY 1999, the Newberry Library in Chicago, received \$112,000 in outright funds and \$35,000 in matching funds to support its humanities fellowships program. NEH funds will allow this independent institution to award eight fellowships varying in length from four months to one year. The Newberry has extensive holdings in the civilizations of Western Europe and the Americas from the late middle ages to the early twentieth century. Fellows benefit from special collections and programs in such fields as Renaissance studies, American Indian history, the history of printing, Portuguese and Brazilian history, and the history of cartography. Among the 1999 fellows supported from NEH funds, Kristen Fischer of the University of South Florida researched race and sexuality in colonial North Carolina, while James Williams of Middle Tennessee State University worked on the early struggle for cultural preeminence in the Hudson and Delaware River valleys. Other fellows conducted research on topics as diverse as debt and credit in early modern England, Navajo women’s textile work, and early Dutch perspectives on the New World in art and literature. The Newberry Library provides fellows with the resources and facilities to conduct research within a scholarly community, and to participate in and benefit from various seminars, colloquia, and programs open to the public.

(iii) In fiscal year 1999, NEH awarded the Texas A&M Research Foundation \$60,000 in outright funds and \$13,500 in federal matching funds to support the excavation of a fifth-century B.C. shipwreck in the eastern Mediterranean. George F. Bass, Professor of Nautical Archaeology and principal investigator for the project, is directing a team of archaeologists, historians, and technical experts in various other fields of science and anthropology in the recovery of an ancient merchant vessel that sank between 450 and 425 B.C., during the golden age of classical Greece. The wreck lies beneath 38 to 45 meters of water. Because there are no other known wrecks from this period, investigators hope that this shipwreck will reveal hitherto unknown details about ancient ship construction and maritime commerce as well as aspects of daily life during the time of Socrates, Pericles, Sophocles, Herodotus and Thucydides. The promise of discovery from shipwrecks is great, because they hold so much well-preserved and datable material and because ships have transported virtually everything made by humans. The project will eventually include a Web site with photos of the excavation and artifacts recovered from the wreck. (www.diveturkey.com/inaturkey/projects.htm)

EXTENDING THE REACH

(\$2,000,000)

In FY 2000 the Endowment is launching an agency-wide initiative that will dramatically expand NEH's reach across the country, especially to those regions and to those audiences that have not been served as effectively as others by our national programs. Called *Extending the Reach*, this program embodies one of NEH Chairman Bill Ferris's highest priorities—to make the humanities more accessible to all Americans—and it is a key component of our *Rediscovering America* initiative. The central motivation for this outreach effort is to make the Endowment's national programs more accessible to a variety of individuals and institutions. This initiative responds to expressions of Congressional interest in serving rural communities and states that have been difficult to reach, as well as to Presidential Executive Orders that direct all federal agencies to increase their outreach to selected categories of higher education institutions. *Extending the Reach* will be continued and enhanced in FY 2001.

Extending the Reach consists of three types of grant opportunities: (1) grants to states that either have received relatively few awards in recent years or have low per capita funding from NEH; (2) grants to those institutions that are identified in Presidential Executive Orders relating to historically black colleges and universities, Hispanic-serving institutions, and tribal colleges and universities; and (3) new grant efforts in NEH's regular program divisions and offices that target geographic areas, institutions, and underserved populations such as African Americans, Hispanic Americans, and American Indians. The \$2 million requested for *Extending the Reach* will cover the first and second of these grant categories, with the funding administered by several of the agency's regular grant-making divisions. (Note: The amount requested is *in addition to* the programmatic requests of the divisions themselves.) These grant opportunities are described in more detail below:

1) **Geographic-area grants:** In FY 2000 and FY 2001, \$1 million in funding will be divided into two complementary programs limited to 14 states and Puerto Rico: "Model Project Grants to State Humanities Councils" and "Humanities Consultation Grants" to institutions. The purpose of these grants is to help recipients develop the means to compete more successfully in NEH's national programs. These programs will be administered through the Endowment's Public Programs division.

- **Model Project Grants to State Humanities Councils:** 14 direct grants of \$20,000 each have been made to state humanities councils in Alabama, Alaska, Florida, Idaho, Louisiana, Missouri, Montana, Nevada, North Dakota, Ohio, Oklahoma, Texas, Washington, and Wyoming. These are direct, non-competitive awards, intended as project development grants for model humanities projects. Each state council is developing its project in collaboration with at least two cultural organizations in its state. Training materials or guidelines are being produced so that these pilot projects can be replicated by other organizations in the target states and throughout the nation.

In FY 2001, state councils will be eligible for awards of \$5,000 to disseminate training materials around their state or region. The other project partners will be able to apply to NEH for a second award of \$10,000 to fully implement their project.

- Humanities Consultation Grants: Small grants ranging from \$5,000 to \$10,000 are being made available to humanities organizations to support consultation with humanities scholars and public programming experts. Applicants are limited to humanities institutions in the 14 targeted states and Puerto Rico.

2) In FY 2001 the Office of Challenge Grants and the Division of Research Programs will administer two new funding opportunities that respond to Executive Orders 12876, 12900, and 13021. These grant programs – for which a total of \$1 million is requested in FY 2001 – are designed to advance the humanities in historically black, Hispanic-serving, and tribal colleges and universities.

- The grant program in the Office of Challenge Grants will help targeted institutions conduct a wide range of humanities activities and become better positioned to access federal funds available for the support of those activities. The first applications under this new program will be received in June 2000 and will be awarded in FY 2001. Individual grants will range up to \$25,000, with up to 40 awards anticipated in the first year of the program.
- The grant program in the Division of Research Programs will support research in the humanities by faculty who are employed at the designated institutions. The grants will provide a stipend of \$24,000 to enable faculty members – many of whom carry heavy teaching loads – to engage in sustained research on a humanities topic that is centrally related to their teaching and scholarship. The first applications under this new program will be received in April 2000, with up to 16 awards anticipated this fiscal year. In FY 2001 we anticipate making a similar number of awards.

3) New outreach efforts in NEH's core program and offices: In FY 2000 and FY 2001 NEH's divisions and offices—Education Programs, Preservation and Access, Public Programs, Research Programs, and the Office of Challenge Grants—will be developing and implementing their own outreach programs targeting underserved populations, institutions, and geographic areas. The special Extending the Reach efforts planned for FY 2000 and FY 2001 include:

- small, capacity-building grants targeted at schools and teachers in the outreach states;
- consultant grants for public programming in small- to mid-sized museums, libraries, and historical organizations that have not previously received NEH grants; and
- preservation field service programs targeted at underserved regions of U.S.

OFFICE OF CHALLENGE GRANTS
 (\$12,530,000)

Consonant with the Endowment's strategic goal of strengthening the institutional base of the humanities, the NEH Challenge Grants program helps the nation's cultural and educational institutions enhance their long-term capacity for excellent scholarship, education, public programming, and preservation in the humanities. The program "challenges" humanities institutions to seek nonfederal financial support as a means of strengthening their capacities and enhancing their resources. A wide array of non-profit organizations throughout the U.S., including museums, tribal centers, libraries, colleges and universities, scholarly research organizations, public radio and television stations, and historical societies and sites, have taken up the NEH challenge. A salient feature of the NEH Challenge Grants program is the "multiplier effect" of federal dollars: First-time recipients of a challenge grant must match every federal dollar offered by the Endowment with three nonfederal dollars in contributions to the humanities; recipients of subsequent awards must raise four nonfederal dollars for every federal dollar offered; and recipients under special initiatives raise one or two nonfederal dollars for every federal dollar offered. In FY 1999, awards totaling less than \$10 million stimulated nonfederal matches in excess of \$38 million. Both the NEH challenge funds and the matching nonfederal funds can be used for a variety of long-term institutional purposes, including augmenting or establishing endowments that support humanities activities, renovating or constructing facilities, purchasing capital equipment and upgrading technology, and enhancing library holdings and preserving collections.

Increased funding for NEH Challenge Grants in FY 2001 would restore the program's awards to a more viable level. In recent years, the reduced budgets for the agency have meant that many worthy Challenge projects either could not be supported at all or could be supported only at greatly reduced levels. The FY 2001 request level would also enable the program to conduct one or more special competitions for challenge awards to smaller institutions whose reach is primarily local or regional.

The Challenge Grants program also strengthens the institutional base of the humanities by encouraging strategic planning. The program's founding legislation calls for it to encourage "administrative and management improvements . . . particularly in the field of long-range financial planning." In applying for a challenge grant, institutions must demonstrate how their planning—both fiscal planning for fund raising and strategic planning for program development and resource allocation—will strengthen the humanities well into the future. Some smaller institutions, however, need extra help in undertaking such strategic planning. Therefore, at the proposed FY 2001 budget level, the Endowment would initiate a program of challenge planning grants to support such diverse planning activities as the hiring of outside consultants to help plan improvements in programming, curriculum, and resources; the provision of released time for internal self-study; and the mounting of feasibility studies for enhancing fund-raising capabilities. These "pre-challenge" grants would be small (ranging from \$10,000 to \$25,000) and would require a one-to-one match with nonfederal funds. With the help of such grants,

institutions that do not have strong traditions of institutional planning or of active fund raising can significantly strengthen their humanities resources—and the humanities nationwide.

The benefits of excellent planning can be seen in the results of a number of recently completed NEH Challenge Grants. For example, Valencia College, in Orlando, Florida, successfully raised \$750,000 to match its 1993 federal challenge grant offer of \$250,000 to endow its Humanities Advancement Fund. The Fund, which supports a Chair in the Humanities, two Faculty Fellowships in the Humanities, and a Summer Humanities Institute for faculty, promotes the awareness, understanding, and appreciation of differing global cultures across the college's humanities curriculum. Another example of a recently completed challenge grant is that to Old Sturbridge Village in Massachusetts, which raised over \$2,200,000 to match its FY 1995 federal offer of \$550,000. The resulting endowment fund supports the museum's three senior positions in the humanities. Using resources made available by the Challenge grant, the museum's research program has focused intensively on the social, cultural, and material lives of minorities in rural New England during the nineteenth century. For example, the museum's field school in historical archaeology has concentrated on the domestic site of a local Native-American and African-American family network. This work has led to the development of a major gallery and living history exhibit, *The Enduring People*, on the presence and persistence of Native American peoples in New England. As a result of the NEH Challenge Grant, Old Sturbridge Village has greatly enhanced its capacity to conduct serious humanities research and to present this new research in ways that are accessible to the ultimate consumers of the museum's programs—the general public.

Challenge grants also underwrite the preservation of unique aspects of our diverse heritage. The Kona Historical Society of Hawaii, for example, is using its \$300,000 challenge grant to re-create—with the addition of \$900,000 in nonfederal donations—a 1930s farm that will be interpreted *in situ* as a typical Japanese-American coffee farm in the remote Kona district. To cite another example, Berea College of Berea, Kentucky, is using its challenge grant to establish a \$2,000,000 endowment (created with \$500,000 in federal funds plus \$1,500,000 in nonfederal donations) that will support an archivist for the college's collection of Appalachian materials, a teaching professorship in Appalachian Studies, and a summer institute in Appalachian culture and history.

Local institutions such as the Kona Historical Society and Berea College are important caretakers of our nation's cultural heritage. In recognition of the vital role they play in preserving and interpreting local history, at the FY 2001 request level the Challenge Grants program would undertake a special initiative for institutions with activities and collections vital to the history of a locality. The focus of this Special Initiative for Local History would be on smaller institutions seeking to strengthen their

humanities resources in local history and seeking to encourage donations from nonfederal sources. Carefully targeted challenge grants would be awarded to support such activities as:

- acquisitions for and improved care of collections of artifacts and documents vital to a locality,
- endowment to support enhanced public programming for the dissemination and interpretation of local history and culture,
- endowment to support teacher workshops utilizing local history resources,
- endowment to support ongoing programs of research in local history, and
- one-time capital expenditures for the permanent improvement of facilities or technology.

Possible applicants under this new initiative include local historical societies, small history museums, specialized ethnic museums or cultural centers, public libraries with local archives, historic sites important to a locality's past, local public radio stations, and colleges or universities with strong programs in local culture. Awards would range from \$10,000 to \$200,000 and would be matched by \$2 of nonfederal donations for every \$1 in federal funds. The matching requirement of two-to-one, which is lower than the usual challenge-grant requirement of three-to-one or four-to-one, is intended to encourage applications from smaller institutions with less experience in fund raising.

In accord with a key element of the Endowment's strategic plan, the NEH Challenge Grants program helps strengthen teaching and learning in the humanities in schools and colleges across the nation. This strengthening of humanities education results not only from challenge grants awarded directly to colleges and universities, but also from awards to museums and humanities organizations that conduct educational programs for schoolteachers. For example, The Museum of the Cherokee Indian, in Cherokee, North Carolina, received a challenge grant of \$300,000, to be matched by \$900,000 in private donations, to endow the position of education director and to underwrite stipends and program materials for teachers' workshops on Cherokee history and culture. Similarly, NEH awarded a challenge grant of \$100,000 (to be matched by \$300,000) to the South Dakota Humanities Council to endow a program of summer institutes for elementary and secondary teachers across the state. These institutes allow teachers to study American Indian culture and to develop materials for inclusion in school curricula. To complement the institutes, the grant also supports a speakers bureau program that offers short course lectures. And Amarillo College, a two-year college in Amarillo, Texas, received a recent NEH Challenge Grant to support lectures and workshops in the humanities for the college's own faculty, for school teachers, for an "at home" elderhostel, and for general public audiences. With a grant of \$60,000 in federal

funds, matched by \$180,000 in nonfederal donations, the college will create an endowment to fund an annual, thematically related series of programs for the benefit of both the institution and the wider community.

This last example highlights an important facet of humanities education in the United States: Two-year colleges play a vital role, serving over 45 percent of all undergraduates in the nation. These institutions often serve older students (the average age is 29) and those attending school part-time; they provide widely varied educational experiences, from vocationally oriented training for high school graduates to non-credit workshops for senior citizens; and they are community centers for lifelong learning. Many do not have strong experience in private fund raising, and humanities resources—given these institutions' multi-dimensional institutional mission—can be stretched very thin. For example, faculty typically teach five-course loads and have little time to work together on curriculum development or on new ideas for collaboration with non-humanities faculty or with other cultural institutions.

To help strengthen the humanities programs of community colleges, at the FY 2001 request level, the NEH Challenge Grants program would undertake a Special Initiative for Two-Year Colleges. The initiative would offer modest, focused challenge grants for endowment to support such humanities activities as faculty development, public lectures, and collaboration on humanities activities with community groups. Under this initiative, awards would be offered up to a maximum of \$250,000, with each federal dollar to be matched by \$2 of nonfederal donations.

To help NEH achieve its strategic goal of facilitating basic research and original scholarship in the humanities, the Challenge Grants program offers support for research institutions that serve humanities scholars. The Chicago Historical Society, for example, houses collections of over 20 million books, manuscripts, prints, photographs, art works, and material culture artifacts. Attendance at its programs and exhibitions exceeds 160,000, a quarter of whom are school children. In order to manage this collection better and to serve scholars and the public, the Historical Society recently received a challenge grant of \$450,000 (to match \$1,800,000 in nonfederal funds) that will endow critical positions in research, technology, and cataloguing.

Advancements in electronic technology play an ever more crucial role in library planning, in scholarly access to collections, in creating significant databases in the humanities, and in teaching. The NEH Challenge Grants program is making possible important work on all of these fronts. For example, an award to Furman University, in Greenville, South Carolina, will support a study of the implications of new informational technology for the humanities. Using a challenge grant of \$400,000 plus \$1,600,000 in nonfederal contributions, the university will create an endowment to support faculty development, visiting scholars, and the position of coordinator for a program of study on technology's effects on humanities teaching, learning, and research. At Ohio State University in Columbus, Ohio, a World Media and Culture Center will serve as a center for developing technology to access non-English media throughout the world, making the learning of foreign languages and cultures more efficient, immediate, and exciting. The

university will use its NEH Challenge Grant of \$500,000 (plus \$2 million in nonfederal gifts) to reconfigure space for hypermedia production and distance learning, and to create an endowment to support faculty research and K-12 workshops in the use of major media.

Creating permanent sources of ongoing financial support through endowments has become a high priority for humanities organizations—large and small alike—concerned with ensuring continuity and growth in their programs. In FY 2000 and FY 2001, the NEH Challenge Grants program will offer particular encouragement to smaller humanities organizations to become active in fund raising as a means of building permanent resources for the future. Such institutions are vital repositories of humanities materials and offer a wide range of educational and public programs, yet their fund raising capabilities seldom match their financial needs. Similarly, in FY 2000 and FY 2001, the program will especially encourage applications from historically black, Hispanic-Serving, and tribal colleges and universities as part of the Endowment's *Extending the Reach* initiative.

Examples of Recent Grants

(i) The Broward County Public Library, of Ft. Lauderdale, Florida, received an FY 1998 challenge grant for its new African-American Research Library and Cultural Center. Voted the 1996 Library of the Year by the American Library Association, the Broward library serves a population of 1,378,000 residents in a highly diverse community. Housing the library's existing Black Heritage Collection, the new center will also be home to a community-created collection of significant African Americana featuring local pioneers' papers, oral histories, and artifacts documenting African-American history in South Florida. The new center will offer a variety of opportunities for collaboration, including the creation by Florida Atlantic University of an African-American and Caribbean Studies Program based at the center, and the development of electronic links between the new center and the special collections of Florida's four historically black colleges. The NEH offer of \$600,000, matched by \$1,800,000 in nonfederal donations, will support construction and endow programming. Ground-breaking for the new center was celebrated in the fall of 1999.

(ii) In FY 1999 the Endowment awarded New Mexico State University a challenge grant of \$450,000 to endow a Southwest and Border Cultures Institute that will promote humanities research, education, and outreach programs emphasizing New Mexico's multicultural heritage. Generating \$1,350,000 in private funds, this award will result in an endowment of \$1,800,000. The interdisciplinary institute will provide a point of convergence for existing programs such as Chicano Studies and American Indian Studies and will help to create a new sense of identity for the humanities. New Mexico State University is located on an international border and it will soon have a "minority majority" in its student enrollment. The institute plans outreach activities across the region through a partnership with the state's agricultural extension service.

(iii) In FY 1998 the Fort Ligonier Association, which maintains a historic complex located fifty miles east of Pittsburgh, Pennsylvania, received a \$225,000 challenge grant, to be matched by \$900,000 in private donations, to endow the creation of a department of archaeology and to fund a new research curatorial position. The complex comprises nine acres, including the original site of the historic fort operated by the British from 1758 to 1766, and a museum, constructed in 1962, which houses a collection of 125,000 objects unearthed in archaeological digs. The growing endowment has already supported the development and implementation of several educational programs on the archaeology at Fort Ligonier. These new programs, which reach out to school districts as far away as a hundred miles, include a new slide show for teachers to incorporate into their curricula; "Archeology Touchboxes" that allow visitors to examine artifacts unearthed on site; and a "mock dig" for students in grades five through eight.

REGIONAL HUMANITIES CENTERS
 (\$4,000,000 in Special Matching Funds)

In FY 2001, NEH will continue to work in partnership with the private sector to support the creation of ten regional humanities centers where American traditions, cultures, and aspirations can be explored in the context of "place." This initiative emphasizes interdisciplinary learning in the humanities and new kinds of collaboration among humanities scholars, scholars in other disciplines, and the public. The centers will provide venues for the exploration of a region's history, its people, its diverse cultural expressions, and its symbolic and physical landscape. New technologies will facilitate these explorations while also enabling the centers to provide points of comparison and connection with the wider world.

Regions have a special importance, for they offer Americans rich and accessible repositories of cultural resources with which to understand their sense of place. It is the purpose of this initiative to help unearth those riches and make them widely available—to learn what it has meant to live in a region, to consider what this place might mean to people who enter it from another, to imagine how that culture will be changed as new people join it. In the process, Americans will acquire new resources for "placing" themselves in their communities and for creating a newly invigorated civic life.

The regional humanities centers will support the development of K-12, undergraduate, and master's level educational programs; research on regional topics; the documentation and preservation of regional history and cultural resources; the design of programming to develop and engage public audiences; and the development of resources for cultural heritage tourism. New programs and resources will be developed to fill clearly defined needs in the humanities, complementing and coordinating—but not supplanting—the work of existing educational and cultural institutions. While each regional humanities center will have an administrative home in a single institution to ensure permanence, the reach of its public and educational activities could easily extend across state, regional, and even national boundaries.

Collaborative relationships between regional humanities centers and the state humanities councils are crucial to the success of this initiative, as is cooperation with other educational and cultural institutions throughout the region. In addition, the centers will work together so that topics that reach beyond regional boundaries can be examined in comparative ways. By facilitating such comparative explorations of regional topics, the centers will engage the interest and collaboration of scholars and citizens alike—from students and newly literate adults to experienced teachers and scholars, from community groups and business leaders to national and international visitors.

The Endowment is undertaking a two-phased competition to establish the centers. An initial round of applications, conducted in 1999 using nonfederal funds, resulted in 16 awards for year-long planning grants. Four more planning awards will be made this

spring in three of the designated regions. The recipients of planning grants will then be eligible to apply for grants in the implementation phase of the competition, which is scheduled to get underway in FY 2001.

In partnership with nonfederal funders, the Endowment plans to award up to \$1 million in first-year support to each of the ten regional humanities centers selected to receive implementation awards. At the request level, NEH would provide funding for 40 percent of the implementation grants, with the Endowment's funding partners providing support for the remaining 60 percent. Under this same arrangement, the ten centers will receive up to \$1 million annually over the succeeding four years. All implementation funding will be awarded on a three-to-one matching basis, the Endowment and its partners providing up to \$5 million and each center raising up to \$15 million. These funds will establish the capital base for self-sustaining centers in the ten regions.

TREASURY FUNDS

(\$4,000,000)

NEH uses Treasury funds to match nonfederal contributions in support of humanities projects. Encouraging private-sector support for cultural activities is an important goal of the Administration and of Congress, and Treasury funds and Challenge Grants are the Endowment's principal means of leveraging the contributions of the nation's businesses, foundations, and individuals on behalf of the humanities.

From the establishment of the agency in 1965 through fiscal year 1999, Endowment matching grants have stimulated \$354 million in third-party donations. (In addition, \$1.24 billion has been generated by Challenge Grants.) Through the matching mechanism, the Endowment has played an important role in the nearly 300 percent, constant-dollar growth in private giving for the arts and the humanities in the United States since 1966.

Matching grants are awarded in most programs of the Endowment. A matching "grant" consists of an offer of funding conditional on an equivalent amount of fund-raising by the awardee. A matching offer may constitute the entire amount of the Endowment's grant award, but more often it is combined with an outright award of definite funds. The outright portion of a "combination award" helps get the grantee's project underway while gifts are being raised in response to the matching offer.

Although Treasury matching funds support discrete projects rather than basic institutional needs, matching grants awarded with Treasury funds generally have the effect of improving the financial stability of humanities institutions. By providing incentives for fund-raising, Treasury funds help humanities institutions establish long-term relationships with potential donors.

In FY 1999, NEH matching grants, leveraging an equivalent amount in nonfederal giving, supported humanities activities of every kind. Awards of Treasury matching funds included the following:

- \$1.3 million in Treasury funds awarded to the state humanities councils that provided matching support for projects conducted by local organizations and groups throughout the country.
- \$15,000 awarded to the Graduate School and University Center of the City University of New York to support national workshops for faculty and teachers designed to encourage the use of new digital resources for teaching U.S. history survey courses.

- \$47,416 that went to the Franklin and Eleanor Roosevelt Institute to support an expansion of the New Deal Network Web site. The project will double the number of primary sources offered, add audio and visual files, and support teacher workshops.
- \$25,000 in support of a project at the University of Montana that will develop a Web-based multimedia resource for historical and cultural materials about American wars in the Pacific between 1941 and 1975.
- \$30,000 awarded to the American Library Association in support of "StoryLines America," a series of reading and discussion programs about regionalism and American identity to be conducted via radio broadcasts and in libraries in California, Florida, Georgia, North and South Carolina, and Virginia.
- \$20,000 to support the Cleveland Museum of Art's "Diego Rivera: Art and Revolution," a traveling exhibition accompanied by a catalogue and extensive public programs about the great 20th-century Mexican painter and muralist.
- \$100,000 that went to the National Afro-American Museum in Wilberforce, Ohio, in support of "When the Spirit Moves: The Africanization of Movement," a traveling exhibition on the history of African American dance and its influence on American popular culture.
- \$158,037 awarded to Stone Lantern Films, Inc. of Glen Echo, Maryland, to produce a documentary series for television entitled *School: A Social History of American Public Education*.
- \$131,970 to support *Living Islam*, a radio documentary series that is being produced by Independent Broadcasting Associates, Inc. of Littleton, Massachusetts. Thirteen one-hour programs and 23 short segments will examine issues of governance, gender, and modernity facing Islam around the world.
- \$22,000 awarded to Hebrew Union College in Cincinnati in support of *The Comprehensive Aramaic Lexicon*, a long-term research project that is documenting the ancient biblical language of Aramaic.
- \$40,913 that went to the American Film Institute in Los Angeles in support of *The AFI Catalog of Feature Films, 1951-1960*.
- \$50,000 in support of the *Dictionary of American Regional English*, a long-term research project that is documenting geographical differences in the vocabulary, pronunciation, and morphology of American English.

- \$30,833 that will support three NEH Postdoctoral Fellowships each year for three years at the American Academy in Rome.
- \$47,000 awarded to the American Council of Learned Societies in support of *The Correspondence of Charles Darwin*, a long-term research project that is preparing a complete edition of the English naturalist's writings.
- \$150,000 awarded to the University of California, Berkeley, in support of a complete, scholarly edition of works and papers of Mark Twain.
- \$50,000 in support of a project at the University of the State of New York that will translate, edit, and publish the New Netherland Archives, which preserve 17th-century documents relating to the history of the Dutch colony in what is now New York.
- \$33,899 for the University of Wisconsin to support archeological fieldwork documenting the transition to urbanism and the development of the Indus script, 2800-2600 B.C., at Harappa in Pakistan.

**NATIONAL ENDOWMENT FOR THE
HUMANITIES**

MISSION STATEMENT

**As a leader in the nation's cultural and intellectual life,
the National Endowment for the Humanities
promotes knowledge of human history, thought, and culture and
enhances the role of the humanities throughout the nation.**

**The National Endowment for the Humanities,
an independent federal agency,
preserves and increases the availability of cultural and intellectual resources essential to
the people of the United States;
strengthens teaching and learning in the humanities in schools and colleges
across the nation;
facilitates basic research and original scholarship in the humanities;
provides opportunities for Americans to engage in lifelong learning in the humanities; and
strengthens the institutional base of the humanities.**

February 2000

NATIONAL ENDOWMENT FOR THE HUMANITIES

FY 2001 PERFORMANCE PLAN

I. INTRODUCTION

The National Endowment for the Humanities presents the following Performance Plan for the agency for fiscal year 2001. This plan conforms to requirements of the Government Performance and Results Act of 1993 (GPRA) and to guidance from the Office of Management and Budget. This plan is linked to specific program activities and budget allocations set forth in NEH's \$150 million FY 2001 budget request. The plan's performance goals and indicators are tied directly to and closely parallel the general goals and objectives itemized in the Endowment's multi-year strategic plan. This Performance Plan is designed to help gauge the progress that would be made toward achieving the general goals and objectives of our strategic plan as a result of program activities and policies planned at the FY 2001 budget request level. The FY 2001 Performance Plan also contains actual performance data for FY 1999 and estimates for FY 2000 at the agency's appropriated level (\$115.26 million).

II. PERFORMANCE GOALS AND INDICATORS

- A: To preserve and increase the availability of a significant body of cultural and intellectual resources essential to the people of the United States.**

Performance Indicators:

1) *A significant number of brittle books, United States newspapers, and other historically important materials are preserved.*

- FY 1999 (actual): Projects supported will preserve 30,449 brittle books and 664,000 pages of newspapers on microfilm; catalog 6,000 U.S. newspaper titles; and preserve and/or provide access to 684 archival collections, comprising 3,430 linear feet of archival documents, 46,000 books and manuscripts, and 97,600 historical photographs, maps, architectural drawings, and other non-print materials.
- FY 2000 (estimate): Projects supported will preserve 34,694 brittle books and 800,000 million pages of newspapers on microfilm; catalog 7,229 U.S. newspaper titles; and preserve and/or provide access to 684 archival collections, comprising 3,430 linear feet of archival documents, 46,000 books and manuscripts, and 97,600 historical photographs, maps, architectural drawings, and other non-print materials.

- **FY 2001 (request):** Projects supported would preserve 38,776 brittle books and 1.36 million pages of newspapers on microfilm; catalog 8,675 U.S. newspaper titles; and preserve and/or provide access to 684 archival collections, comprising 3,430 linear feet of archival documents, 46,000 books and manuscripts, and 97,600 historical photographs, maps, architectural drawings, and other non-print materials.

Ten to fifteen awards would be made as part of a new initiative to preserve and provide access to endangered collections of sound recordings, including such traditional music forms as folk, jazz, and blues.

2) *The condition of a significant number of important material culture collections held by American museums, historical organizations, and other institutions is stabilized.*

- **FY 1999 (actual):** Projects supported will stabilize collections at eleven institutions, helping to preserve approximately 376,000 historically significant objects.
- **FY 2000 (estimate):** Projects supported will stabilize collections at eleven institutions, helping to preserve approximately 376,000 historically significant objects.
- **FY 2001 (request):** Projects supported would stabilize collections at twelve institutions, helping to preserve approximately 407,333 historically significant objects.

3) *A vast number of primary sources for the study of American history and culture would be digitized and made available on the Internet.*

- **FY 1999 (actual):** Not applicable; new initiative proposed for FY 2001.
- **FY 2000 (estimate):** Not applicable; new initiative proposed for FY 2001.
- **FY 2001 (request):** Projects supported would produce 77,000 digital images of manuscripts, maps, photographs, and artifacts to be made available on the Internet for use in the classroom and at home.

4) *Small libraries, archives, museums, and historical organizations throughout the nation are provided with preservation supplies, equipment, and consultation services.*

- **FY 1999 (actual):** Not applicable; new initiative proposed for FY 2000.
- **FY 2000 (estimate):** Projects supported will assist in preserving collections at 40 institutions in all fifty states and the U.S. Trust Territories.

- FY 2001 (request): Projects supported would assist in preserving collections at 80 institutions in all fifty states and the U.S. Trust Territories.

5) *Work on a variety of projects to prepare major research tools and reference works of importance to the humanities is sustained.*

- FY 1999 (actual): Grants were made to 21 projects to begin or continue work on the preparation of dictionaries, atlases, encyclopedias, and textbases central to knowledge and understanding of the humanities.
- FY 2000 (estimate): Grants will be made to 21 projects to begin or continue work on the preparation of dictionaries, atlases, encyclopedias, and textbases central to knowledge and understanding of the humanities.
- FY 2001 (request): Grants would be made to 21 projects to begin or continue work on the preparation of dictionaries, atlases, encyclopedias, and textbases central to knowledge and understanding of the humanities.

6) *Support is maintained for a significant number of projects that are preparing collected editions of the papers of presidents of the United States and other documents important to the nation's cultural heritage.*

- FY 1999 (actual): Support was provided for scholarly editing projects: 26 new awards were made and 31 grants received NEH matching funds.
- FY 2000 (estimate): Support will be provided for approximately 60 scholarly editing projects.
- FY 2001 (request): Support would be provided for approximately 60 scholarly editing projects.

7) *A substantial number of staff from the nation's cultural repositories are trained in the appropriate procedures for preserving and enhancing access to the collections for which they are responsible.*

- FY 1999 (actual): Four awards for regional and national education programs are providing training for 4,300 people in U.S. museums, libraries, archives, and historical organizations.
- FY 2000 (estimate): Five awards will be made for regional and national education programs that would provide training for 5,460 people in U.S. museums, libraries, archives, and historical organizations.
- FY 2001 (request): Six awards would be made for regional and national education programs that would provide training for 6,280 people in U.S. museums, libraries, archives, and historical organizations.

8) *Standards and procedures for the use of digital technologies to preserve and provide access to humanities collections are updated and improved.*

- FY 1999 (actual): Support was provided for six research and demonstration projects concerned with standards and procedures.
- FY 2000 (estimate): Support will be provided for six research and demonstration projects concerned with standards and procedures.
- FY 2001 (request): Support would be provided for six research and demonstration projects concerned with standards and procedures.

Impact of Achievement of Performance Goal: Cumulatively, Endowment-supported work under this goal would:

--broaden the scope of humanities materials and resources available to researchers, teachers, students, and other citizens;

--enhance the capacity of citizens to obtain information and knowledge about their heritage and the heritage of other cultures;

--democratize access to sources for the understanding of the history and culture of the U.S. and other nations and cultures;

--develop the standards and best practices that would provide a necessary foundation for the effective creation and long-term use of digital information and humanities resources;

--help ensure that the staff of many mid-sized or smaller cultural organizations will obtain the knowledge they need to preserve a critical portion of the nation's cultural heritage; and

--advance the development of a national digital library through which Americans will have access to significant documents and materials in the humanities.

B: To improve the quality of education in the humanities at a significant number of schools and colleges across the nation.

Performance Indicators:

1) *A significant number of teachers renew and deepen their knowledge and understanding of the humanities.*

- FY 1999 (actual): Support for 49 NEH summer seminars and institutes enabled 400 college teacher-participants and 435 school teacher-participants

to revitalize their knowledge and teaching of the humanities. College teachers participating in FY 1999 seminars and institutes will reach approximately 50,000 students annually; school teacher-participants will reach approximately 94,000 students annually.

- FY 2000 (estimate): Support for 52 NEH summer seminars and institutes will enable 500 college teacher-participants and 520 school teacher-participants to revitalize their knowledge and teaching of the humanities. College teachers participating in FY 2000 seminars and institutes would reach 62,500 students annually; school teacher-participants will reach 91,000 students annually.

75 elementary teachers from across the nation would be able to share with their fellow teachers the valuable scholarly and curricular information gained in seminars and institutes through new second-year dissemination grants.

- FY 2001 (request): Support for 62 NEH summer seminars and institutes would enable 575 college teacher-participants and 615 school teacher-participants to revitalize their knowledge and teaching of the humanities. College teachers participating in FY 2001 seminars and institutes would reach 72,000 students annually; school teacher-participants would reach 108,000 students annually.

75 elementary teachers from across the nation would be able to share with their fellow teachers the valuable scholarly and curricular information gained in seminars and institutes through new second-year dissemination grants.

2) *A wide range of elementary and secondary schools and institutions of higher education improve their instruction of the humanities.*

- FY 1999 (actual): 18 Education Development and Demonstration awards are improving the quality and dissemination of instructional materials and enhancing the professional development of 500 school and college teachers of the humanities, reaching more than 75,000 students annually.

20 Humanities Focus Grants are enabling groups of school and/or college teachers (totaling 300) to work together on the study of specific humanities topics or the planning and designing of new courses.

- FY 2000 (estimate): 19 Education Development and Demonstration awards will improve the quality and dissemination of instructional materials and enhance the professional development of more than 530 school and college teachers of the humanities, reaching more than 79,000 students annually.

22 Humanities Focus Grants will enable groups of school and/or college teachers (totaling 330) to work together on the study of specific humanities topics or the planning and designing of new courses.

A new program of "Humanities Scholars in Residence" awards is initiated that would provide grants to institutions in the 15 *Extending the Reach* states that will enable them to enlist the services of expert humanities scholars, thus laying the foundation for improvements in school curricula.

- FY 2001 (request): 20 Education Development and Demonstration awards would improve the quality and dissemination of instructional materials and enhance the professional development of more than 560 school and college teachers of the humanities, reaching more than 84,000 students annually.

24 Humanities Focus Grants would enable groups of school and/or college teachers (totaling 360 teachers) to work together on the study of specific humanities topics or the planning and designing of new courses.

The new "Humanities Scholars in Residence" program would provide grants to institutions in the 15 *Extending the Reach* states that will enable them to enlist the services of expert humanities scholars, thus laying the foundation for improvements in school curricula.

3) *Access to and use of high quality humanities curricular materials via new information technologies such as the Internet and CD-ROMs is expanded.*

- FY 1999 (actual): The NEH Schools for a New Millennium special initiative provided small *planning* awards that are enabling 14 high schools and 350 approximately 350 teachers to begin improving their ability to use new information technologies in teaching the humanities to approximately 61,250 students.
- FY 2000 (estimate): The NEH Schools for a New Millennium special initiative will provide *implementation* awards to eight schools and 200 teachers to improve their abilities to use new information technologies in teaching the humanities to 35,000 students.
- FY 2001 (request): The NEH Schools for a New Millennium special initiative would provide *implementation* awards to ten schools and 250 teachers to improve their ability to use new information technologies in teaching the humanities to 44,000 students.

A new Visitors' Program initiative would provide small awards to schools that have not received model Schools for a New Millennium grants, thus enabling teachers and educators at these schools to improve their use of digital humanities materials.

Impact of Achievement of Performance Goal: Cumulatively, Endowment-supported work under this goal would:

--enhance the humanities education experience of hundreds of thousands of American school and college students;

--advance the use of Internet Web sites and CD-ROMs in teaching and learning the humanities;

--help educators across the country exchange ideas and information about more effective ways to teach the humanities;

C: To enable American scholars to carry out a significant number of exemplary research projects that advance knowledge and understanding in the humanities.

Performance Indicators:

1) *A significant number of individual scholars are able to devote a concentrated period of time to research and writing on important subjects in the humanities.*

- FY 1999 (actual): Funding is enabling 308 individual scholars to make significant progress on important humanities research projects through fellowships, stipends, and faculty research grants.
- FY 2000 (estimate): Funding will enable approximately 317 individual scholars to make significant progress on important humanities research projects through fellowships, stipends, and faculty research grants.
- FY 2001 (request): Funding would enable 530 individual scholars to make significant progress on important humanities research projects through fellowships, stipends, faculty research, and travel to research sites grants.

2) *Significant collaborative research projects in the humanities are created and sustained.*

- FY 1999 (actual): Support was provided for 40 important long-term, collaborative projects in the humanities such as scholarly editions, translations, archaeological excavations and analyses, and other complex, large-scale undertakings. In addition, 36 projects received ongoing support through the investment of matching funds.
- FY 2000 (estimate): Support will be provided for 26 important, long-term, collaborative projects in the humanities such as scholarly editions, translations, archaeological excavations and analyses, and other complex, large-scale undertakings. In addition, 42 projects will receive ongoing support through matching funds.

- FY 2001 (request): Support would be provided for 41 important long-term, collaborative projects in the humanities such as scholarly editions, translations, archaeological excavations and analyses, and other complex, large-scale undertakings. In addition, 45 projects would receive ongoing support through matching funds.

3) *A significant number of quality humanities research programs offered by independent research centers and scholarly organizations are augmented.*

- FY 1999 (actual): Awards to 22 humanities fellowship programs at independent research institutions supported the work of 101 humanities scholars who are making significant contributions to scholarship in the humanities.
- FY 2000 (estimate): Awards to 22 humanities fellowship programs at independent research institutions will support the work of 150 humanities scholars who will make significant contributions to scholarship in the humanities.
- FY 2001 (request): Awards to 22 humanities fellowship programs at independent research institutions would support the work of 138 humanities scholars who would make significant contributions to scholarship in the humanities.

Impact of Achievement of Performance Goal: Cumulatively, Endowment-supported work under this goal would:

--result in the publication of important books, articles, and other grant products that advance the American people's knowledge and understanding in the humanities;

--promote the introduction of new ideas and insights in the humanities into American classrooms;

--enrich the intellectual and professional development of the nation's humanities scholars; and

--promote best research practices among the nation's next generation of scholars.

D: To provide a wide range of opportunities across the nation for citizens to engage in lifetime learning in the humanities.

Performance Indicators:

1) Substantive media presentations, exhibitions, reading and discussion programs, and other public projects in the humanities are made available to and subsequently reach a significant number of Americans.

- **FY 1999 (actual):** 25 television/radio projects supported will produce 66 broadcast hours and draw a cumulative audience of 135 million people.

33 exhibitions supported will be presented at 95 museums, historical organizations, and other sites across the country and attract approximately 14 million visitors.

13 library reading and discussion projects and special projects supported will result in more than 1,500 programs at approximately 380 sites and draw more than 3 million people.

- **FY 2000 (estimate):** 27 television/radio projects supported will produce 70 broadcast hours and draw a cumulative audience of more than 143 million people.

35 exhibitions supported will be presented at approximately 100 museums, historical organizations, and other sites across the country and attract an estimated 15 million visitors.

14 library reading and discussion projects and special projects supported will result in more than 1,600 programs at approximately 400 sites and draw more than 3 million people.

- **FY 2001 (request):** 31 television/radio projects supported would produce 83 broadcast hours and draw a cumulative audience of approximately 170 million people.

41 exhibitions supported would be presented at 120 museums, historical organizations, and other sites across the country and attract an estimated 17.5 million visitors.

17 library reading and discussion projects and special projects supported would result in more than 1,900 programs at about 475 sites and draw an estimated 3.7 million people.

2) *Humanities programs in libraries and museums are expanded to reach new audiences.*

- FY 1999 (actual): Not applicable; new initiative proposed in FY 2000.
- FY 2000 (estimate): 80 grants to small and mid-sized museums and libraries will reach tribal communities, rural, and inner-city audiences.
- FY 2001 (request): 46 grants to small and mid-sized museums and libraries would reach tribal communities, rural, and inner-city audiences.

3) *New scholarship and perspectives in the humanities are brought to the attention of public audiences.*

- FY 1999 (actual): 24 Consultation projects are supporting the translation of new scholarship in the humanities into thoughtful and stimulating programs for public audiences.
- FY 2000 (estimate): 39 Consultant grants will involve new scholars and humanities professionals in high quality programs for adult audiences.
- FY 2001 (request): 52 Consultant grants would involve new scholars and humanities professionals in high quality programs for adult audiences.

Impact of Achievement of Performance Goal: Cumulatively, Endowment-supported work under this goal would:

--involve a substantial number of Americans in high quality out-of-school educational experiences in the humanities; and

--increase citizens' knowledge and understanding of their cultural heritage and the culture and heritage of other nations.

E: To enable a significant number of cultural and educational institutions to strengthen their programming and resources in the humanities.

Performance Indicators:

1) *Nonfederal contributions to NEH-supported cultural and educational institutions are increased.*

- FY 1999 (actual): NEH Challenge Grants generated over \$38 million in nonfederal donations to recipient-institutions in support of their humanities activities.

- FY 2000 (estimate): By FY 2003, NEH Challenge Grants awarded in FY 2000 will generate nearly \$40 million in nonfederal donations to recipient-institutions in support of their humanities activities.
- FY 2001 (request): By FY 2004, NEH Challenge Grants awarded in FY 2001 would generate nearly \$48 million in nonfederal donations to recipient-institutions in support of their humanities activities.

2) *Institutions receiving NEH Challenge Grants engage in strategic long-range planning for the humanities.*

- FY 1999 (actual): A high proportion of institutions receiving NEH Challenge Grants are enhancing their long-term planning in the humanities.
- FY 2000 (estimate): A high proportion of institutions receiving NEH Challenge Grants will enhance their long-term planning in the humanities.
- FY 2001 (request): A high proportion of institutions receiving NEH Challenge Grants would enhance their long-term planning in the humanities.

3) *Institutions enhance their humanities resources and activities.*

- FY 1999 (actual): A high proportion of FY 1999 Challenge grantees are undertaking new programs and strengthen or improve existing programs in the humanities.
- FY 2000 (estimate): A high proportion of FY 2000 Challenge grantees will undertake new programs and strengthen or improve existing programs in the humanities.
- FY 2001 (request): A high proportion of FY 2001 Challenge grantees would undertake new programs and strengthen or improve existing programs in the humanities.

Impact of Achievement of Performance Goal: Cumulatively, Endowment-supported work under this goal would:

--enhance the ability of American cultural and educational institutions to engage in high quality scholarship, education, preservation, and public programming in the humanities; and

--strengthen institutions important to the continued cultural and educational vitality of the American people.

F: In partnership with state humanities councils, to maintain a viable level of high quality humanities projects and programs for the citizens of each state and territory.

Performance Indicators:

1) *A significant number of high quality, humanities projects and programs are made available to and subsequently reach the people of each state.*

- FY 1999 (actual): Support for the programs and operations of 56 state humanities councils made possible high quality state and local humanities projects throughout the nation, including 2,000 reading and discussion programs, 475 exhibitions, 825 literacy programs, 3,800 speakers bureau presentations, 1,675 teacher institutes and workshops, 800 Chautauqua events, 900 media programs, and 250 cultural tourism projects.
- FY 2000 (estimate): Support for the programs and operations of 56 state humanities councils will make possible high quality state and local humanities projects throughout the nation, including 2,080 reading and discussion programs, 475 exhibitions, 850 literacy programs, 3,900 speakers bureau presentations, 1,675 teacher institutes and workshops, 810 Chautauqua events, 900 media programs, and 260 cultural tourism projects.
- FY 2001 (request): Support for the programs and operations of 56 state humanities councils would make possible an increase in state and local humanities projects, including 2,800 reading and discussion programs, 650 exhibitions, 1,150 literacy programs, 5,400 speakers bureau presentations, 1,700 teacher institutes and workshops, 1,125 Chautauqua events, 1,000 media programs, and 300 cultural tourism projects.

2) *The number of high quality, state council-conducted humanities programs in the various states is increased.*

- FY 1999 (actual): NEH encouraged and supported a number of excellent council-conducted humanities programs.
- FY 2000 (estimate): NEH would encourage and support an increasing number of excellent council-conducted humanities programs. State humanities councils will increase their regrant budgets, funding approximately four percent more locally initiated projects.
- FY 2001 (request): NEH would encourage and support an increasing number of excellent council-conducted humanities programs. State humanities councils would increase substantially their regrant budgets, funding approximately 20 percent more locally initiated projects than they are able to sponsor at current budget levels.

Impact of Achievement of Performance Goal: Cumulatively, Endowment-supported work under this goal would:

--advance knowledge and understanding in the humanities of citizens in each state and territory;

--enhance the work of cultural organizations important to the American people; and

--enhance citizens' opportunities to pursue a lifetime of learning and enjoyment of the humanities.

G: To establish a number of new collaborative partnerships with public and private institutions and organizations in support of the humanities.

Performance Indicator:

Innovative partnerships are forged with a range of organizations and institutions to advance the humanities nationwide.

- FY 1999 (actual): The NEH Office of Enterprise coordinated the development of a number of new partnerships with other institutions and organizations.
- FY 2000 (estimate): The NEH Office of Enterprise will coordinate the development of a number of partnerships with other institutions and organizations.
- FY 2001 (request): The NEH Office of Enterprise would coordinate the development of a number of new partnerships with other institutions and organizations.

Impact of Achievement of Performance Goal: Cumulatively, Endowment work under this goal would:

--increase resources available for promotion of the humanities;

--strengthen NEH's leadership role in support of the humanities in the U. S.; and

--increase/enhance the reach of projects and programs supported by NEH

H: To create new program initiatives that respond to emerging needs and opportunities in the humanities.

Performance Indicator:

1) *New initiatives are launched that use the humanities to explore issues of national importance.*

- FY 1999 (actual): Not applicable; new initiative proposed for FY 2000.
- FY 2000 (estimate): Planning grants will be made to institutions in ten U.S. regions to begin planning the establishment of regional humanities centers.
- FY 2001 (request): A number of competitive implementation grants would be made to institutions to begin establishing regional humanities centers.

2) *New program emphases are developed to expand the reach of NEH.*

- FY 1999 (actual): Efforts were made within NEH's core programs to extend the reach of the Endowment.
- FY 2000 (estimate): A special outreach program, Extending the Reach, is put in place that will encourage underserved institutions, communities, and areas across the nation to participate more fully in Endowment programs and activities. Grants are provided: (1) in states that have either received relatively few awards from NEH or that have a low ranking in terms of per capita funding; (2) to special types of institutions identified in government-wide Presidential Executive Orders—that is, historically black colleges and universities, Hispanic-serving institutions, and tribal colleges; and (3) through new and/or enhanced grant competitions in NEH core programs.
- FY 2001 (request): A special outreach program, Extending the Reach, would encourage underserved institutions, communities, and areas across the nation to participate more fully in Endowment programs and activities. Grants are provided: (1) in states that have either received relatively few awards from NEH or that have a low ranking in terms of per capita funding; (2) to special types of institutions identified in government-wide Presidential Executive Orders—that is, historically black colleges and universities, Hispanic-serving institutions, and tribal colleges; and (3) through new and/or enhanced grant competitions in NEH core programs.

Impact of Achievement of Performance Goal: Cumulatively, Endowment work under this goal would:

--broaden public awareness of, access to, and participation in the humanities; and

--enhance opportunities for citizens to pursue a lifetime of learning and enjoyment of the humanities.

III. MEETING THE PERFORMANCE GOALS: REQUIRED RESOURCES AND OPERATIONAL PROCESSES

A. **Required Resources.** The primary means NEH employs in striving to meet its performance goals is the awarding of grants for specific humanities projects. Thus, the principal resource the agency requires is the funding necessary to award these grants. For each performance goal, we have estimated a sum that would be required to produce the desired outcomes in FY 2001:

<u>Performance Goal</u>	<u>Funding Required</u>
1. To preserve and increase the availability of a significant body of cultural and intellectual resources essential to the people of the United States	\$26,900,000*
2. To improve the quality of education in the humanities at a significant number of schools and colleges cross the nation	\$14,300,000
3. To enable American scholars to carry out a significant number of exemplary research projects that advance knowledge and understanding in the humanities	\$14,100,000*
4. To provide a wide range of opportunities across the nation for citizens to engage in lifetime learning in the humanities	\$14,150,000
5. To enable a significant number of cultural and educational institutions to strengthen their programming and resources in the humanities	\$12,530,000
6. In partnership with state humanities councils, to maintain a viable level of high quality humanities projects and programs for the citizens of each state and territory	\$38,320,000
7. To create new program initiatives that respond to emerging needs and opportunities in the humanities	\$7,500,000

* Includes estimated funding for scholarly editions projects.

Also important are the kinds of resources that make possible the articulation of our goals and the pursuit of those goals through our daily work. Chief among these resources are:

- a highly trained and motivated **staff**;
- a **physical office environment** essential to productive work;
- information and communications **equipment** that permit the efficient development, implementation, and dissemination of information about NEH and the humanities; and
- access to the latest **information technologies** that allow the agency to conduct its work efficiently while also providing the highest level of service to our customers.

B. **Operational Processes.** There are numerous operational processes that are essential to the attainment of the agency's performance goals. Aside from the routine administrative functions that are typical of this and all other agencies of government, one particular process stands out as critical to the work of the Endowment: our **national merit review system**. Through this system we are able to draw upon the services of knowledgeable humanities practitioners who review each application submitted to NEH. Their judgments weigh heavily in the agency's decisions to provide funding to its various applicants. In turn, the active participation of these reviewers plays a significant role in enhancing the credibility and perceived fairness of the agency's core function: the awarding of grants for significant work in the humanities. We recently raised the amount of our panelists' honorarium from \$200 to \$300 (the first such increase since 1981). In FY 2001, NEH requests additional administrative funds to permit a further increase that will enable us to compensate panelists for one day of preparation prior to the actual panel meeting. A higher honorarium would provide a more reasonable compensation for the service these participants render and would help the agency recruit better and more diverse panelists.

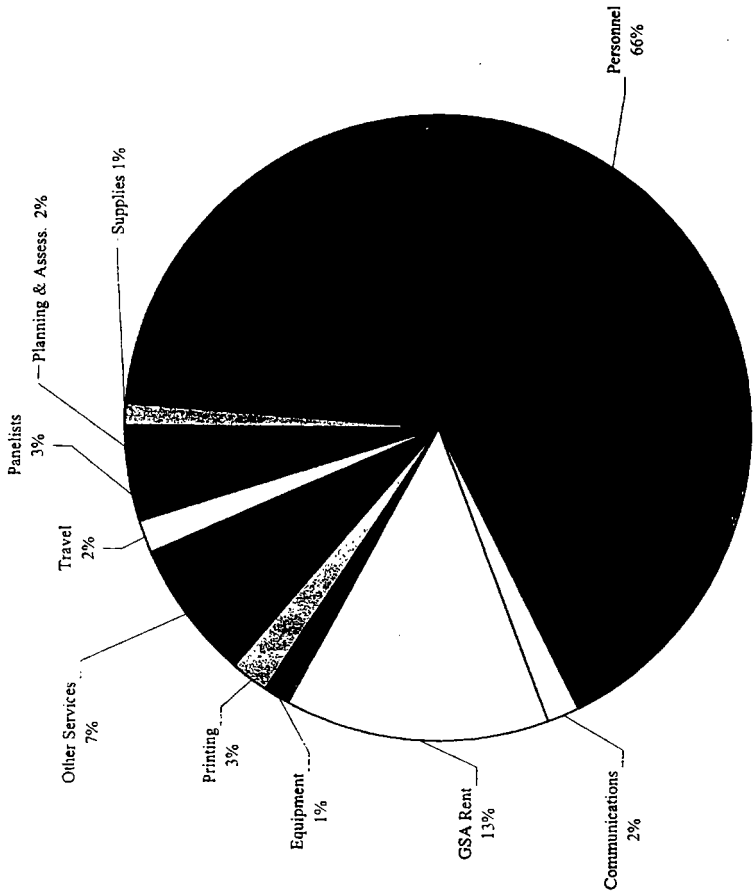
IV. MEANS OF VERIFYING AND VALIDATING PERFORMANCE MEASURES

The Endowment uses a variety of means to collect and verify information that measuring our progress in attaining our performance goals:

- **Interim and final reports of grantees** will provide the most comprehensive source of information about the outcomes of NEH-supported work. From these reports the Endowment will regularly compile data about the results of activities undertaken in connection with each of our performance goals.

- To systematize the information collected from grantee reports, NEH has also begun to develop an **outcomes database** for its grant programs. This database will capture information about the short- and long-term results of funded projects. Initially to be housed in the grant-making divisions, the system will ultimately be incorporated into the agency's relational database.
- The Endowment will conduct **site visits** as a means of documenting the progress and accomplishments of selected grantees.
- **Evaluations** of selected projects and programs will be conducted to determine whether program goals are being met.
- Information on **awards, prizes, and other forms of recognition**, such as favorable press articles, will be collected so that the agency can gain a better sense of the impact and quality of our funded projects.

FY 2001 Administrative Budget Request - \$21.7 Million



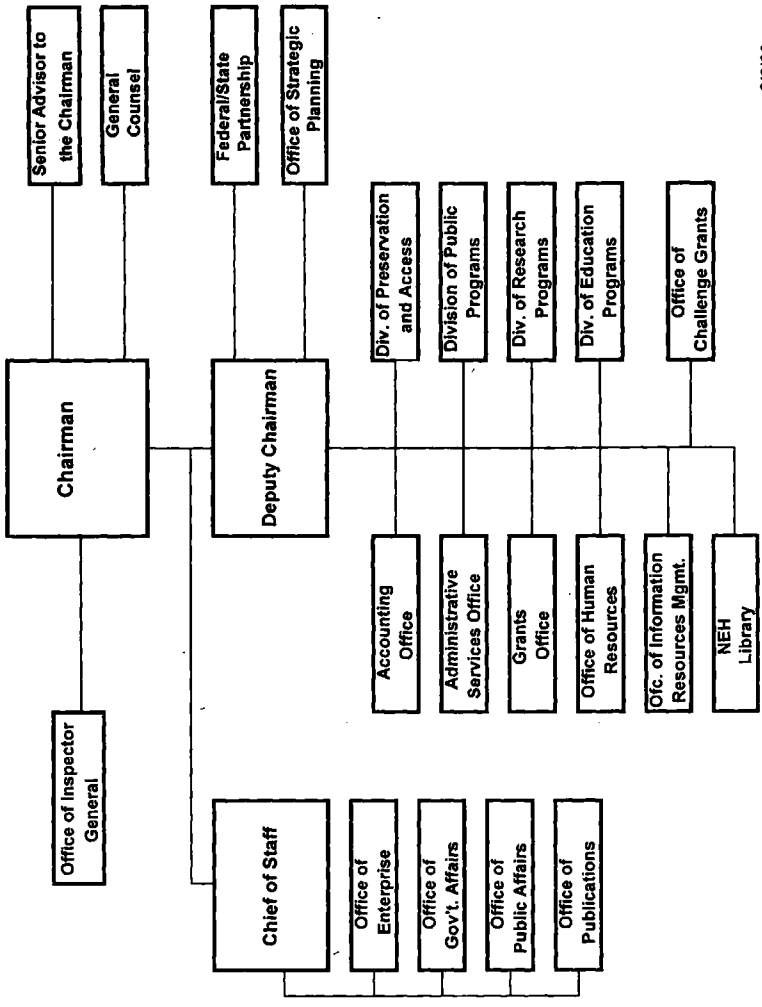
National Endowment for the Humanities

Obligations by Object Class
(\$000)

	FY 1999 <u>Actual</u> <i>a/</i>	FY 2000 <u>Estimate</u> <i>a/</i>	FY 2001 <u>Request</u> <i>a/</i>
11.1 Full-Time Permanent	9,246	9,492	10,645
11.3 Other than Full-Time Permanent	654	824	1,025
11.5 Other Personnel Compensation	<u>197</u>	<u>175</u>	<u>185</u>
11.9 Total Personnel Compensation	10,097	10,491	11,855
12.0 Personnel Benefits	<u>2,155</u>	<u>2,202</u>	<u>2,515</u>
Total Personnel Compensation & Benefits	12,252	12,693	14,370
21.0 Travel & Transportation of Persons	313	360	400
22.0 Transportation of Things	2	--	--
23.1 Rental Payments to GSA	1,707	1,844	2,930
23.3 Communications, Utilities & Misc. Charges	364	335	400
24.0 Printing & Reproduction	441	446	435
25.0 Other Services	1,660	1,250	1,630
25.92 Panelist Contracts	450	555	655
25.96 Planning & Assessment Studies	50	100	400
26.0 Supplies & Materials	296	200	260
31.0 Equipment, Furniture & Books	<u>403</u>	<u>200</u>	<u>320</u>
TOTAL OBLIGATIONS	17,938	17,983	21,800
APPROPRIATION	16,800	17,481	21,700

a/ Estimates reflect both appropriated funds and prior-year unexpired funds.

National Endowment for the Humanities
Organization Chart



ADMINISTRATIVE BUDGET

(\$21,700,000)

Introduction

Administrative funds provide the staff, office space, services, and supplies needed by the National Endowment for the Humanities to carry out its legislated mission of promoting education, preservation, research, and public programs in the humanities. The administrative budget request for FY 2001 is \$21.7 million in support of an overall request level of \$150 million.

The Endowment's primary mechanism for carrying out its responsibilities -- and the single most important factor shaping the administrative budget -- is the awarding of grants. Approximately 60 percent of the NEH staff is directly involved in this process, which begins with the planning of programs and continues through the development of guidelines, the invitation and review of applications, and the awarding and administration of grants. Applications submitted to the Endowment must be acknowledged, read to ensure that they meet the appropriate application criteria, reviewed by outside experts, and, with the advice of the National Council on the Humanities, ultimately acted upon by the Chairman. Successful applications become grants that must be processed and administered. NEH staff also advise unsuccessful applicants concerning ways their applications might be revised and improved. In addition to a program staff expert in the humanities, these tasks require highly-qualified advisers including reviewers, panelists, site visitors, and the 26 members of the National Council on the Humanities. The program staff and advisers are supplemented by support staff responsible for a wide variety of policy and administrative functions.

In the spirit of the Vice President's National Partnership for Reinventing Government program, the NEH continues to pursue the means of building the most streamlined, cost effective, and customer-responsive organization possible. We have recently reorganized our Office of Planning and Budget, renaming it the Office of Strategic Planning and giving it responsibility for strategic and performance planning; policy and management analyses; data collection, analysis, and dissemination related to humanities issues; and budget formulation and execution. The work of this new office is expected to contribute significantly to the efficiency of NEH operations and the effectiveness of Endowment programs. NEH has also developed and distributed a comprehensive set of customer service standards. These standards were drafted after surveying a cross-section of our applicants and grantees to determine ways the Endowment could best meet their needs and the needs of the humanities.

As part of a major streamlining effort, the Endowment is nearing completion of a new grants management relational database system. This comprehensive database replaces our 20-year old mainframe-based system and will promote significantly greater efficiency and flexibility in data entry and retrieval. The database has a powerful query tool that enables users to gather information about grants, panelists, grant status, and funding levels, thus permitting sophisticated analyses of application and grant patterns. We also plan to make appropriate information from the database available to the general public and to the 56 state humanities councils via the World Wide Web.

A second technology initiative we have undertaken is the comprehensive re-design of our home page on the World Wide Web. This new home page enables us to provide better service to our applicants and grantees and to the general public. The Web site contains grant application materials, the current issue of *Humanities* magazine with an index of back issues, NEH annual reports, our strategic and performance plans, customer service standards, and many other NEH resources and materials. In addition, the new site contains audio and video streaming capabilities, thus giving the public an opportunity to view videos of NEH-sponsored events like the Jefferson Lecture and the National Humanities Medal ceremony. Our Web site also enables the public to subscribe to our popular electronic newsletter, "NEH Outlook," which in its short life has already developed a subscriber list of nearly 20,000 readers. These efforts make the Endowment accessible to a broader audience while also helping us save on printing, mail, and telephone costs.

In undertaking these various streamlining initiatives, the Endowment is responding to the public's demand for a more effective and efficient federal government.

Rationale for the FY 2001 Increase

The FY 2001 administrative request of \$21.7 million represents an increase of \$4.2 million above the FY 2000 appropriated level. This increase will support the following:

- Funding for the projected FY 2001 pay raise of 3.7 percent, effective January 2001; the fourth quarter cost of the 4.9 percent pay increase effective in January 2000; and the personnel costs associated with automatic within-grade increases and higher employee benefit costs;
- Significantly greater GSA space rental costs, which are expected to increase by at least \$1.1 million if, as anticipated, NEH is forced to move into GSA-leased space during FY 2001;
- An increase in Planning and Assessment Studies to support expanded data collection activity as well as greater numbers of policy studies, both of which are essential to effective strategic and performance planning;
- Additional support for NEH's *Extending the Reach* initiative, which is designed to encourage underserved institutions, communities, and areas across the nation to participate more fully in Endowment programs and activities; and
- Modest administrative increases in support of proposed new programs and of higher funding levels of existing programs.

Estimates by OMB Object Classification**11-13 - PERSONNEL COMPENSATION AND BENEFITS**

(\$ in thousands)

	FY 1999 ACTUAL	FY 2000 ESTIMATE	FY 2001 REQUEST
PERSONNEL COMPENSATION & BENEFITS	12,252	12,693	14,370

This budget item funds the salaries and benefits of all employees of the Endowment, including full-time permanent, part-time permanent, temporary, and intermittent appointments (i.e., the members of the National Council on the Humanities). Our FY 2001 request will fund 175 full-time equivalent (FTE) employees, an increase of 5 FTEs over the number estimated for FY 2000. The additional staff is needed to administer several proposed new grant opportunities, such as the sound recordings and folklore initiatives, and to administer higher funding levels for existing NEH programs at the \$150 million program request level. These 175 FTEs represent a considerable reduction from the 262 authorized before the budget cuts of FY 1996.

The FY 2001 request for personnel compensation and benefits includes funding for a projected 3.7 percent pay raise beginning in January 2001. Our request also budgets for the fourth quarter expense of the 4.9 percent pay increase that became effective January 2000.

21 - TRAVEL AND TRANSPORTATION OF PERSONS

(\$ in thousands)

	FY 1999 ACTUAL	FY 2000 ESTIMATE	FY 2001 REQUEST
STAFF TRAVEL	274	315	350
COUNCIL TRAVEL	41	45	50
TOTAL TRAVEL & TRANSPORTATION	315	360	400

This budget category provides funding for local staff travel; site visits to oversee grants; presentations of Endowment programs; outreach activities; attendance at conferences, symposia, and training courses; and travel costs for members of the National Council on the Humanities, who travel to Washington three times a year to discuss Endowment policies, to review applications, and to provide advice to the NEH Chairman concerning the funding of specific projects.

Our FY 2001 request includes an increase in travel funds to expand the Endowment's outreach activities, thereby ensuring that our programs reach all areas of the country; to implement the sound recordings and folklore initiatives; and to support an expanded level of program activity. The request also includes funding for the costs of a new per-trip transaction fee all agencies are required to pay under the new contract negotiated by GSA's Travel

Management Center Program. NEH is now responsible for a \$23.00 fee for each domestic airline ticket issued by the contractor. Additional charges include \$60.00 for each international airline ticket and \$3.75 for each car rental reservation. These new charges are expected to add nearly \$10,000 to the annual cost of staff and Council travel.

23.1 – RENTAL PAYMENTS TO GSA (\$ in thousands)

	FY 1999 ACTUAL	FY 2000 ESTIMATE	FY 2001 REQUEST
RENTAL PAYMENTS TO GSA	1,707	1,844	2,930

The General Services Administration has advised NEH that it will relocate the Endowment from the current space in the Old Post Office in order to plan development of the building for private use. Based on our latest discussions with GSA, a relocation from the Old Post Office is expected in April 2001. Accordingly, the budget request assumes residence in the Old Post Office for the first half of FY 2001 (at the GSA stipulated rent of \$26.17 per square foot), after which we will occupy new space at the rate of \$46.00 (\$43.00 per square foot plus an eight percent GSA surcharge). The additional \$1.8 million in our overall rent costs represents an unfortunate (if unavoidable) drain on our administrative budget.

Our FY 2001 estimate is based on the most recent information and may need to be revised at a later date, depending on the timing of the move, the exact rental rate, and any other exigencies, including any unidentified build-out expenses such as supplemental air conditioning for a computer room, computer cabling, security systems, a copy center, disassembly and reassembly of furniture. We will continue to work with GSA and Congress on these and related issues as the relocation picture comes into clearer focus.

23.3 – COMMUNICATIONS, UTILITIES, AND MISCELLANEOUS CHARGES (\$ in thousands)

	FY 1999 ACTUAL	FY 2000 ESTIMATE	FY 2001 REQUEST
COMMUNICATIONS, UTILITIES, & MISCELLANEOUS CHARGES	364	335	400

The communications and utilities object class funds communication technology services, including data, voice, and wireless (such as local and long-distance telephone services, and electronic pager services); postage and postal services (such as express mail, contractual mail, and messenger services); postage meter and mailing machines; and rental or lease of information technology equipment, including hardware and software. Previously, NEH funded the rental of photocopy machines in this object class. Beginning in FY 2000, photocopy machines are expensed under a lease-to-purchase agreement within the equipment line.

The Endowment has made significant improvements in the methods used to promote grant programs and to distribute application materials, particularly through the increased use of third-class bulk rates for mailings of program materials and through the expanded use of computer technologies. Significantly larger numbers of potential applicants are now getting information about NEH by accessing our World Wide Web home page on the Internet. This new and less costly means of communicating with our customers has helped control the level of expenditures in this budget category.

24 – PRINTING AND REPRODUCTION
(\$ in thousands)

	FY 1999 ACTUAL	FY 2000 ESTIMATE	FY 2001 REQUEST
PRINTING & REPRODUCTION	441	446	435

The funds in this object class provide for printing such publications as the Endowment's bimonthly periodical *Humanities* and the *Annual Report*, and for the printing of program brochures, posters, grant applications, program announcements, guidelines, grant award announcements, forms, letterhead, and envelopes. The Endowment expects slightly lower levels of expenditures in this category as the result of our efforts to reduce publication costs by eliminating volume mailings of many program guidelines. In addition, the agency's World Wide Web home page on the Internet is increasingly used by applicants and grantees to access program guidelines, grant information, lists of recent awards, and information on humanities events. We anticipate that this increased reliance on our Web site will eventually result in a further reduction of printing expenses.

25 – OTHER CONTRACTUAL SERVICES
(\$ in thousands)

	FY 1999 ACTUAL	FY 2000 ESTIMATE	FY 2001 REQUEST
OTHER CONTRACTUAL SERVICES	1,660	1,250	1,530

This object class provides for contractual services required by the Endowment that are not covered in any of the preceding categories. These include: (1) maintenance and improvement of the agency's information management systems, (2) automated payroll services supplied by the U.S. Department of Agriculture, (3) employee training, (4) Intergovernmental Personnel Act assignments (IPAs), (5) fees for site visitors who evaluate selected NEH grants, (6) alterations to office space, (7) security guards at the Old Post Office building, (8) NEH's share of the non-personnel and non-travel costs of the President's Committee on the Arts and the Humanities, and (9) general maintenance and repair of agency-owned equipment.

The increased funding requested for FY 2001 will support improvements to our information management systems, as well as increased employee training. Expenditures in this category will also make possible a variety of program support activities, such as the development of special exhibits to promote NEH-funded events and the creation of presentations for staff use in connection with outreach efforts. Each of these efforts is dedicated to making the humanities more accessible to the general public.

25.92 – PANELIST CONTRACTS
(\$ in thousands)

	FY 1999 ACTUAL	FY 2000 ESTIMATE	FY 2001 REQUEST
PANELIST CONTRACTS	450	555	655

Funds in this category support the costs of panelists' remuneration. Each year, NEH convenes dozens of panels to evaluate the quality of grant applications submitted to our programs. Panelists are selected from a database that includes scholars, teachers, librarians, archivists, curators, media producers, and other humanities professionals. These panelists represent a diversity of disciplinary, institutional, regional, and cultural backgrounds.

We strive to recruit the most qualified panelists and to give them the time needed to perform a thorough evaluation of proposals. Our overriding goal is to ensure that the projects ultimately receiving federal support will be those most likely to make significant contributions to the humanities. In order to attract the highest caliber of panelists, we have recently increased the amount of our panelists' honorarium from \$200 to \$300 (the first such increase since 1981). Even so, we believe that a number of prospective panelists are turning the NEH down as the amount of the honorarium remains disproportionate to the amount of work they are asked to do. Accordingly, in FY 2001, NEH is requesting sufficient funds to permit a further increase in the honorarium. This will enable us to compensate panelists for one day of preparation prior to the actual panel meeting. The increase in the FY 2001 request also reflects an anticipated rise in the number of applications, both from existing programs and from new grant opportunities proposed at the request level.

Our requested increase also includes funds for transaction fees for travel management services under the new contract negotiated by GSA's Travel Management Center Program. As noted previously, NEH is now responsible for a \$23.00 fee for each domestic airline ticket issued by the contractor. These new charges are expected to add nearly \$15,000 to our panelists' expenses.

25.96 – PLANNING AND ASSESSMENT STUDIES

(\$ in thousands)

	FY 1999 ACTUAL	FY 2000 ESTIMATE	FY 2001 REQUEST
PLANNING & ASSESSMENT	50	100	400

The Planning and Assessment Studies program supports projects designed to inform the agency's planning, evaluation, and budgeting functions. A fundamental re-examination of the program's priorities occurred following the severe cutback in the Endowment's FY 1996 budget, leading to a significant reduction in support for national data collection projects and for analytical and evaluative studies. At the FY 2001 request level, NEH will continue the effort begun in FY 2000 to re-build the agency's capacity to collect, analyze, and disseminate information on conditions in the humanities. In keeping with the new focus of the program's parent office – the Office of Strategic Planning – data and policy studies will become an integral component of strategic and performance planning activities. Renewed efforts will be made to collect vital information about the humanities labor force and about the institutions in which humanities activities take place. Other activities may include the collection of data on public participation in humanities activities and on the financial support structure for the humanities. Greater attention will also be focused on the dissemination of information, including new ways of making data available electronically.

26 – SUPPLIES AND MATERIALS

(\$ in thousands)

	FY 1999 ACTUAL	FY 2000 ESTIMATE	FY 2001 REQUEST
SUPPLIES & MATERIALS	296	200	260

This object class provides funding for expendable materials such as paper, pens, writing tablets, and copier supplies required to carry on the daily business of the Endowment. Funding in this category also covers ADP supplies, including disks and toner cartridges for printers, and the cost of maintaining the agency's subscriptions to periodicals, magazines, and newspapers. An increase in FY 2001 is needed to support the expanded amount of program activity at the request level.

31 – EQUIPMENT, FURNITURE, AND BOOKS
(\$ in thousands)

	FY 1999	FY 2000	FY 2001
	<u>ACTUAL</u>	<u>ESTIMATE</u>	<u>REQUEST</u>
EQUIPMENT, FURNITURE & BOOKS	403	200	320

This object class provides for all equipment, furniture, and office machines having a useful life in excess of one year - items such as chairs, desks, file cabinets, ADP equipment, calculators, and printers. This line item also includes books purchased for the NEH library, as well as copy machines procured under a lease-to-purchase agreement. The FY 2001 funding level is necessary to support the program request increases as well as a variety of information technology initiatives. In addition, the Endowment will upgrade the software for our desktop workstations during FY 2001.

**INSTITUTE OF MUSEUM AND LIBRARY SERVICES
APPROPRIATIONS REQUEST
FOR FISCAL YEAR 2001**

SUBMITTED FEBRUARY 7, 2000

(1049)

INSTITUTE OF MUSEUM AND LIBRARY SERVICES
APPROPRIATIONS REQUEST FOR FISCAL YEAR 2001

TABLE OF CONTENTS

Introduction.....	3-8
Office of Museum Services.....	9-36
Table A: Summary of Request, Office of Museum Services.....	10
Table B: Administration, Office of Museum Services.....	11
Impact of Increase Requested FY 2001	12-14
Program Descriptions.....	.....
Operations	
General Operating Support	15-17
Museum Assessment Programs	18-19
Support for Conservation	
Conservation Project Support	20-21
Conservation Assessment Program.....	22
National Leadership Grants for Museums	23-29
Administration	30-36
Research and Evaluation.....	30-32
Operations	33-36
Office of Library Services	37-64
Table C: Summary of Request, Office of Library Services	38
Table D: Administration, Office of Library Services	39
Impact of Increase Requested FY 2001	40-44
Program Descriptions.....	.....
Library Grants to States	45-51
Native American/Native Hawaiian Library Service Grants.....	52-53
National Leadership Grants for Libraries.....	54-56
Administration	57-64
Research and Evaluation	57-59
Operations	60-64
Agency Summary	
IMLS Strategic Plan	65-74
IMLS Annual Performance Plan.....	75-81
Statement on Agency Reauthorization.....	82-85

**Museums and Libraries:
Community Assets, Resources for Learning**

The Institute of Museum and Library Services serves the American public by strengthening its libraries and museums through Federal funding. As a Nation of learners, Americans depend upon the resources of museums and libraries throughout their lives. The collections and services of these institutions are vital educational tools that should be accessible to all ages, supporting learning across a lifetime. Through its leadership activities and a comprehensive grants program, IMLS promotes broad public access, stimulates excellence and innovation and encourages the highest quality of library and museum services.

The President's Budget for FY 2001 contains \$206,378,000 for the Institute of Museum and Library Services. The request for the Office of Museum Services is \$33,378,000, an increase of \$9,070,720 over current funding. The request for the Office of Library Services is \$173,000,000, an increase of \$6,749,163 overall, which results in an increase of \$18,500,163 over current funding for core programs and competitive National Leadership Grants.

As we usher in the 21st century, libraries and museums are responding to dramatic advances in technology, increasing diversity in our populations, and growing demands for learning throughout a lifetime. In short, the needs and expectations of the American public are different than they were even five years ago. This change requires investment. The Institute of Museum and Library Service's Appropriation Request for FY2001 recognizes these challenges as critical to enabling the public to fully use the rich resources of museums and libraries. Through this Appropriations Request IMLS is seeking an investment in museums and libraries to provide the tools and expertise to respond with bold leadership and compassionate outreach.

In support of providing and assuring access to museum and library services for all Americans, IMLS seeks new funding to support two major themes. Each of these themes will be addressed through museum programs, library programs and collaborations between museums and libraries:

- **increasing technological access** to museum and library resources for all Americans; and,
- **building community partnerships** to address serious and persistent community needs.

TECHNOLOGY

Technology challenges are escalating, reflecting a new role for IMLS at the federal level. Since 1998, IMLS has provided grants to state library agencies and to individual libraries for research, digitization and management of digital resources. Funding further addresses critical preservation and interoperability issues. Beginning in 2000, Congress appropriated funds to IMLS to establish museum programs to build electronic networks and use technology to make their resources more accessible.

Because of its leadership role, IMLS has been charged by the December 17, 1999 White House memorandum on "Use of Information Technology to Improve Our Society" to work together with the National Science Foundation, the National Park Service and the Smithsonian Institution and with the private sector and cultural and educational institutions across the country to create a Digital Library of Education to bring cultural and educational resources to the public. This budget continues and enhances IMLS' strong technology programs that consistently promote public access to museum and library services for a diverse public.

Increased funding for technology initiatives will build on this history and will support the establishment of electronic networks among institutions, the identification and digitization of key collections, ongoing research into the management of digitized collections and nationwide opportunities for information sharing and dissemination.

BUILDING COMMUNITY-BASED PARTNERSHIPS

Libraries and museums across the country are active community citizens. They are experts in building strategic partnerships across the community to address pressing local issues, such as: after school programming, neighborhood revitalization, narrowing the digital divide, linking community services and strengthening family programming. As partners, libraries and museums are building new informal learning systems for the 21st century, meeting learning needs from infancy through the senior years.

IMLS seeks additional funding to invest in this community leadership. Two areas are of special concern: supporting strong, creative after school programming and building institutional expertise to strengthen community leadership.

After-School Programs: IMLS seeks funding for both libraries and museums to support strong after-school programs, both at their facilities and within school and community centers. Such programming is especially significant for students at risk. Solid research supports the positive effects of engaging children in life-affirming creative and reliable out-of-school-hour environments. Libraries and museums offer numerous such programs, ranging from homework programs to an innovative computer connections club, sponsored by a current IMLS grant. Children learn new skills, are offered a safe environment, reinforce school-based learning and gain fresh confidence through these opportunities.

Building Institutional Expertise: IMLS seeks additional funding to develop broad professional expertise in both museums and libraries to expand their roles as community leaders. Funds will identify and share best practices, using broad communication strategies to encourage leadership across the nation. Increased funding will build the institutional capacity of museums and libraries and educators and community builders in the 21st century. Further investment in professional practices will support initiatives to support and train minority professionals in museums and libraries.

**Institute of Museum and Library Services
Fact Sheet on Library Services
FY 2001 President's Request**

Program Type	FY 2000 Enacted	FY 2001 Request
State Grants	\$138,118,000	\$151,780,000
Native American Library Services	\$2,616,000	\$3,030,000
National Leadership Grants	*\$22,026,000	\$13,000,000
Federal Administration	\$3,491,000	\$5,190,000

** includes \$11,751,000 in non-competitive Congressionally directed grants*

State Grants

IMLS Grants to States support library services in every State, the District of Columbia and U.S. Territories. Each State develops a five-year plan tailored to the individual states' needs and addressing the goals of using technology to expand access and expanding service to those who may have difficulty using the library. All types of libraries public, academic, research, schools and archives can be eligible (depends on criteria established by each state). For more information about the program and exemplary project descriptions see <http://www.imls.gov>.

- **Libraries are the #1 point of access to the Internet for those who do not have computers at home or work.** However, many public libraries have waiting lists for patrons wanting to access the Internet due to heavy demand. States¹ use IMLS fund to help narrow the digital divide by providing access to computers and to the Internet, community training, and content development.
- **Today's libraries and the librarians are information navigators.** States use IMLS grants help to establish and maintain the infrastructure needed to expand access to rich information resources by developing and purchasing databases; sharing resources, expanding interlibrary loan and purchasing of hardware and software.
- **Libraries support learning throughout the lifetime.** States use IMLS grants for after-school programs, homework centers, literacy training, ESL programs, adaptive services for the disabled, job and health information, support for small business, parenting resources and story telling for children, programs for seniors and more.

National Leadership Grants

These grants enhance the quality of library services nationwide, improve access to information resources, and encourage collaboration between museums and libraries. Grants focus on:

- **Education and training** in library and information science;
- **Research** in library and information science **and demonstration** projects to test potential solutions to problems in real-world situations;
- **Preservation or digitization** of unique resources; and
- **Museum/Library Collaborative** for innovative projects that model how museums and libraries can work together to expand their service to the public, with emphasis on how the community is served, technology is used, or education is enhanced.

Some of the grants in this program in 2001 will explore potential ways to improve technology skills and access for the information "have-nots." Others will contribute to the partnership with NSF, bridging the spectrum from basic research through applied research and demonstration, to implementation of digital libraries.

Native American Library Services

Grants support the development of basic library services, technical assistance and enhancement of library services for Federally recognized tribes, Alaska Native villages and Native Hawaiians. Grants in this program support the development of technology skills and information access, literacy and reading in communities that lack many basic resources and services.

**Institute of Museum and Library Services
Fact Sheet for Museums
FY 2001 President's Request**

Program Type	FY 2000 Enacted	FY 2001 Request
Support for Operations	\$15,967,280	\$15,983,000
Support for Conservation	\$3,130,000	\$3,130,000
National Leadership Grants	\$3,050,000	\$11,635,000
Federal Administration	\$2,160,000	\$2,630,000

National Leadership Grants

This program restructured in FY 2000 supports leadership activities with broad impact. It has four priorities:

- **Museums On-Line** supports model projects that increase access to museum resources for both school-based curricula and informal lifelong learning;
- **Museums in the Community** addresses serious and persistent community needs;
- **Professional Practices** funds professional organizations serving museums to undertake projects that provide technical assistance and training for small museums and professional development opportunities for minorities working in the museum field; and
- **Museum/Library Collaborations** for innovative projects that model how museums and libraries can work together to expand their service to the public, with emphasis on how the community is served, technology is used, or education is enhanced.

Along with a series of smaller awards IMLS will offer several special **Learning Links** awards for amounts ranging between \$250,000 and \$500,000. IMLS encourages museums to join into partnerships citywide, statewide or within disciplines (i.e. art museums or science museums). These projects can address any of the priorities for National Leadership Grants and demonstrate the strength of collective service through collaboration. Priority will be given to projects that advance service for young children or encourage learning collaborative focusing on science, history, or math.

Support for Operations

General Operating Support awards reward excellence in museum operations. Over time the program has been credited for improving museum professional practice nationwide and providing an annual nationwide forum to share best practice. One of the greatest benefits of the program is that decisions about allocation of funds are made at the local museum for their highest priority projects. Grants are used for a wide range of activities; they extend educational programming, broaden community outreach, integrate new technologies, conserve fragile collections, and train staff.

This category also supports grants for museums to participate in the American Association of Museum's Museum Assessment Program. Hundreds of museums have improved their operations, collections care and community outreach using this program of technical assistance.

Support for Conservation

Museums care for over 750 million objects and specimens that represent our nation's cultural heritage. This program has been credited with improving museums' approach to collections care activities nationwide. Though the Conservation Project Support program and the Conservation Assessment Program museum environments have been improved and millions of objects have been treated so that our grandchildren will have access to the rich cultural resources that they hold in trust.

**Programs and Activities
Office of Museum Services**

TABLE A. SUMMARY OF REQUEST, OFFICE OF MUSEUM SERVICES

INSTITUTE OF MUSEUM AND LIBRARY SERVICES SUMMARY OF APPROPRIATIONS REQUEST, FY2001 GRANTS AND ADMINISTRATION			
figures are \$ x 000			
	1999 Enacted ¹	2000 Enacted ²	2001 Agency Request
OFFICE OF MUSEUM SERVICES PROGRAM FUNDS			
OPERATIONS			
General Operating Support	\$15,610	\$15,517	\$15,533
Museum Assessment Programs	\$450	\$450	\$450
SUBTOTAL, OPERATIONS	\$16,060	\$15,967	\$15,983
CONSERVATION			
Conservation Project Support	\$2,310	\$2,310	\$2,310
Conservation Assessment Program	\$820	\$820	\$820
SUBTOTAL, CONSERVATION	\$3,130	\$3,130	\$3,130
NATIONAL LEADERSHIP GRANTS FOR MUSEUMS	\$2,200	\$3,050	\$11,635
SUBTOTAL, P R O G R A M S	\$21,390	\$22,147	\$30,748
ADMINISTRATION			
Operations + Research & Eval	\$2,015	\$2,160	\$2,630
TOTAL, GRANTS AND ADMINISTRATION	\$23,405	\$24,307	\$33,378

¹ FY 1999 Enacted excludes obligations of FY1998 carryover funds: \$168 Admin and \$345 Program.² FY 2000 Enacted reflects rescission of .38% in discretionary BA as provided in HR 3184, P.L. 106-113.

TABLE B. ADMINISTRATION, OFFICE OF MUSEUM SERVICES

figures are \$ x 000 INSTITUTE OF MUSEUM AND LIBRARY SERVICES SUMMARY OF APPROPRIATIONS REQUEST, FY2001 GRANTS AND ADMINISTRATION			
	1999 Enacted ¹	2000 Enacted ²	2001 Agency Request
OFFICE OF MUSEUM SERVICES			
ADMINISTRATIVE FUNDS			
1100 Personnel compensation	\$858	\$945	\$966
1200 Personnel benefits	\$198	\$189	\$193
1300 Benefits for former personnel	\$0	\$0	\$0
2100 Travel and transportation of persons	\$76	\$107	\$112
2200 Transportation of things	\$7	\$8	\$9
2310 Space Rental (SLUC)	\$112	\$176	\$288
2300 Other rentals, communications, and utilities	\$44	\$45	\$41
2400 Printing and reproduction	\$75	\$73	\$70
2500 Other contractual services	\$545	\$307	\$491
2600 Supplies and materials	\$35	\$20	\$15
3100 Equipment	\$4	\$40	\$20
Subtotal, OPERATIONS	\$1,954	\$1,910	\$2,205
RESEARCH AND EVALUATION	\$61	\$250	\$425
TOTAL REQUEST, ADMINISTRATION	\$2,015	\$2,160	\$2,630

¹ FY 1999 Enacted excludes obligations of FY1998 carryover funds: \$168 Admin and \$345 Program.

² FY 2000 Enacted reflects rescission of .38% in discretionary BA as provided in HR 3194, P.L. 106-113.

**Impact of Increase Requested
Office of Museum Services**

Figures are x\$000.

New in 2001: This section identifies the areas where funding increases are requested in 2001 over those amounts available in Fiscal Year 2000.

Promoting Access for All: Increasing Technological Access

IMLS seeks increased funding in 2001 for *Technology Advancement for Museums*, a comprehensive program within National Leadership Grants, in order to address issues of both content and delivery. Funding will add vast cultural materials of national significance to classrooms across the country and will upgrade Internet access through the development of regional electronic networks of museums.

Promoting access for all: Increasing technological access

Technology Advancement for Museums:

OMS National Leadership Grants for Museums: \$7,136

Promoting Access for All: Community Partnerships

IMLS seeks additional funding to help build better communities through the leadership of libraries and museums. Funding will address community outreach through partnerships and will focus especially on the critical development of after-school programming to reach the largest number of at-risk students. A second priority is building the institutional capacity of both libraries and museums to become community leaders, offering best practices through publications, conferences, website links and staff counseling.

Promoting access for all: Community partnerships

After-School Programming and Sharing Best Practices:

OMS National Leadership Grants to Museums: \$ 1,000

Promoting Diversity in Museum and Library Staffing

In support of promoting excellence in museum and library programs, IMLS seeks an increase in funds for new emphases in **professional development** and **museum and library collaborations**.

IMLS is addressing a growing need to encourage, train and support minorities as professionals in both museums and libraries. IMLS will join in partnership with the President's Committee on the Arts and Humanities, the American Association of Museums, the Association of Research Libraries, the Society of American Archivists and the Smithsonian Institution's Center for Museum Studies to provide a comprehensive approach to encouraging minority leadership.

Promoting excellence: Professional development

Training of minority professionals:

OMS National Leadership Grants for Museums: \$ 250

Museum and Library Collaborations: Museums and Libraries as Community Partners

The integration of museum and library programs in a single Federal Agency is stimulating a new and creative synergy, providing an unprecedented combination of resources for the 21st century. Museum and library collaborations have become the catalysts for fresh approaches to education and community enhancement, offering programs as diverse as creating a library for parents in a children's museum to preserving the history of North Carolina crafts through an interactive family website. To build on this exciting merger of ideas, IMLS is requesting increased funding to support a national conference, regional forums, a publication and an online report. Shared through both print and electronic formats, these programs will highlight the best practices in museum/library collaborations to a wide audience, demonstrating the effectiveness of Federal funding in supporting cultural partnerships. Since many museum/library collaborations combine educational resources, this project has great urgency for museums and libraries to enhance their active roles in education for the 21st century.

Promoting excellence, museum and library collaborations

Regional forums:

OMS National Leadership Grants for Museums: \$ 200

Research and Evaluation

An increase in Administrative costs will continue IMLS' program of research and evaluation of its funding categories and initiatives in order to ensure that the best possible service is delivered to our customers. In 2001, this effort will further enhance museum/library collaborations through expanded training in evaluation methodology to demonstrate how these programs change people's lives. Widespread application of outcome-based evaluation and an aggressive sharing of best practices are important strategies in supporting the power of collaboration.

Promoting excellence, museum and library collaborations

Outcome-based evaluation and publication:

OMS Administration, Research+Evaluation: \$50

Providing Service of the Highest Quality

In support of maintaining its efficiency and quality of service to all constituents, IMLS is seeking additional funding for **increased fixed administrative costs**. For the year 2001, the request in Administration for OMS is less than eight percent of the OMS request.

In 2001, the Agency anticipates a forced move by GSA into new quarters. Although, as a forced move, we anticipate GSA will bear most costs, this request includes funds to

provide for modifications that GSA will not cover (such as cabling for LAN, reconfiguration and purchase of isolated furniture components, etc).

The increase requested below also includes the effects of necessary, non-discretionary increases in COLA/locality pay for civil service staff anticipated in the government-wide pay increase in January 2001 and similar increases in such non-discretionary areas as GPO printing, office rent, GSA contract fares and travel management center increases, and honorarium paid to IMLS field reviewers.

An additional FTE is requested for the position of General Counsel for IMLS. IMLS' legal needs have increased since its creation in 1997 to the extent that full-time counsel is warranted for support to both the library and museum operations. It is anticipated that funding one position cost less than the cost of legal services provided through interagency agreements.

Providing high quality service: Agency move + increase in fixed costs

OMS Administration:	\$	420
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OPERATIONS: General Operating Support (GOS)**Vital Statistics-1999**

Amount awarded:	\$15,610,000
Number of applications:	973
Number of awards:	186

General Operating Support (GOS) awards are at the heart of IMLS' mission of serving the public by strengthening museums and libraries. GOS awards recognize excellence in museum operations. They are awarded to museums that demonstrate to their peers through a comprehensive application that they provide outstanding museum services in all areas of operations. The program is highly competitive and demanding; by going through the application process applicants enhance their level of professionalism, and receiving an award is recognized by the field as a mark of great achievement. Museums across the Nation strive to reach the level of professional operations to compete successfully for a General Operating Support award.

One reason for the popularity and effectiveness of this program is that it allows museums to use GOS money where each institution determines it is most needed to improve public service. Monies may be used for such diverse purposes as extending educational programming, broadening community outreach, integrating new technologies, conserving fragile collections, and training staff. High-quality, well-managed museums can identify their greatest needs for continuing exceptional public service. Rewarding excellence leverages additional funding and establishes standards for the field. Conversations with the field have reaffirmed the importance of this program and the leadership of the Federal government in providing key support.

Eighty eight percent of grantees cited specific ways in which GOS grants improved services to visitors. They noted such benefits as: extending or maintaining public hours open to the public; providing new or enhanced printed materials; preparing docents and volunteers to improve visitor

Goal 1) Promote excellence in museum and library services.

Objective

Create and sustain funding programs and activities of national significance that recognize and support excellence in operations.

Outcome

Public services to museums are improved in over 400 museums a year.

Performance Indicator

Museums increase hours, lower admission fees, increase educational programs, and research and preserve collections.

Goal 2) Promote access to museum and library services for a diverse public.

Objective

Create and sustain programs and activities of national significance that promote and support access to all types of museums for diverse audiences.

Outcome

Museum audiences are increasingly diverse.

Performance Indicators

Museums increase bilingual programs, more minority and ethnic groups participate in museum operations and services, targeted audiences have better museum access.

The FY 2001 performance plan calls for the evaluation of GOS reports submitted for awards made in 1999.

services; expanding on-site and off-site exhibits and programs; improving labeling and signs; maintaining or increasing educational staff; and maintaining low or free admission.

IMLS continues to improve the fairness and consistency of application review through a rigorous program of reviewer training. As a result of training, reviewers provide more in-depth comments and, therefore, the feedback IMLS provides to applicants is more substantive. The reviewer training program has proven to be such a success that IMLS has committed to the goal of training all GOS reviewers.

In an effort to increase the number of museums who may receive GOS funding over time, 2001 will mark the second year that grantees who have received awards in two successive competitions will be required to "sit out" a year before applying for another grant.

Grant Highlights

GOS grants make a significant difference in the programming and public support of both large and small institutions. For example:

The Sheldon Museum and Cultural Center in Haines, AK used part of their GOS funds to present the Natalie Forbes photographic exhibit "Reaching Home, Pacific Salmon, Pacific People." This exhibit came at time when there was great debate in the community regarding the recent "disastrous salmon runs". Using this exhibit as a catalyst, the museum was able to bring a diverse group of community members to together to discuss the issue in a panel. The members included commercial fishermen, a biologist, a fish processor, a chart boat operator, and subsistence fishermen. The program helped all involved gain an understanding of each others' needs. The program was videotaped for use in the schools and community. The GOS funds allowed the museum to host an exhibit that brought the community together.

The Akron Art Museum in Akron, OH has regularly presented a summer arts festival at the museum. The museum decided to use part of their GOS award to expand the arts festival to become a "downtown-wide event." The funds paid for additional staff time to help in the planning

and coordination of this larger event. By expanding the festival, the museum was able to get additional community organizations, as well as the Akron business council, to participate. The use of GOS to provide additional staff time has allowed the museum to reach a broader community and create a major summer event for the entire city.

The purpose of the Health Museum in Asheville, NC is "improving health awareness, promoting wellness lifestyles and increasing science literacy through programs and exhibits." GOS funds enabled the museum to expand the availability of its programs and services for schools, increase the development staff, bring in additional traveling exhibitions, increase the activities of the education staff, and expand the summer science program. During the two years of GOS support, the museum has reached record attendance levels.

OPERATIONS: Museum Assessment Program (MAP)**Vital Statistics-1999**

Amount awarded: \$450,000
 Number of awards: 170

The Museum Assessment Program (MAP) is a valued and proven method for museum professionals to engage in constructive self-study, remain current with professional practices and consult with peers on new and emerging issues. MAP provides an effective, cost-efficient means for a museum to obtain an impartial analysis of its strengths and weaknesses.

To fulfill these goals and to remain fresh and responsive to the field, MAP will offer new programs and training opportunities in the request year. MAP's new programs will build on its proven structure, guiding museums toward continual self-study, facilitating peer review, articulating professional standards, sharing best practices and meeting new challenges. The refinements and expansions of MAP's programs emerge from a careful planning process with extensive guidance from the field. The changes also reflect the essence of MAP as a responsive program, recognizing changes and needs within the museum profession.

MAP's most important category, an assessment of the museum's total operation, will expand, offering museums the opportunity to focus simultaneously on one or more of its operational components. Museums will receive assistance in evaluating basic operations, aspects of collections management, issues in the public dimension, and strategies to enhance leadership.

Each grant is coordinated for IMLS by the American Association of Museums. Funding provides the tools for an extensive institutional self-study, followed by one or more site visits from the consultant or assessor. Following the site visit, the consultant prepares a comprehensive report with specific suggestions for enhancement. Grantees report that the MAP program is a useful tool for the museum to upgrade its standards of operation, approach funding sources, and prepare for accreditation.

Goal 1) Promote excellence in museum and library services.

Objective

Create and sustain funding programs and activities of national significance that recognize and support excellence in operations.

Outcome

Nearly 200 museums annually optimize operations for better public service.

Performance Indicator

Museums implement assessor recommendations for better management.

Goal 2) Promote access to museum and library services for a diverse public.

Objectives

Create and sustain programs and activities of national significance that promote and support access to all types of museums for diverse audiences

Outcome

More diverse audiences visit museums participating in MAP.

Performance Indicators

Museums are more actively engaging underserved audiences.

The FY 2001 performance plan calls for the evaluation of MAP reports submitted for awards made in 1998.

A comprehensive new training program will support new components in MAP for surveyors. The program's curriculum and scope is a major asset of MAP's revised programming, preparing dozens of museum professionals with the most current management tools available to the field.

Conservation Project Support (CP)

Vital Statistics-1999

Amount awarded:	\$2,310,000
Number of applications:	228
Number of awards:	70

The IMLS Conservation Project Support program has dramatically affected conservation of our Nation's heritage. This program has promoted conservation as an institution-wide priority, which helps to assure that treasures held in museum collections survive into the future, and that scarce funds for conservation and collections care are effectively used.

Museums recognize the importance of protecting their collections from deterioration so that collections will be available for the enjoyment and education of future generations. The CP program assists museums in educating the public about the importance of conservation activities. Started as part of IMLS' contribution to the Federal celebration of the millennium, museums are receiving Conservation Project Support to include a public education component to their projects—particularly giving access to ongoing work, demonstrations of techniques to extend an object's life, "before and after" presentations, and technical descriptions of scientific principles and practices of conservators at work. This educational component heightens awareness of the need to protect our Nation's cultural treasures and promotes public support for museums as they undertake steps to ensure the survival of our cultural heritage.

Through IMLS support of conservation projects, museums address conservation of their collections in a systematic manner, ensuring that the process will serve the needs of the collection. They start by undertaking general conservation surveys. They are encouraged to develop long-range conservation plans as part of their general surveys. Conservation project applications for research, particularly in the area of species survival, are also encouraged from institutions with significant living animal collections. Requests for support for actual treatment of objects in museum collections are funded in this category as well. Exceptional projects that accelerate the use of innovative practices with national impact and visibility are also funded.

The IMLS Conservation Project Support program, according to

Goal 1) Promote excellence in museum and library services.

Objective

Create and sustain funding programs and activities of national significance that recognize and support excellence in operations.

Outcome

Museum collections are safeguarded from deterioration.

Performance Indicator

Museums improve conservation care of the nation's collections.

Museum audiences are more knowledgeable of conservation needs and practices.

The FY 2001 performance plan calls for the evaluation of CP reports submitted for awards made in 1998.

an independent evaluation, has had an absolutely and fundamentally positive impact on the museum community in moving conservation issues to the center of museum operations.

In 1999, for the first time, IMLS made awards under this category to educate the public about the conservation activities the museums are conducting, furthering the impact of the Conservation Project Support funds.

Grant Highlights

The *Alaska State Museum* in Juneau, Alaska used its conservation grant to improve their collections storage system. With the purchase of new steel cabinets, a valuable collection of Alaskan Native objects made from ivory, animal hides, reeds, wood, and stone can be safely preserved for posterity.

A conservation grant is allowing the *Henry Ford Museum & Greenfield Village* in Dearborn, Michigan to salvage a historic photographic archive that was damaged by fire. Over 36,000 film negatives will be assessed for damage and rehoused, rescuing these historical records from ruin.

The *Chicago Zoological Society* in Illinois received conservation grant funding for a comprehensive project that will result in a practical approach to keeping aquatic animals in zoo collections healthy. The resulting techniques can be adapted by zoos all across the country for their own marine animals. This project also included an education component that will educate high school students to aquatic ecosystems.

Conservation Assessment Program (CAP)

Vital Statistics-1999

Amount awarded: \$820,000
Number of awards: 156

The Conservation Assessment Program guides small museums through their first steps to address general conservation and collections care needs. The program provides general collections assessments for museums, and for institutions housed in historic structures, it also provides funding for architectural assessments. A CAP report identifies collections care issues the museum faces, letting them then prioritize their conservation needs and develop long-range plans for preserving their collections.

Each grant, coordinated for IMLS by Heritage Preservation, Inc., provides a site visit by an appropriately matched consultant from the conservation/architectural profession. Prior to the site visit the museum completes a self-evaluation. Following the site visit, the consultant delivers a report to the museum with specific suggestions for improvement.

IMLS completed an independent evaluation of this program, as part of IMLS' ongoing practice to examine the Agency's activities to identify ways to improve service to museums. Findings from the study state:

"It is evident from the results of the evaluation that the CAP program has been operating quite effectively since its inception in 1990. The CAP program fulfills a vital need to a museum population that wouldn't otherwise have access to the conservation expertise and assistance that CAP provides, and the program has had a significant impact on museums, the conservation profession as a whole, and the preservation of many different types of collections and facilities..."

Grant Highlights

In the last two years, over seventy percent of museums participating in CAP were small museums, with operating budgets under \$250,000.

Goal 1) Promote excellence in museum and library services.

Objective

Create and sustain funding programs and activities of national significance that recognize and support excellence in operations.

Outcome

Nearly 200 museums optimize operations to preserve our cultural and architectural heritage.

Performance Indicator

Museums implement assessor recommendations for better preservation practices.

The FY 2001 performance plan calls for analysis of CAP grants made in 1998.

National Leadership Grants for Museums

National Leadership Grants for Museums is a comprehensive program that addresses four funding priorities:

- Museums On-Line, supporting model projects that increase access to museum resources for both school-based curricula and informal lifelong learning;
- Museums in the Community, addressing serious and persistent community needs;
- Professional Practices, providing funding to professional organizations serving museums to undertake projects that provide technical assistance and training for small museums and professional development opportunities for minorities working in the museum field; and
- Model Programs of Library and Museum Cooperation, for projects that support innovative projects that model how museums and libraries can work together to expand their service to the public, with emphasis on how the community is served, technology is used, or education is enhanced.

Through innovative and replicable projects, National Leadership Grants extend the impact of Federal dollars. They encourage greater public access to museum collections, widespread use of advanced technologies, collaboration in addressing community needs, and leadership in professional excellence. Through an emphasis on partnerships, National Leadership Grants increase services to museums of all sizes, serving diverse communities across the country.

Beyond grants to individual museums and museums associations, IMLS proposes a new initiative for FY 2001 that will demonstrate the power of museums to strengthen their collective service through collaborations. IMLS will offer a series of grants for amounts ranging between \$250,000 and \$500,000 to support demonstration projects to establish new ways for museums to work together and in partnership with other organizations. These projects will encourage networks of museums to address any of the priority areas for National Leadership Grants. Collaborations may focus on local museum collaborations, statewide initiatives or museums of particular disciplines (i.e. art museum

Goal 1) Promote excellence in museum and library services.

Objective

Create and sustain funding programs and activities of national significance that recognize and support excellence in operations.

Outcome

Museums achieve their educational missions more effectively through technology, community interaction, and an increased skills base.

Performance Indicator

Museum collaborative activities with libraries, in networks and in the community produce positive changes in people's lives.

Goal 2) Promote access to museum and library services for a diverse public.

Objectives

Create and sustain programs and activities of national significance that promote and support access to all types of museums for diverse audiences.

Outcome

Technology and collaborations expand services to a broad spectrum of the public.

Performance Indicators

New audiences and a more diverse sector of the public use museum services.

Reports on FY 2001 NLG will be analyzed in FY 2004

collaboratives or science museum collaboratives).

Projects that advance service for young children or encourage informal learning collaboratives focusing on science, history or math will be given priority.

Museums On-Line

Museums On-Line will address a foremost need to bring museum resources to the public through the educational use of technology. Funded projects will address issues of content and delivery and may include: digitization of nationally significant materials with specific application to K-12 curricula; implementation or upgrading of Internet access; development of regional electronic networks of museums; and development of interactive educational applications.

Museums On-Line will build on the findings of IMLS' national research study, implemented in FY2000, to assess the technological readiness and capacity of museums. The study will assist in targeting funding to close the technology gap in museums that hinders full access for our Nation of learners. As the Nation's schools and households gain increased access to electronically networked resources, it is imperative that the wealth of cultural and historical treasures in museums of all sizes be available on-line as accessible educational resources, supported by effective methods of electronic delivery. Museum resources should become core educational materials for all Americans seeking lifelong learning experiences.

With increased interest in providing materials for digital libraries for education, there is an urgent need to assist museums in preparing their collections to be shared nationwide through technology. An IMLS study, initiated in 1999, identified the central issues in information sharing and digitization processes and established a basis for setting guidelines. This grant program, consequently, also serves to share common standards in the museum field for addressing complex technological issues.

Museums in the Community

Museums in the Community awards help museums become catalysts for change within their communities. Awards enable museums to build strategic alliances with community organizations and schools that enhance services to youth, adult

and family audiences. Through this program, IMLS encourages sustainable community partnerships, recognizing the increased efficiency and effectiveness of allying human and financial resources.

IMLS will continue its priority on programs that meet children's needs in the critical hours before and after school, reaching out especially to at-risk youth. As partners in the national America Goes Back to School program, IMLS will emphasize programs that bring schools, communities and families together through creative partnerships. Awards will also continue to support a variety of community-based collaborations that develop replicable models for serving many local needs. Projects such as energizing neighborhood housing projects to provide literacy programs and integrating museum experiences into mental health therapy have demonstrated the remarkable potential of museums as partners in civic life.

IMLS' prior support of community partnership awards has demonstrated the impact of Federal dollars in promoting livable communities. By highlighting model projects, IMLS has been a catalyst in a current national focus on museum/community partnerships undertaken by the American Association of Museums. IMLS' upcoming publication on the topic of building community-centered museums, highlighting funded projects and proven strategies, will be a central resource in the national campaign.

Grant Highlights:

In its third year in supporting museum/community projects, IMLS continues to learn about the impact on thousands of people in all age groups. New partners include programs for the aging; regional Head Start programs, after-school programs, city and public parks and recreation, urban leagues, mental health facilities, public health nursing associations, churches, Big Brothers, Big Sisters organizations, libraries and economic development associations. This diversity underscores the potential for museums and their partners to enhance the quality of civic life.

Using curriculum based on diaries, letters, and oral histories left by earlier immigrants, today's newcomers learn English while drawing strength and inspiration from those who came before. *Familiar Stranger: Learning English through History*, a partnership between the Lower East Side Tenement Museum and

the University Settlement, not only teaches English as a second language to new immigrants, the program also connects participants to such social services as job training, job placement, counseling and child care.

The Oakland Museum of California and the Spanish Speaking Citizen's Foundation Youth and Family Services are partnering to develop a program for collecting, preserving, and exhibiting community history. The program provides low-income, inner-city youth an opportunity to learn skills as researchers and exhibit designers and includes the development and implementation of a Summer Youth History Project.

Studio 3D brings together the Science Museum of Minnesota, Minneapolis Park and Recreation Board and the Minneapolis Community and Technical College to provide after-school programming in science, art and technology to low-income youth, ages 10-18, at the Loring Park Art Center. The programs provide computer training with an emphasis on learning digital design.

Professional Practices Awards

Professional Practices Awards are efficient and cost effective mechanisms for responding to the changing needs of museums and are ideal vehicles to make a difference for the Nation's small to mid-sized museums. The impact of each award is greatly multiplied by reaching many museums in each organization's service areas, whether national, regional, or state.

Professional Practices Awards enhance the ability of museums to serve the public through the highest of professional standards and practices. These awards support current, important issues of museums, such as: strategic planning, leadership development, accessibility, school programming, collections care and public service. Past awards have supported workshops and seminars, technical assistance programs, published materials, tourism initiatives and many other professional development activities that can be effectively provided by regional associations.

Technical assistance and training for small museums remains a priority in this funding category. These smaller museums, the largest segment of museums in the country, are often the pivotal links to a community's heritage, preserving its culture, history, ritual and tradition. They may be the center of a community's life

and vitality and a cornerstone of economic development.

A second priority will be supporting professional development opportunities for minorities working in the museum field. A collaborative effort, undertaken with a variety of museum professional organizations, will analyze the lack of diversity in the museum field in order to identify and address barriers to professional advancement. As museums increase their outreach, it is essential that museum leadership also represent the broad range of the audiences they are trying to reach.

Professional Practices Awards will also incorporate training in evaluation techniques that emphasize measuring outcomes of museum service. Such training is vital to assuring the quality and impact of museum programs for all audiences. The ability to measure outcomes will guide professional practices in all areas and will build community support for the future.

Grant Highlights:

Museums for the Millennium, part of the professional services grants in 1999, supported programs in nearly every state.

The *Ohio Museums Association and the Ohio Association of Historical Societies and Museums* collaborated on regional conferences concerning Ohio's upcoming Bicentennial celebration. These conferences were used to increase visitation, membership, and visibility of all of Ohio's museums as well as to develop more meaningful cooperation between museums and state and local tourism bureaus.

Museums Alaska was supported in its efforts to complete a brochure of all the museums in the State with translation into four languages, as well as to develop and launch a web site dedicated to the museums and their activities.

The *West Virginia Association of Museums* received funding to create family programs around the idea of "Nearby History." This project utilized the resources of the county libraries, schools, and professional associations of folklorists and storytellers in cooperation with museums to teach students and adults the art of collecting oral histories and photos. The resulting histories will be compiled onto an interdisciplinary website.

Model Programs of Museum and Library Cooperation

Model Programs of Museum and Library Cooperation is a category offered jointly by the Office of Museum Services and the Office of Library Services. Projects modeling the new possibilities and impact of cooperative efforts between libraries and museums are among the most exciting results of the Act that brought libraries and museums together into one Federal agency. These grants stimulate national models that explore the partnership potential of libraries and museums in concert with their communities.

Successful proposals to this program have broad national impact, providing models that can be widely adapted or replicated by others to multiply the benefit of Federal support. They may focus on such goals as expanding access to new audiences, developing links through technology, creating new formats for educational materials or addressing vital community needs. For FY2001, priority will be given to proposals that build educational/technological partnerships to meet the changing needs of the 21st century learner, whether school-based or in the home.

In FY 1999, IMLS research on library/museum partnerships found an interesting paradox. While museums and libraries typically do not consider each other as partners, when they do partner they report very positive experiences. Together, increased access to information for their communities, enhanced education, new audiences, and expanded reach of their programs were all benefits. Partners report that they have similar missions and audiences, and once in a partnership, both museum and library partners view their collaborations as a natural fit.

Recognizing the benefit partnerships can bring to museums and libraries, IMLS will organize a national conference in FY2001 to promote museum and library partnerships and their promise for the future. The 1999 research study underscores the breadth and potential of such collaboration, and provides significant information to help structure the national conference. A publication, incorporating research, promising practices and guidance in partnership practices, will be developed in conjunction with the conference.

These National Leadership Grant categories mark a new opportunity for libraries and museums to advance the work they do by serving the public in effective and efficient ways, by

addressing real community needs, by expanding access to new audiences and by implementing the use of the best and newest technologies. Successful proposals to this program have broad national impact, providing models that can be widely adapted or replicated by others to multiply the benefit of Federal support.

Library and museum partnerships—different organizations with similar missions and audiences—working together can broaden the impact of this Federal support. Further, partnerships of libraries, museums and others provide more effective opportunities to solve problems by sharing strategies. Partnerships may have a multiplier effect that will strengthen all involved during the project and into the future.

Grant Highlights:

In a 1998 NLG collaboration grant, the Florida Center for Library Automation, University of Florida, Gainesville, Florida undertook a project to create a virtual library of Florida ecological information, in partnership with the Florida Museum of Natural History, Florida International University, and Florida Atlantic University.

With support from IMLS NLG collaboration grant, the Leigh Yawkey Woodson Art Museum is partnering with the Marathon County Public Library on a children's book exhibition, *Down Under and Over Here*. The museum is featuring a 14-week exhibition of 60 illustrations by American and Australian children's book authors/illustrators, and the museum and library are hosting 57 related public programs for children and families, including author lectures for families and at schools, storytelling sessions for babies, and an educational website.

The Rhode Island School of Design joined with the Providence Public Library to bring arts programming to the citizens of Rhode Island. The two partners are collaborating on several large-scale public efforts to reach the community in a variety of ways. The partners are selecting twelve artists for residencies, developing three joint exhibitions a year, and have created *Wheels of Wonder*, a bus that brings art, books, and related activities into neighborhoods and schools. The NLG collaboration grant has made this partnership possible.

C: ADMINISTRATION

Operations, Research and Evaluation

Administrative activities necessary to support each office are presented separately. This section pertains to those activities anticipated for the Office of Museum Services only. Justification for the administration of the Office of Library Services may be found in the section that describes that office.

Funds requested for administration will allow the Agency to provide the highest quality service possible to the American public. In developing the estimates detailed below, full consideration has been given to enhancement of customer service and streamlining operations. The management of IMLS is committed to the goals of the Government Performance and Results Act of 1993 as well as the principles of reinventing government and putting its customers first, and has therefore implemented the following measures:

--In conjunction with regularly scheduled conferences held by professional museum associations, IMLS continues to convene sessions in which members of the museum community share their concerns with the Director and their view of how IMLS could best serve their constituencies. IMLS incorporates feedback from these meetings to focus the mission of the Agency and to form the basis of long range planning.

--In FY 1998, IMLS began direct and indirect training for managers of IMLS-funded activities in the practice of outcome evaluation. Recent participants reported that implementing the outcome evaluation model reaps positive management returns. IMLS will continue to train project managers through FY 2000 and FY 2001.

--IMLS has initiated and is monitoring an active evaluation program of each funding categories. Depending on funds available and the most prudent use of IMLS work force, IMLS plans to initiate evaluations according to an appropriate schedule. Major components of each evaluation are a client survey, assessment of outcomes and management analysis. Programs will be improved based on these recommendations.

Goal 3) Provide high-quality service and efficient operations

Objective

Sustain ongoing oversight and evaluation of the Agency's operations and processes to ensure integrity and efficiency and to ensure their relevance to museum and library needs.

Outcome

Management of electronic databases increases Agency effectiveness in program administration, public information and congressional activities.

Performance Indicator

Survey of audiences indicates satisfaction with type and speed of access to Agency information. Staff is able to analyze program data more efficiently.

Management Highlights

IMLS is nearing completion of new database software for enhanced tracking and analytical capabilities. With this migration, staff can manage application and award procedures more efficiently.

Objective

Maintain knowledge of and coordination with other public agencies and private organizations.

Performance Indicators

IMLS is active in effective partnerships.

Management Highlights

In 1999, IMLS teamed with numerous Federal agencies in projects ranging from *Saving America's Treasures* to the *Digital Library for Education*.

In 1999, IMLS staff participation in interagency activities included working

--IMLS continually questions and improves its systems for the review of applications, criteria for making awards, and evaluation of awards made. Clients surveyed include applicants and reviewers of IMLS applications, who are asked for recommendations on how IMLS might improve its programs and delivery systems.

--IMLS solicits additional policy advice regarding potential changes to its museum funding categories from its advisory body, the National Museum Services Board. Such discussions are held in open sessions of regularly scheduled meetings.

--Proposals for changes in Agency policy that affect awards to museum applicants are proposed through the regulatory process, permitting public notice and public comment. IMLS revisions occur according to comments received as a result of this process.

--The Director of IMLS is engaged in a program of regular, periodic, informal meetings with members of the professional museum community, educators, and representatives of professional museum organizations. These meetings, convened at no cost to the government, are for the purpose of informing the Director about the needs and identity of our clients: who they are, whether IMLS is currently addressing a sufficient segment of their constituency, and if not, how the orientation of the Agency should change.

--Supplemented with private funds, IMLS has instated an annual competition to honor museums that have made a significant contribution to their communities in systemic, lasting ways. The National Award for Museum Service is a low-cost means of celebrating the exemplary outreach of a few select museum models and has received positive museum-wide and national press since its inception in 1994.

IMLS has established a series of independent evaluations of its grant programs. Generally, the staff completes the evaluation of one program a year. These evaluations encompass participant satisfaction, appropriateness of the IMLS mission and impact on museum operations. In 1999, the Conservation Assessment

with the President's Committee on the Arts and the Humanities and the National Endowments for the Arts and Humanities on several issues of mutual concern including cultural tourism and millennium projects. Other examples of interagency collaboration include the continuation of the formal interagency agreement with the Endowments and the National Science Foundation undertaking research on learning; serving on the President's Council on the Arts and the Humanities regarding the Arts and Artifacts Indemnity Act; taking part in the Federal Communications Commission working group on issues of universal service; participating in an intergovernmental task force on Federally owned collections and their funding sources; and maintaining Agency representation on the Small and Micro Agency Councils.

Objective

Maintain effective communication systems with the museum and library communities.

Outcomes

In October 1999, IMLS unveils its revised and restyled Website to provide more and more easily accessible information. Agency staff are known to museum and library communities and are accessible and responsive.

Success Indicators

Audiences are clear about Agency mission. Audiences use electronic technology to a high degree to interact with IMLS. Audiences indicate a high satisfaction with ability to interact personally with IMLS staff.

Program evaluation neared completion, with strongly positive preliminary findings. This funding category has, since 1990, provided support to small museums to help them address general conservation and collections care needs.

In FY 2000, IMLS is conducting an evaluation of the Professional Services Program. This program strengthens the capacity for museum associations to serve their memberships. Drawing from numerous highly successful projects, the evaluation will identify best models to help shape the professional practices award category of the National Leadership Grants for museums.

Management Highlights

The IMLS strategic communication plan is implemented through publications, speeches, and other activities. IMLS is committed to keeping the Administration, Congress, the museum and library communities, and the public informed about the value of museums and libraries to our society.

OPERATIONS

Since the museum programs were created in 1976, administrative costs have been kept at the lowest possible levels while the Agency has maintained a commitment to the highest feasible level of service to the public. Management has encouraged the participation of each employee of the Agency in suggesting ways to streamline activities and keep costs down, as well as means for enhancing the quality and delivery of Agency services. This cooperative approach has resulted in the adoption of methods and savings in which input from every employee has been solicited and considered.

Table B summarizes the funds requested for Administration in 2001. This request will fund necessary, non-discretionary increases in COLA/locality pay for civil service staff anticipated in the government-wide pay increase of January 2001 and similar increases in such non-discretionary areas as GPO printing, office rent, postage, and travel increases to GSA contract fares and travel management centers.

The following information provides greater detail of this request, presented by object classifications.

JUSTIFICATION OF OPERATING COSTS BY OBJECT CLASS

- 1100 Personnel Compensation
- 1200 Personnel Benefits
- 1300 Benefits for Former Personnel

The IMLS organizational structure includes three offices: the Office of Museum Services, the Office of Library Services, and Office of the Director. To streamline activities and maximize efficiency, existing positions were realigned and redescribed. The two new Deputy positions mandated by the Museum and Library Services Act of 1996 were created within existing FTE levels.

The request for personnel costs includes costs of within grade increases, planned promotions, and performance awards for qualified staff, and makes use of the effects of lapse savings made possible by delayed hires and turnover. This estimate also includes the annualized costs of the 4.94 percent pay raise for non-Executive Schedule positions that went into effect in January, 2000 (this increase includes both ECI-based and locality pay raises for 2000). The estimate for 2001 anticipates three quarters of a 3.9 percent increase for Federal positions to go into effect in January, 2001.

To keep Personnel costs at a minimum, the salary for National Museum Services Board members is proposed to remain at \$100/day, well under the amount allowed by law.

Estimates provided for benefits include the Agency's share of contributions for health insurance, life insurance, FERS, CSRS, and FICA, TSP match, unemployment benefits

and for injuries sustained in the workplace. Most employees are covered by the FERS retirement system, which charges the Agency a higher cost than CSRS. This request includes costs of benefits of employees covered by the Civil Service Retirement System, increasing 1.51 percent in Agency contributions by the year 2001.

2100 Travel and Transportation of Persons

This object class includes cost of travel by IMLS staff and Board members. It includes travel for IMLS staff to make presentations at conferences, visit applicant museums, conduct workshops on IMLS programs and to prepare for reauthorization in 2002, and for staff professional development. In 2001, funds are requested in this object class for staff to hold regional forums to stimulate sharing of best practices and wider opportunities for museum and library collaborations. The request also includes the effect of the increased charge to all Federal agencies by GSA-contracted travel management centers for processing official travel transactions.

This object class also includes travel for members of the National Museum Services Board, including two regular meetings, and one meeting to be held jointly with the National Commission on Libraries and Information Science. This request does not include travel funds for NCLIS members to attend this meeting, as NCLIS, a separate Federal agency, receives a separate travel allocation for travel of its Commissioners. In addition, this request will allow NMSB representatives to attend IMLS panel meetings, as well as the Museum Assessment Program Advisory Committee meeting, convened by the American Association of Museums. It also includes transportation costs associated with the National Award for Museum Service, authorized by the National Museum and Library Services Act.

2200 Transportation of Things

This object class includes shipping applications to reviewers, panelists, and materials to National Museum Services Board members. It also includes the cost of shipping guidelines, brochures, and other materials to conferences and workshop sites. These materials enhance training by IMLS staff on effective application and evaluation procedures.

2300 Rent, Communications, and Utilities Rental of Space (SLUC) Equipment rental Telephone services Postage

The estimate for space rental includes the OMS portion of IMLS rent. The Agency has been advised that GSA plans to move the Federal agencies currently occupying the Old Post Office Building into new space in mid-year 2001. Preliminary space planning estimates by GSA project IMLS space needs will increase to include fire egress and circulation space, plus an increase to permit future expansion. The estimate for rental of office space assumes the Agency will remain for one half of the year in the Old Post Office at the rate anticipated for FY2000 of \$37 per sq. ft., and one half of the year in new quarters at approximately \$46 per sq. ft, derived from GSA estimates for rental rates in the central business district of Washington, DC plus GSA's 8 percent overhead surcharge on leased space.

As a forced move, we anticipate GSA will bear most costs to move the Agency's furniture and records, but ancillary costs anticipated to be necessary, such as costs to reassemble and replace some furniture components, non-telecommunications cabling, and minimal building modifications and equipment will not be covered by GSA, and are included in this request.

Equipment rental consists of copier rental and rental of audio visual equipment used in the delivery of reviewer training and conference sessions at meetings off-site. Postage includes cost to mail applications and guidelines, other IMLS publications, and National Museum Services Board briefing books.

2400 Printing and Reproduction

IMLS is strengthening communications by better utilizing the capacity of its website to promote best practices, as well as by providing customers with the key services they seek: grant applications and technical assistance. However, many Agency customers do not yet have the technological infrastructure in place to use this means of dissemination to sufficiently reach them. Consequently, this request includes funds in this object class to enable the Agency to continue providing in print such materials as program applications and guidelines, research publications and the Agency annual report, and Federal Register notices. IMLS will simultaneously continue to expand the electronic dissemination of all public materials to prospective customers from institutions of all sizes and in all geographic areas, ensuring that printing costs will be kept to a minimum.

2500 Other Contractual Services

This object class includes costs of equipment maintenance, staff training, bulk mailing services for publications and announcements, honoraria and travel for reviewers and panelists, per capita costs for processing payment transactions by the Department of the Treasury, per capita charges for the employee health unit, services to facilitate distribution of IMLS public affairs announcements, and building security. Also included are costs of deliveries of the IMLS display booth and materials for presentations at

meetings and conferences, temporary clerical services, and production expenses associated with publications.

Funds are requested in this object class to cover essential interagency agreements. These include payroll services provided by the Department of Agriculture's National Finance Center and an agreement with the Department of Labor for the negotiation of indirect cost rates. In addition, through this object class, IMLS also funds an interagency agreement with NEH as a valuable cost-saving arrangement for IMLS. Through this agreement, IMLS is provided fundamental administrative services by NEH staff and systems currently in place in the areas of personnel management, accounting, administrative services, equal employment opportunity, automated data processing, and IT management services. The expense of separately creating, staffing, housing, and providing equipment for positions currently serving these functions would far exceed the cost of their services as currently charged, on an as-needed or per-purchase basis.

In 2001, costs are requested to support activities in conjunction with an anticipated Agency move that will not be covered by GSA. These are primarily cabling, disassembly and reassembly of modular furniture, and building modifications that may be necessary in the new space.

2600 Supplies and Materials

An advantage of the cooperative agreement between IMLS and NEH is the opportunity for IMLS to combine purchases of supplies and materials with NEH bulk orders, where possible, to qualify for quantity discounts. This practice will be continued in the request year, as will carefully comparing prices from a variety of vendors, including items on the GSA schedule, for the lowest possible costs.

3100 Equipment

The majority of equipment expenditures that are anticipated will be replacement of computer equipment, software, and furniture where repair would be more expensive than replacement. In conjunction with the Agency move, some additional furniture components will be needed to adapt existing furniture to the floor plan of the new space. IMLS intends to maximize the usefulness of existing hardware by upgrading equipment rather than purchasing new units wherever possible.

This request also includes upgrades to local area network equipment hard- and software in order to accommodate upgrades in database management and accounting. It is anticipated that costs will be kept to a minimum by working closely with NEH to ensure volume purchase discounts and compatibility of systems, so that the service to our constituents is enhanced.

Programs and Activities
OFFICE OF LIBRARY SERVICES

TABLE C. SUMMARY OF REQUEST, OFFICE OF LIBRARY SERVICES

figures are \$ x 000	INSTITUTE OF MUSEUM AND LIBRARY SERVICES SUMMARY OF APPROPRIATIONS REQUEST, FY2001 GRANTS AND ADMINISTRATION		
	1999 Enacted ¹	2000 Enacted ²	2001 Agency Request
OFFICE OF LIBRARY SERVICES PROGRAM FUNDS			
STATE GRANTS	\$135,367	\$138,118	\$151,780
NATIVE AMERICAN LIBRARY SERVICES	\$2,908	\$2,616	\$3,030
NATIONAL LEADERSHIP GRANTS	\$25,000 ³	\$22,026 ³	\$13,000
SUBTOTAL, PROGRAMS	\$163,275	\$162,760	\$167,810
ADMINISTRATION			
Operations + Research & Eval	\$2,900	\$3,491	\$5,190
TOTAL, GRANTS AND ADMINISTRATION	\$166,175	\$166,251	\$173,000

¹ FY 1999 Enacted excludes obligations of FY1998 carryover funds: \$168 Admin and \$345 Program.

² FY 2000 Enacted reflects rescission of .38% in discretionary BA as provided in HR 3194, P.L. 106-113.

³ Includes directed grants (\$15,435 in FY99 and \$11,751 in FY00)

TABLE D. ADMINISTRATION, OFFICE OF LIBRARY SERVICES

figures are \$ x 000

**INSTITUTE OF MUSEUM AND LIBRARY SERVICES
SUMMARY OF APPROPRIATIONS REQUEST, FY2001
GRANTS AND ADMINISTRATION**

	1999 Enacted ¹	2000 Enacted ²	2001 Agency Request
OFFICE OF LIBRARY SERVICES			
ADMINISTRATION			
OPERATIONS			
1100 Personnel compensation	\$1,022	\$1,356	\$1,384
1200 Personnel benefits	\$199	\$258	\$263
1300 Benefits for former personnel	\$0	\$0	\$0
2100 Travel and transportation of persons	\$61	\$101	\$114
2200 Transportation of things	\$6	\$8	\$9
2310 Space Rental (SLUC)	\$300	\$289	\$617
2300 Other rentals, communications, and utilities	\$33	\$45	\$46
2400 Printing and reproduction	\$32	\$100	\$110
2500 Other contractual services	\$674	\$829	\$1,907
2600 Supplies and materials	\$23	\$35	\$40
3100 Equipment	\$5	\$20	\$50
Subtotal, OPERATIONS	\$2,355	\$3,041	\$4,540
RESEARCH AND EVALUATION	\$545	\$450	\$650
TOTAL REQUEST, ADMINISTRATION	\$2,900	\$3,491	\$5,190

¹ FY 1999 Enacted excludes obligations of FY1998 carryover funds: \$168 Admin and \$345 Program.² FY 2000 Enacted reflects rescission of .38% in discretionary BA as provided in HR 3194, P.L. 106-113.³ Includes directed grants (\$15,435 in FY99 and \$11,751 in FY00)

**Impact of Increase Requested
Office of Library Services**

Figures are x\$000.

This section identifies the areas where funding increases are requested in 2001 over those discretionary amounts (that is, exclusive of directed grants) available in Fiscal Year 2000.

Promoting Access for All

In support of providing and assuring access to museum and library services for all Americans, IMLS needs additional funding in two areas: to **increase technological access** to museum and library resources for both school-based and lifelong learning and to encourage **community partnerships** to address serious and persistent community needs.

Promoting Access for All: Increasing Technological Access

IMLS is charged by statute with supporting digitization and preservation of library resources. To answer this charge, IMLS seeks funding for several comprehensive efforts within National Leadership Grants.

Research is needed to inform practice in the digital age. Federal support of applied research and demonstration projects helps to build a body of knowledge that can be applied in all kinds of libraries across the nation. The funds requested will support projects that advance the development and use of standards, answer questions about how people use information, explore ways to optimize workflow and respond to other issues raised by the library community and other constituencies concerned with the effective use of information resources.

These projects will also support graduate research fellowships, building the pool of qualified faculty needed to supply a critical shortage of library and information science faculty.

IMLS also seeks funding to continue the development of a project that will pool the expertise and resources of numerous Federal agencies to provide seamless access to very high-quality learning resources across disciplines and geographical boundaries. This funding will enable IMLS to collaborate with the National Science Foundation to provide linkages among digital library resources as part of the Center for On-Line Learning.

Digital information appropriate for education and lifelong learning is available on the Internet but is not yet accessible in usable ways to all Americans. The amount requested will enable IMLS to participate, in collaboration with the National Science Foundation, in developing linkages to digital library and museum resources funded through National

Leadership Grants as well as to digital resources supported by NSF and other sources. This collaboration will provide vital educational content to the classrooms of America. Funds will be used to enable libraries, museums and archives with digitized collections to retrospectively attach descriptive "metatags" to allow for searching through the new digital resource. It will also enable IMLS to fund the creation of discipline-specific taxonomies (lists of metatags) that will be needed to provide subject access to collections. Library and museum professionals, computer scientists, educators, and users will work collaboratively to develop a useful and sustainable digital library of educational resources currently maintained on the servers of widely dispersed institutions. The resources will be used by teachers, students and adults working in schools, homes and public places such as community centers and libraries across the country.

Promoting access for all: Increasing technological access

Research and Demonstration for digital libraries:

OLS National Leadership Grants for Libraries: \$2,025

An increase is also requested for the State Library Program to help close the "digital divide," leveling the playing field between information "haves" and "have nots." The additional dollars will increase the number of online databases available on a statewide level, will enhance cooperation among libraries of all types and will extend services to school library media centers, allowing students and teachers access to materials in public, academic and special libraries. Groups served by the IMLS Native American and Native Hawaiian Library Programs will also gain access to information technology through an increase in LSTA funding that further reduces the number of low-income, rural and minority groups without access to Internet services.

Promoting access for all: Increasing technological access

Closing the Digital Divide:

OLS Grants to States: \$ 5,000

Promoting Access for All: Community Partnerships

Libraries and museums across the country are active community contributors. IMLS seeks additional funding to help build better communities through support of new community-based programs, especially in the area of after-school programming to reach the largest number of at-risk students. Solid research supports the positive effects of engaging children in life-affirming, creative and reliable out-of-school-hour environments. Libraries and museums offer numerous such programs, ranging from homework programs to an innovative computer connections club, sponsored by a current IMLS grant. Children learn new skills, are offered a safe environment, reinforce school-based learning and gain fresh confidence through these opportunities. Additional money is sought to share best practices among libraries and museums as well as to support new programs that add extraordinary resources to children's lives.

Promoting access for all: Community partnerships

After-School Programming and Sharing Best Practices

OLS Grants to States:

\$ 1,000.

IMLS currently supports an annual award to museums demonstrating outstanding museum service. A similar program, The National Award for Library Service, given in conjunction with the National Commission on Libraries and Information Science, will spotlight the exemplary work of libraries building and sustaining strong community partnerships, including after-school programs. This award, and the prestige it brings, is one of the most effective ways to encourage and share the power of libraries in creating livable communities.

Promoting access for all: Community partnerships

National Award for Library Service:

OLS Administration:

\$ 35

Promoting Excellence in Museum and Library Services

In support of promoting excellence in museum and library programs, IMLS seeks an increase in funds for new emphases in **professional development** and **museum and library collaborations**.

Professional Development:

IMLS has been alerted to profound needs for comprehensive support for professional development in three areas: 1) to address a critical shortage of librarians, especially those with specializations in services to special populations such as children and youth, and of faculty with advanced skills to teach in graduate schools of library and information science; 2) to train librarians and museum staff in the use of new technologies; and 3) to support training and advancement of minorities in both museums and libraries.

IMLS seeks new funding to address the urgent need for recruitment and training of new librarians. Innovative programs are needed to attract new professionals and increase the pool of library school faculty who teach in graduate programs of library and information science. Increased funding will support National Leadership Grants that address these issues and emphasize meeting the need for specialists in children and youth services, where there is already a serious shortage of qualified professionals. Similarly, increased funding through the State Library Program is vital to train library staff and library users in the use of new technologies, a need given priority status by most State programs. An increase in Native American Library Services will assist tribal libraries in attracting and keeping professional staff for tribal libraries, where the shortage of professional staff is compounded in many cases by rural isolation.

Promoting excellence: Professional development

Hiring and training of librarians:

OLS Library Grants to States:

\$ 7,662

OLS Native American Library Services:

\$ 414

OLS National Leadership Grants for Libraries: \$ 250

IMLS is also addressing a growing need to encourage, train and support minorities as professionals in both libraries and museums. IMLS will join in partnership with the President's Committee on the Arts and Humanities, the American Association of Museums, the Association of Research Libraries, the Society of American Archivists and the Smithsonian Institution's Center for Museum Studies to provide a comprehensive approach to providing minority leadership.

Promoting excellence: Professional development

Training of minority professionals

OLS National Leadership Grants for Libraries: \$ 250

Museum and Library Collaborations: Museums and Libraries as Community Partners

The integration of museum and library programs in a single Federal agency is stimulating a new and creative synergy, providing an unprecedented combination of resources for the 21st century. Museum and library collaborations have become the catalysts for fresh approaches to education and community enhancement, offering programs as diverse as creating a library for parents in a children's museum to preserving the history of North Carolina crafts through an interactive family website. To build on this exciting merger of ideas, IMLS is requesting increased funding to support a national conference, regional forums, a publication and an online report. Shared through both print and electronic formats, these programs will highlight the best practices in library/museum collaborations to a wide audience, demonstrating the effectiveness of Federal funding in supporting cultural partnerships. Since many museum/library collaborations combine educational resources, this project has great urgency for museums and libraries to enhance their active roles in education for the 21st century.

Promoting excellence: museum and library collaborations

Regional forums:

OLS National Leadership Grants for Libraries: \$ 200

An increase in Administrative costs will continue IMLS' program of research and evaluation of its funding categories and initiatives in order to ensure that the best possible service is delivered to our customers. In 2001, this effort will further enhance museum/library collaborations through expanded training in evaluation methodology to demonstrate how these programs change people's lives. Widespread application of outcome-based evaluation and an aggressive sharing of best practices are important strategies in supporting the power of collaboration.

Promoting excellence: museum and library collaborations

Outcome-based evaluation and publication:

OLS Administration, Research+Evaluation: \$50

Providing Service of the Highest Quality

In support of maintaining its efficiency and quality of service to all constituents, IMLS is seeking additional funding to **share best practices with the library community** and to prepare for **increased fixed administrative costs**.

For the year 2001, the request in Administration is three percent of the OLS request, as specified in the Museum and Library Services Act, IMLS' authorizing legislation.

Providing High-quality Service: Sharing Best Practices

To assess the perception of the library community from all regions of the nation, IMLS plans in FY 2001 to convene a series of discussion groups with leaders in the library profession to hear their views on current IMLS services and programs and to learn their ideas for the ongoing role of IMLS. These discussions with representatives of the library community will be widely shared with other library professionals at conferences, on electronic listservs, and other liaison activities. IMLS will issue a final report that articulates a vision and strategy to meet the needs of the library community over the ensuing five years.

Providing high-quality service: sharing best practices

OLS Administration:

\$.500

Providing High-quality Service: increase in fixed administrative costs

In 2001, the Agency anticipates a forced move by GSA into new quarters. Although, as a forced move, we anticipate GSA will bear most costs, this request includes funds to provide for modifications that GSA will not cover (such as cabling for LAN, reconfiguration and purchase of isolated furniture components, etc).

The increase requested below also includes the effects of necessary, non-discretionary increases in COLA/locality pay for civil service staff anticipated in the government-wide pay increase of January 2001 and similar increases in such non-discretionary areas as GPO printing, office rent, GSA contract fares, and honorarium paid to IMLS field reviewers.

An additional FTE is requested for the position of General Counsel for IMLS. IMLS legal needs have increased since its creation in 1997 to the extent that full-time counsel is warranted for support to both the library and museum operations. It is anticipated that funding one position will cost less than the cost of legal services provided through interagency agreements.

Providing high-quality service: Agency move + increase in fixed costs

OLS Administration:

\$ 1,114

Library Grants to States

Vital Statistics-1999

Number of Awards: 59 (to all 50 States, DC, and the Territories)
Total Awarded: \$135,366,938

Each State Library Agency (SLA) submits a five-year plan that describes how the State Library Agencies will use IMLS funds to advance the goals of the Library Services and Technology Act. SLAs may use funds to establish or enhance electronic linkages among libraries; electronically link libraries with educational, social or information services; assist libraries in accessing information through electronic networks; encourage libraries to establish consortia and share resources; pay for computer systems and telecommunications technologies; and target library and information services to persons having difficulty using a library and to underserved urban and rural communities, including children from families with incomes below the poverty line.

The Director approved the initial 59 plans and the first set of grants were made in December, 1997. These plans form the basis for implementing the priorities established by the states through 2002.

Providing excellent and equitable library service requires a variety of integrated resources that can respond to the varying needs of the states. In some states, the Federal role is to supplement local and state funding to support innovative programs that broaden the horizons of library service. In others, Federal funding bolsters key services for libraries in rural or economically disadvantaged areas. In still others, Federal funding helps encourage cooperative activities that enhance cost-effective library service. Over the years, Federal funding has helped build effective state networks that encourage local effort and support a wide variety of library services.

As a result of these IMLS State Library Programs, people using all types of libraries are able to get information they want and need because of projects that make content available in all appropriate media, projects that enhance access by improving electronic networks and linkages, and projects that enhance the ability of staff to provide electronic and traditional library services. Common themes in the state plans include programs

Goal 1) Promote excellence in museum and library services.

Objective

Create and sustain funding programs and activities of national significance that recognize and support excellence in operations.

Outcome

Libraries advance library services by electronic linkages, computer and telecommunications technology and resource sharing.

Performance Indicator

Higher levels of access and use of electronic networks and linkages.

Goal 2) Promote access to museum and library services for a diverse public.

Objective

Promote access to learning and information resources held by museums and libraries through electronic linkages

Outcome

Libraries increase electronic linkages to resources.

Performance indicators

Higher levels of electronic access to museum and library resources.

Interim evaluation reports on implementation of the state plans will be available for analysis for FY 2001 performance plan.

involving databases, resource sharing and interlibrary loan, Internet access for libraries and the purchase of hardware and software for libraries.

The public will be able to use library services to support lifelong learning through projects that support literacy for children and adults, projects that involve helping library users to acquire new knowledge and skills in our rapidly changing society, and projects that provide services to users in support of learning. Although libraries will continue to provide valued traditional services such as programs for children and access to books, the new kinds of information resources and computerized management systems require human and social changes in libraries just as they require changes in classrooms, offices and other workplaces.

People who have difficulty using libraries will have better access to library services as a result of projects that use adaptive technologies or special services to improve access or community outreach projects that target the underserved. Many states will implement services for people with physical disabilities and other special needs populations.

Members of the public will have access to information in non-library settings through services provided by their libraries because of projects that encourage and support partnerships. Partnerships can involve other libraries, businesses, not-for-profit and governmental agencies, thereby engaging a broader community in supporting the public and providing information.

People will be aware of the opportunities offered through library services as a result of programs that support and encourage advocacy for libraries and library services. Even the best library services will not be used to the fullest extent unless people know about them, and new kinds of library service cannot be developed unless library users as well as library professionals have a sense of what is possible.

Many challenges face the states as the Nation moves into the new century. Building infrastructure that ensures libraries have access to adequate telecommunications and computer equipment has been a focus for a number of years and will continue as we move into the new millennium. State Library Agencies will plan for the next steps that will help people reap the advantages of building an information infrastructure and

enhancing Internet access. Libraries will need the resources to ensure this process is successful.

Grants to States under LSTA are based on a formula tied to a state's population plus the minimum allocation of \$340,000. The state plans may be implemented either directly or through subgrants. The Federal share is sixty-six percent. States may use no more than four percent of their allocations for administration.

IMLS continues to acknowledge the Federal role to support increasing access to information services to the public. The goals of the Museum and Library Services Act reflect the strong tradition of libraries providing central information and education resources for their communities. The emphasis on technology, electronic linkages and resource sharing helps ensure that libraries will continue to be on the forefront of information access now and into the 21st century.

Falling Through the Net: Defining the Digital Divide, a report issued by the Department of Commerce in July, 1999, found a significant divide separating information "haves" from "have nots." To narrow this gap, the report recommends establishing and supporting community access centers to help ensure that all Americans can access new technologies. State Library Agencies are already contributing to achievement of this goal.

There have been some successes. A study of public library access to the Internet (McClure & Bertot, 1998) reported that 93.2 percent of public library outlets plan some kind of Internet connection by June, 1999. Goals are being continually revised to ensure that libraries are able to provide graphical access for the public so people can take advantage of information available through the World Wide Web.

Libraries also face increasing costs to upgrade, maintain and support new information technologies. Since technology is changing fundamentally the way libraries do business, it cannot be considered optional. Libraries face difficult choices as they struggle to implement new technologies and continue traditional basic services such as literacy for children and adults, serving the underserved and purchasing library materials.

Statewide access to full-text databases provides equitable services to a broad range of library users. It also results in lower

costs. Increases in funding for the State Program will allow expansion of these services and support training programs for library staff and users to promote effective use.

States are already beginning to plan for evaluation of their Five-Year Plans as required by the law. In 2001, there will be additional costs associated with the evaluation process, which could result in reduced services if additional resources are not provided.

Grant Highlights

Brooklyn, New York - Information Access through Technology - Brooklyn Collection: The Brooklyn Public Library used IMLS funds to digitize 12,500 of the most frequently requested photographs from their collection. Now historians, researchers and general visitors who use the Brooklyn Daily Eagle (the Collection's largest source of photographs) have access to a database of these photographs. Fourteen subject categories were chosen reflecting the topics most often requested by users. The database will enable patrons to search an image database and to access two possible levels of derivatives: 1) thumbnails showing a range of images conforming to the subject area requested; and 2) a full screen image at medium range for reference purposes. Brooklyn Collection staff gained valuable experience in exploring the many issues inherent in electronic imaging and cataloging of visual images.

Raleigh, North Carolina - State Government Information Locator Service: The North Carolina State Government Information Locator Service is a project designed to improve access to currently available state government information on the World Wide Web through embedding metadata ("data about data" - tagged fields of information that describe an information resource) within Web pages. The embedded metadata can then be searched and retrieved with customized search engine software. During Phase I, State Library staff identified the most used state government information and determined suitable software and hardware for the search and retrieval system, which has been named FIND NC. Phase 2 focuses on the implementation of a fully usable version of FIND NC. It will provide programming and technical consulting to customize the search and retrieval software, investigate the Z39.50 interface, and support State Library staff efforts to

improve the search and presentation portions of the software.

Portsmouth, Ohio - "Reach Out to Kids": The Portsmouth Public Library partnered with the Scioto County Homeless Shelter, the Southern Ohio Battered Women's Shelter, the Wellchild Clinic, REACH, Early Intervention Program and the Scioto County Head Start to provide services to at-risk children at 16 facilities across Scioto county. Agencies partnering with the library received a core collection of materials to lend to children. The Library provides storytimes to the Scioto County Homeless Shelter and homework helper assistance at the Homeless and Battered Women's Shelters. IMLS funds were used as seed money to purchase books and materials to use with these at-risk and in-crisis populations. The objectives of this project include: involving at-risk children in an incentive-based reading program, providing a safe and pleasant reading environment for at-risk children, providing school-aged children of families in-crisis with resources to continue their schoolwork while living in protective environments, and empowering local agencies in meeting their goals of educating families.

Trenton, New Jersey - Computer Training Centers in New Jersey Public Libraries: The State Library awarded a total of \$192,215 to 10 public libraries to install computer training centers and develop programs to provide hands-on computer training for library users. The goal is to develop library users' skills in locating and effectively using information in World Wide Web, CD-ROM and other electronic resources. Libraries receiving these grants will install four to eight personal computers and will offer between 8-20 courses per month. Courses includes basic computer use and searching the Internet, job searching, consumer health resources, family Internet skills, World Wide Web for Seniors, the Web for Business Owners, basic word processing, and searching library-provided electronic databases including full-text periodical databases, CD-ROM and other information resources. The libraries will schedule individual use of the training center equipment when courses are not being offered. Examples of individual use include: independent self-paced instruction, use of business application software for business and schoolwork, preparation of resumes, and access to the World Wide Web databases for information.

Arkansas - Fort Smith Public Library: Technological Accessibility Project: The Fort Smith Public Library made technology accessible to the community by providing instructional videotapes and a series of free computer workshops geared for adults. Using the theme of avoiding extinction in a high-tech world, Federal funds were used to purchase thirty technology how-to videotapes for library patrons to check out and take home for two weeks at a time. A laptop computer and an LCD projector were purchased for presentations of a series of computer workshops. The workshops were held in the libraries, a local convent, and at a low-income housing development. Easy to understand handouts of each workshop presentation were developed and given to participants. The Children's Department provided activities for children while parents attended workshop sessions at the main library. This project served approximately 1,000 people.

Colorado Council for Library Development, Library Services to Ethnic Minority Populations Committee - Electronic Diversity Tool Kit: A printed Diversity Tool Kit was created to encourage library staff to promote programs and library displays featuring ethnic awareness. It was distributed to libraries throughout Colorado, and focused on Colorado's four major ethnic minority groups: African Americans, Native Americans, Asian Americans, and Hispanics. Included in the kit were a poster, events calendar, bibliography, and bookmarks. Many requests for copies of this award-winning kit were received. Responding to heavy demand for this award-winning kit, it was revised, updated and improved, then made available on the Internet for public use. Information about these ethnic populations will be easily obtained as a result, and can be used by students to complete assignments and conduct research, by teachers to supplement school curriculum learning materials, and by others to improve their understanding of these cultures.

Springfield-Greene County Library, Missouri - Digitization of local historical information: This project provided for digitization of local historical information, including Greene County records, regional periodicals, and material from the Max Hunter folk song collection. The latter portion of the project involved working with the Southwest Missouri State University Department of Music to transcribe and digitize songs from the Max Hunter Folk Song Collection, housed at the Springfield-Greene County Library. The collection is an archive of almost

2200. Ozark Mountain folk songs, recorded on reel-to-reel tape between 1956 and 1972. Hunter, a traveling salesman from Springfield, MO, recorded songs and stories from residents of the hills and backwoods of the Ozarks. The project was designed to give increased public access to this unique and valuable resource. The entire collection of songs has been transferred to digital audio tape, and made available for circulation on CDs. A sampling of the collection has been made available on the Internet with lyrics, notation, and MIDI files. All material have been digitized, and through keyword indexing, can be accessed from the Springfield Greene County Library web page, at <http://thelibrary.springfield.missouri.org>

Native American and Native Hawaiian Library Service Grants

Vital Statistics-1999

Amount awarded: \$2,492,562

Number of awards: 246

The Native American Library Services program supports the development of basic library services, technical assistance and enhancement of library services for Federally recognized tribes and Alaska Native villages. The Native Hawaiian program improves library services for Native Hawaiians through a single award to a service organization. Both the Native American and Native Hawaiian programs target the priorities of LSTA. These groups are typically underserved and often live in remote or isolated areas. Libraries serving these communities support educational, economic development, and health and human service information needs. Also, these libraries are frequently the focal point for activities aimed at preserving tribal or native cultural heritage.

This program supports library services to Native Americans and Alaska Native villages through three grant categories:

Basic grants are small non-competitive grants to support fundamental library operations. These awards ensure a minimum level of public library service.

Technical assistance grants are small non-competitive grants intended to help libraries assess their strengths and weaknesses and plan for the future.

Enhancement grants are larger competitive grants that support activities to advance the applicant library's operations to new levels of service. These awards are intended to encourage the implementation of both mainstream and innovative practices.

Of the 554 Native American tribes that are eligible to participate, less than half apply for funds to this program. Increasing participation, or learning why tribes do not wish to participate, will be a priority in 2001. The technical assistance grant category helps tribal libraries plan for effective deployment of limited resources and will enable IMLS to identify ways to target funds effectively. We

Goal 2) Promote access to museum and library services for a diverse public.

Objective

Create and sustain programs and activities of national significance that promote and support access to all types of libraries for diverse audiences.

Outcome

Libraries provide greater access to a diverse public as a result of IMLS support.

Performance Indicator

Libraries serving native communities enhance information access.

anticipate that increased participation will stress current levels of funding, particularly when costs to implement new electronic services in addition to more traditional library services are considered.

Grant Highlights

In 1998, the Pueblo of Jemez in New Mexico was awarded a two-year grant to support various aspects of a tribal library intergenerational learning initiative, to increase computer literacy for both library staff and tribal members and to plan a local library consortium.

Also in 1998, the Nisqually Tribe in Olympia, Washington, used IMLS support to establish a "Health Information Station," a project to increase access to health and community information. Through this project, the tribal library will enhance print and electronic health resources, and employ tribal youth to expand library hours.

Basic grants are currently less than \$5,000. Since all eligible applicants receive basic grants, reduction would mean smaller basic grants, reduction or elimination of technical assistance grants, and/or a smaller number of enhancement grants.

National Leadership Grants

Vital Statistics-1999

Amount awarded:	\$10,405,993
Number of applications	185
Number of awards:	50

IMLS provides National Leadership Grants to enhance the quality of library services nationwide and to promote cooperation and coordination between libraries and museums. The National Leadership Grants are offered jointly by both the Office of Museum Services and the Office of Library Services. These projects may include:

- education and training of persons in library and information science, particularly in the areas of new technology;
- research and demonstration projects related to the improvement of libraries, education in library and information science, enhancement of library services through effective and efficient use of new technologies, and dissemination of information derived from such projects;
- preservation or digitization of library materials and resources; and
- model programs of library and museum cooperation for projects that support innovative projects that model how museums and libraries can work together to expand their service to the public, with emphasis on how the community is served, technology is used, or education is enhanced.

Priorities for this program are based on feedback obtained from advisory groups after the first projects were awarded in September, 1998. Recruitment to the profession is of particular importance because of impending retirements of large numbers of librarians. There is also a growing need for faculty in graduate schools that offer the Master of Library Science.

Research to inform practice is also needed, particularly since new technologies are changing the way libraries do business and provide services. Research takes time to develop. Work that helps libraries measure and evaluate their services, improve their abilities to assist users with locating, organizing and managing information is just beginning to blossom as a result of

Goal 1) Promote excellence in museum and library services.

Objective

Create and sustain funding programs and activities of national significance that recognize and support excellence in operations.

Outcome

National Leadership Awards enhance library services and promote museum and library collaboration.

Performance Indicator

Library service to the public is enhanced through effective use of new technologies and training.

Research and demonstration projects popularize emerging and proven practices.

interest in the National Leadership Grant program.

In 2001, IMLS seeks funding for an interagency effort with the National Science Foundation that will help provide linkages to educational resources across disciplines and geographical boundaries.

The project will help enable libraries, museums and archives with digitized collections to retrospectively attach descriptive "metatags" to allow for searching through the new digital resource. It will also enable the creation of discipline-specific taxonomies (lists of metatags) that will be needed to provide subject access to collections. Library and museum professionals, computer scientists, educators, and users will work collaboratively to develop a useful and sustainable digital library of educational resources currently maintained on the servers of widely dispersed institutions. The resources will be used by teachers, students and adults working in schools, homes and public places such as community centers and libraries across the country.

The National Leadership Grants guidelines mark a new opportunity for libraries to serve the public in effective and efficient ways; to address real community needs; to expand access to new audiences; and to implement the best and most appropriate technologies. Successful proposals to this program have broad national impact, providing models that can be widely adapted or replicated by others to multiply the benefit of Federal support.

Library and museum partnerships--different organizations with similar missions and audiences-- can broaden the impact of this Federal support. Further, partnerships of libraries, museums and others provide an effective opportunity to solve problems by sharing strategies. These partnerships may have a multiplier effect that will strengthen all involved during the project and into the future.

In FY 1999, IMLS research on library/museum partnerships found an interesting paradox. While museums and libraries typically do not consider each other as partners, when they do partner they report very positive experiences. Together, increased access to information for their communities, enhanced education, new audiences, and expanded program reach are all benefits. Partners report that they have similar missions and

audiences, and once in a partnership, both museum and library partners view their collaborations as a natural fit.

Grant Highlights:

The University of North Texas School of Library and Information Science, Denton, Texas, in partnership with the African American Museum in Dallas, started a project in 1998 to train library professionals in digital imaging technologies and information networks leading to Certificates of Advanced Study in digital image management. The website for the project is: <http://courses.unt.edu/shastings/HastingsWWW/IMLS/imls.html>

A 1998 project to demonstrate the effectiveness of a Government Information Locator Service (GILS) tool, developed by the Washington State Library, connects people with government, in partnership with the states of Illinois, New Hampshire, New Mexico and Oregon. The website for the project is: <http://www.statelib.wa.gov/projects/imls/webpage.html>

The University of Hawaii at Manoa Library, Honolulu, Hawaii received funding in 1998 to develop a digital library of Hawaiian and Pacific Islands materials, using Hawaiian-language newspapers and historical photographs, to use as a teaching tool for Hawaiian-language immersion schools and other purposes. The website for the project is: <http://128.171.57.100/index.html>

In partnership with Brooklyn Museum of Art and the Brooklyn Public Library, the Brooklyn Children's Museum will expand a cooperative project to increase educational services to the Brooklyn community and to develop a national model for attracting and training people from diverse backgrounds in information technology, library science and museum programs. The website give teachers, children and families a new way to access the resources of these three major Brooklyn institutions: <http://www.brooklynexpedition.org>

This is the only statutorily mandated program that targets education and training in library and information science, research and demonstration projects to improve library services, digitization of library resources, and museum/library collaboration. A decrease to this category would diminish the number and scope of these programs. Without healthy funding in this category, there is no assured Federal presence in these important areas.

C: ADMINISTRATION

Operations, Research and Evaluation

Administrative activities necessary to support each office are presented separately. This section pertains to those activities anticipated for the Office of Library Services only. Justification for the administration of the Office of Museum Services may be found in the section that describes that Office.

Funds requested for administration will allow the Agency to provide the highest quality service possible to the American public. In developing the estimates detailed below, full consideration has been given to enhancement of customer service and streamlining operations. The management of IMLS is committed to the goals of the Government Performance and Results Act of 1993 as well as the principles of reinventing government and putting its customers first, and has therefore implemented the following measures:

--In conjunction with regularly scheduled regional conferences held by professional library associations, IMLS continues to convene sessions in which members of the library community share their concerns with the Director and their views on how IMLS could best serve them. IMLS incorporates feedback from these meetings to focus the mission of the Agency and to form the basis for long range planning.

--In FY 1998, IMLS began direct and indirect training for managers of IMLS funding activities in the practice of outcome evaluation. Recent participants reported that implementing the outcome evaluation model reaps positive management returns. IMLS will continue to train project managers through FY 2000 and FY 2001.

--IMLS continually questions and improves its systems for the review of applications, criteria for making awards, and evaluation of awards made. Clients to be surveyed include applicants and

Goal 3) Provide high-quality service and efficiency of operations

Objective

Sustain ongoing oversight and evaluation of the Agency's operations and processes to ensure integrity and efficiency and to ensure their relevance to museum and library needs.

Outcome

Management of electronic databases increases Agency effectiveness in program, public information and congressional activities.

Performance Indicator

Survey of audiences indicates satisfaction with type and speed of access to Agency information. Staff are able to analyze program data more efficiently.

Management Highlights

IMLS is nearing completion of new database software for enhanced tracking and analytical capabilities. With this migration, staff can manage application and award procedures more effectively.

Objective

Maintain knowledge of and coordination with other public agencies and private organizations.

Performance Indicators

IMLS is active in effective partnerships.

Management Highlights

In 1999, IMLS teamed with numerous Federal agencies in projects ranging from *Saving America's Treasures* to the *Digital Library for Education*.

In 1999, IMLS staff participation in interagency activities included working with the President's Committee on the Arts and the Humanities and the National Endowments for the Arts and Humanities on several issues of mutual concern

reviewers of IMLS applications, who are asked for recommendations on how IMLS might improve its programs and delivery systems.

—IMLS solicits additional policy advice regarding potential changes to its funding categories from its advisory bodies, the National Museum Services Board and the National Commission on Libraries and Information Science. Such discussions are held in open sessions of regularly scheduled meetings.

—The Director of IMLS is engaged in a program of regular, periodic, informal meetings with members of the professional library community, educators, and representatives of professional library organizations. These meetings, convened at no cost to the government, are for the purpose of informing the Director about the needs and identity of our clients: who they are, whether IMLS is currently addressing a sufficient segment of their constituency, and if not, how the orientation of the Agency should change.

The research and evaluation activities of IMLS have been consolidated into one office to serve both the Offices of Museum Services and of Library Services. The three primary functions are 1) to contribute to the national knowledge base on museum and library practice using new and existing sources of data, 2) to identify and disseminate promising practices within the library and museum communities using internal information sources from applications and reports and coordinating with other stakeholders, and 3) to improve the procedures for evaluating new and ongoing IMLS programs in order to enhance the Agency's service to museums and libraries and to comply with the GPRA. The overall impact will strengthen the Agency's ability to collect and organize data systematically. Early efforts will establish baseline data for future comparisons, resulting in a long-term, cumulative record relevant to the library and museum community.

Independent evaluations of funding categories continue to provide IMLS staff with unbiased opinions of how effectively and efficiently its funding categories are addressing the needs of its constituency and the American public. IMLS plans to develop a schedule for independent evaluations for the Office

including cultural tourism and millennium projects. Other examples of interagency collaboration include the continuation of the formal interagency agreement with the Endowments and National Science Foundation undertaking research on learning; serving on the President's Council on the Arts and the Humanities; taking part in the Federal Communications Commission working group on issues of universal service; participating in an intergovernmental task force on Federally owned collections and their funding sources; and maintaining Agency representation on the Small and Micro Agency Councils.

Objective

Maintain effective communication systems with the museum and library communities.

Outcomes

In October 1999, IMLS unveils its revised and restyled Website to provide more and more easily accessible information. Agency staff is known to museum and library communities and is accessible and responsive.

Success Indicators

Audiences are clear about the Agency mission. Audiences use electronic technology to a large extent to interact with IMLS. Audiences indicate a high satisfaction with ability to interact person to person with IMLS staff.

Management Highlights

In 1998, IMLS developed and began implementation of a strategic communications plan. Through publications, speeches, and other activities, IMLS is committed to keeping the Administration, Congress, museum and library communities, and the public informed about the value of museums and libraries to society.

of Library Services programs compatible with their funding cycles.

The funds requested for all administrative needs of the Office of Library Services fall within the three percent allocated by law for administration.

OPERATIONS

This request includes costs for the operations, research and evaluation activities of the Office of Library Services at three percent of the OLS appropriation requested, the allocation supported by law (authorized by the Museum and Library Services Act).

Table D summarizes the funds requested for Administration. The following justification provides greater detail of this request, presented by object classifications.

JUSTIFICATION OF OPERATING COSTS BY OBJECT CLASS

1100 Personnel Compensation
 1200 Personnel Benefits
 1300 Benefits for Former Personnel

In 1997, the creation of the IMLS merged the two staffs of the Institute of Museum Services and the Office of Library Programs from the Department of Education. In conjunction with this merger, the Director organized the Agency into three offices: the Office of Museum Services, the Office of Library Services, and Office of the Director. In an effort to streamline activities and maximize efficiency, existing positions were realigned and redescribed. The two new Deputy positions mandated by the Museum and Library Services Act of 1996 were created within existing FTE levels.

The request for personnel costs includes costs of within grade increases, planned promotions, and performance awards for qualified staff, and makes use of the effects of lapse savings made possible by delayed hires and turnover. This estimate also includes the annualized costs of a 4.94 percent pay raise for non-Executive Schedule positions that went into effect in January, 2000 (this increase includes both ECI-based and locality pay raises for 2000). The estimate for 2001 anticipates three quarters of a 3.9 percent increase for Federal positions to go into effect in January, 2001.

Estimates provided for benefits include the Agency's share of contributions for health insurance, life insurance, FERS, CSRS, and FICA, TSP match, unemployment benefits and for injuries sustained in the workplace. The cost of benefits incurred by the Office of Library Services has increased since 1997, as hires taking place since the transfer of former Department of Education employees were required to be covered by FERS. Benefits of employees covered by the Civil

Service Retirement System will also increase due to the increase of 1.51 percent in Agency contributions by the year 2001.

2100 Travel and Transportation of Persons

This object class includes cost of travel by IMLS professionals to make presentations at conferences, visit applicants, conduct workshops on IMLS programs and to prepare for reauthorization in 2002, and for staff professional development. In 2001, funds are requested in this object class for staff to hold regional forums to stimulate sharing of best practices and wider opportunities for museum and library collaborations. This is a comprehensive effort in the early years of IMLS to monitor the progress of new programs, provide technical assistance, and build new partnerships. It also includes transportation costs associated with the National Award for Library Service, inaugurated in 2000.

This request includes funds to bring a limited number of National Commission on Libraries and Information Science representatives to attend IMLS panel meetings in an effort to promote the widest understanding of the process involved in funding library programs. This request does not include travel funds for NCLIS members to attend one meeting per year to be held jointly with the National Museum Services Board, as NCLIS, a separate Federal Agency, receives an allocation for travel of its commissioners for the purposes of carrying out their duties and powers. IMLS costs for National Museum Services Board members in conjunction with that meeting are requested in the OMS portion of this request.

2200 Transportation of Things

This object class includes shipping applications for funding to field consultants. It also includes the cost of shipping guidelines, brochures, and other materials to conferences and workshop sites. Cost is estimated based on actual costs incurred historically by IMLS for this activity.

2300 Rent, Communications, and Utilities

- Rental of Space (SLUC)
- Equipment rental
- Telephone services
- Postage

The estimate for space rental includes the OLS portion of IMLS rent. The Agency has been advised that GSA plans to move the Federal agencies currently occupying the Old Post Office Building into new space in mid-year 2001. Preliminary space planning

estimates by GSA project IMLS space needs will increase to include fire egress and circulation space, plus an increase to permit future expansion. The estimate for rental of office space assumes the Agency will remain for one half of the year in the Old Post Office at the rate anticipated for FY2000 at \$37 per sq. ft.; and one half of the year in new quarters at approximately \$46 per sq. ft, derived from GSA estimates for rental rates in the central business district of Washington, DC plus GSA's 8 percent overhead surcharge on leased space.

As a forced move, we anticipate GSA will bear most costs to move the Agency's furniture and records, but ancillary costs anticipated to be necessary, such as costs to reassemble and replace some furniture components, non-telecommunications cabling, and minimal building modifications will not be covered by GSA and are included in this request.

Equipment rental consists of copier rental and rental of audio visual equipment used in the delivery of reviewer training and conference sessions at meetings off-site. Postage includes cost to mail applications and guidelines, other IMLS publications, and briefing books for the joint National Museum Services Board/NCLIS briefing books.

2400 Printing and Reproduction

IMLS is strengthening communications by better utilizing the capacity of its website to promote best practices, as well as by providing customers with the key services they seek: grant applications and technical assistance. However, many Agency customers do not yet have the technological infrastructure in place to use this means of dissemination. Consequently, this request includes funds in this object class to enable the Agency to continue providing in print such materials as program applications and guidelines, research publications and the Agency annual report, and Federal Register notices. IMLS will simultaneously continue to expand the electronic dissemination of all public materials to prospective customers from institutions of all sizes and in all geographic areas, ensuring that printing costs will be kept to a minimum.

2500 Other Contractual Services

This object class includes costs of equipment maintenance, staff training, bulk mailing services for publications and announcements, honoraria and travel for reviewers and panelists, per capita costs for processing payment transactions by the Department of the Treasury, per capita charges for the employee health unit, services to facilitate distribution of IMLS public affairs announcements, and building security. Also included are costs of deliveries of the IMLS display booth and materials for presentations at meetings and conferences, temporary clerical services, and production expenses associated with publications.

Funds are requested in this object class to cover essential interagency agreements. These include payroll services provided by the Department of Agriculture's NFC, and finance and payment management services with the Department of Education for management and disbursement of library services funds appropriated prior to 1998, and an agreement with the Department of Labor for negotiation of indirect cost rates.

In addition, through this object class, IMLS also funds an interagency agreement with NEH as a valuable cost-saving arrangement for IMLS. Through this agreement, IMLS is provided fundamental administrative services by NEH staff and systems currently in place in the areas of personnel management, accounting, administrative services, equal employment opportunity, automated data processing, and LAN management services. The expense of separately creating, staffing, housing, and providing equipment for positions currently serving these functions would far exceed the cost of their services as currently charged, on an as-needed or per-purchase basis.

In 2001, costs are requested to support activities in conjunction with an anticipated Agency move that will not be covered by GSA. These are primarily cabling, disassembly and reassembly of modular furniture, and building modifications that may be necessary in the new space.

Also in 2001, IMLS is planning to hold its second annual management conference for managers of State Library Program awards. Management specialists will be used to help assess additional service IMLS staff can provide.

The funds requested for this project fall within the 3 percent allocated by law for administration of the Office of Library Services.

2600 Supplies and Materials

An advantage of the cooperative agreement between IMLS and NEH is the opportunity for IMLS to combine purchases of supplies and materials with NEH bulk orders, where possible, to qualify for quantity discounts. This practice will be continued in the request year, as well as carefully comparing prices from a variety of vendors, including items on GSA schedule, for the lowest possible costs.

3100 Equipment

The majority of equipment expenditures that are anticipated will be replacement of computer equipment, software, and furniture where repair would be more expensive than replacement. In conjunction with the Agency move, some additional furniture components will be needed to adapt existing furniture to the floor plan of the new space.

IMLS intends to maximize the usefulness of existing hardware by upgrading equipment rather than purchasing new units wherever possible.

This request also includes upgrades to local area network equipment hard- and software in order to accommodate upgrades in database management and accounting. It is anticipated that costs will be kept to a minimum by working closely with NEH to ensure volume purchase discounts and compatibility of systems, so that the service to our constituents is enhanced.



**Institute of Museum
and Library
Services
Strategic Plan
FY 1999-FY 2004**

Strategic Plan FY 1999-FY 2004:
Institute of Museum and Library Services

Introduction

The Nation's museums and libraries share many core values. The public depends on libraries and museums as central features of their communities' cultural landscape. They count on the library and the museum for lifelong learning opportunities for everyone, including families, new citizens, seniors and school children. They know that museums and libraries offer imaginative programs and services, and they have seen tremendous benefits when these institutions partner with schools and other community organizations.

The Institute recognizes, however, that while museums and libraries have many intersections, they are distinct and unique entities with a wide range of issues and concerns that differ and that they are created and sustained to meet different needs. As a result, IMLS provides distinct programs of support for libraries and museums and also encourages partnerships between museums and libraries.

External Environment

The American public demands much of its museums and libraries. In response, museums and libraries provide a vast array of services to broad audiences in cities and towns throughout the country. Museums and libraries share educational missions and provide an enriched environment for lifelong learning. Museums and libraries are central to their communities and, through their programs and services, continue to meet society's changing needs. Technology provides a new tool that can enhance the museum and library experience as well as expand the reach of these institutions to schools, home and work. The role of museums and libraries is critical for providing enriched content for Internet technology.

IMLS makes grants to museums and libraries to help them meet their public demands. Over ninety percent of IMLS appropriations is expended in grants for IMLS approved project activities taking place over several months or years. Understanding the outcomes of the Agency's grant-making activities is crucial to evaluating the Agency's performance in accomplishing its mission. IMLS currently engages in numerous collaborations with the library and museum fields to coordinate activities to collect appropriate

information by which to evaluate the outcomes of its programs. IMLS is working closely with administrators of major grant programs to develop effective, systematic and comparable information collections. IMLS is also coordinating with associations representing libraries and museums to identify how information can be collected nationally to measure the overall impact of IMLS funding in the fields they represent. Given the purposes of IMLS grants to libraries and museums, the full outcome of IMLS grant funding may need to be considered in the long term, evaluating the cumulative impact of multiple years' activities.

Internal Environment

In order to respond to the needs of the library and museum communities, the Director consults with key members of organizations representing the professions and convenes several formal and informal hearings, forums and meetings to gather information on the issues.

Part of the IMLS strategic plan targets the Agency's internal operations. IMLS staff has a history of dedication to and success at a high level of public service. Staff at all levels participate in deliberations in the preparation of the strategic plan and how to measure outcomes. IMLS staff will continue to involve all staff in evaluations and improvement of its internal operations and its interactions with the public it serves.

As IMLS moves into a results-oriented environment, it will use its resources to continue its hallmark of efficient operation. IMLS is a small Agency with 40 full-time positions. Only two of those positions, working with program offices staff, are directly involved with evaluation of Agency programs and their outcomes. IMLS will augment its outcome measurement by working with grantees and associations, as currently done, and by making efficient use of independent consultants.

IMLS has a small public information staff, but it uses a number of efficient avenues to inform stakeholders of its goals and objectives, in planning and performance measures as well as in other areas of activity. IMLS uses traditional publications, press releases, broadcast fax, email and a web site.

IMLS program staff have a long tradition of being fully responsive to the constituencies they serve. They are readily accessible by phone and email and provide counseling to grantees and potential grantees both in their Washington offices and in frequent travel to meetings which convene large groups of customers.

Mission

The Institute of Museum and Library Services exercises leadership in increasing and enhancing museum and library services to a broad and diverse public. A Federal role to improve museum and library services is necessary because national leadership can accomplish many goals that cannot be achieved through other means. Federal leadership encourages public access, helps leverage additional public and private support, and provides a national forum to convene experts and disseminate promising practices.

The Institute of Museum and Library Services is fortunate to draw its mission from the clear statements of purpose provided in the Museum and Library Services Act that created it.

IMLS, an independent Federal Agency, fulfills its mission through the Office of Museum Services by:

- encouraging and assisting museums in their educational role;
- assisting museums in conservation care; and
- providing assistance for increasing use by the public.

IMLS fulfills its mission through the Office of Library Service by:

- promoting access to learning and information resources;
- promoting library services to all users through electronic networks;
- providing linkages among and between libraries; and
- promoting library services to people with diverse backgrounds, abilities and skills.

Goals

The three following goals unify the legislatively designated mission and purpose of both the Office of Library Services and the Office of Museum Services:

- 1) IMLS will consistently promote excellence in museum and library services;
- 2) IMLS will consistently promote access to museum and library services for a diverse public; and
- 3) IMLS will consistently provide high-quality service and efficiency of operations.

Goal 1) IMLS will consistently promote excellence in museum and library services.

Objective

Create and sustain funding programs and activities of national significance that recognize and support excellence in operations.

Strategies

IMLS will ensure that programs of support for libraries and museums are responsive to the needs of museums and libraries and the public they serve. IMLS will continuously evaluate Agency programs, analyze grantees' reports, and grant goals and objectives to assess the programs' success in supporting excellence in operations.

IMLS has found that rigorous internal and external evaluation of programs is an effective way to ensure the Agency meets museum and library needs. Previous evaluation findings led IMLS to make substantive changes in grant programs, which in turn shape our plans for the future.

To enact this strategy, IMLS will coordinate with other organizations collecting information on libraries and museums, incorporating external data collections and analyses into the Agency's overall research and evaluation activities. Through existing, ongoing internal information sources and from new, independent collections of information, IMLS will use the findings to enhance the Agency's support of library and museum services to the public.

IMLS will develop and implement a plan to identify, validate and disseminate to the museum and library communities promising practices for replication and adaptation.

IMLS provides the following separate programs of support for libraries and museums:

Office of Library Services

Grants to States

Awards are made to the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia and the Republic of Palau.

These awards are made according to statutory requirements of the Museum and Library Services Act. The grants are made upon the receipt and approval of a State Plan which specifies how the funds will be used to accomplish the goals of the program. The goals of the program in summary are to

IMLS will continue to consult with the library and museum community on the need and value of identifying and disseminating models of best practice. IMLS will evaluate its reporting requirements for their effectiveness in identifying promising practices and will establish new reporting requirements on an annual basis, or as needed. IMLS will initiate systematic analysis of performance reports from awards to identify potential models of promising practices. IMLS will implement, monitor, evaluate and revise the dissemination plan for promising practices.

IMLS will work with the library and museum communities to investigate mechanisms for effective dissemination networks. IMLS will increase emphasis in program guidelines on evaluation and dissemination as part of project activities. IMLS will investigate the potential benefits of providing supplemental dissemination awards for effective models developed by IMLS supported projects.

Performance Indicator

Public service and organizational practices will be enhanced. Museum and library personnel will have access to a resource of promising practices to improve museum and library operations.

Goal 2) IMLS will consistently promote access to museum and library services for a diverse public.

Objectives

A) Create and sustain programs and activities of national significance that promote and support access to all types of museums and libraries for diverse audiences.

Strategies

IMLS will emphasize in program guidelines the need for applicants to evaluate their efforts to broaden access

enhance electronic linkages, acquire and share computer and telecommunications technology, share resources, and extend service to underserved portions of the public.

Indian Library Services

Three types of grants are made to provide services to Indian tribes: 1) grants for core library operations, 2) technical assistance, 3) specialized project grants. Grants for core operations are made non-competitively to any eligible tribe. Other types of awards are made competitively.

National Leadership Grants

These competitive awards address four types of project activities: 1) education and training in library and information science, 2) research and demonstration projects, 3) preservation or digitization, 4) library

as part of project activities. IMLS will develop a system of ongoing analysis to evaluate the success of funded projects to reach broad audiences. IMLS will revise programs as needed based on this analysis.

Performance Indicator

Museums and libraries will provide greater access to diverse audiences.

B) Promote access to learning and information resources held by museums and libraries through electronic linkages.

Strategies

IMLS will support State Library Agency plans for enhancing networks of libraries through the use of new technologies. As necessary, IMLS will emphasize the increased access for users through these linkages among all types of libraries. IMLS will identify and support national models for increasing access to museum and library services using advanced technology. IMLS will work with museums and libraries to evaluate the success of technology to provide access.

Performance Indicators

Libraries and museums will increase electronic linkages to resources.

C) Develop a comprehensive communication strategy designed to increase awareness of the significant impact museums and libraries have on the quality of life in their communities.

Strategies

IMLS will continue to consult with the library and museum community on the need and value of promoting public awareness of museums' and libraries' roles in quality of life. IMLS will evaluate its current Agency activities and practices in promoting museums and libraries to the public. IMLS will continue to work with leaders in the museum and library fields to objectively document the impact of museums and libraries in their communities. IMLS will investigate

and museum collaborative awards.

Office of Museum Services

General Operating Support

Awards are made competitively to museums with outstanding operations to improve the quantity and quality of service to the public.

Museum Assessment Program

Professional assessments are available to museums so that they may identify the areas of operation most in need of improvement and methods to improve those operations.

Conservation Project Support

Project awards are made to improve the care of the Nation's collections held in museums. Project activities extend the life of collections, ensuring they are available to future generations.

effective communication channels within communities and how museums and libraries can disseminate information through those channels.

IMLS will annually recognize, with the National Award for Museum Service and the National Award for Library Service, the contribution of individual museums and libraries to the quality of life in their communities.

Performance Indicators

Libraries and museums will use more materials from IMLS to use in public awareness campaigns.

- D) Encourage and enable partnerships between museums and libraries and other organizations, institutions and agencies.

Strategies

IMLS will emphasize in program guidelines the desirability for applicants to develop projects involving partnerships and will apply this criteria to program applications. IMLS will identify other organizations, institutions and agencies with an interest in library and museum services and will promote partnerships with these entities.

Performance Indicators

Libraries and museums will be more actively engaged in seeking and forming partnerships.

- 3) IMLS will consistently provide high quality service and efficiency of operations.

Objectives

- A) Sustain ongoing oversight and evaluation of Agency's operations and processes to ensure integrity and efficiency and to ensure their relevance to museum and library needs.

Strategies

IMLS will systematically evaluate award-making procedures, particularly to include use of advanced

Conservation Assessment Program Awards for professional consultation to identify conservation priorities and provide information on improving collections care.

National Leadership Grants

These competitive awards address four types of project activities: 1) technology advancement for museums; 2) museums in the community; 3) public service awards; and 4) museum and library collaborative grants.

Coordination with other Federal agencies

The staff of IMLS actively coordinate and plan with other Federal agencies on shared or similar functions and programs to serve libraries and museums. Program staff of IMLS regularly communicate with

technology, such as evaluating management of electronic files in a relational database. IMLS will pay special attention to the requirements for implementing GPRA.

IMLS will develop and implement annual GPRA performance plans, integrating monitoring and evaluation of performance plans into ongoing activities.

Performance Indicators

IMLS will increase efficiency and improves evaluation practices.

Award-making procedures will use technology efficiently to streamline staff functions and to reduce application and reporting burden for applicants.

B) Maintain knowledge of and coordination with other public agencies and private organizations.

Strategies

IMLS will develop and maintain comprehensive and accurate information on activities of other funders pertaining to museum and library services. IMLS will coordinate or enter into partnerships with other funders involved with promoting efficient means of addressing the broad needs of libraries and museums in serving the public.

Performance Indicators

IMLS programs for libraries and museums will integrated into a diverse and effective support system involving a number of agencies and organizations.

C) Maintain effective communication systems with the museum and library communities, Congress and the general public.

Strategies

IMLS will use a variety of communication methods including speeches, special events, press releases, and

program staff of the National Endowment for Humanities, the National Endowment for the Arts, the National Science Foundation, the National Historic Publications and Records Commission, the National Center for Educational Statistics and the National Information Infrastructure Assistance Program. Senior staff communicate frequently with staff from the Smithsonian Institution, the Library of Congress, the National Archives, the National Park Service and others on such issues as increasing access to Federal collections. The Director of IMLS coordinates activities with the Chairs of NEH, NEA, and the President's Committee on the Arts and Humanities. Communication with federal entities includes formal and informal meetings, telephone and email, and exchange of

other publications to provide information about Agency procedures and accomplishments. publications, grant lists, guidelines, and other print material.

IMLS will use its website to advance its mission and to serve stakeholders. IMLS will evaluate the capacity of the museum and library communities to benefit from electronic communication with the Agency and will use this information to facilitate electronic processes into application, review and grant management systems.

IMLS will maintain a strong role of staff representation at professional association meetings and will periodically evaluate client/customer satisfaction with staff services.

Performance Indicators

Museum and library communities will recognize the IMLS role of support. IMLS will effectively use electronic technology in communications. IMLS staff will be known to library and museum communities and will be accessible to them.

The FY 2001 performance plan addresses each goal of the strategic plan and includes specific outcomes and success indicators.

Institute of Museum and Library Services FY 2001 Performance Plan

Introduction

The Institute of Museum and Library Services submits this FY 2001 performance plan with the FY 2001 budget request to the Office of Management and Budget in compliance with the Government Performance and Results Act.

The Institute of Museum and Library Services' primary role is to assist the Nation's libraries and museums in increasing and improving their services to the public. The Institute fulfills that role by awarding grants and cooperative agreements to museums, libraries and other related organizations. The IMLS programs are broadly based in terms both of types of organizations and variety of activities supported. All types and sizes of libraries and museums are eligible to participate in and benefit from IMLS support, but ultimately, the beneficiary is the American public:

Museums and libraries share a history of strong public access. Libraries and museums house enormous educational resources. Their primary role has always been to make those resources available to all members of the public. Today, more than ever before, museums and libraries have both opportunity and obligation to advance these fundamental services to the frontier of electronic access while maintaining their tradition as physical centers of community life. The IMLS programs of support are shaped to assist libraries and museums in this demanding endeavor.

Performance Goals and Indicators

1) IMLS will consistently promote excellence in museum and library services.

Promote leadership activities to support: education and training in library and information science; research and demonstration in library operations; preservation or digitization of library materials; Museums On-Line; community partnerships for museums; improved professional museum practices and model cooperative museum/library projects.

In 2001, 33 awards would be made to advance the abilities of libraries to train a broad range of library professionals in emerging information management strategies, identify and develop advanced practices for serving the public, enhance libraries' capacity to provide information digitally, and develop model cooperative partnerships between libraries and museums.

In 2001, 26 awards involving museums and other organizations in partnerships will increase technological capacity for serving the public and become more proficient in meeting community needs.

Improve the quality and quantity of museum services to the public.

In 2001, General Operating Support awards would support 185 institutions. These institutions will serve approximately 14 million visitors a year. These awards are applied to a wide range of operations, but most often museums use these funds to improve educational services. During the two-year award period, approximately 28 million visitors would benefit from improved museum services.

Enhance the capabilities for libraries to share resources.

In 2001, all State Library Program awards would use IMLS support to share library resources among and between libraries such as school, academic, research, specialized and public libraries to enhance access to information for library users. These resource-sharing activities will provide significantly expanded access to electronic inter-library loan, electronic journals and other electronically-available educational material. Libraries are implementing shared training functions for librarians and for the public user to make most efficient use of shared resources that are available.

Identify areas for and methods of improvement in museum operations.

In 2001, at least 200 museums would involve staff and governing boards in a comprehensive professional assessment programs, learning leadership practices for managing a successful museum. In particular, the Nation's smaller museums (dominant in terms of numbers in the United States) would interact with leading practitioners and major national museum associations for advice on systematic improvement.

Extend the life of cultural collections, ensuring they are available to future generations.

In 2001, 70 museums would improve storage or exhibition conditions, identify problems needing correction or stabilize individual objects, and increase access while protecting fragile objects with Conservation Project Support. Potentially, nearly seven million objects representing the Nation's cultural heritage would be safeguarded. These museums would also provide educational programs to improve the public's knowledge of how collections are preserved and why such activities are important. This program has been cited by the museum and conservation profession as having a fundamentally positive impact on collection preservation.

Identify conservation priorities and methods to improve conservation care.

In 2001, grants would support training for 157 museum professionals to learn the most effective paths for establishing priorities for collection preservation needs. Awards result in efficient application of limited collection care dollars and yield

future savings through preventive action. This program area is proven to be highly effective and has high satisfaction among participants.

2) IMLS will consistently promote access to museum and library services for a diverse public.

Extend library services to underserved portions of the public.

In 2001, State Library Program awards would target specific segments of the population who need extended service hours, electronic delivery of services and documents, off-site service delivery, literacy and language assistance and other specialized needs. The 59 awards would reach underserved people in inner-city and rural areas of every State and territory.

Extend library services to Indian tribes in core operations, technical assistance and specialized projects.

In 2001, staff of libraries serving Native Americans and Native Hawaiians would receive nearly 240 awards to support essential core operations and to acquire technical. Awards would also target opportunities for advancing library tribal services in specialized operations. Where native populations live in remote areas, access to library information in traditional or networked environments is essential to economic development..

Enhance library and museum services nationwide with electronic linkages and by helping libraries and museums acquire and share computer telecommunications technology and share resources.

All 59 State Library Program awards would expand library materials available on electronic networks, resulting in increased internet access for the staff and the public, linkages to electronic catalogues, databases and electronic texts. Working with libraries within the States and Territories, these awards have the potential to support activities that impact the entire library-using public, estimated to be 60 percent of the population—157 million citizens.

70 awards to museums and libraries to establish networks, upgrade technology infrastructure, collaborate in electronic resource sharing, and make collections and other educational materials electronically accessible would strengthen libraries' and museums' positions as educational resource providers in the telecommunications age.

3) IMLS will consistently provide high quality of service and efficiency of operations.

- Sustaining ongoing oversight and evaluation of Agency's operations and processes to ensure integrity and efficiency and to ensure their relevance to museum and library needs.
- Maintaining knowledge of and coordination with other public agencies and private organizations.
- Maintaining effective communication systems with the museum and library communities, Congress and the general public.

Impact Indicators

As a result of these programs of support to libraries and museums:

- library services to virtually all the Nation's library users will be enhanced
- museums will better serve a significant number of visitors
- underserved people in both inner-cities and rural areas will have improved library services
- museums will participate in partnerships that promote services to improve community life
- library and museum professionals will be better prepared to respond to public needs
- education resources held in museums and libraries will be significantly more accessible via electronic formats
- people having difficulty accessing information will attain better access to the information that they need
- libraries and museums will develop and use more efficient service and operational practices
- IMLS will more efficiently and effectively fulfill its mission

Measuring Outcome

IMLS will use a variety of information and data to measure the outcomes of these projects and activities. IMLS will analyze interim and final reports from grantees, internal and external evaluations, assessments by staff, and perspectives of professional organizations. IMLS will have in place an electronic grants management system that will allow significantly more sophisticated examination of the uses and results of its programs of support.

Many of the results achieved with support from IMLS are incremental; their full impact is accrued over time. For example, State Library Agencies filed five-year plans in 1997. The evaluation of their activities will be incomplete until 2002. Further, much of the impact of IMLS awards is qualitative, and therefore, less easily measured than other types of impact. Therefore, many types of activities and projects supported with IMLS funds require qualitative, as well as quantitative measurement techniques. Further, direct evaluation of IMLS funded activities and projects is carried out by the award recipients. Therefore, IMLS is developing a system of evaluation strategies to assist museums and libraries in using sound procedures to measure program outcomes. In FY 1999, IMLS

began a program to provide direct and indirect training in results evaluation for managers of IMLS supported programs. We will continue this training program in FY 2000 and FY 2001.

In FY 2001, IMLS will build on activities initiated in FY 1997 through FY 1999. IMLS will continue to work closely with the Chief Officers of State Library Agencies in the development and implementation of an evaluation plan to measure the impact of State Library Program awards. In 1999, IMLS completed an analysis of currently active library and museum partnerships in order to measure the future impact of funding activity within the National Leadership Awards program. IMLS will continue to coordinate with national, regional, and state museum associations in collecting data about museums and their services and the impact of IMLS funding on those services. This groundwork will facilitate ongoing measurement and evaluation activities, while IMLS continues direct and indirect training in implementing outcome evaluation.

IMLS staff will continue its hallmark of efficient, customer-oriented operations. We will sustain ongoing oversight and evaluation of the Agency's operations and processes to ensure integrity and efficiency and to ensure their relevance to museum and library needs. Further, we will maintain knowledge of and coordination with other public agencies and private organizations.

IMLS will maintain close communications with the library and museum communities, monitoring satisfaction with the Agency's customer service. In the winter of 1999/2000 IMLS is conducting a conference for State Library Program award managers and conducting a needs assessment to improve IMLS services to this group. IMLS will continue its award-winning reviewer training program for General Operating Support. IMLS will develop advanced analytical capacity to evaluate programs and practices, the findings of which will guide improvements. IMLS will use in-house and external evaluations to analyze staff performance.

Resources Requested to Meet Programmatic and Operational Goals

I. Consistently Promote excellence in museum and library services	\$93,781,000
- Promote leadership activities to support: education and training in library and information science; research and demonstration in library operations; preservation or digitization of library materials; museums on-line; community partnerships; improved professional museum practices and model cooperative museum/library projects. (National Leadership Grants: museum services/library services)	\$11,300,000
- Improve the quality and quantity of museum services to the public. (General Operating Support: museum services)	\$15,533,000
- Enhance the capabilities for libraries to share resources. (State Grants: library services)	\$63,368,000
- Identify areas for and methods of improvement in museum operations. (Museum Assessment Program: museum services)	\$450,000
- Extend the life of cultural collections, ensuring they are available to future generations. (Conservation Project Support: museum services)	\$2,310,000
- Identify conservation priorities and methods to improve conservation care. (Conservation Assessment Program: museum services)	\$820,000
II. Consistently promote access to museum and library services to a diverse public	\$104,777,000
- Extend library services to underserved portions of the public. (State Grants: library services)	\$38,432,000
- Extend library services to Indian tribes in core operations, technical assistance and specialized projects. (Native American: library services)	\$3,030,000
- Enhance library services nation wide with electronic linkages and by helping libraries acquire and share computer telecommunications technology and share resources. (State Grants: library services)	\$49,980,000
- Advance the technology leadership capacity for museums and libraries: through education and training; research and demonstration; preservation or digitization of materials; networked technology advancement; and model cooperative projects. (National Leadership Grants: museum services/library services)	\$13,335,000
III. Consistently provide high-quality service and efficient operations	\$7,820,000
- Operational	\$7,820,000
Total	\$206,378,000

**INSTITUTE OF MUSEUM AND
LIBRARY SERVICES: FY 2001
APPROPRIATIONS REQUEST**

**BREAKDOWN BY PROGRAM AND
OPERATIONAL GOALS**

***figures are \$x000*

	2001 Agency Request	Goal 1 Excellence	Goal 2 Access	Goal 3 Service
OFFICE OF MUSEUM SERVICES PROGRAM FUNDS				
OPERATIONS				
General Operating Support	\$15,533	\$15,533		
Museum Assessment Programs	\$450	\$450		
CONSERVATION				
Conservation Project Support	\$2,310	\$2,310		
Conservation Assessment Program	\$820	\$820		
NATIONAL LEADERSHIP GRANTS	\$11,635	\$4,500	\$7,135	
ADMINISTRATION				
Operations + Research & Eval	\$2,630			\$2,630
SUBTOTAL, OMS GRANTS AND ADMIN	\$33,378	\$23,613	\$7,135	\$2,630
OFFICE OF LIBRARY SERVICES PROGRAM FUNDS				
STATE GRANTS	\$151,780	\$63,368	\$88,412	
NATIVE AMERICAN LIBRARY SVC	\$3,030		\$3,030	
NATIONAL LEADERSHIP GRANTS	\$13,000	\$6,800	\$6,200	
ADMINISTRATION				
Operations + Research & Eval	\$5,190			\$5,190
SUBTOTAL, OLS GRANTS AND ADMIN	\$173,000	\$70,168	\$97,642	\$5,190
TOTAL, AGENCY REQUEST	\$206,378	\$93,781	\$104,777	\$7,820

STATEMENT ON AGENCY REAUTHORIZATION

The Institute of Museum and Library Services is authorized by P.L. 104-208, the Museum and Library Services Act, as amended. A description of the authorizing statutes follows. All programs are authorized at "such sums" through 2002. As of this time, no Congressional hearings on reauthorization have taken place.

The Agency continues to be in close contact with its constituency through a wide variety of methods, including convening meetings, holding forums, disseminating best practices, and through print and electronic media. IMLS is continuing to increase its emphasis on program evaluation and outcome reporting to ensure the effective implementation of the Act.

Summary of Museum and Library Services Act of 1996: Provision of the Authorizing Legislation for the Institute of Museum and Library Services

Summary

This legislation reauthorizes Federal library and museums program.

The law consolidates several library titles and moves them from the Department of Education to the Institute. The Office of Library Services provides library programs that are primarily grants to States for technology and service to underserved communities. A small allotment supports programs of national significance; these programs may include support for joint museum/library collaborations. The library programs were authorized at \$150 million in FY1997 and such sums as may be necessary for fiscal years 1998-2004. This legislation also amends the National Commission on Libraries and Information Science Act to add to the Commissioners' responsibilities advising the Director of the Institute on library and joint library/museum programs. The Commission is composed of the Librarian of Congress, the Director of IMLS (ex officio) and 14 members appointed by the President and confirmed by the Senate.

The legislation for museum programs remains very much the same as it has for the past twenty years. The legislation is broad and flexible enough to allow the Institute to support improvement of museum services in a variety of ways. The new legislation authorizes the Director, with the advice of the National Museum Services Board, to make annual National Awards for Museum Service. The Award is now institutionalized and assures its continuance into the future. The museum program was authorized at \$28.7 million in FY 1997 and such sums as may be necessary for fiscal years 1998-2004. The legislation continues the National Museum Services Board, consisting of the Director and 14 members appointed by the President and confirmed by the Senate. The National Museum

Services Board is established within the Institute to advise the Director on museum programs and on joint museum/library programs.

Subtitle A General Provisions

The Institute of Museum and Library Services is established within the National Foundation on the Arts and Humanities. The Institute consists of an Office of Museum Services and an Office of Library Services.

The Institute is headed by a Director appointed by the President for a four-year term, by consent and with the advice of the Senate. The initial Director was the Director of the Institute of Museum Services at the date of enactment. Beginning with the second individual appointed Director, every second individual will have special competence with regard to library and information services, and every second individual will have special competence with regard to museum services.

A Deputy Director shall head the Office of Library Services, and shall be appointed by the Director from among individuals having a graduate degree in library science and expertise in library and information services. A Deputy Director shall head the Office of Museum Services, and shall be appointed by the Director from among individuals having expertise in museum services.

The Director is authorized to accept financial or in-kind contributions to further the functions of the Institute.

Subtitle B Library Services and Technology Act

Purposes of the LSTA subtitle are:

- to consolidate Federal library service programs;
- to stimulate excellence and promote access to learning and information resources in all types of libraries for individuals of all ages;
- to promote library services that provide all users access to information through State, regional, national and international electronic networks;
- to provide linkages among and between libraries; and
- to promote targeted library services to people of diverse geographic, cultural, and socioeconomic backgrounds, to individuals with disabilities, and to people with limited functional literacy or information skills.

Appropriated funds go to Secretary of Education who transfers them to Institute of Museum and Library Services. Allotment of LSTA funds is four percent for national leadership competitive grants/contracts; one and a half percent for library services to Indian tribes, up to three percent for Federal administration, with the remainder allotted by formula to States via State Library Agencies.

Grants to States

The State-based LSTA program provides a minimum allotment of \$340,000 with the remainder based on population, four percent limit on funds used for State-level

administration, one-third matching required from non-Federal, State, or local sources, and maintenance of effort on State-level expenditures for similar purposes from the average of the three previous years.

Each State files a five-year State plan with IMLS for approval, which must be developed with library/library-user input, be broadly representative and be publicly available. The State must provide an independent evaluation/report prior to the end of the five year plan.

Purposes for which State-based LSTA funds could be used by State Library Agencies directly or through subgrants or cooperative agreements are:

- establishing or enhancing electronic linkages among or between libraries;
- electronically linking libraries with educational, social, or information services;
- assisting libraries in accessing information through electronic networks;
- encouraging libraries in different areas, and encouraging different types of libraries, to establish consortia and share resources;
- paying costs for libraries to acquire or share computer systems and telecommunications technologies; and
- targeting library and information services to persons having difficulty using a library and to underserved urban and rural communities, including children (from birth through age 17) from families with incomes below the poverty line.

Services for Native American Library Services

The Institute makes grants to Indian tribes and to organizations that primarily serve and represent Native Hawaiians for the same purposes as State-based funds.

National Leadership Grants or Contracts

The Institute establishes and carries out a program awarding National Leadership Grants, cooperative agreements or contracts to enhance the quality of library services nationwide and to provide coordination between libraries and museums. Such grants, cooperative agreements or contracts shall be used for activities that may include:

- education and training of persons in library and information science, particularly in areas of new technology and other critical needs, including graduate fellowships, traineeships, institutes or other programs;
- research and demonstration projects related to the improvement of libraries, education in library and information science, enhancement of library services through effective and efficient use of new technologies, and dissemination of information derived from such projects;
- preservation or digitization of library materials and resources, giving priority to projects emphasizing coordination, avoidance of duplication, and access by researchers beyond the institution or library entity undertaking the project; and
- model programs demonstrating cooperative efforts between libraries and museums.

Subtitle C Museum Services

Purposes of the Museum Services subtitle are:

- to encourage and assist museums in their educational role, in conjunction with formal systems of elementary, secondary, and post-secondary education and with programs of nonformal education for all age groups;
- to assist museums in modernizing their methods and facilities so that museums are better able to conserve the cultural, historic, and scientific heritage of the United States; and
- to ease the financial burden borne by museums as a result of their increasing use by the public.

The Director with the advice of the National Museum Services Board may annually award National Awards for Museum Service to outstanding museums that have made significant contributions to their communities.

Grants to Museums

The Institute makes grants to museums to pay for the Federal share of the cost of increasing and improving museum services through such activities as:

- programs that enable museums to construct or install displays, interpretations, and exhibitions in order to improve museum services provided to the public;
- assisting museums in developing and maintaining professionally trained or otherwise experienced staff to meet the needs of museums;
- assisting museums in meeting the administrative costs of preserving and maintaining the collections of museums, exhibiting the collections to the public, and providing educational programs to the public through the use of the collections;
- assisting museums in cooperating with each other in developing traveling exhibitions, meeting transportation costs, and identifying and locating collections available for loan;
- assisting museums in the conservation of their collections;
- developing and carrying out specialized programs for specific segments of the public, such as programs for urban and rural areas, Indian reservations, and penal and other state institutions; and
- model programs demonstrating cooperative efforts between libraries and museums.

Professional Services

Through contracts and cooperative agreements with appropriate entities, the Institute's Federal share funds enable those entities to undertake projects designed to strengthen museum services. No more than 15 percent of the appropriation for Museum Services may be used for these contracts and cooperative agreements.



COMMISSION OF FINE ARTS
BUDGET JUSTIFICATIONS, FY 2001



COMMISSION OF FINE ARTS

Budget Justifications
Fiscal Year 2001TABLE OF CONTENTS

<u>Item</u>	<u>Page Number</u>
General Statement.....	CFA-2
Highlights.....	CFA-4
<u>Appropriation: Salaries and Expenses</u>	
Appropriation Language.....	CFA-6
Justification of Uncontrollable Cost Changes.....	CFA-7
Justification of Program and Performance by Activity:	
Salaries and Expenses.....	CFA-8
Program and Financing Schedule.....	CFA-10
Object Classification.....	CFA-11
Personnel Summary and Employee Count.....	CFA-12
<u>Appropriation: National Capital Arts and Cultural Affairs</u>	
Appropriation Language.....	CFA-13
Justification of Program and Performance by Activity:	
Grants.....	CFA-14
Program and Financing Schedule/Object Classification.....	CFA-15
<u>Appropriation: District of Columbia Arts Education Grants</u>	
Appropriation Language.....	CFA-16
Justification of Program and Performance by Activity:	
Grants.....	CFA-17
Program and Financing Schedule/Object Classification.....	CFA-18

COMMISSION OF FINE ARTS
General Statement

The Commission of Fine Arts was established in 1910 (40 U.S.C. 104) to fill the need for a permanent advisory agency whose members would be qualified to make available to the Government expert opinion on questions of art and architecture. The Commission's mission, as design proposals are brought before it, is to safeguard and improve the appearance and symbolic significance of the City as a capital for the benefit of the citizens of the United States and foreign visitors. Specifically, the Commission provides knowledgeable advice on matters pertaining to architecture, landscape architecture, and sculpture to all branches and departments of the Federal and District of Columbia governments when such matters affect the National Capital.

In addition, the Commission advises on the design of circulating and commemorative coinage and must approve the siting and design for American memorials, both in the United States and on foreign soil, in accordance with the American Battle Monuments Act and the Commemorative Works Act.

The Commission is composed of seven members, appointed by the President, who serve without compensation, receiving only actual travel expenses relative to attending meetings. Since the Commission's inception, 105 distinguished architects, landscape architects, painters, sculptors, and laymen in the field of fine arts have given freely of their time, experience, and professional skills in advising the President, the Congress, and Government agencies on matters involving the fine arts.

This fiscal year, the Commission of Fine Arts is proposing a new community-based arts education grant program designed to reinforce the importance of the arts as part of a quality education and address specific needs of communities in the District of Columbia.

Lastly, the Commission administers the National Capital Arts and Cultural Affairs program, which was created by Congress to benefit non-profit local cultural entities whose primary purpose is to provide the City with exhibit or performance art.

Specific functions as mandated by law require the Commission to:

- Advise executive departments of the Federal Government on any matters of an aesthetic nature, especially those pertaining to architecture and landscape programs that affect the appearance of the National Capital.
- Advise on any matters of an aesthetic nature that may be put forward by committees of Congress.

- Advise the President and members of the administration on aesthetic matters upon their request.
- Advise on the design of medals, seals, insignia, and circulating and commemorative coinage.
- Approve submissions by the American Battle Monuments Commission on matters pertaining to the location and design of memorials both foreign and domestic.
- Approve submissions under the Commemorative Works Act on matters pertaining to the location and design of memorials in and around the Capital.
- Advise the District of Columbia Government on all public construction, as well as private construction in certain areas of the city as designated by Congress under the Shipstead-Luce and Old Georgetown acts.
- Administer the National Capital Arts and Cultural Affairs program.
- Advise the Department of State through Section 206 of the Foreign Missions Act on designs proposed for foreign chanceries in all areas under the jurisdiction of the Commission, including the International Center.

In addition to those functions mandated by law:

Approve acquisitions as proposed by and for the Freer Gallery of Art in accordance with a codicil to the Will of Charles Lang Freer.

The following summary provides a comparison between the FY 2000 estimate and the FY 2001 request:

		FY 2000 Enacted*	FY 2001 Request	Increase Decrease (+/-)
Salaries and Expenses	\$	1,001	1,078	+77
	FTE	7	8	+1
National Capital Arts & Cultural Affairs	\$	6,973	7,000	+27
	FTE	-	-	-
D.C. Arts Education Grants	\$	0	1,000	+1,000
	FTE	-	-	-
Total		7,974	9,078	+1,104
	FTE	7	8	+1

* Includes across-the-board rescission of \$30,419.

Highlights of the FY 2001 Request

The Commission of Fine Arts is requesting a Salaries and Expenses appropriation of \$1,078,000 for FY 2001 to finance the expenses of the members of the Commission and the salaries and related costs necessary to support a small staff and maintain an efficient level of operations. This appropriation request represents an increase of \$77,000 above the FY 2000 enacted level.

Within the base level of \$1,001,000 (FY 2000 enacted level) there is a total of \$70,000 in uncontrollable cost increases. The \$77,000 requested increase contains an uncontrollable \$20,000 in cost of living pay raises and \$57,000 in program changes. Together, there is a total of \$90,000 in uncontrollable cost increases above the FY 2000 enacted level, which includes the \$20,000 in cost of living pay raises, as well as \$8,000 in Working Capital Fund charges and \$62,000 in rent to GSA. The rent increase is based on a new commercial equivalent formula which accounts for three principle cost factors: "shell" rental rate (the commercial market value), GSA maintenance services, and building specific security provisions. Of the three, the shell rate will be fixed through FY 2006, as stated in a letter of intent from GSA.

The increase includes \$57,000 in program changes which will fund one additional Full Time Employee at an estimated cost of \$45,000, and the regular printing of the Commission's *Brief History* by GPO at a cost of \$12,000. The *Brief History* represents the "annual report" of the Commission.

In 2001, \$7,000,000 is requested for the National Capital Arts and Cultural Affairs Program.

In addition, \$1,000,000 is requested to begin the D.C. Arts Education Grants program. This new community-based program is designed to reinforce the importance of the arts as part of a quality education and address specific needs of the community. The program would provide project grants of \$25,000 to \$50,000 each to D.C. arts organizations and \$10,000 to \$15,000 each to individuals for projects that would offer training and exposure to artistic disciplines to talented District youth who might not otherwise have access to established artists and organizations.

Appropriation Language Sheet**COMMISSION OF FINE ARTS**Salaries and Expenses

For expenses made necessary by the Act establishing a Commission of Fine Arts, (40 U.S.C. 104), [\$1,005,000] \$1,078,000: *Provided*, That the Commission is authorized to charge fees to cover the full costs of its publications, and such fees shall be credited to this account as an offsetting collection, to remain available until expended without further appropriation. (*Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).*)

COMMISSION OF FINE ARTS
Salaries and Expenses
Uncontrollable and Related Cost Changes *
(Dollar amounts in thousands)

Additional cost in FY 2001 of the January Pay Raises

	2000 |	2001
	<u>Estimate</u>	<u>Change</u>
2000 Pay raise.....	\$623/	+6

The adjustment is for an additional amount needed in FY 2001 to fund the remaining 3-month portion of the estimated cost of the 4.8 percent increase effective in January 2000.

	2000 |	2001
	<u>Estimate</u>	<u>Change</u>
2001 Pay raise.....	\$623 /	+14

The amount displayed represents the additional costs of funding an estimated 3.7 percent January 2001 pay increase for GS-series employees and the associated pay rate changes made in other pay series.

Other Uncontrollable Cost Changes:

	2000 |	2001
	<u>Estimate</u>	<u>Change</u>
Rental Payments to GSA.....	\$165 /	+62

The adjustment is for changes in the costs payable to General Services Administration resulting from changes in rates for office and non-office space as estimated by GSA.

	2000 |	2001
	<u>Estimate</u>	<u>Change</u>
Working Capital Fund.....	37 /	+8

The change reflects expected changes in the charges for Department of the Interior services and other services through the working capital fund.

TOTAL, UNCONTROLLABLE COST CHANGES.....	+ 90	
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* Does not include request for one additional FTE in FY 2001.

Justification of Program and PerformanceActivity: Salaries and Expenses

	FY 2000 <u>Enacted</u>	Uncontrollable <u>Changes</u>	Program <u>Changes</u>	FY 2001 <u>Budget</u>	Change From <u>FY 2000</u>
(\$000)	1,001	+20	+57	1,078	+77
FTE	7	-	+1	8	+1

Authorization: 40 U.S.C. 104.**The objectives of the Commission of Fine Arts staff are:**

- To support the Commission and its continued operation which provides the City and the people of Washington with expert advice on architecture and art. To advise the President, Congress, and various agencies of the Federal and District governments on proposed projects and existing conditions in the Capital so as to safeguard and enhance the appearance and symbolic significance of the City. This expertise is provided by seven Presidentially-appointed, well-qualified "judges of the arts" who are supported by the small professional staff.
- To assist the Commission and provide a professional level of artistic advice through review and liaison with the District of Columbia and Federal governments; to provide the administrative services that are required to support the Commission and communicate the advice of the Commission; and to keep accurate records of the Commission's actions.
- To provide a professional level of support to the Commission in the administration of its approval authority over the design and location of battle monuments and commemorative works as required by the specific statutes authorizing them.
- To produce research on buildings, precincts, and general plans of the city of Washington. To make historical and architectural information generally available to the public, to other government agencies, and to the Commission. To identify buildings and areas of lasting merit so as to avoid destruction or impairment of those resources as plans evolve for the City. The specially trained staff of architects and historians performing this documentation and planning work are also available to the Commission on a case-by-case basis to provide supporting material on proposed projects, sometimes on very short notice.

Program Activities:

- The Commission of Fine Arts, an independent agency, reviews proposals affecting the appearance of Washington, and advises the President, the Congress, and the agencies of the Federal

and District of Columbia governments on architectural designs and other matters of art. It also conducts liaison, research, and publication activities to further support the enhancement and preservation of the City. The Commission's approval on design and location of monuments and memorials is required as specified under the Commemorative Works Act and the American Battle Monuments Act.

- o The Commission provides advice on the development of Washington through study, inspection, research, and expert consultation. The Commission maintains continual involvement in ongoing projects such as the International Center, the Federal Triangle, and other special areas of the City, and publishes studies on the historical development of Washington. Some of the material assembled is published so as to be permanently available to government agencies as well as the general public.

- o The Commission provides advice on design, planning, and historic preservation to the Federal and District of Columbia governments as well as individual Members of Congress who may have questions on matters specific to Washington or having to do with constituent requests on matters having to do with art in their respective home states. This advice is provided at minimal cost to the Government.

Program changes from 2000 Enacted Level: The Commission of Fine Arts is requesting a \$57,000 program increase in FY 2001. Program changes cover two items: an increase from seven to eight FTE and the publication of the Commission's *Brief History*. There is a total of \$90,000 in uncontrollable costs, including a 38% increase in the rent paid to the General Services Administration, based on its new formula for calculating commercial rent equivalents.

- o Since 1960, the staff of the Commission of Fine Arts has managed to operate with notable distinction with only seven FTE. With the burgeoning demands placed on the Commission for information and advice from Congress, other government agencies, and the public, and the need to comply with an ever more complex service and archival environment, an increase in staffing has become critical. As an example, between 1994 and 1999, a five-year span, the average monthly caseload under the Georgetown Act increased from 15 to 27 cases. Establishing the new position of Technical Information Specialist, at roughly \$45,000 including benefits, will provide the increased level of support needed to continue critical agency programs.

- o Every five years the Commission is pleased to publish, through the Government Printing Office, an updated history of its activities and accomplishments since its establishment in 1910. The *Brief History* includes the legislation governing the agency and is made available to the public free of charge. The cost of this service in FY 2001 is estimated at \$12,000. The *Brief History* represents the "annual report" for the Commission.

**COMMISSION OF FINE ARTS
SALARIES AND EXPENSES**

Program and Financing (in millions of dollars)

Identification code 95-2600-0-1-451		1999	2000	2001
		Actual	Enacted	Request
Obligations by program activity:				
10.00	Total obligations.....	1	1	1
Budgetary resources available for obligation:				
22.00	New budget authority (gross).....	1	1	1
23.95	New obligations.....	-1	-1	-1
New budget authority (gross), detail:				
40.00	Appropriation.....	1	1	1
Change in unpaid obligations:				
73.10	New obligations.....	1	1	1
73.20	Total outlays (gross).....	-1	-1	-1
Outlays (gross), detail:				
86.90	Outlays from new current authority	1	1	1
Net budget authority and outlays:				
89.00	Budget authority.....	1	1	1
90.00	Outlays (net).....	1	1	1

**COMMISSION OF FINE ARTS
SALARIES AND EXPENSES**

Object Classification (in thousands of dollars)

Identification code 95-2600-0-1-451		1999	2000	2001
		Actual	Enacted	Request
	Personnel compensation:			
11.1	Full-time permanent.....	473	496	542
11.5	Other personnel compensation.....	20	20	20
11.9	Total personnel compensation.....	493	516	562
11.2	Personnel benefits: Civilian.....	98	107	111
21.0	Travel and transportation of persons.....	7	7	7
22.0	Transportation of things.....	-	-	2
23.1	Rental payments to GSA.....	167	165	227
23.3	Communications, utilities, and miscellaneous charges.....	13	23	15
24.0	Printing and reproduction.....	6	4	16
25.2	Other services.....	45	45	68
25.3	Purchases of goods and services from Government accounts.....	44	54	55
26.0	Supplies and materials.....	20	21	12
31.0	Equipment.....	5	59	3
99.9	Total obligations.....	898	1,001	1,078

**COMMISSION OF FINE ARTS
SALARIES AND EXPENSES**

Personnel Summary

Identification code 95-2600-0-1-451	1999 Actual	2000 Enacted	2001 Request
-------------------------------------	----------------	-----------------	-----------------

Total compensable work-years:

Full-time equivalent employment.....	7	7	8
Full-time equivalent of overtime and holiday hours.....	0	0	0

Appropriation Language Sheet

COMMISSION OF FINE ARTS
National Capital Arts and Cultural Affairs

For necessary expenses as authorized by Public Law 99-190 (20 U.S.C. 956(a)), as amended, [\$7,000,000] \$7,000,000. (*Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).*)

Justification of Program and PerformanceActivity: Grants

	FY 2000 <u>Enacted</u>	Uncontrollable <u>Changes</u>	Program <u>Changes</u>	FY 2001 <u>Budget</u>	Change From <u>FY 2000</u>
(\$000)	6,973	27	0	7,000	+27
FTE	-	-	-	-	-

Authorization: 99 Stat. 1261; 20 U.S.C. 956a

Objectives: The FY 1988 Department of the Interior and Related Agencies Appropriations Act transferred administrative responsibility for the National Capital Arts and Cultural Affairs program from the National Endowment for the Humanities to the Commission of Fine Arts. This program provides grants for general operating support to District of Columbia non-profit arts and other cultural organizations.

Activities: In FY 1999, this program helped support 20 nationally renowned organizations, providing funding for jobs, exhibits and performances that might not otherwise have been possible.

Program change from 2000 enacted level: None.

**COMMISSION OF FINE ARTS
NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS**

Program and Financing (in millions of dollars)

Identification code 95-2602-0-1-503		1999 Actual	2000 Enacted	2001 Request
Obligations by program activity:				
10.00	Total obligations (Object class 41.0).....	7	7	7
Budgetary resources available for obligation:				
22.00	New budget authority (gross).....	7	7	7
23.95	Total new obligations.....	-7	-7	-7
New budget authority (gross), detail:				
40.0	Appropriation.....	7	7	7
Change in unpaid obligations:				
73.10	New obligations.....	7	7	7
73.20	Total outlays (gross).....	-7	-7	-7
Outlays (gross), detail:				
86.90	Outlays from new current authority	7	7	7
Net budget authority and outlays:				
89.00	Budget authority.....	7	7	7
90.00	Outlays (net).....	7	7	7

Appropriation Language Sheet

COMMISSION OF FINE ARTS

D.C. Arts Education Grants

To carry out the "D.C. Arts Education Grants" program, \$1,000,000, which shall be available to make grants to District of Columbia-based arts education organizations and individuals that provide training and exposure to artistic disciplines to disadvantaged District youth.

CFA-16

Justification of Program and PerformanceActivity: Grants

	FY 2000 <u>Enacted</u>	Uncontrollable <u>Changes</u>	Program <u>Changes</u>	FY 2001 <u>Budget</u>	Change From <u>FY 2000</u>
(\$000)	-	-	-	1,000	+1,000
FTE	-	-	-	-	-

Objectives: The FY 2001 Budget proposes \$1,000,000 to begin the D.C. Arts Education Grants program, a new community-based arts education program to reinforce the importance of the arts as part of a quality education and address specific needs of communities in the District of Columbia. This program would provide project grants of \$25,000 to \$50,000 each to D.C. arts organizations and \$10,000 to \$15,000 each to individuals for projects that would offer training and exposure to artistic disciplines to disadvantaged District youth. Eligible projects could include: workshops, professional development for teachers, curriculum integration projects, performances, and organization-sponsored arts education programs.

**COMMISSION OF FINE ARTS
D.C. ARTS EDUCATION GRANTS**

Program and Financing (in millions of dollars)

Identification code 95-2604-0-1-451		1999 Actual	2000 Enacted	2001 Request
Obligations by program activity:				
10.00	Total obligations (Object class 41.0).....	-	-	1
Budgetary resources available for obligation:				
22.00	New budget authority (gross).....	-	-	1
23.95	Total new obligations.....	-	-	-1
New budget authority (gross), detail:				
40.0	Appropriation.....	-	-	1
Change in unpaid obligations:				
73.10	New obligations.....	-	-	1
73.20	Total outlays (gross).....	-	-	-1
Outlays (gross), detail:				
86.90	Outlays from new current authority	-	-	1
Net budget authority and outlays:				
89.00	Budget authority.....	-	-	1
90.00	Outlays (net).....	-	-	1

**Advisory
Council on
Historic
Preservation**

**BUDGET JUSTIFICATION
F.Y. 2001**

February 2000

(1155)

**ADVISORY COUNCIL ON
HISTORIC PRESERVATION**

FISCAL YEAR 2001 JUSTIFICATION

Table of Contents

<u>Text</u>	<u>Page Number</u>
Executive Summary	ACHP- 2
Summary of FY 2001 Budget Justification	ACHP- 7
General Statement	ACHP- 9
Program Structure	ACHP-16
Major Program Area Summaries	ACHP-19
Appendix A: Highlights of Program Activities, FY 1999	ACHP-35

Figures

1. Organization Chart	ACHP- 5
2. Council Members	ACHP- 6
3. Long-Range Goals and Six-Year Strategic Goals	ACHP-20
4. Section 106 Project Reviews and Consultation	ACHP-27
5. Section 106 Management Activities	ACHP-30
6. How Section 106 Works Under Revised Regulations	ACHP-36
7. Internet Home Page Samples	ACHP-41

Supporting Tables

Summary of the FY 2001 Request	ACHP-12
Appropriation Language Sheet	ACHP-13
Justification of Base Adjustments	ACHP-14
Funding Background	ACHP-15
Expenditures by Object Classification	ACHP-15
Justification of Program and Performance	ACHP-15
Summary of Requirements by Object Class	ACHP-46
Salaries and Expenses Object Classification	ACHP-47
Program and Financing	ACHP-48

ADVISORY COUNCIL ON HISTORIC PRESERVATION FY 2001 BUDGET JUSTIFICATION

EXECUTIVE SUMMARY

FY 2001 Budget Request and History

<u>1999 (Actual)</u>	<u>2000 (Enacted)</u>	<u>2001 (Requested)</u>
\$2.8 million	\$2,988.6 million	\$3.189 million
32 FTE	34 FTE	34 FTE

About the Council. The Advisory Council on Historic Preservation was established by Title II of the National Historic Preservation Act of 1966 (*16 U.S.C. 470*). The Act charges the Council with advising the President and the Congress on historic preservation matters and entrusts the Council with the unique mission of advancing historic preservation within the Federal government and the National Historic Preservation Program. Under Section 106 of the Act, the Council reviews Federal actions affecting historic properties to ensure that historic preservation needs are balanced with Federal project requirements. It achieves this balance through the "Section 106 review process," which applies whenever a Federal action has the potential to impact historic properties. As administered by the Council, the process guarantees that State and local governments, Indian Tribes, businesses and organizations, and private citizens will have an effective opportunity to participate in Federal project planning when historic properties they value may be affected.

Primary authorities and Council functions. The Council's authority and responsibilities are principally derived from the National Historic Preservation Act. General duties of the Council are detailed in Section 202 (*16 U.S.C. 470j*); under Section 211 (*16 U.S.C. 470s*) the Council is granted rulemaking authority for Section 106. The Council also has consultative and other responsibilities under Sections 101, 110, 111, 203, and 214 of the NHPA, and in accordance with the National Environmental Policy Act (*42 U.S.C. 4321-4347*) is considered an agency with "special expertise" to comment on environmental impacts involving historic properties and other cultural resources.

Through its Strategic Planning process the Council has developed the following mission statement: "The mission of the Advisory Council on Historic Preservation is to promote the protection and enhancement of our Nation's historic resources."

In order to support this mission, the Council engages in the following activities on an annual basis:

The mission of the Advisory Council on Historic Preservation is to promote the protection and enhancement of our Nation's historic resources.

- ◆ Advances Federal historic preservation goals by working closely with Federal agencies to ensure that their policies, programs, and operating procedures adequately consider historic preservation laws and provide for historic values in planning and decision-making.
- ◆ Oversees the Section 106 review process to ensure that it functions smoothly and effectively in the nearly 100,000 Federal actions requiring review annually.
- ◆ Serves as mediator between Federal project sponsors and local preservation interests in numerous complex cases involving substantial impacts to important historic properties, important questions of policy or interpretation, the potential for presenting procedural problems, or issues of concern to Indian tribes or Native Hawaiian organizations.
- ◆ Develops legally binding agreements, in those cases that it mediates, among Federal and State officials and other affected parties to clearly set forth the treatment of historic properties.
- ◆ Provides essential training, guidance and public information to make the Section 106 review process operate efficiently and with full opportunity for citizen involvement.
- ◆ Recommends administrative and legislative improvements for protecting the Nation's heritage with due recognition of other national needs and priorities.

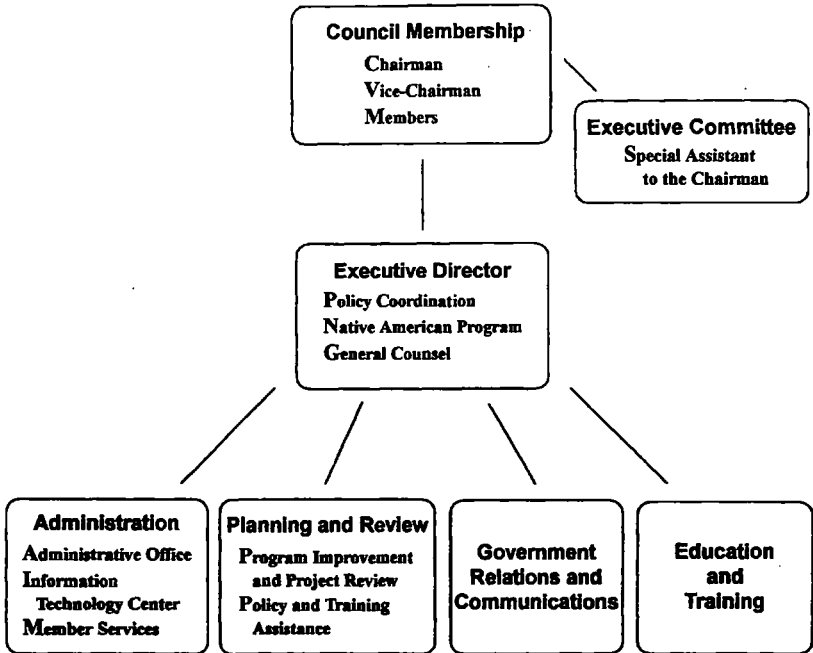
Current Level of Operations. The Council's appropriation figure for FY 2000 is \$2,988,600, which includes an across-the-board reduction of \$11,400 (0.38%).

FY 2001 Request. New regulations governing the Section 106 historic preservation review process, which is administered by the Council, were finalized in June, 1999. The revised regulations shift the individual project review work in many instances away from the Council to its preservation partners--Federal agencies, State Historic Preservation Officers, Tribal Historic Preservation Officers, and other parties. However, the changes in the process also rely heavily on the Council's continued ability to provide useful and timely advice and assistance in interpreting and implementing the regulations, resolving disputes, being responsive to the public, and adjusting its programmatic work accordingly. The need for the Council to oversee and monitor the system, and to use this information effectively to focus its efforts in Federal program improvement, coordination, and training under the statute, is critical to realizing the intent of the NHPA.

With the Council's traditional workload changing, and the need clearly there to aggressively pursue more complex and time-consuming programmatic improvement work and educational program development, the Council is requesting \$3.189 million and a continued staff level of 34 FTE for FY 2001 to maintain its ability to continue its program at the current level of operations. This figure is needed to meet basic administrative, operational, and authorized program costs. The request would include \$200,400 for meeting such uncontrollable cost increases as personnel compensation and benefits, administrative services, rent, and communications and utilities costs, as well as expected unreimbursed costs (chiefly modular furniture systems) associated with an office move.

**Figure 1. Organization Chart
Advisory Council on Historic Preservation**

as of January 1, 2000



**Figure 2.
Council Members
as of January 1, 2000**

Chairman

Cathryn Buford Slater (Arkansas)

Vice Chairman

Stephen B. Hand (Louisiana)

Expert Members

Bruce D. Judd, FAIA (California)

James K. Huhta (Tennessee)

Arva Moore Parks McCabe (Florida)

Parker Westbrook (Arkansas)

Citizen Members

Eugene A. Ludwig (New York)

Arthus Q. Davis, FAIA (Louisiana)

Native American Member

Raynard C. Soon (Hawaii)

Governor

Hon. Angus King (Maine)

Mayor

Vacant

Architect of the Capitol

Hon. Alan M. Hantman, AIA

Secretary of Agriculture

Hon. Daniel R. Glickman

Secretary of the Interior

Hon. Bruce Babbitt

Administrator, Environmental Protection Agency

Hon. Carol M. Browner

Administrator, General Services Administration

Hon. David J. Barram

Secretary of Housing and Urban Development

Hon. Andrew M. Cuomo

Secretary of Transportation

Hon. Rodney E. Slater

Chairman, National Trust for Historic Preservation

William B. Hart (Maine)

President, National Conference of State Historic**Preservation Officers**

Judith Bitner (Alaska)

Observer:**Secretary of Defense**

Honorable William S. Cohen

Observer:**General Chairman, National Association of****Tribal Historic Preservation Officers**

Alan S. Downer (Navajo Nation)

**SUMMARY OF
FY 2001 BUDGET JUSTIFICATION**

FY 2001 Budget Request and History

1999 (Actual)	2000 (Enacted)	2001 (Requested)
\$2.8 million	\$2,988.6 million	\$3.189 million
32 FTE	34 FTE	34 FTE

Current Level of Operations. The Council's appropriation figure for FY 2000 is \$2,988,600, which includes an across-the-board reduction of \$11,400 (0.38%).

FY 2001 Request. New regulations governing the Section 106 historic preservation review process, which is administered by the Council, were finalized in June, 1999. The revised regulations shift the individual project review work in many instances away from the Council to its preservation partners--Federal agencies, State Historic Preservation Officers, Tribal Historic Preservation Officers, and other parties. However, the changes in the process also rely heavily on the Council's continued ability to provide useful and timely advice and assistance in interpreting and implementing the regulations, resolving disputes, being responsive to the public, and adjusting its programmatic work accordingly. The need for the Council to oversee and monitor the system, and to use this information effectively to focus its efforts in Federal program improvement, coordination, and training under the statute, is critical to realizing the intent of the NHPA.

Following the initial implementation of new regulations in the last quarter of FY 1999, some trends and pressing needs are becoming clear:

- Increased and active Council member and staff involvement in high profile, complex, and controversial cases;
- Needed pursuit of critical and time-consuming program initiatives that would complement the regulations;
- Meeting our basic statutory, government-to-government responsibilities for dealing with Indian tribes in a variety of circumstances, both project-specific and programmatic;
- Increased need to emphasize outreach to, and working with, industry, applicants for Federal assistance, and local governments; and

– Need for enhanced and expanded technical training for preservation partners and other primary customers, including especially SHPOs, Tribes, and particular Federal agencies, to assist them with their Section 106 obligations.

With the Council's traditional workload changing, and the need clearly there to aggressively pursue more complex and time-consuming programmatic improvement work and educational program development, the Council is requesting \$3.189 million and a continued staff level of 34 FTE for FY 2001 to maintain its ability to continue its program at the current level of operations. This figure is needed to meet basic administrative, operational, and authorized program costs.

The Council is a small agency with only 34 Full Time Equivalents (FTE). The bulk of the agency budget is tied up in basic operational costs, mostly in salaries and benefits. With no additional staff, and with the classified pay raise, we expect salaries and benefits to cost us approximately \$127,000 more than in FY 2000. In addition, the cost of our administrative services through the Department of the Interior is expected to rise by about \$5,200 next year, and our rent will go up approximately \$43,000. The General Services Administration is planning to move us from our office in the Old Post Office Building in FY 2001, which will require replacement of modular furniture systems. We have made a preliminary estimate of \$25,000 for that cost. This amounts to a total of \$200,400 in additional uncontrollable costs above the FY 2000 level.

GENERAL STATEMENT

Introduction. The Advisory Council on Historic Preservation plays a pivotal role in the National Historic Preservation Program, established by the National Historic Preservation Act (NHPA) in 1966. Founded as a unique partnership among the Federal, State and local governments, Indian tribes and the public to advance the preservation of America's heritage while recognizing contemporary needs, the partnership has matured and expanded over time. The Council's program and activities have likewise evolved to meet today's needs.

The Secretary of the Interior and the Council have distinct but complementary responsibilities for managing the National Historic Preservation Program. The Secretary, acting through the National Park Service, maintains the national inventory of historic properties, sets standards for historic preservation, administers financial assistance and programs for Tribal, State and local participation and provides technical preservation assistance. The Council administers the legal process for protecting historic properties from harmful impacts caused by Federal actions and coordinates the national program, assisting Federal agencies in meeting their preservation responsibilities, working with States, Tribes, local governments, and applicants for Federal assistance to ensure that their interests are considered in the process, and resolving potential conflicts between development needs and preservation objectives.

Need for the Council. Because Federal government actions significantly affect the Nation's historic resources, effective consideration of historic preservation issues at the Federal level is vital. Every day, Federal projects and decisions alter the historic fabric of cities, towns, and rural areas. Failure to adequately consider the impact of Federal actions can result in the loss or degradation of those historic properties. In 1966, the Congress created a process in Section 106 of the National Historic Preservation Act that requires Federal agencies to take into account the effect of their actions on historic properties. Likewise, it charged the Council with commenting on those actions through its administration of the Section 106 process. The process has evolved into an effective tool for members of the public and their governmental representatives to have a voice in Federal decisionmaking as it affects their communities' heritage.

Amendments to the National Historic Preservation Act, particularly in 1980 and 1992, also clarified and enhanced the Council's advisory and educational responsibilities. The Council was directed to review the policies and programs of Federal agencies and recommend measures to improve the effectiveness, consistency, and coordination of those policies and programs with the purposes of the Act. This mandate is complementary to the Council's review functions under Section 106.

The Council is uniquely suited to its task. An independent agency, it brings together through its membership Federal agency heads, representatives of State and local government, historic preservation leaders and experts, Native American representatives and private citizens to shape

national policies and programs dealing with historic preservation. The Council's diverse membership is reflected in its efforts to seek sensible, cost-effective ways to mesh preservation goals with other public needs. Unlike other Federal agencies or private preservation organizations, the Council incorporates a variety of interests and viewpoints in fulfilling its statutory duties, broadly reflecting the public interest. Solutions are reached that reflect both the impacts on irreplaceable historic properties and the needs of today's society.

Organization of the Council. The Council has two components: a policy-making body of 20 members set by statute and a small professional staff. The Council members include eleven Presidentially-appointed, non-Federal members: the Chairman, three members from the general public, a governor, a mayor, four experts from preservation related disciplines and a Native American or Native Hawaiian. The remainder are six Federal agency heads whose activities have special relationships to historic properties, the Architect of the Capitol and ex-officio representatives of the National Trust for Historic Preservation (NTHP) and the National Conference of State Historic Preservation Officers (NCSHPO).

An Executive Committee composed of the Chairman, Vice-Chairman, and five Council members advises the Chairman on policy and program priorities, and helps oversee implementation of the Council's strategic plan. Staff assistance for the Executive Committee is provided by a Special Assistant to the Chairman.

An Executive Director manages the Council staff, which is trained in a variety of disciplines, including archeology, architectural history, planning, history, law, information technology and administration. The majority of staff are directly involved in pursuing the Council's program activities; a small number provide essential administrative, technical and secretarial support. The Council is headquartered in Washington, D.C.; a regional office in Denver, Colorado, serves the western States. Core Council staff, including the Special Assistant to the Chairman, numbers 34; in the event that agencies retain Council services on a reimbursable basis, additional temporary staff may be employed.

The Council's Work. The Council's work has many dimensions. It promotes responsible Federal agency project planning and historic property management based on information gathering and consultation with affected parties. The Council conducts essential public interest review, negotiation and dispute resolution on a broad range of historic preservation issues and concerns. It provides needed advice and counsel to the President, the Congress, Federal, State and local government agencies, Indian Tribes, private institutions and individuals and international organizations on historic preservation matters. It prepares and disseminates education and information to advance the other objectives. These activities generally fall into four major program areas: policy development and program coordination; Federal agency program management; management of the Section 106 process; and education, training, and public awareness.

With the issuance of revised regulations for implementing Section 106 of the National Historic Preservation Act, the work of the Council is changing in ways both subtle and more dramatic.

Individual case review, especially of relatively routine, non-controversial projects, is being handled at the state or local level; however, this is being balanced by a smaller number of more complex, precedent-setting cases that take considerable time, effort, and experience to deal with. The Council is increasingly being called upon for legal and technical interpretations, advice on best planning and other preservation-related practices, assistance in consulting with Indian tribes, addressing environmental justice needs, or advice on effective public involvement. The Council is also becoming more engaged and proactive in working with Federal agencies to improve the fit between their policies and programs and historic preservation needs, thereby reducing or eliminating policy and operational conflicts before they arise. Council guidance and training is actively being sought by a broad spectrum of parties, including Federal, State, Tribal, and local government officials, private consultants, representatives of industry, and community organizations and citizen groups.

Summary of the FY 2001 Request

The Council seeks funding of \$3.189 million and 34 FTEs

The following summary compares the FY 2000 enacted budget and the FY 2001 estimate.

(Dollar amounts in thousands)

	FY 2000 <u>Enacted</u>	FY2001 <u>Estimate</u>	<u>Increase</u>
Salaries & Expenses	\$2,988.6	\$3,189	+200.4
FTE	(34)	(34)	--

Authorization

Section 509 of the Omnibus Parks and Public Lands Management Act of 1996 (P.L. 104-333) authorizes \$4,000,000 annually for FY 1997 through FY 2000; reauthorization legislation is pending.

Appropriation Language Sheet**ADVISORY COUNCIL ON HISTORIC PRESERVATION****SALARIES AND EXPENSES**

For expenses made necessary by the Act establishing an Advisory Council on Historic Preservation, Public Law 89-665, [\$2,988,600:] \$3,189,000 : Provided, that none of these funds shall be available for the compensation of Executive Level V or higher positions.

16 U.S.C. 470; 80 Stat. 915

(Department of the Interior and Related Agencies Appropriations Act, 2000 (H.R. 3423), as included in Public Law 106-113, the Consolidated Appropriations Act)

Justification of Base Adjustments

(Dollar amounts in thousands)

	<u>FTE</u>	<u>AMOUNT</u>
<u>Adjustments to FY 2000 base</u>		
<u>Personnel compensation</u> (Salaries 95, Benefits 27)	+	127
<u>Working capital (DOI Administrative Services)</u> (Other services 2)	+	5.2
<u>Rent</u> (Rent 40)	+	43.2
<u>Other uncontrollable one-time costs</u>		
<u>Office move</u> (Equipment 25)	+	25
 TOTAL	--	+200.4

Funding Background
(\$000)

<u>Fiscal Year</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
President's budget	3,063	2,500	2,745	3,000	3,000	3,189
Initial approp	2,500	2,500	2,745	2,800	3,000	
Approp adjust	-3	-	-	-	-11.4	
Budget authority	2,497	2,500	2,745	2,800	2,988.6	
FTE	(34)	(32)	(32)	(32)	(34)	(34)

Expenditures by Object Classification
(\$000)

		<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>Inc (+)</u> <u>Dec(-) over</u> <u>2000</u>
		<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	
11	Salaries	1,792	1,853	1,952	+ 99
12	Benefits	416	432	461	+ 28
21	Travel	40	80	80	—
23.0	Rent,Comm.,Misc				
	Charges	286	294.8	337	+ 43.2
24	Printing	41	73	73	—
25	Other services	170	191.8	197	+ 5.2
26	Supplies	5	7	7	—
31	Equipment	<u>50</u>	<u>57</u>	<u>82</u>	<u>+ 25</u>
TOTAL		2,800	2,988.6	3,189	+ 200.4
FTE		(32)	(34)	(34)	(—)

Justification of Program and Performance

Activity:

ACHP OPERATIONS

<u>Program Element</u>	<u>2000</u> <u>Enacted</u>	<u>2001</u> <u>Estimate</u>	<u>Inc (+)</u> <u>Approp</u>
Council Operations (FTE)	(\$)2,988.6 (34)	3,189 (34)	+200.4 (—)

PROGRAM STRUCTURE

Rationale for Federal role. Coordination of Federal activities affecting historic properties is essential to the efficient administration of the National Historic Preservation Program. Providing such coordination requires an expert body well-versed in the administration of the program and comprised of members serving at the policy-making level. The Section 106 review process for Federal actions provides the only assurance that State and local government, Indian Tribes, and the public will have an opportunity to learn of and influence the decisions of Federal agencies that may affect historic properties in their communities. Implementation of these responsibilities requires a body with the authority of Federal law and free from conflicting program obligations. Title II of the NHPA (16 U.S.C. §470i-t) created the Council to meet that need.

Council Organization. The Council is organized into six operational units: the Membership, including its Executive Committee; and five staff units: the Executive Directorate, Administration, Communications and Intergovernmental Relations, Education and Training, and Planning and Review (see Figure 1 above).

The Membership. The Council's statutorily-designated members, including the Chairman who is the head of the agency, address policy needs, design program initiatives, and make recommendations to the President, the Congress and the heads of other Federal agencies. Usually the Council meets in Washington, DC, although it sometimes travels to other parts of the country to learn about and address emerging preservation issues or controversial Section 106 cases. During FY 1999, the full Council membership met three times: in November, 1998 in Santa Fe, New Mexico; in February, 1999 in Honolulu, Hawaii; and in June, 1999 in Washington, D.C. The Council has met so far in FY 2000 in November, 1999 in Knoxville, Tennessee. Other meetings this year are currently scheduled for March, 2000 in Phoenix, Arizona, and June, 2000 in Maine (hosted by Gov. King). The fall meeting, which will occur early in FY 2001, will be held in Washington, D.C.

Members pursue Council activities collectively and individually. Several times a year, the Chairman appoints panels of members to formulate comments on Section 106 cases. Member task forces and committees may be formed to pursue specific tasks, such as policy development or regulatory reform oversight. On the average, three such subgroups are at work at any given time during the year. Each meets about five to six times in the course of its existence, is served by one to three staff members, and produces reports, comments and policy recommendations.

There is an Executive Committee, chaired by the Chairman, to advise the Chairman on policy matters and to facilitate better communication among staff and members. A Special Assistant to the Chairman supports the Executive Committee (1 FTE).

Executive Directorate. This unit contains the Executive Director (including Policy Coordination), the Office of General Counsel, and the Native American Program.

◆ The *Executive Director* reports to the Chairman and membership and has senior management responsibility for all organizational units of staff. He is supported by a senior policy assistant whose duties include policy research, special project management, and interagency coordination (2 FTE).

◆ The *Office of General Counsel* (OGC) provides legal services, works with the Executive Director and Government Liaison and Partnerships on legislative affairs, oversees the agency ethics. The position of General Counsel is currently vacant; an Assistant General Counsel/staff attorney currently provides legal advice (1 FTE).

◆ The *Native American Program Coordinator* oversees Council involvement with Native Americans and Indian Tribes and provides Council staff representation in Government-to-Government relations with sovereign Indian Tribes. She is aided by one temporary program assistant (2 FTE).

Administration. This unit contains the Administrative Officer, the Information Technology Center and Member Services. Rental payments to GSA, communications, postage, utilities, printing, other services (contracting), supplies and equipment for the entire Council operation fall within this component.

◆ The *Administrative Officer* oversees administrative, personnel, procurement, budget and fiscal services, coordinates services provided by the Department of the Interior pursuant to interagency agreement, and reports to the Executive Director. The Administrative Officer serves as office manager and provides administrative support for finalizing and carrying out reimbursable activities, while actual execution of work is assigned to other Council staff as appropriate (1 FTE).

◆ The *Information Technology Center* (ITC), led by a director (who reports to the Executive Director) with three technicians, provides central computer, information technology, and telecommunications support to the Council (including principal reception). ITC also takes the lead in developing telecommunications and information management policy and adapting contemporary technology to Council operations (4 FTE).

◆ *Member Services* provides administrative and clerical support to the Council members and the Executive Director, and coordinates Council member participation in Council activities (1 FTE).

Government Relations and Communications. *Government Relations and Communications* coordinates Council involvement in the legislative process, maintains relations with principal partners in the preservation program, and oversees customer service needs, supervises media relations and public information, and directs the work of a Web manager/publications specialist whose duties specifically include maintenance of the Council's Internet home page site. It is overseen by a unit Coordinator (3 FTE).

Education and Training. *Education and Training* is overseen by the Education Coordinator,

who directs the Council's education program, coordinates cooperative educational activities with other agencies and organizations, oversees training course administration and curriculum development, and arranges for professional staff throughout the agency to teach classes. She is aided by one training specialist and a program assistant (3 FTE).

Office of Planning and Review (OPR). This unit generally carries out the Council's program improvement, project review, and teaching functions, and assists with policy development. The office works with Federal agency staff to improve the consideration of historic preservation issues in agency decisionmaking, and consults with Federal, State, tribal and local government officials, applicants and concerned citizens to accommodate Federal project needs with historic preservation objectives. It contains an eastern office in Washington and a western office in Denver that perform parallel and complementary functions, with most professional staff engaged in the full range of the office's activities as appropriate.

◆ The *Director* is located in Washington. He has supervisory responsibility for both offices, maintains necessary records and data bases, and reports directly to the Executive Director. He is assisted by a historic preservation technician handling the more routine case review and processing, and an office administrator in Denver who handles administrative matters, case tracking, and clerical duties for the western office. (3 FTE).

◆ *Historic Preservation Specialists* constitute a flexible cadre of professionals in such disciplines as history, architecture, architectural history, archeology, and planning who are available to carry out, or assist with, the full range of Council program and project planning activities. They are assigned primarily to specific Federal agencies, with a single point of contact for most Federal agencies and overlapping duties for individual State Historic Preservation Office coordination. Four of the OPR staff, two in Washington and two in Denver, serve as team leaders with the title "Program Analyst." These individuals have enhanced responsibilities for ensuring consistency in case handling, for work on policy development and guidance, and for outreach and training assistance (13 FTE).

MAJOR PROGRAM AREA SUMMARIES

The following mission statement was developed in accordance with the Council's Strategic Plan.

The mission of the Advisory Council on Historic Preservation is to promote the protection and enhancement of the Nation's historic resources.

The Council pursues activities in four basic program areas in order to fulfill this mission and its related statutory responsibilities. These program areas are:

- ◆ Policy Development and Program Coordination;
- ◆ Federal Agency Program Management;
- ◆ Management of Section 106; and
- ◆ Education, Training, and Public Awareness.

Guided by its Strategic Plan, which identifies long-term objectives as well as six-year goals (see Figure 3), the Council has been active in each of these areas in FY 1999 and has specific and conceptual plans for each area in FY 2000 and FY 2001. This work and a summary of the expected effect of the requested budget level on future activities are presented in accordance with those major program areas. Further details of recent work products may be found in Appendix A.

Policy Development and Program Coordination

Objectives. The National Historic Preservation Act established a national policy to promote the living use of historic properties to meet the needs of contemporary society, such as stable communities, affordable housing, and economic development. Congress also directed the Federal government, acting in partnership with State and local government and the private sector, to take a leadership role in carrying out this national policy. Today, the long-term health of historic preservation in the United States depends in large part on the adoption of government policies favorable to the effective use of historic properties. The Council advances such policies, with the objective of supporting and encouraging historic preservation activities carried out by State, local and tribal governments and the private sector. These range from advocating Federal tax policies that stimulate the private-sector reuse of historic buildings to encouraging specific agencies to reinforce local preservation initiatives. The Council also promotes the Federal government's leadership role in historic preservation by practice and example.

Figure 3. Long-Range Goals and Six-Year Strategic Goals

Policy and Program Coordination: To encourage effective public policies that promote the protection, enhancement, and use of historic properties and support and encourage historic preservation activities carried out by Federal, State, local, and tribal governments, and the private sector.

- *Shape Executive and congressional preservation policy through a formally recognized role in policy formulation and program development.*

Federal Agency Program Management: To foster the development of Federal agency programs that meet the requirements of Section 110 of the National Historic Preservation Act.

- *Improve the effectiveness and consistency of the Federal preservation program through the Council's recognized leadership and facilitation.*

Management of Section 106: To promote outcomes in the Federal consideration of impacts to historic properties that advance the purposes of the National Historic Preservation Act.

- *Improve implementation of Section 106 and actively oversee its administration, while maximizing the effectiveness of the Council's role in Section 106 case review.*
- *Enhance the capabilities of Section 106 participants to carry out their respective roles in the Section 106 process.*

Education, Training, and Public Awareness: To advise the public and their governmental representatives of the value of historic preservation and the purposes, principles, and requirements of NHPA.

- *Establish effective outreach programs that showcase the roles of the Council and other members of the national historic preservation partnership in achieving successful integration of preservation with other community values and public interests.*
- *Train the primary participants in the Section 106 process and facilitate their transition to use of the new regulations.*
- *Increase public access to information on historic preservation issues, opportunities, and resources through a variety of mechanisms, including use of new technologies.*

Approach. Work on these objectives has been pursued by both the Council's membership and its staff. The following principles guide Council activities in this area:

- ◆ Recommend policies to the Executive Branch and the Congress that advance historic preservation, and participate in their adoption and implementation.
- ◆ Develop and advance mutually supportive preservation policies in coordination with a broad spectrum of public and private partners and affected parties.
- ◆ Advise and assist Federal agencies in the development of internal policies, programs, and activities that further historic preservation.
- ◆ Pursue historic preservation objectives through active involvement in legal and legislative processes.

Major recent initiatives and products.

Recent Council work in this area has included:

- Use of Council meetings to focus on policy questions about the Federal government's leadership role in historic preservation and the challenges that Federal agencies face in fulfilling that responsibility;
- Work on the Council's Millennium Initiative, which involves an assessment and recommendations regarding the Federal government's role as steward of the Nation's historic resources, and partner in their protection and enhancement;
- Involvement in the legislative process, especially in tracking and commenting on proposed amendments to the National Historic Preservation Act that include reauthorization for the Council and the Historic Preservation Fund, and providing advice and recommendations on other legislative and policy referrals;
- Preparation of the annual "Report to the President and Congress;" and
- Continuing use of the Council's Internet Home Page for improving policy and program coordination.

Effect of Requested Level. The requested level will permit the Council to continue to participate in and respond to several important policy initiatives that advance the Council's mission and the purposes of the National Historic Preservation Act. To the extent resources permit, the Council will continue to hold some of its regular meetings outside of the Washington, D.C. area so that it is possible for Council members to gain first-hand experience with local preservation issues and public concerns as they reflect regional and national trends. In addition, certain policy recommendations, particularly those stemming from the Council's findings as part of its Millennium Initiative, will be pursued as aggressively as possible. The Council will continue to seek some reimbursable arrangements with other Federal agencies in order to develop useful policy advice and recommendations on topical issues of interest not only to the cooperating agencies, but to a broader spectrum as well.

Federal Agency Program Management

Objectives. Program improvement activities of all kinds will assume greater importance as Federal agency resources, both financial and human, shrink. They provide a vehicle for adapting the ways of meeting legally-mandated historic preservation duties to changing agency capabilities, increasing efficiency and focusing Federal attention on important historic preservation issues. The relatively small investment in maintaining Council expertise and the ability to provide it to Federal agencies produces significant cost savings to the Federal government and promotes preservation of important historic properties.

Section 110 of NHPA directs Federal agencies to develop historic preservation programs that incorporate the policies of the NHPA into their routine practices and procedures. The Council's long-term objective is to effectively integrate historic preservation considerations into Federal agency planning and decision-making processes. Such integration will promote cost-effective and timely consideration of historic preservation issues by Federal agencies and minimize the potential for project delay and loss of historic properties. Over the long run, creation of effective agency programs will improve the delivery of Federal programs, enhance the protection of historic properties and provide State and local government, Native Americans and the public with better access to Federal decision-making processes that affect their communities

Council tools. The Council has a unique capability to assist Federal agencies in this endeavor. Section 202 of NHPA authorizes Council review of Federal agency policies and procedures to promote their effectiveness and consistency with NHPA. An independent Federal agency with diverse expertise in intergovernmental relations as well as historic preservation, the Council brings an objective and informed perspective to such review.

The Council's new implementing regulations for Section 106 also provide specific tools to improve the efficiency and effectiveness of their consideration of historic properties. The regulations provide a variety of mechanisms for tailoring the process to the specific program needs and priorities of Federal agencies. They include alternate procedures, developed in consultation with and with the approval of the Council; Programmatic Agreements with the Council, SHPOs, THPOs, and others (often on a regional, statewide, or installation- or facility-basis); program exemptions; and standard treatments for classes of properties or undertakings. Programmatic Agreements in particular have proven to be effective tools for meshing the mission of an agency with preservation of historic properties.

Approach. Since its inception in 1966, the Council has worked with agencies to integrate historic preservation into Federal agency planning, procedures, and policy. The pace has accelerated in recent years and the fruits of these efforts are now quite real and apparent. As laid out in the Strategic Plan, the Council pursues a wide variety of activities in this area based on the

following guiding principles:

- ◆ Give priority to those Federal agency programs that have the greatest potential to affect historic properties
- ◆ Focus on critical regulations, procedures, and policies that should be revised or created to improve agency historic preservation performance or remove impediments to efficient consideration of historic preservation concerns in decision making.
- ◆ Use partnerships to improve Federal preservation programs with affected Federal agency officials, the National Park Service, the National Conference of State Historic Preservation Officers, and the National Trust for Historic Preservation, with due consideration of the views of State, local, and tribal governments, Native Americans, and the public.

Major recent initiatives and products.

Recent Council work in this area has included :

- Work with the Army and the Army National Guard Bureau on a variety of cooperative projects, including alternate procedures and policy and program guidance for addressing archeology at installations and for tribal consultation;
- Cooperation with the Department of Transportation, the American Association of State Highway Transportation Officials (AASHTO), and the Transportation Research Board of the National Academies on transportation planning and enhancement that responds to the needs of the Transportation Efficiency Act for the 21st Century (TEA-21) and incorporates historic preservation into facility design and construction;
- Targeted assistance and advice to the Department of Energy on improving their historic preservation program;
- Improved implementation of the nationwide Programmatic Agreement with the National Park Service for operation of the National Park System through monitoring, development of sample agreements, and workshops;
- Work with the Federal Energy Regulatory Commission and the hydropower industry to develop prototype Programmatic Agreements and management planning guidance for hydroelectric facility relicensing; and
- Cooperation with the Federal Emergency Management Agency on better incorporation of historic preservation concerns into disaster planning and post-disaster review and assistance activities.

Effect of Requested Level. The Council will continue its focus on Federal agency historic preservation program improvement as a priority for FY 2000 and 2001, to the extent resources will permit. One or two long-standing problems will be selected for priority attention. Possible candidates include the Corps of Engineers regulatory program under the Clean Water Act and the Rivers and Harbors Act; mining claims processed under the 1872 Mining Law; siting of microwave and cellular towers in accordance with the Telecommunications Act; post office

abandonments and relocations; and land exchanges and transfers involving public lands. We will continue to build on existing programmatic approaches that seem to be effective, and work with other agencies, SHPOs, and THPOs to compile information on these strategies and other "best practices" for limited dissemination on the Internet. Tailoring and better integration of agency policies and procedures with historic preservation needs will continue to some extent, and we will continue to look for opportunities to work in partnership with Federal agencies and others through cooperative agreements and other mechanisms.

Management of the Section 106 Process

The Section 106 process is the fundamental Federal legal protection for historic properties. Implemented by Council regulations as directed by Section 211 of the NHPA, it requires Federal agencies to identify, evaluate and consider the impacts of their proposed actions on properties included in or eligible for inclusion in the National Register of Historic Places. It further requires agencies to consult with State Historic Preservation Officers and the Council to resolve adverse impacts on historic properties, with opportunity for input from local government, Indian tribes, applicants for Federal assistance and the general public. Most cases are resolved satisfactorily by mutual agreement on modifications to respond to historic preservation needs as the project moves forward.

The Section 106 process has been recognized as a model conflict resolution process. It brings people with different ideas together, provides a forum for resolving disputes between them, and records the terms of their agreement. Likewise, its administration is an exemplary partnership among the Federal government and tribal, State and local governments. The process prescribes an important role for these non-Federal partners by shaping decisions affecting historic properties, and allowing them to determine the extent of their involvement in particular cases. It is important to note that the central State government participant, the State Historic Preservation Officer, receives Federal funding through the annual appropriation for the Historic Preservation Fund to support this involvement.

Objectives. The Council's overall goal in Section 106 review is to encourage agencies to consider and adopt measures to preserve historic properties that would otherwise be damaged or destroyed, and to ensure that the public has an opportunity to help shape these decisions. The Council does not have the authority to unilaterally alter Federal actions that will affect historic properties; rather, its regulations emphasize consultation among the responsible Federal agency, the SHPO and other interested persons to identify and, where possible, to agree upon how to resolve any conflicts and protect the properties in question.

Regulatory Change. After a lengthy process stretching over nearly 6 years, the Council issued revised regulations that took effect in June, 1999. These changes in the regulations are designed to better meet the Administration's goals of regulatory efficiency and streamlining. Many activities that have required independent review and comment by the Council will, under the new regulations, be handled and concluded by the agency and the SHPO. This arrangement better recognizes the experience and ability of these parties to work and resolve differences on non-controversial cases and will permit the process to operate with greater efficiency. Under these regulations, it is no longer necessary for the Council to review an agency's finding of "no adverse effect," nor is the Council required to review and formally accept routine agreements reached between the SHPO and agency on how adverse effects to historic properties are to be treated; such two-party agreements are filed with the Council for informational and oversight.

purposes.

With revised regulations just recently put in place at the beginning of the fourth quarter of FY 1999, it is difficult to forecast with accuracy the specific demands that must be met to implement the new regulations. As such, comparisons between past performance measures and new performance standards under the revised process remain somewhat conjectural. Some general appraisals, however, are possible.

It is clear that case review for FY 2000 will depart from previous trends, reflecting the new roles and responsibilities set forth in the revised regulations (see Figure 4). FY 2000 is expected to witness a substantial decrease in the number of new cases submitted, estimated at 500, as the new provisions in the regulations take effect. The elimination of "no adverse effect" reviews by the Council under the new regulations in FY 2000 is projected to lead to a dramatic decline from 1,720 in FY 1998 to only 50 in FY 2000 (with FY 1999 as the bridge year). The Council's ongoing role in this part of the process, while substantially reduced, may require review of agency findings of "no adverse effect" when asked by parties to the Section 106 process. However, the actual impact of this change on the Council's workload is greatly overstated, as the vast majority of no adverse effect determinations have received only cursory review for some time in anticipation of the regulatory changes.

A second major change with which we are coming to grips is that the Council is no longer a signatory to all Memoranda of Agreement executed under Section 106. The Council has the opportunity to focus its efforts at conflict resolution and respond to requests for involvement. The decision to participate in consultation to resolve adverse effects is guided by several criteria:

- Has substantial impacts on important historic properties;
- Presents important questions of policy or interpretation;
- Has the potential for presenting procedural problems; or
- Presents issues of concern to Indian tribes or Native Hawaiian organizations.

During the transition phase of the regulations during FY 2000 we anticipate the need to become involved in consultation at a level slightly elevated over FY 1999. Since this would be of critical importance to maintain the overall effectiveness of the process and ensure that non-Federal interests are fully considered, we expect Council involvement in consultation in 140 cases in FY 2000, though the extent of Council involvement will certainly vary greatly from case to case. We also anticipate an increase in the number of Programmatic Agreements in which we are involved in FY 2000, rising to a figure of 100 over an FY 1999 level of 69. The reason for the low number in FY 1999 appears to be that agencies were awaiting developments with the new regulations rather than proceeding with their own programmatic solutions. We believe as agencies become more acclimated to the specific steps in the new process they will seek to formalize more tailored approaches for their agencies or cities (for Community Development Block Grant activities) either through Programmatic Agreements or alternate procedures.

Given clear direction provided by the Council membership in the last several years that it wishes

Figure 4. Section 106 Project Reviews and Consultation

	1998 <i>actual</i>	1999 <i>actual</i>	2000 <i>est.</i>	2001 <i>est.</i>
Incoming caseload				
Carryover from previous year	580	393	273	360
New cases submitted for review	2,300	1,134	500	400
Plans submitted for review	210	170	150	150
Annual caseload (total)	3,090	1,697	923	910
Outgoing caseload				
No adverse effect reviews	1,720	806*	50*	n/a
Adverse effect consultation				
(All Agreement documents)	750	433	275	335
(SHPO-Agency MOA review)	(470)	(244)*	(10)*	n/a
(MOAs w/ Council Involved)	(175)	(120)	(140)	(160)
(Programmatic Agreements)	(105)	(69)	(100)	(125)
(NEPA document substitution)	n/a	n/a	(25)	(50)
Comments by members	10	12	20	25
Foreclosures	6	13	13	15
Plan consultation and review	180	83	160	150
Emergencies and discoveries	52	47	50	50
Cases completed (total)	2,522	1,058	518	575
Cases retired	175	30	49	25
Carryover to next year (total)	393	273	360	310

*The new regulations eliminate the need for the Council to review these findings, but during FY 1999 we began to reduce substantive review of these categories in anticipation of the new regulations. The figures for FY 1999 reflect those cases that were given such focused review in this period. During FY 2000 we still expect to get a few such cases submitted for our review. By FY 2001, these situations should be handled more routinely as special appeals under the provisions of the new regulations (see Figure 5).

Definitions

Carryover from previous year includes all cases that were open at the beginning of the fiscal year.

Plans submitted for review include mitigation and other plans that have been developed pursuant to an MOA or PA which are subsequently reviewed by the Council. They often cover archeological data recovery, rehabilitation of historic structures, marketing of historic buildings, design for new construction in historic districts, and similar mitigation requiring detailed planning as a project moves forward. They may also include plans for dealing with emergencies and the discovery of historic properties after a

project is underway.

No adverse effect reviews (NAE) involve review of determinations by Federal agencies, which they make in consultation with SHPOs/THPOs, that the project will not adversely affect historic properties. In previous years the Council has reviewed them to ensure that proper decisions have been reached. Under the revised Section 106 procedures put in place in late FY 1999, the Council is no longer involved in these reviews. The estimated numbers for FY 2000 and 2001 reflect the phasing out of these reviews.

Adverse effect consultation (AE) involves multiple-party discussions and negotiation that usually lead to a Memorandum of Agreement (MOA) which sets forth measures to avoid, minimize, or mitigate adverse effects. Review of these documents by the Council is not required under the revised regulations, although the Council must be notified of such situations and given an opportunity to participate in consultation according to established criteria, and agreements have to be filed with the Council for monitoring purposes. Three-party MOAs are developed with the Council as a party to the consultation process; the Council executes the MOA along with the other parties. The estimated numbers reflect the phasing out of routine agreement document reviews and continuation of involvement in more complex, controversial, or precedent-setting AE cases.

Programmatic Agreements are more involved agreements for complex projects or programs often affecting many historic properties and requiring a phased approach to mitigation. Many are multi-year programs (such as Community Development Block Grants) that are best dealt with by a PA tailored to their specific needs or complex linear or multi-State projects.

NEPA document substitution. Proposed regulations would permit agencies to substitute NEPA compliance for Section 106 compliance, and review of NEPA documents would be done for Section 106 purposes. Since it is anticipated that it will take some time for agencies to pursue this option, and the approach will be followed in a limited number of circumstances involving large, complex projects for which an Environmental Impact Statement is prepared, the number reflects a phasing in of this new compliance option.

Comments by members. When the parties fail to reach an MOA, the Council membership issues written, advisory comments to the agency. Also, as circumstances and policy needs require, the members review and provide direction on policy and handling of high profile cases.

Foreclosures occur when a Federal agency takes an action such as demolishing a historic building prior to completing the Section 106 process, thereby precluding the Council from commenting. This category also includes "anticipatory demolition," which occurs when an applicant for Federal assistance knowingly destroys a historic property to avoid Section 106. NHPA requires the Federal agency to deny assistance, unless it determines that circumstances warrant granting it after the agency consults with the Council.

Emergencies involve expedited agency actions resulting from natural disasters, a governor's declared State emergency, or locally determined threats to public safety that qualify for special expedited review under the Council's regulations. **Discoveries** occur when a historic property is unexpectedly found during project implementation; once again, special procedures apply for expedited review.

Plans reviewed are complete review of those plans (data recovery, rehabilitation, new construction, etc.) submitted in accordance with previously agreed upon measures, such as those contained in PAs..

Cases retired are cases, formerly carried as open, that have been determined to be no longer active and are closed by the Council. They have usually been dropped by the sponsoring agency or placed on indefinite hold because of changes in funding or priorities without the agency advising the Council.

to become more actively involved in the review of prominent and high profile cases, an increase is projected in such reviews in FY 2000 to 20. This figure would include both those cases in which consultation was terminated and formal Council comment rendered and also those cases that benefitted from the involvement of Council members in establishment of policy and direction. A further trend upward to 25 is expected for FY 2001. These cases engage a substantially greater amount of staff support and travel than a normal Section 106 case. Invariably, the issues or the properties warrant this attention, and they certainly may be characterized by reference to the criteria for involvement set forth in the regulations (see above).

The reduction in the handling of routine cases would enable the Council to focus on other important features in the new regulations. For example, to further the goals of integration of Section 106 and the National Environmental Policy Act called for in regulatory revisions, staff will need to devote more time to review of environmental documents being used to substitute for Section 106 documentation and consultation. This figure in FY 2000 is estimated at 25, including probably more environmental impact statements than environmental assessments. As more agencies become familiar with and comfortable with these provisions, it is expected that in FY 2001 this figure will increase to 50, and integration with NEPA may also provide the basis for tailored Programmatic Agreements or agency-specific alternate procedures.

Council reviews necessitated by previously completed cases in the form of post-agreement plans of various sorts numbered 83 in FY 1999. These include the various mitigation proposals, data recovery plans, and final designs and specifications that have been developed pursuant to Memoranda of Agreement and Programmatic Agreements. Often the formal Section 106 review is completed with certain decisions related to the precise treatment of historic properties still to be resolved within the overall project development schedule. This allows final treatment decisions to be based on information often lacking when the Section 106 process is formally engaged. The personnel resources devoted to these activities varies greatly, depending on the complexity and number of issues remaining to be resolved under the terms of an executed Memorandum of Agreement. We expect the number to rise again under the new regulations, especially as alternate procedures and other program alternatives are put in place.

Related Section 106 work. Figure 5 shows activities related to the management of the Section 106 process. These are not actually "cases," but often relate to (or sometimes avoid) future cases that would come to the Council. One category of activities often bridges the gap between project review and program review and improvement. This is the provision of advice to SHPOs and agencies; as noted earlier, this is a particularly important and often time-consuming task and will assume even greater importance as the Council seeks a smooth transition to the new regulations in the first half of FY 2000. The enhanced role of Indian tribes will also demand special Council attention (see "Education" section below). The Council is continuing to explore better ways to communicate information to the SHPOs about Federal programs, as well as cross-cutting preservation issues, to enable them to do a better job. One avenue is the Internet home page site; a second is a new SHPO broadcast e-mail service begun during FY 2000..

This figure also illustrates work elements of emerging importance as a result of the new

Figure 5. Section 106 Management Activities

	1998 actual	1999 actual	2000 est.	2001 est.
Summary of Activities				
Planning assistance	1,110	1,600	1,900	2,100
Public requests	500	700	800	900
Monitoring and oversight	n/a	n/a	75	100
Cases	n/a	n/a	(50)	(60)
106 operations	n/a	n/a	(25)	(40)
Procedural dispute resolution	20	32	45	55
Program alternatives	n/a	n/a	3	5

Definitions

As the Council removes itself from involvement in more routine case reviews through its new regulations, more time will be spent on ensuring the Section 106 process functions smoothly and problems are resolved.

Planning assistance includes a wide range of informal technical assistance, review of environmental documents or reports, or coordination with SHPOs and agencies in the preliminary stages of project planning. This help promotes early agreement between the agency and the SHPO. This function should increase as a result of amending the Section 106 process.

Public requests include both specific requests from members of the general public for Council review of agency findings involving its identification, evaluation, or effect determinations (Section 800.6(e) requests), as well as more general requests for the Council to investigate whether an agency should be complying with Section 106 for a given project. With the removal of the Council from routine case review under the new regulations, the public has greater access to request the Council to review an agency finding.

Monitoring and oversight involves Council-initiated investigations and reviews of potentially problematic cases. The revised regulations that were in place in late FY 1999 also provide for Council evaluation and monitoring of overall Section 106 operations. This includes ongoing assessment of the effectiveness of all the participants in the process. The end of FY 1999 saw the initial start up of such monitoring.

Procedural dispute resolution embraces those situations where the Council resolves disagreements between a Federal agency and a SHPO, a THPO, or another party over questions of regulatory application or interpretation. Council advice can preclude court challenges and project delay.

Program alternatives. With revised regulations in place in late FY 1999, agencies have additional options for tailoring the Section 106 process to their program needs. The Council can significantly impact the overall management of Section 106 activities through facilitating these alternative approaches, including PAs for programs, exemptions of undertakings from review, development of standard treatment measures, etc. The estimated numbers for FY 2000 and beyond reflect anticipated initial and cautious efforts on the part of Federal agencies to use the expanded variety of options available.

regulations. The new regulations emphasize the need for Council monitoring and oversight of the Section 106 process, particularly since its direct involvement in more routine cases has been eliminated. This monitoring occurs not only for specific cases, but also with regard to the overall operation of the process to identify problems that may be developing in the system and step needed by the Council to correct deficiencies. As the figure shows, these activities are expected to begin at 75 in FY 2000 and continue an upward trend in FY 2001 (100).

More difficult to predict are instances where the Council is working with agencies to develop program alternatives. Again, these new options, to include agencies seeking exemptions for classes of undertakings and the development of standard treatment measures, available mid-year, will present opportunities for further improving the efficiency of the Section 106 process. As numbers in Figure 5 suggest, these activities will likewise experience a continual upward trend.

In summary, FY 2000 will present a series of difficult challenges to the Council in completing a smooth transition to the new regulations. Our work indicators will evolve significantly. The first half of FY 2000 should provide considerable insights on the operational needs of the new process and enable the Council to predict with greater certainty its work level indicators for FY 2001 and beyond.

Approach. As a result of these anticipated changes in the operation of the process, traditional review activities and the way in which they are measured will need to evolve and change. A fundamental achievement resulting from the proposed revised regulations is that the Council plans to focus more on improving the overall integrity of the Section 106 process; qualitative measures become more important than quantitative measures under the anticipated change. Shifting in this direction will enable the Council to focus the overall operation of the process, guided by the following principles:

- ◆ Use monitoring of project outcomes and assessment of the overall effectiveness of the Section 106 process to promote Federal agency compliance.
- ◆ Provide timely and useful guidance, technical assistance, and advice to facilitate the efforts of Federal agencies and SHPOs to achieve effective solutions.
- ◆ Encourage Federal agencies and SHPOs to reach decisions, without routine Council review, that are consistent with the policies and objectives of the Section 106 process.
- ◆ Focus the Council's participation in Section 106 reviews on individual cases with complex, precedential, or controversial issues, involving resources of exceptional significance, or where Council assistance is needed in resolving issues.
- ◆ Promote decisions in the Section 106 process that are in the public interest, consistent with the Council's mission statement, and based on adequate information, responsible public involvement, and early consultation.

- ◆ Devise methods to reduce the cost and time needed to consider historic properties in the Federal planning process.

Major recent initiatives and products.

Recent Council work in this area, in addition to Section 106 casework (statistics are summarized in Figures 4 and 5), has included :

- Consultation with the Office of Management and Budget and Federal agencies to finalize regulatory revisions for implementing Section 106;
- Development of an improved data base and tracking system for Section 106 cases;
- Refinement of a case reporting system for high-profile cases, summaries of which are available on the Council's Internet site (www.achp.gov);
- Issuance of guidance for addressing impact to archeological resources through the Section 106 review process, which was published in the *Federal Register* in conjunction with the revised regulations; and
- Establishment and initial meetings of staff-level work groups on guidance and operational policies, the first products of which will be developed in the beginning of FY 2000.

Effect of Requested Level. The FY 2001 request will be adequate to continue, and perhaps complete, the shift of Council work from case-by-case review to more programmatic activities, and to meet the anticipated demands of a new way of doing business under Section 106. Because the regulatory review process and approval of final revised regulations was not completed until the end of the third quarter of FY 1999, much of FY 2000 is being devoted to completing initial briefings for Federal agencies and other stakeholders, seeing where procedural and other problems in regulations implementation may arise, and developing materials for interpreting the new regulations and their implementation. Consequently, full implementation and other spin-off effects of being able to redirect some staff and other resources from Section 106 cases reviews to more programmatic activities to assist our preservation partners and improve Federal agency programs will have to be phased in during the remainder of the year, and will probably not be significant until FY 2001.

To the extent resources permit, we will look for creative and efficient ways to communicate and work with SHPOs, THPOs, and specific Federal agencies to help them deal effectively with the new process and its demands. The Council is continuing to improve its tracking system for monitoring trends in cases "filed" with the Council, and will consult more regularly on case trends with SHPOs and Federal Preservation Officers. We will examine ways to review and track NEPA documents while educating staff about NEPA. At the same time, we will also be looking for ways to promote more effective coordination with reviews under NEPA as well as other environmental statutes. Examples include Section 4(f) of the Department of Transportation Act, the Fish and Wildlife Coordination Act, the Clean Water Act, and the Endangered Species Act, in addition to laws and policies dealing with the concerns of Indian tribes and other Native Americans.

Education, Training, and Public Awareness

Objectives. Knowledge of Federal preservation laws, policies and procedures is essential for both Federal agencies and those State, local and Tribal officials, applicants and concerned citizens who wish to participate in the processes established by NHPA. Broad understanding lessens confrontation and delay, facilitates decisions that support preservation and allows the public to effectively communicate to Federal officials their wishes for the future of their heritage. The Council conducts a variety of outreach activities as directed by NHPA to advance this objective. It provides education, training and information about its activities and authorities to all participants in the National Historic Preservation Program. It also offers information on other aspects of the historic preservation program, most notably those policies and activities of the Federal government that affect historic preservation.

Approach. To carry this out, the Council:

- ◆ Promotes development of a preservation ethic in all sectors and levels of society.
- ◆ Utilizes an integrated program of training, guidance, technical assistance, and public information.
- ◆ Responds to the needs of Federal, State, tribal, and local government agencies, affected private sector interests, and the public for guidance, technical assistance, and information about the Section 106 process and other Council activities.
- ◆ Assists Federal, State, and local governments, Indian Tribes, and the private sector in the development of their own training and education systems.
- ◆ Uses the full range of information technology to disseminate important information in a timely manner.

Major recent initiatives and products.

Recent Council work in this area has included :

- A national series of public briefings on the new Section 106 regulations;
- Follow-on workshops for SHPOs and for Indian tribes;
- Development of instructional materials for Section 106 users (including Council staff);
- Numerous speaking engagements and short presentations on the new regulations;
- Continued cooperative development of specialized training for the military services;
- Initial production of the "Annual Report to the President and Congress" covering fiscal years 1998 and 1999, which will be completed and disseminated in FY 2000;
- Work on a "Citizen's Guide" and explanatory brochures and fact sheets on the Council and the

Section 106 process; and

–Continued improvements and expanded use of the Internet Home Page (www.achp.gov).

Effect of Requested Level. The funding level requested for FY 2001 continues to recognize and underscore the high degree of importance in both education and public outreach to the Council's accomplishment of its mission and strategic goals, and to the successful implementation of the new system for considering historic preservation needs through Section 106 review. Particularly important as an educational priority in FY 2000 is training assistance to SHPOs, so that they can perform their new role under the revised regulations. In related outreach, providing effective liaison with Indian Tribes and other Native American groups is a high priority. A principal focus of the work in FY 2000 as the regulations begin to be used is the development of protocols for consultation with Indian Tribes, in conjunction with core materials for targeted training. As previously noted, additional funds were provided in FY 2000 to support this program need.

As indicated in the FY 2001 request, the emphasis in FY 2001 is to expand and build upon this base to provide critical support for Indian tribes and Native Hawaiians, and to assist and educate local governments, applicants for Federal assistance, and other under-served constituents who will be actively involved in Section 106 review, consultation, and negotiation. This emphasis will, we hope, eventually make it possible to develop and present more focused training for principal Section 106 participants in such high priority areas as NEPA/Section 106 coordination, tribal consultation, and agency program alternatives, and pursue a long-standing need for development of computer-based tutorials (which we hope to begin on an exploratory basis sometime in FY 2000).

Base funding will generally allow the current level of activity to continue, largely devoted to smoothing the transition to and understanding of the Council's new regulations, and development and presentation of related training materials, for both introductory and more experienced audiences. The Council will continue to develop and maintain its increasingly important Internet presence, and provide public information materials for a variety of purposes related to the Council's policy, program improvement, and Section 106 management priorities. Other activities will continue to the extent that resources permit, and additional reimbursement funds will be sought for specific, carefully targeted training activities and written guidance production as appropriate.

**APPENDIX A:
HIGHLIGHTS OF PROGRAM ACTIVITIES
FY 1999**

Regulatory Reform. Revision of the Council's Section 106 regulations, which commenced in 1993, was completed in June, 1999. The regulations were published in the *Federal Register*, along with a lengthy preamble. Information was made available on the Council's Internet web site, in mailing packages, and through a series of public briefings held around the country during the summer and early fall of 1999.

Those regulations set the standard for Federal agency Section 106 procedures and were carefully crafted to embody the principles of the National Performance Review, with particular emphasis on encouraging State, tribal, and local government participation in the process for planning Federal projects that affect their interests. The revised regulations include new tools for agencies to tailor the Section 106 process to their needs. There are provisions for integrating NEPA and Section 106; for using public participation processes developed for other planning purposes to meet Section 106 needs; and to develop various program alternatives to the standard Section 106 process, including alternate procedures, programmatic procedures, standard treatments, and program exemptions.

A summary of how Section 106 works under the revised regulations is contained in Figure 6. New Council responsibilities and expanded activities under the revised regulations include the following:

- ◆ Establishment of monitoring procedures to ensure that responsibilities carried out by agencies and SHPOs in handling newly delegated responsibilities for resolution of noncontroversial cases are being met;
- ◆ Greater need to respond to public requests to review actions in specific cases, including fact-finding;
- ◆ More active and direct Council involvement in consultation in those cases which include strong public interest, negotiation challenges, or difficult design or treatment issues;
- ◆ Opportunities for the Council to identify cases where its involvement, advice, and mediation can head off later problems, clarify possible precedent, or promote the preservation of significant historic properties;
- ◆ Development of better and more detailed information for agencies, SHPOs, Tribes, and applicants for Federal assistance to better equip them for handling their enhanced responsibilities, especially through such widely accessible means as the Council's Internet home page;
- ◆ More consistent work with Federal agencies, particularly those whose activities have the

Figure 6. How Section 106 Works Under the Revised Regulations

The standard Section 106 review process is spelled out in regulations issued by the Council. Entitled "Protection of Historic Properties," the regulations appear in the U.S. Code of Federal Regulations at 36 CFR Part 800. The revised process as published in May, 1999 is outlined below.

Initiate the Section 106 process

The responsible Federal agency first determines whether it has an undertaking subject to Section 106 that could result in changes in the character or use of historic properties, defined as properties that are included in or that meet the criteria for the National Register of Historic Places. If an agency has such an action under its jurisdiction or control, it must decide on the geographic area within which such changes could occur.

Identify and evaluate historic properties

Based on the nature of the undertaking and the area of potential effects, the agency identifies the historic properties which the undertaking may affect. Depending on what is already known of the area, the agency reviews background information, consults with the State Historic Preservation Officer (SHPO) and/or Tribal Historic Preservation Officer (THPO) as well as others, and conducts additional studies including field surveys. Districts, sites, buildings, structures, and objects listed in the National Register are considered; if previously unevaluated properties are found, the agency evaluates them in consultation with the SHPO/THPO against the National Park Service's published criteria.

If questions arise about the eligibility of a given property, the agency may seek a formal determination of eligibility from the secretary of

the Interior. Section 106 review gives equal consideration to properties that have already been included in the National Register as well as those that are eligible for inclusion.

Assess adverse effects

If historic properties, that is, properties included in or eligible for the National Register, are found, the agency then assesses whether they will be adversely affected by the undertaking. The agency makes its own assessment based on criteria found in the Council's regulations, and can make a determination of:

- **No adverse effect:** the undertaking will affect one or more historic properties, but the effect will not be harmful; or
- **Adverse effect:** the undertaking will harm one or more historic properties.

Resolve adverse effects

If an adverse effect will occur, the agency consults with the SHPO/THPO and others in an effort to find ways to make the undertaking less harmful. Others who are consulted, under various circumstances, may include local governments, Indian tribes, permit or license applicants, property owners, and other members of the public. The Council participates in consultation when requested, if substantial impacts on important historic properties are involved; if the case presents important questions of policy or interpretation; if there is the potential for procedural problems; or if there are issues of concern to Indian tribes or Native Hawaiian organizations.

Consultation is designed to result in a Memorandum of Agreement (MOA), which outlines measures agreed upon that the agency will take to reduce, avoid, or mitigate the adverse effect. In some cases

the consulting parties may agree that no such measures are available, but that the adverse effects must be accepted in the public interest.

Failure to resolve adverse effects

If consultation proves unproductive, the agency or the SHPO/THPO, or the Council itself, may terminate consultation. The agency must submit appropriate documentation to the Council and request the Council's written comments.

Implementation

If an MOA is executed, the agency proceeds with its undertaking under the terms of the MOA. In the absence of an MOA, the agency head must take into account the Council's written comments in deciding on a course of action.

Alternative approaches

The Section 106 regulations also spell out several alternative means of complying with Section 106. These include:

- **Programmatic Agreements** among an agency, the Council, one or more SHPOs, and others;
- **Alternate procedures** developed by an agency and approved by the Council;
- **Use of National Environmental Policy Act compliance** in lieu of Section 106 compliance in certain situations;
- **Exemptions of programs or categories of undertakings** from Section 106 review;
- **Standard treatment measures** that when invoked will permit modification of the Council's regulations; and
- **Program comments** where the Council issues a single written comment on a category of undertakings.

Special procedures are provided for emergencies, discovery situations, and adverse effects to National Historic Landmarks.

greatest potential impact on important historic properties and who are the primary Section 106 users, in order to help them improve historic preservation planning and integration of preservation into their overall programs; and

- ◆ Extensive training for all segments of the Section 106 user population, starting with and focusing on the principal participants in the process.

A major emphasis throughout the Council's work in guidance, training, and informational materials in FY 1999, and extending into FY 2000 and beyond, has been and will continue to be facilitating understanding and effective use of the new system. Based on the Council's experience with its last regulatory revisions in 1986, a sizable investment in informational guidance materials and training will save much time and money in the long run. Such investments will allow more staff and financial resources to be put where they are needed—in the care and continuing management of historic properties. Aggressive outreach in our experience avoids confusion and uncertainty as planners, managers, and other parties engaged in the Section 106 process adapt to changes in roles and standards. Such outreach also assists them in taking better advantage of the innovations in the new regulatory process and saving time and money in preservation planning and compliance.

Millennium Program. During Fiscal Years 1999 and 2000, the Council is exploring a variety of issues connected with the Federal Government's involvement in historic preservation as we enter the next century. Collectively, these activities are being pursued as the Council's Millennium Initiative.

A special report to the President and Congress is being developed, which will include recommendations for improving the effectiveness of Federal stewardship of publicly owned and controlled historic resources. It will also include ideas for the Federal government to act as a more effective partner with State, Tribal, and local governments and the private sector in advancing historic preservation goals through its leadership and related financial, technical, and other assistance.

The report will give major emphasis to the Federal stewardship role, in keeping with the White House Millennium Council's "Save America's Treasures" campaign. As funds and other resources permit, it will also look at the Federal government's other policies and programs that can advance or thwart preservation objectives. It will briefly identify some of the major accomplishments of Federal policies and programs since the 1966 passage of the National Historic Preservation, outline current and anticipated future challenges which Federal preservation policy must face, and suggest corrective policy and program actions.

Normally, the Council's annual reports required by statute report on its own activities, and make only passing reference to broader preservation issues unless such issues have been raised by Section 106 historic preservation cases reviewed by the Council during the course of the year. This special report will comprehensively recognize noteworthy accomplishments of Federal programs since the passage of the National Historic Preservation Act of 1966, go on to identify

desirable future improvements to Federal policies and programs, and make recommendations accordingly. The Council is working closely with its Federal and non-federal members, as well as other Federal agencies, States, non-governmental organizations, and other parties to collect information on the experiences of public lands managers, partners, and citizens in protecting and preserving the Nation's historic resources with government support. The report is planned for publication late in Fiscal Year 2000 or early in FY 2001, as resources permit.

Regular meetings of the Advisory Council on Historic Preservation are being devoted in part to focused examination and discussion of critical issues connected with the Federal government's role in historic preservation. Specifically, the focus is on Federal agency stewardship responsibilities for publicly owned resources, and on the Federal government as a partner and facilitator in the preservation activities of others. The first meeting in this series was held in Santa Fe and Los Alamos, New Mexico in November, 1998, with the assistance of the Department of Energy. The second, focusing on military stewardship and Native Hawaiian interests, took place in Honolulu, Hawaii in February, 1999, with help from the Department of Defense and the Historic Hawaii Foundation. The third thematic meeting in FY 1999 was held in June, 1999 in Washington, D.C., and addressed the programs of the General Services Administration. Meeting dates and venues in FY 2000 include November, 1999 in Knoxville, Tennessee (Oak Ridge National Laboratory, the Tennessee Valley Authority, and Great Smoky Mountains National Park, the latter emphasizing the management of historic properties in natural areas); March, 2000 in Phoenix, Arizona (Bureau of Land Management, U.S. Forest Service, and the public lands); and June, 2000 in Maine, hosted by Council member Gov. Angus King and looking at State and local preservation needs.

Information and ideas from a broad range of organizations and individuals is being solicited on the millennium theme via our existing publicly accessible Internet site, through an interactive discussion forum that was established especially for the Millennium initiative. The Internet forum went online in February, 1999. We have also been soliciting written views from Federal departments and agencies, and scheduling meetings with preservation staff from selected agencies in order to complement the forum, Council meetings, and other information-gathering activities. These included presentations and discussion at the Annual Meeting of the National Conference of State Historic Preservation Officers in Washington, D.C. (March 1999), and in FY 2000 included an educational session and open forum at the National Trust for Historic Preservation's Annual Preservation Conference in Washington, D.C. (October 1999).

We expect that the findings and recommendations emerging from the Council's activities, many of which will be in the special report, will provide opportunities for improving the Federal government's performance and responsiveness to historic preservation needs into the next century. Some recommendations concerning legislative changes will not be able to be acted upon immediately; other policy or administrative recommendations may be suitable for quicker Council action or advice to various entities in the executive branch. Based on its scheduled onsite meetings to look at key preservation issues during the course of 1999-2000 with specific Federal agencies, state, local, and tribal government bodies, and interested organizations, some recommendations may be transmitted to key officials and decision-makers while the report is

under development, and their responses to those recommendations included in the final report.

We expect to continue to research and develop material for the report during the first three quarters of FY 2000, and to publish the report and transmit it to the President and Congress at the end of FY 2000 or beginning of FY 2001. Funds requested for FY 1999 were not appropriated, so the Council has been conducting this work within its existing resources. Additional funding was included in the FY 2000 budget to help produce and print a high quality, illustrated version of the report that is broadly disseminated, and we may attempt to supplement available funds with support from agencies who are members of the Council.

Legislative activities. Authorized through FY 2000 in the National Historic Preservation Act, as amended, the Council has been closely involved in the evolution of two bills that would, among other provisions, extend our authorization through FY 2005. H.R. 832, and its close parallel found in S. 1434, would amend the NHPA to allow grants to the National Trust for Historic Preservation, redefine the exemption from Section 106 of the NHPA for the Capitol grounds, codify the principal provisions of E.O. 13006, "Locating Federal Facilities on Historic Properties in our Nation's Central Cities," as well as reauthorize the Council and the Historic Preservation Fund through FY 2005. Congress has sought our advice on these bills, and we have provided our views accordingly.

We also applied this national perspective to the debate over an appropriate level of funding for the Historic Preservation Fund, which includes the monies made available to the States and administered by the National Park Service. In written comments to the House and Senate Subcommittees on Interior and Related Agencies we voiced our opinion that the funding levels proposed for FY 2000 were inadequate. We strongly urged Congress to appropriate \$150 million for the HPF, supporting its full authorized level for the first time since the Fund's establishment by the NHPA in 1966. Among other programs, the increased level would provide higher levels of support for core historic preservation programs of the States, Certified Local Governments, and Tribal Grants. We note that S. 1573, introduced on September 9, 1999, by Senators Lieberman, Chafee, Leahy, and Jeffords, contains such permanent levels of funding.

The Council took exception to inclusion of Amendment 1223 in S. 1283, the District of Columbia appropriations bill for FY 2000 as passed by the Senate, and urged the House to consider our views when developing its version of the bill. The referenced amendment directs the National Park Service to grant an application to erect cellular antennas in Rock Creek Park in Washington, D.C. Because the action is non-discretionary it makes compliance with Section 106 and the Council's regulations moot. It also would significantly undermine the National Capital Planning Commission's role in any future wireless antenna approval process. The final version of the District of Columbia appropriations bill for FY 2000, H.R. 3194, was signed by the President as Public Law 106-113. Section 174, dealing wireless communications, specifically allows construction of the two cell towers in Rock Creek Park. However, it also requires that in all future such instances the provisions of the National Environmental Policy Act, the National Historic Preservation Act, and applicable State and local laws will be met. This provides an important reaffirmation of appropriate environmental review as part of such decisions.

Internet Home Page. As the Internet has matured, the Council has increasingly taken advantage of this effective mechanism to reach its ever-growing audience in a timely, cost-effective manner. Debuting in Fiscal Year 1995 with the long-term objective of providing one-stop shopping for anyone wishing to learn about historic preservation, over the last few years the Council's Web site has evolved into a gateway to the National Historic Preservation Program with particular emphasis on the Federal role. In addition to contact information for all State and Federal agency officials responsible for historic preservation, the Web site now contains material about pertinent preservation policies and programs and provides direct links to other useful Government agencies and organizations. The Council's inventory of print publications is available for downloading, including materials targeted to local governments, applicants for Federal assistance, Native Americans, attorneys, and the public. Recent additions include a new users guide to Section 106 that spells out the process in detail and a regular report of Section 106 cases underway in a given State or region.

The Internet's potential to broadly disseminate critical information at a low cost was best demonstrated through the Council's outreach initiative in conjunction with its revised regulations. Section 106 users were kept apprised of the status of the regulations as they went through the OMB interagency review process. When the regulations were published, the Council used its site to provide access to the *Federal Register* notice and posted a series of fact sheets developed for Web use that summarized the document, outlined major changes to the Section 106 review process, and responded to frequently asked questions about making the transition from the old regs to the new ones. An interactive flow chart highlighted key decision points in the revised review process, and discrete email accounts handled regs-specific inquiries and enabled online registration for Council's nationwide series of transitional briefings. Upon implementation of the new regulations, the Council published the electronic Section 106 users guide mentioned above that features a dynamic list of procedural questions and answers.

In Fiscal Year 1999, the Council brought maintenance and development of its Web site under its direct control. Plans for Fiscal Year 2000 include redesigning the site to make it more user-friendly and directly maintaining the Web server.

Army procedures and guidance. In the spring of 1996, the Council signed a Memorandum of Understanding and Interagency Agreement with the Department of the Army. This important initiative marks a precedential step in pursuing cooperative ventures with Federal agencies seeking to benefit from the Council's expert assistance. In response to Congressional report language accompanying the Defense Appropriations Authorization of 1997, the Army and Council began to work on several strategies to better manage the Army's historic properties. The most significant program under development is the counterpart regulations which will replace the government-wide Section 106 review process for the Department of the Army.

In FY 1999, the Army and the Council continued consultation and drafting begun in FY 1998, and at the end of the year a revised draft for moving forward was completed and formally transmitted to the Army for review. A final version is expected to be completed in FY 2000. The initiative is a prototype for other proposals that may be advanced to some extent in the latter

Figure 7. Internet Home Page Samples

Section 106 Regulations Users Guide

ACHP 106

Section 106 Regulations Users Guide 1. Regulations Summary

1. Regs Summary

2. Major Changes

3. Regs Text

4. Regs Flow Chart

5. Regs Flow Chart Explanatory Material

6. Transition Questions and Answers

7. Section-by-Section Questions and Answers

8. National Register Evaluation Criteria

9. Archeology Guidance

Introduction
Initiate Section 106 process
Identify historic properties
Assess adverse effects
Resolve adverse effects
Implementation
Failure to resolve adverse effects
Tribes, Native Hawaiians, and the public

ACHP 106

California: Closure and Disposal of Marine Corps Air Station (Tustin)

Introduction

Criteria for Involvement

California: Marine Corps Air
Station (Tustin)

California: U.S. Courthouse
(San Diego)

California: Gold Mine
(Imperial County)

Agency: Navy

Criteria for Council Involvement:

- This undertaking could result in transfer or demolition of the Tustin dirigible hangars, a rare property type and some of the largest wooden buildings in the world (Criterion 1).
- There have been unique procedural problems, since the role of the State Historic Preservation Officer was impacted by State legislation (Criterion 3).

part of FY 2000, but especially in FY 2001.

Other projects under development by the Council for the Army included guidelines for the identification and evaluation of archaeological resources (a draft product was transmitted informally to the Army at the end of FY 1999), mitigation measures for archaeology and traditional cultural properties (development began in FY 1999 and should be completed in FY 2000), programmatic approaches to the commercialization of Army historic housing, and Army National Guard guidance for consultation with Indian Tribes based on experiences to date (also scheduled for FY 2000).

Data Base and Tracking System. In FY 1999, the Council continued to refine and improve its data base and tracking system for Section 106 cases. The data base is now in full-time use to coincide with the changes in the regulations. The data base is making it easier to track the progress of historic preservation cases in which the Council is involved on a weekly or even daily basis; during FY 2000 and into FY 2001, the tracking system will be refined further to provide for more active, ongoing monitoring of agency, SHPO, and tribal involvement in Section 106 consistent with the changes in the regulations.

Ongoing Section 106 case involvement. The Council participated in many significant cases during FY 1999. A partial list of noteworthy, complex, and often controversial cases in which Council involvement in consultation took up considerable time in FY 1999, and in some cases is continuing into FY 2000, may be found at the Council's Internet website (www.achp.gov).

Guidance and technical assistance. On a daily basis, the Council advises users of how the Section 106 process is intended to operate, providing a full range of interpretations and clarifications of the process from telephone responses to formal legal opinions and interpretive documents. This service, which has taken on an added degree of importance with publication of the revised regulations, is critical to the effective functioning of the Section 106 process, and can potentially save time and money by answering a wide variety of questions about the specific application of the procedures to differing fact situations and agency circumstances.

Because of the focus on revising the basic regulations, and its attendant uncertainties, the Council suspended most of its formal interpretations and guidance in FY 1999. Late in the year, however, in conjunction with and immediately following publication of the revised regulations, materials were made available on the Internet and in print on the regulations and the revised process. These included a summary of major changes to the regulations, the full text with preamble, an interactive flow chart, special guidance on archeology that was published along with the regulations, questions and answers about the transition period, and section-by-section questions and answers. A new brochure about the Council is scheduled for publication in FY 2000, along with a "Citizen's Guide" to Federal historic preservation in general and the Section 106 process in particular. Other high priority projects have been identified, and will be pursued as resources permit.

Education and training. Educational outreach, which fulfills the Council's mandates under

Section 202(a)(5) and (7) of the NHPA, remains a dynamic component of the agency's mission that is extremely well-received by those who use it. The Council's successful education program is closely linked to its other technical assistance and program review activities for the purpose of instructing Federal, State, local, and Tribal officials, applicants for Federal assistance, and contractors in the requirements of Federal historic preservation law and Section 106 review. The Council views historic preservation education as a critical means of program improvement and preservation assistance. Experience has shown that educating Federal agency officials and others saves significant time in processing Section 106 undertakings, improves consultation, and results in better, more thoughtful planning and consideration of historic values.

In FY 1999 regularly scheduled training remained on hold pending completion and issuance of the revised regulations and preparation of explanatory materials. In its place, the education program developed and presented transitional briefings on the new regulations, while fulfilling responsibilities under existing partnership initiatives and providing several Federal agencies with specially tailored training. By the end of FY 1999, we had briefed 1,585 people in 9 locations over an 11-week period. Forty-seven states, 33 tribes, 2 western Pacific islands, and the District of Columbia were represented in briefing audiences. One hundred and fifty-seven SHPO staff from 40 states and 2 western Pacific islands participated in 9 follow-up SHPO workshops, and 42 representatives of 22 tribes and 1 state Indian Affairs Council attended 3 follow-up tribal workshops. At the start of FY 2000, we held similar sessions in Alaska and Hawaii.

An ongoing joint initiative with the Navy and NPS provided Department of Defense personnel with three sessions of *Introduction to Cultural Resource Management Laws & Regulations* through the Navy's Civil Engineer Corps Officers School (CECOS). As in previous years, CECOS reimbursed the Council for staff instruction, travel, and other expenses associated with developing and updating instructional materials.

Special courses were also provided for the National Park Service, in the Pacific West Region and the Denver Service Center; and for Department of Energy personnel and contractors at Argonne National Laboratory. Tailored briefings and workshops were presented for the Army at Fort Bliss; for the Department of Agriculture's Rural Development Agency; for the Midwest and Southeast Regions of the Federal Highway Administration (with State DOT's), and the American Association of State Highway and Transportation Officials annual meeting; for Oak Ridge National Laboratory; for municipalities and Federal and Commonwealth agencies in Puerto Rico; and at the Hydroelectric Utilities Roundtable on Cultural Resources in LaConnor, Washington. Numerous other requests have been received, and will be met in FY 2000 to the extent that staff time and other resources are available.

In FY 2000 we plan to offer 15 scheduled introductory-level training courses as the Council's emphasis shifts from offering transitional briefings on the new regulations to teaching the revised Section 106 process. We plan to develop and offer more focused technical workshops based on the needs of key preservation partners, while we continue to explore computerized training and other uses of newly available technologies. Additional funds were provided in FY 2000 to hire an education program assistant, who would provide needed support for focused educational

outreach and distance learning activities. Recruitment for this position has begun, and we hope that this assistance will allow us to build upon and expand the program further in FY 2001 to meet the expressed needs.

Native American program. The Native American Program Coordinator position is dedicated to providing effective liaison with Indian Tribes and other Native American groups. A principal focus of the work in FY 2000 as the regulations begin to be used will be the development of protocols for consultation with Indian Tribes and aggressive outreach to Tribes and Native Hawaiian organizations. A major emphasis will also be on developing essential training and guidance. As previously noted, additional funds were provided in FY 2000 to support this program need.

As noted above, three workshops for Tribes were provided in FY 1999, with a similar session scheduled in Hawaii at the beginning of FY 2000. Contact was established with many Tribes and tribal organizations, and the Coordinator advised Council staff and others in a number of major cases involving Tribal interests and concerns.

In FY 2000, the Council plans to continue further development of a multi-year program to help equip Indian Tribes, Native Hawaiians, and Alaska Natives to participate actively in the Federal historic preservation program. This work will be complementary to other related programs, such as those administered by the National Park Service. As a result, we hope that Tribes will be able to consult much more effectively with Federal agencies whose activities could affect resources and places with cultural significance for Native Americans, and that Federal agencies will become more adept at meeting their responsibilities to Tribes. This program, which will have a substantial outreach component, is designed to meet several of the Council's Strategic Objectives and remedy insufficient Council attention to Native American affairs in the past.

In FY 2000, the Council will launch this program by working with Native Americans on guidance for Section 106 consultation with Tribes and Native Hawaiians, establishing improved policies for Council consultation with Native Americans on issues of mutual concern, and developing curricula and materials for regional workshops for Native Americans. In the following several years, the program will offer regional workshops for Native Americans, assist Tribal Preservation Offices, assist in the development of Tribal preservation regulations, undertake additional focused efforts to improve agency consultation with Native Americans, and provide limited assistance for Native Americans to attend Council training to the extent that resources permit.

Annual Report to the President and Congress. In an effort to maximize its limited resources while continuing to meet its statutory obligations, in 1995 the Council moved its annual report to the President and Congress to a biennial schedule. Since that time, accomplishments in each of the agency's four program areas—Policy and Program Coordination, Federal Agency Program Management, Management of Section 106, and Education, Training, and Public Awareness—have been examined over a two year period, facilitating more in-depth analysis of individual initiatives with a greater emphasis on outcomes. The Council continued this budget-conscious approach

with the publication of *Report 1996-1997* in two formats, as a conventional printed publication as an electronic document available at the Council's Web site. The printed and electronic versions of the report were not identical; the former represented a compressed version of the document available online. *Report 1998-1999*, currently in the drafting stage, will continue this trend.

This new approach to its annual report does more than simply reduce the Council's production and distribution costs, though the savings are substantial. It also enables a global audience to access to this important source of preservation information and, moreover, to tailor its contents to their individual requirements. For example, persons familiar with the Council and the Section 106 consultation process might find sufficient information about recent about recent agency achievements between the covers of the printed report. Individuals less experienced with the Council, on the other hand, might determine the Internet version better suited to their needs.

Report 1998-1999 will complement the Council's millennium report to the President and Congress that assesses Federal preservation policy at the end of the century and recommends measures to better respond to the likely challenges of the future.

Summary of Requirements by Object Class
(Dollar Amounts in thousands)

Appropriation: Salaries and Expenses

Object Class	2000 Actual	FTE	AMT	2001 Uncontrollable & Related Changes	FTE	AMT	2001 Program Changes	FTE	AMT	2001 Estimate	FTE	AMT	Increase (+) Decrease (-) From 2000
<u>Object Class</u>		<u>FTE</u>	<u>AMT</u>		<u>FTE</u>	<u>AMT</u>		<u>FTE</u>	<u>AMT</u>		<u>FTE</u>	<u>AMT</u>	
11 Personnel compensation:													
11.1 Permanent positions-													
FTE-P.....	34	1,853		+99			-	34	1,952				+99
11.3 Positions other than permanent.....	-	-		-			-	-	-				
Other personnel compensation.....	-	-		-			-	-	-				
Total compensation	34	1,853		+99			-	34	1,952				+99
Other objects:													
12.1 Personnel benefits....	433			+28			-		461				+28
21.0 Travel.....	80			-			-		80				-
23.0 Rent, Comm, Util and Misc. Charges.....	293.8			-			-		337				+43.2
24.0 Printing.....	73			-			-		73				-
25.0 Other services.....	191.8			-			-		197				+ 5.2
26.0 Supplies.....	7			-			-		7				-
31.0 Equipment.....	57			-			-		82				+25
<u>Total Requirements</u>	34	2,988.6		-		+200.4		34	3,189				+200.4

ADVISORY COUNCIL ON HISTORIC PRESERVATION
SALARIES AND EXPENSES
OBJECT CLASSIFICATION (IN THOUSANDS OF DOLLARS)

Identification code		1999 actual	2000 enacted	2001 estimate
95-2300-0-1-303				
Direct obligations:				
	Personnel compensation			
11.1	Full-time permanent	1,792	1,853	1,952
11.5	Other than full-time permanent			
11.5	Other personnel compensation			
11.9	Total personnel compensation	1,792	1,853	1,952
12.1	Civilian personnel benefits	416	433	461
13.1	Benefits for former personnel	-	-	-
21.0	Travel and transportation of persons	40	80	80
23.	Rent, Communication, utilities, and misc charges	286	293.8	337
24.0	Printing and reproduction	41	73	73
25.2	Other services	170	191.8	197
26.0	Supplies and materials	5	7	7
31.0	Equipment	50	57	82
99.0	Subtotal, direct obligations:	2,800	2,988.6	3,189
99.0	Reimbursable obligations:	200	200	200
99.9	Total obligations	3,000	3,188.6	3,389

Personnel Summary

Direct: Total compensable work years:

1011	Full-time equivalent employment.....	32	34	34
2011	Reimbursable: Full-time equivalent employment.....	4	4	4

Program and Financing (in millions)

Identification code 95-2300-0-1-303	1999 act	2000est	2000est
Obligations by program activity:			
Direct program:			
10.00 Total obligations.....	3	3	3
Budgetary resources available for obligation:			
22.00 New budget authority (gross).....	3	3	3
23.95 New Obligations	-3	-3	-3
New budget authority (gross), detail:			
Current:			
40.00 Appropriation (definite).....	3	3	3
Permanent:			
Spending authority from offsetting collections			
Change in unpaid obligations:			
Unpaid obligated, start of year:			
73.10 New obligations.....	3	3	3
73.20 Total outlays (gross).....	-3	-3	-3
Outlays (gross), detail:			
86.90 Outlays from new current authority.....	3	3	3
New budget authority and outlays:			
89.00 Budget authority.....	3	3	3
90.00 Outlays.....	3	3	3



NATIONAL CAPITAL PLANNING COMMISSION

"Extending the Legacy"

**JUSTIFICATION FOR APPROPRIATION
FISCAL YEAR 2001**

(1205)

National Capital Planning Commission
TABLE OF CONTENTS

	<u>Page</u>
Agency Description	
Members of the Commission.....	2
Mission Statement	3
Responsibilities and Functions	3
General Goals and Objectives (1997-2002)	5
Organization of Commission and Staff	
Functional Organization Chart	8
Staff Organization Chart.....	9
Program by Organizational Unit	
<i>(FY 2001 Performance Goals and FY 2000 Activities)</i>	
A. Office of the Executive Director	10
B. Office of Public Affairs	10
C. Office of General Counsel.....	10
D. Office of the Secretariat.....	11
E. Office of Long Range Planning.....	12
F. Office of Plans Review	16
G. Technology Development and Applications Support Group	20
H. Office of Administration	24
Special Program Requirement – WGIS Consortium.....	27
Salaries and Expenses Appropriation	
Summary of Additional Resources Required.....	30
A. Justification for Increase	30
B. Analysis of Resources by Object Classification- <i>General Fund</i>	32
C. Analysis of Resources by Object Classification- <i>WGIS</i>	33
D. Services of Experts and Consultants	34
Fiscal Year 1999 Accomplishments - <i>A Performance Report</i>	35
Linking Performance to Resources	46
Status of Pertinent Authorization	47
Appropriation Language	47
Detail of Permanent Positions	48
Financial Schedules	50

Members of the National Capital Planning Commission

Appointive Members

By the President

Harvey B. Gantt, Chairman
U. S. At Large

Robert A. Gaines
Maryland

Margaret G. Vanderhye
Virginia

By the Mayor of the District of Columbia

Patricia Elwood
District of Columbia

Arrington Dixon
District of Columbia

Ex-Officio Members

Honorable William S. Cohen
Secretary of Defense

Honorable Bruce Babbitt
Secretary of the Interior

Honorable David J. Barram
Administrator of General Services

Honorable Fred Thompson
Chairman
Committee on Governmental Affairs
United States Senate

Honorable Dan Burton
Chairman
Committee on Government Reform and Oversight
United States House of Representatives

Honorable Anthony A. Williams
Mayor of the District of Columbia

Honorable Linda W. Cropp
Chairman
Council of the District of Columbia

National Capital Planning Commission

OUR MISSION

We are the central planning agency for the federal government in Washington, D.C. and surrounding cities and counties. We develop long range plans and conduct project reviews that enhance the National Capital's extraordinary historical, cultural, and natural resources. We plan for the next century, as well as for the next year. We work with other federal agencies, local governments, private organizations, and others, to create a more beautiful and livable capital.

RESPONSIBILITIES AND FUNCTIONS

The National Capital Planning Commission (NCPC) was established in 1924 as a park planning agency. Two years later our role was expanded to include comprehensive planning. In 1952, under the National Capital Planning Act, we were designated as the central planning agency for the federal government in the National Capital Region and the District of Columbia (D.C.) government.

In 1973, the National Capital Planning Act was amended by the D.C. Home Rule Act which made the Mayor the chief planner for the District of Columbia, and we continued to serve as the central planning agency for the federal government in the Washington area.

Our activities cover the National Capital Region, which includes Washington, D.C. and the counties of Prince George's and Montgomery in Maryland; Arlington, Fairfax, Prince William, and Loudoun in Virginia; plus the independent cities and towns within the outer boundaries of these counties.

Our three main functions are:

1. Preparation of Plans and Programs.
 - A. Preparation and adoption of the federal elements (i.e., federal facilities, federal employment, foreign missions and international organizations, historic preservation, parks, etc.) of the Comprehensive Plan for the National Capital and review of D.C. elements for federal interest. The plan is a statement of goals, policies, and guidelines for the future development of the National Capital (all land in the District of Columbia and federal property within the region).
 - B. Preparation, adoption, and submission annually to the Office of Management and Budget of a five-year Federal Capital Improvements Program (FCIP) for the region containing land acquisitions and development proposals from all federal agencies. After the Commission reviews the various proposals they are considered for funding by the Office of Management and Budget and the Congress.

2. Review of Plans and Proposals.
 - A. Approval of plans for new federal buildings in the District of Columbia.
 - B. Review of plans for federal buildings and installations in the region.
 - C. Review of development proposals and proposed plan amendments to ensure that development and redevelopment in the Pennsylvania Avenue area are carried out in accordance with the Pennsylvania Avenue Development Corporation Plan of 1974.
 - D. Approval of plans for new D.C. government buildings in the central area of D.C., including the Downtown Urban Renewal Area, as well as the Shaw School Urban Renewal Area just north of downtown.
 - E. Review of other proposed D.C. policies, plans, and programs, including master plans, project plans, annual capital improvements programs, and zoning changes; and review of plans and programs (including zoning, comprehensive plans, area plans and capital improvements programs) proposed by state, regional, and local agencies for their impact on the federal interest.
3. Protection and promotion of the federal interest in planning for the future development of the National Capital Region and coordination of federal plans with local, state, and regional plans and programs.

OUR GOALS AND OBJECTIVES
for
1997 to 2002

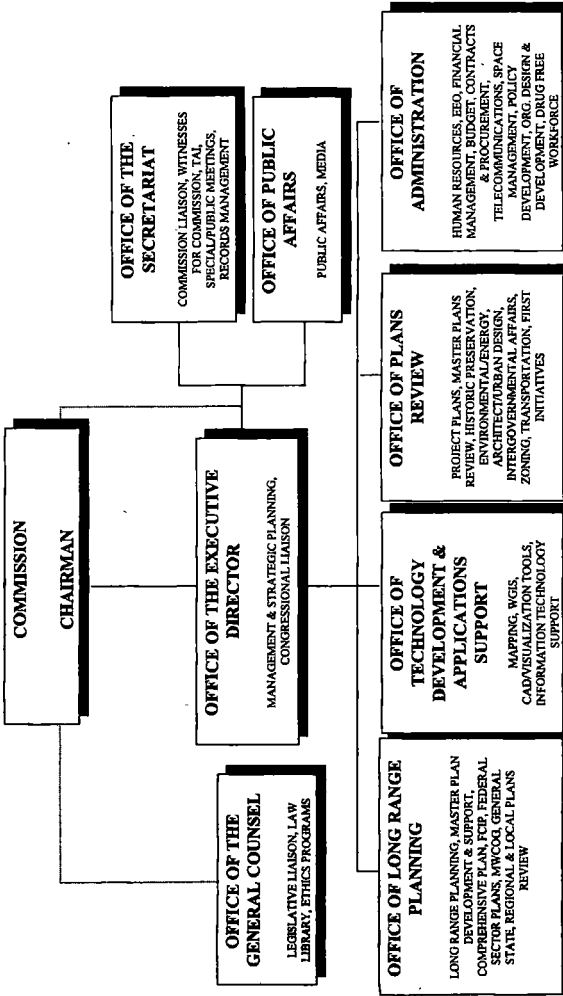
In addition to improving customer service, increasing productivity, reducing operational costs, enhancing employee morale and the quality of workplace life, and improving operations through reinvention or restructuring, our General Goals and Objectives as presented in the NCPC Strategic Plan for 1997 to 2002 are to:

- 1. Preserve and enhance the unique beauty and image of the National Capital and ensure its planned development.**
 - 1.1** Prepare comprehensive plans for the future development of federal land in the region, including the Monumental Core, Beltsville, Bolling-Anacostia, and Quantico Federal Area sector plans.
 - 1.2** Design, implement, and enforce policies to protect Washington's historic views and vistas.
 - 1.3** Design and implement policies to site new monuments, memorials, and other federal buildings in the Monumental Core while preserving open space.
 - 1.4** Help ensure that development and redevelopment within the Pennsylvania Avenue area comply with the Pennsylvania Avenue Plan of 1974, and build on and reinforce the past achievements of the Pennsylvania Avenue Development Corporation.
- 2. Ensure that the location and design of all federal buildings in the National Capital Region promote the effective functioning of the federal establishment and adhere to high architectural, planning, and urban design standards.**
 - 2.1** Evaluate all development plans and projects of federal, District of Columbia, and many state and local government agencies to help ensure that they support the federal interest and contribute to the best urban design, transportation, and land-use outcomes.
 - 2.2** Increase enforcement of the Commission's policy directing 60 percent of regional federal employment to the District and 40 percent to the surrounding jurisdictions.

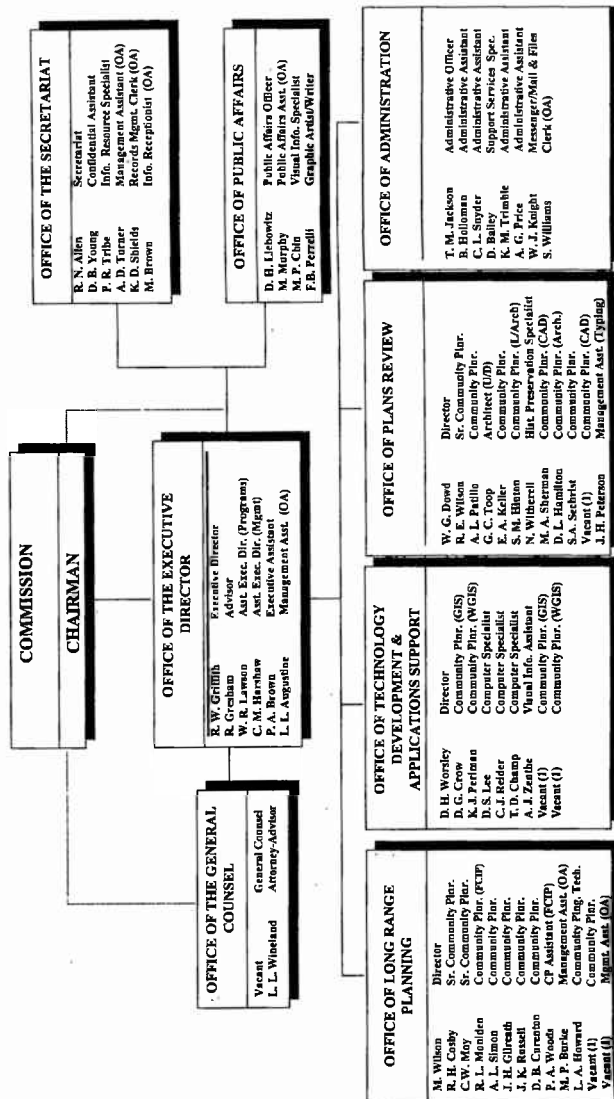
- 2.3 Prepare a five-year capital improvements program containing all public works projects proposed by federal agencies in the region to guide the Office of Management and Budget, Congress, and other public and private sector decision makers in evaluating planning, policy, and investment alternatives.
- 3. **Improve the quality of life for those who live, work, and visit in the National Capital Region.**
 - 3.1 Promote the social and economic revitalization of Washington, D.C. by channeling the positive impacts of tourism and proposed federal development to aid the city.
 - 3.2 Implement First Initiatives of Monumental Core Plan, including planning for the revitalization of the South Capitol Street/M Street, S. E. Corridors and reclamation of public waterfront.
 - 3.3 Design transportation and visitor signage programs to improve movement to and through the National Capital Region.
 - 3.4 Develop a plan to locate embassies, chanceries, and other international organizations within the city to meet the needs of the diplomatic and international communities and to make these cross-cultural resources more accessible to visitors and residents.
- 4. **Protect and enhance historic and natural resources while accommodating change in the Nation's Capital.**
 - 4.1 Help ensure that historic resources and properties including the L'Enfant and McMillan Plans, are protected during federal project planning and development.
 - 4.2 Revise the Commission's environmental policies and strengthen its environmental review of all plans and projects submitted for approval.

5. **Promote state-of-the-art information technologies to support integrated planning in the National Capital Region.**
 - 5.1 Help establish a Washington Geographic Information System (WGIS) public/private partnership to build, share, and maintain land-based information used in planning and managing federal facilities, conducting comprehensive planning, and defining the impact of federal and District government planning goals on the city and its immediate environs.
 - 5.2 Research and develop better planning data and information such as regional population and economic forecasting, and other tools for simulation models needed by federal and local agencies in the region to visualize and prepare for future probabilities.
 - 5.3 Improve the speed and accuracy for the review and analysis of proposed developments in the National Capital Region through expanded use of computer assisted design (CAD) tools, geographic information systems (GIS), and other innovative information technologies.
6. **Educate and increase the involvement of local, national, and international audiences in planning and development in the National Capital.**
 - 6.1 Conduct seminars, conferences, and other public outreach programs to encourage public participation in the planning and development of the Nation's Capital.
 - 6.2 Build international partnerships to exchange information with other world capitals faced with balancing the interests of a national government in a local jurisdiction and satisfying the needs of both.

National Capital Planning Commission **Organization by Function**



National Capital Planning Commission Staff Organization



PROGRAM BY ORGANIZATIONAL UNIT

A. Office of the Executive Director

The National Capital Planning Commission is managed by the **Executive Director** who makes policy recommendations to the Chairman and Members of the Commission and supervises, directs, and reviews the work of the career staff. The office provides expert counsel to the Commission; federal, state, and regional officials; and citizen groups in regional planning matters affecting the federal interest in the future growth and development of the National Capital Region and is the Commission's primary liaison with federal, state, regional and sub-regional agencies and organizations. The Executive Director is supported by: an Assistant Executive Director for Programs, an Assistant Executive Director for Management, a Public Affairs Officer, and an Executive Assistant. The **Assistant Executive Director (Programs)** supervises all of the program divisions, establishing priorities and schedules, coordinating activities among divisions, and monitoring assignments. The **Assistant Executive Director (Management)** is responsible for resource needs, identification and allocation; represents the Executive Director in the Commission's budget, personnel, contracting, and property-related, high-level contacts with the Office of Management and Budget (OMB), Congress, Office of Personnel Management (OPM), Department of Treasury, and the General Services Administration (GSA); advises the Executive Director on operational policy, and serves as a focal point for strategic planning, goal setting, program evaluation, and tracking organizational performance.

B. Office of Public Affairs

The Office of Public Affairs conducts programs and prepares and disseminates informational materials designed to inform the general public and specialized audiences about planning and development in the National Capital. Through these activities, the Office of Public Affairs seeks to involve local, national, and international audiences in the planning process. The Office responds to the media and general public regarding matters before the Commission and related Commission activities and plans and executes information and public outreach programs that advance Commission goals. The Office coordinates and directs staff and consultants in the preparation of agency documents, publications, and electronic communication and other informational materials that engage both professional and non-expert audiences.

C. Office of the General Counsel

This office advises the Commission, Executive Director and staff on the statutory powers, duties, and functions of the Commission and on legal questions in the fields of planning, plan review, urban renewal, environment, transportation, zoning, open space, and landmarks preservation. Specifically, it provides legal advice on regulatory matters, internal operations, agency ethics, privacy, and freedom of information (FOIA) requirements; reviews and prepares reports on proposed and pending

legislation; assists in the preparation of Congressional testimony; provides statutory and regulatory drafting services; and provides Congressional and Executive Branch liaison on legislative matters. It also reviews and prepares litigation reports, pleadings and briefings for, or together with, the Department of Justice and other parties for submission to courts and/or administrative hearing bodies; and responds to FOIA requests/initiatives.

D. Office of the Secretariat

This office acts as a primary liaison with the Chairman and Members of the Commission. It prepares notices, agendas, memoranda of action, and other materials related to Commission meetings; assists in responding to federal and local agencies and the public regarding agenda items and subsequent actions of the Commission; assists in responding to Freedom of Information Act inquiries; prepares certifications and notifications to federal, state, and local governmental authorities of Commission actions; advises the presiding officer at Commission meetings on Commission By-Laws and Standing Rules of Procedure; prepares proposed amendments to the By-Laws and Standing Rules; and establishes and maintains an active, continuing program for the efficient management of the official records of the Commission.

E. Office of Long Range Planning

This office is responsible for undertaking long-range planning activities that serve as a basis for establishing Commission policy and the review of individual development proposals. Program activities are focused on identifying major trends which will affect future planning for the federal government in the region; reviewing federal and non-federal plans and proposals in the context of long-range plans for the development of the National Capital Region (NCR); and assisting policy-makers in developing clear and practical responses to current and future planning challenges. It also prepares a five-year capital development program for federal properties in the NCR as a way of coordinating federal planning activities and fostering inter-jurisdictional cooperation in planning and development matters.

Specifically, this office:

1. prepares, modifies and updates the Federal Elements of the Comprehensive Plan for the National Capital;
2. reviews the District elements of the Comprehensive Plan for the National Capital and long-range and area plans and zoning proposals of other jurisdictions to determine their impact on the federal interest;
3. prepares special planning studies and sector plans for major concentrations of federal employment and facilities;
4. provides planning guidance and advice to federal agencies and the Commission;
5. undertakes special studies and provides technical expertise to Commission Task Forces and outside agencies in matters pertaining to the quality of the environment and federal employee work places, and the location of future monuments and memorials;
6. facilitates cooperative implementation strategies among federal agencies, local government and the private sector; and
7. prepares an annual five-year Federal Capital Improvements Program (FCIP), and annually reviews federal agency capital budget requests, which represent the first year of the five-year program, and provides advice to the Office of Management and Budget on the planning and coordination issues that should be considered prior to OMB's approval for funding.

The 2000-2004 program includes 130 projects with an estimated cost of over \$4.2 billion.

During budget year 2001 the Office of Long Range Planning will:

BY 2001 Performance Goals	Type of Measure (Deadline)	Strategic Plan General Goals/Objectives Reference
1. Publish the federal elements of the Comprehensive Plan.	Output (Nov 00)	1.1
2. Complete and publish the Bolling-Anacostia Federal Sector Plan.	Output (Mar 01)	1.1
3. Complete and publish the Quantico Federal Sector Plan.	Output (Sept 01)	1.1
4. Publish the feasibility study of the Mall transportation circulator concept and impacts of tourism on the Monumental Core.	Output/Outcome (Jan 01)	1.1
5. Complete the Federal Capital Improvements Program for FYs 2002-2006.	Output (July 01)	2.3
6. Complete an Antenna Teleport Study for the NCR in conjunction with the District of Columbia and other federal agencies.	Output (Sept 01)	1.2 3.1

Additional resources required to achieve 2001 performance goals:

FTEs: NONE

Funds: \$22,500 (*Publishing*)

Justification for increase: \$22,500 is requested to publish the Bolling-Anacostia and Quantico Federal Sector Plans, and FY 2002-2006 Federal Capital Improvements Program.

In FY 2000, the Office of Long Range Planning will focus on:

Major Activities Anticipated in FY 2000	Type of Measure (Deadline)	Strategic Plan General Goals/Objectives Reference
1. Completing the draft of the federal elements of the Comprehensive Plan.	Output (Sept 00)	1.1
2. Completing and publishing the Beltsville Federal Sector Plan, which will include substantial liaison with affected federal agencies, local governments and surrounding communities.	Output (Sept 00)	1.1
3. Completing up to 80% of the Sector Plan for Bolling-Anacostia Federal Sector Plan.	Output (Sept 00)	1.1
4. Completing up to 20% of the Quantico Federal Sector Plan.	Output (Sept 00)	1.1
5. Completing work on the "First Initiatives" implementation project - M-Street, SE streetscape improvement project.	Output (June 00)	3.2
6. Completing the feasibility study of the Mall transportation circulator concept and impacts of tourism on the Monumental Core.	Outcome (Sept 00)	3.2
7. Preparing the Federal Capital Improvements Program 2001-2005 including the review of FY 2001 capital budget requests of federal agencies.	Output/Outcome (July 00)	2.3
8. Identifying local capital improvements programs, plans, and proposals that may affect federal interests in the region, providing comments and recommendations to the sponsoring state, regional or local agencies and governments, and providing relevant information to the federal agencies.	Output (June 00)	2.1 2.3
9. Working with the Joint Task Force on Memorials to complete the Monuments, Memorials, and Museums Master Plan. The plan will include recommended memorial and museum sites outside Area I, an analysis of site conditions at select locations, and development guidelines for key sites.	Input (Sept 00)	1.3

10. Working with the Commission's Federal Office Space Task Force to evaluate the Comprehensive Plan goal of achieving a distribution of 60% of the federal employment in the region in the District of Columbia and 40% in Maryland and Virginia.	Output (Sept 00)	1.1
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F. Office of Plans Review

This office coordinates and reviews the development plans and projects of federal agencies, District of Columbia agencies, and other local jurisdictions in the National Capital Region (NCR). It also provides professional and technical planning expertise in urban design, historic preservation, environment/energy, transportation, zoning and land use to Commission staff, federal, state, and District agencies.

Specifically, this office:

1. reviews master plans and individual project plans for federal and District of Columbia installations and facilities;
2. coordinates development planning activities between the federal government and the District of Columbia government and other local jurisdictions;
3. prepares and reviews urban renewal plan modifications for urban renewal areas in the District of Columbia;
4. conducts federal interest reviews of local master, area and sector plans and capital improvements programs, as well as proposed District of Columbia street and alley closings;
5. consults with federal and District of Columbia agencies to secure approved master and individual project plans for their respective installations and facilities;
6. reviews proposed new, and revised building plans and approves building permit applications for projects in the Pennsylvania Avenue Development Area, for their conformity to the 1974 Congressionally approved plan;
7. ensures that federal land acquisition and development proposals in the National Capital Region are designed in a manner which limits their adverse environmental effects on the quality of the human environment;
8. advises the Commission about plans and projects that affect properties listed, or eligible for listing, in the National Register of Historic Places, and ensures federal agency compliance with the National Historic Preservation Act prior to Commission review; and
9. reviews proposed zoning changes in the District of Columbia to ensure that they are not inconsistent with the Comprehensive Plan and will not adversely affect the federal establishment or other federal interests in the Nation's Capital.

During budget year 2001, the Office of Plans Review will:

FY 2001 Performance Goals	Type of Measure (Deadline)	Strategic Plan General Goals/Objectives Reference
1. Complete the review of more than 100 federal, District of Columbia and local master and development plans and special project plans.	Outcome (Sept 01)	2.1 2.2 5.3
2. Complete review of all building permit applications submitted for projects in the Pennsylvania Avenue Area and review any proposed changes to the Pennsylvania Avenue Area Plan.	Output (Sept 01)	1.4
3. Streamline the review process, improve project submissions, and accelerate EDR preparation and Commission action by increasing early consultation with, and technical assistance to, federal and district agencies in the protection of environmental and historic resources, and urban design.	Outcome (Sept 01)	2.1
4. Provide architectural and urban design analysis, presentation drawings (plans and perspectives), and environmental analysis and studies needed to support implementation of Monumental Core First Initiative projects.	Input (Sept 01)	3.2
5. Expand the use of computer-assisted design (CAD) tools, geographic information system (GIS) applications, and other information technologies in providing technical support and assistance to customers, Commissioners and staff.	Input (Sept 01)	5.1 5.3
6. Strengthen the historic preservation/GIS interface, and upgrade research files by creating digitized maps for locating and displaying historic resources in the metropolitan area.	Output (Sept 01)	5.3
7. Fully integrate transportation reviews and traffic analyses of all development plans and projects submitted.	Output (Sept 01)	2.1 3.3

Additional resources required to achieve 2001 performance goals:

FTEs: NONE

Funds: NONE

In FY 2000, activities will focus on the following:

Major Activities Anticipated in FY 2000	Type of Measure (Deadline)	Strategic Plan General Goals/Objectives Reference
1. Reviewing and analyzing a wide variety of development plans and projects of federal and District of Columbia government agencies. These include master plans for large tracts of land and/or installations, and park land; site and building plans for federal and District of Columbia individual development projects; plans for the park, parkway, and playground system of the National Capital; proposed land acquisitions; locations and designs for monuments and memorials; excess federal land surveys and sales of surplus properties; and other proposals, such as transfers of jurisdiction. Based on the current FCIP for the National Capital Region, and information obtained from federal agencies, it is anticipated that in FY 2000, Commission reviews will include such projects as replacement of Woodrow Wilson Bridge, National Harbor, National Museum of the American Indian, American Red Cross, Pennsylvania Avenue Development, Martin Luther King, Jr. Memorial, Music Museum, National Health Museum, the United States Air Force Memorial, the World War II Memorial, numerous U.S. Postal Service facilities within the NCR, and updated master plans for the Goddard Space Flight Center and the Quantico Marine Corps Base. Continued assistance will be provided to federal agencies in the development of their plans and programs.	Output/ Outcome (Sept 00)	1.2 1.3 2.1 2.2 4.1
2. Reviewing all submissions to ensure appropriate federal agency compliance with Section 106 of the National Historic Preservation Act (NHPA) and the National Environmental Policy Act (NEPA) prior to Commission action.	Output/ Outcome (Sept 00)	4.1
3. Completing an annotated text inventory of all federally owned sites listed in, or eligible for listing in, the National Register of Historic Places.	Output (Feb 00)	4.1
4. Completing the research and reporting to the Commission on the results of the yearlong study examining the impacts of microwave transmitting antennas.	Output (Nov 1999)	3.0

5. Revising the Commission's Environmental Policies and Procedures and related submission requirements to streamline environmental and historic preservation review processes, improve the quality of materials submitted to this agency for review, and improve the review of environmental and preservation documents in a more timely manner.	Output (Feb 00)	4.2
6. Sponsoring a bi-annual workshop to provide technical training and to exchange technical information on the submission of materials for review of federal project and master plans.	Output (June 00)	6.1
7. Completing the urban design, transportation, and environmental components of the Beltsville Sector Plan.	Input (June 00)	1.1
8. Completing the urban design, traffic and environmental studies needed for more detailed planning and urban design work associated with the Monumental Core First Initiative M-Street, SE project.	Input (Dec 99)	1.1 2.1 3.2
9. Develop regional policies and procedures for future placement of communication antennas.	Outcome (Sept 00)	3.1

G. Technology Development and Applications Support Group

This group is responsible for the Commission's information technology (IT) program. It provides information management support and technical expertise to develop, build, and maintain the Commission's information technology architecture and infrastructure.

Specifically, this group:

1. develops, maintains, and facilitates the implementation of a sound IT program, providing advice to the Executive Director and other agency staff to ensure that required IT resources are acquired and managed in a manner that fully implements the policies of the Commission and the Information Technology Management Reform Act;
2. promotes the efficient design and operation of all information resources for NCPC, including the delivery of planning and information services to the public through effective uses of architectural and planning-related information technology;
3. develops and implements strategies for integrating Computer Assisted Design (CAD) and Geographic Information Systems (GIS) applications into Commission work processes;
4. develops and implements IT planning-related tools and programs to improve data management for project reviews and planning analyses;
5. designs and implements systems and procedures to standardize NCPC's enterprise database, and ensures that the Commission complies with all Federal Information Processing Standards (FIPS) in acquiring or developing internal computing capabilities;
6. provides coordination and technical support for the Washington Geographic Information System (WGIS) Consortium -- a consortium of federal and District agencies and private firms dedicated to developing and maintaining highly detailed GIS information for land-use planning, facilities management, public safety, vehicle routing, economic development, and many other applications in the Nation's Capital; and
7. provides drafting, mapping and graphic reproduction services to the Commission staff in support of Commission work.

During budget year 2001, the Technology Development and Applications Support Group will:

FY 2001 Performance Goals	Type of Measure (Deadline)	Strategic Plan General Goals/Objectives Reference
1. Update the Commission's desktop and network systems hardware and software to access databases, conduct statistical analyses, share information, and display information by means of images, CAD drawings, charts and maps.	Output (Sept 01)	5.3
2. Develop specific user applications for data entry, retrieval, and manipulation in CAD, GIS, and database systems.	Output (Sept 01)	5.3
3. Maintain a multi-media capability to support the Commission's review process and to better communicate information and technology to outside agencies and the general public.	Output/ Input (Sept 01)	5.3
4. Implement the WGIS Strategic Plan and launch the WGIS Consortium.	Input/ Output (Sept 01)	5.1
5. Expand a shared data repository system for storage and retrieval of the geospatial data establishing a dedicated central server that will be linked electronically to various agencies in the region and to the public/private consortium.	Output (Sept 01)	5.1

Additional resources required to achieve 2001 performance goals:

FTEs: NONE

Funds: NONE

In FY 2000, activities will focus on the following:

Major Activities Anticipated in FY 2000	Type of Measure (Deadline)	Strategic Plan General Goals/Objectives Reference
1. Evaluating and modifying the Commission's computer hardware and software systems to ensure that the Commission's IT architecture is not adversely affected by the millennium change.	Outcome/ Output (Dec 99)	5.3
2. Test and evaluate the prototype for the development of the WGIS-public/private consortium that supports enterprise data development and data distribution. The public/private consortium will complement the federal and District governments' mandates for developing, distributing and maintaining WGIS data. In exchange for the right to profit from data distribution and customization services, the private sector members of the consortium will provide GIS services to the government. The ultimate goal is to institutionalize a relationship that allows participating government agencies to concentrate on applying GIS technology to their specific missions, while the private sector bears much of the cost and responsibility for building and managing the shared enterprise system.	Input/ Outcome/ Output (Sept 00)	5.1
3. Implement document management system which stores, indexes and retrieves externally and internally produced documents and images.	Output (Nov 99)	5.3
4. Complete detailed WGIS property and planimetric mapping of the District of Columbia and a portion of Arlington County, Virginia, in conjunction with our public and private WGIS Consortium partners.	Output (Sept 00)	5.1
5. Implementing, in conjunction with our public and private consortium partners, a shared data repository system for storage and retrieval of the geospatial data establishing a dedicated central server that will be linked electronically to various agencies in the region and to the public/private consortium.	Output (Sept 00)	5.1
6. Developing agency-specific user applications for data entry, retrieval, and manipulation in CAD, GIS, and database systems.	Output (June 00)	5.3

7. Developing a system for storing, tracking, and retrieving hard copy and electronic maps to expedite project and master plan reviews, improve the rate of production, and increase the quality of customer services and products.	Output/ Outcome (Sept 00)	5.3
8. Implementing a document management system that streamlines and helps manage the production of Executive Director's Reports (EDRs).	Output/ Outcome (Dec 1999)	5.3

H. Office of Administration

This office provides support to the Commission in the areas of human resources management, financial management and accounting, budget preparation and control, procurement and contracting, space and facilities management, property and inventory, and other general administrative functions. It provides advice to the Assistant Executive Director for Management on federal sector management policies and procedures ensuring that legislative restrictions and similar requirements in budget, fiscal, accounting, human resources management and all other administrative matters are fully understood and complied with in carrying out the mission of the agency.

Specifically, this office:

1. provides advice on major policies and procedures, and federal regulations and practices in the areas of budget, human resources, space and facilities, and procurement and contracts;
2. manages human resources program for the Commission which includes position classification, recruiting, employee development and other special emphasis programs;
3. provides support for budget preparation, justification, presentation and execution. This includes coordination of testimonies at both House and Senate Hearings in all aspects of the annual budget requests;
4. assists the contracting officer in performing all procurement and contracting work for the Commission which includes procuring goods and services through formal advertising or negotiation and managing all contract types during pre-award, award, and post award;
5. manages the Commission's travel program which includes establishing travel policy and procedures for all staff and Commission members;
6. manages procurement of space and facilities, which includes design of office layouts and work areas; structural services, special facilities; internal office and equipment moves, and storage requirements; and
7. manages the Commission's telecommunications services, including local and long distance calls, installation/relocation/removal of agency telephones, and liaison with GSA on telecommunications matters.

During budget year 2001, the Office of Administration will:

FY 2001 Performance Goals	Type of Measure (Deadline)	Strategic Plan General Goals/Objectives Reference
1. Build a team that provides useful, relevant, timely, and reliable financial information for decision makers.	Outcome (Sept 01)	9.0
2. Maximize the efficiency of day-to-day accounting activities.	Output (Sept 01)	9.0
3. Develop a system that supports the partnership between finance and program operations.	Output (Sept 01)	9.0
4. Design a comprehensive orientation program/refresher course for new employees that reflects the most current laws and regulations.	Input/ Output (Mar 01)	9.0
5. Design a comprehensive audit tracking system that ensures NCPC's required IG, OPM, and GSA audits occur within the allotted timeframes required by these agencies.	Input/ Output/ Outcome (Mar 01)	9.0
6. Design and implement a series of on-site continuing education for staffing specialty areas.	Output (July 01)	9.0
7. Re-examine award and recognition programs to ensure that they adapt to a team oriented environment. Identify, analyze and implement ways and means for recognizing and rewarding team achievement and performance.	Input/ Outcome (July 01)	9.0
8. Manage the contractual and financial aspects of the WGIS Consortium activities.	Input/ Output (Sept 01)	1.3

Additional resources required to achieve 2001 performance goals:

FTEs: **NONE**

Funds: **NONE**

In FY 2000, activities will focus on the following:

Major Activities Anticipated in FY 2000	Type of Measure (Deadline)	Strategic Plan General Goals/Objectives Reference
1. Forward FY 99 program report under GPRA to the President and Congress.	Output (Mar 00)	9.0
2. Develop a system and source for workplace safety and wellness review audits.	Output (Mar 00)	9.0
3. Secure a new lease agreement with GSA for expiring lease and manage the design, layout, construction, and move into a new facility.	Input/ Outcome (June 00)	9.0
4. Design and implement a series of on-site continuing education for staffing specialty areas.	Output (July 00)	9.0
5. Implement Standard General Ledger that is JFMIP compliant.	Input/ Output/ (July 00)	9.0
6. Bring the Free Balance Revenue module on line for WGIS Consortium program receipts.	Input/ Output (Sept 00)	1.3
7. Update and revise strategic plans that are due to Congress by September 2000.	Input/ Output (Jul 00)	9.0
8. Improve crosswalk between Purchase Order Tracking System, FreeBalance, National Finance Center, Personnel Tickler/ Inventory reports.	Output/ Outcome (Sept 00)	9.0

SPECIAL PROGRAM REQUIREMENT

Washington Geographic Information Systems (WGIS) Consortium

In Spring 1998, representatives from the Office of Management and Budget (OMB), along with other public and private sector partners that have participated with the Commission in the WGIS program, endorsed the concept of a public-private consortium to coordinate the production, management and distribution of geo-spatial data in the Washington area. All of the partners agreed, and OMB supported a decision by the Consortium partners that NCPC would assume the leadership role in coordinating the partnership and preparing a strategic plan for the project to be used as a guide for the future development of an organized WGIS Consortium. This Consortium will coordinate geospatial data activities in the Washington DC area. Although OMB has cautioned that the WGIS initiative not duplicate other related efforts in the National Capital, it recognized the potential of WGIS by approving an additional \$200,000 in the President's FY 1999 budget. This money was used to complete a WGIS user needs assessment, which provided the framework for the Consortium's strategic plan. This strategic plan was presented to OMB on September 30, 1999 as directed by the Administration in FY 1998.

Description of the Program

The Washington Geographic Information System Consortium project is a cooperative effort of the federal and District governments to capture, display and analyze geographic data in the Nation's Capital. WGIS data allows users to view on computers highly accurate, detailed photographs that are linked to federal and District databases and base maps. Similar systems are in use in nearly every major municipality nationwide, while Washington continues to rely on antiquated and outdated paper maps. By bringing together information on population, economic development, land use, and infrastructure, the WGIS Consortium will serve as an extremely effective partnership to improve the planning and managing of all public facilities.

WGIS data has a wide variety of applications. NCPC uses it to measure and project the impacts of proposed federal, District and private sector buildings on adjacent areas, the city, and the National Capital Region. In addition, three-dimensional projections of federal buildings and other development in downtown Washington, based on information from aerial photography, are used to assess architectural development and environmental conditions in both the District and the region. The tabular, map, and three-dimensional information will enable NCPC to more effectively plan and protect federal interests.

In FY 1998, NCPC and its District partners designated a pilot study area extending from the Capitol, south along South Capitol Street to the Anacostia Park, to test the more complex components of the WGIS and to determine the scope of work and costs necessary to provide WGIS products for the remainder of the District. In addition to serving as a learning tool, NCPC and the District Office of Planning are using the pilot study to prepare economic development plans that support the

Department of the Navy's transfer of more than 5,000 employees to the Washington Navy Yard. In addition, digital orthophotographs, a principal WGIS product, have been completed for the entire District of Columbia and are now being used by the Department of Justice as courtroom exhibits, the U.S. Secret Service for preparing security plans for the President, and the Office of Tax and Revenue for assessing taxes. This special program supports the Federal Geographic Data Committee's objective to share information, as described in Executive Order 12906.

During 1999, the consortium initiated its digital planimetrics projects for the District of Columbia. This project is based on the results of the 1998 pilot study and will provide over 20 detailed digital data layers including streets, curbs, gutters, alleys, building footprints, manholes, tree lines and other cultural landmarks. This project was fully funded by partner contributions and is scheduled for completion by December 2000. The WGIS Consortium also completed a cadastral property map for the District of Columbia. This map links the 1995 orthophotography produced by the consortium to lot-square data and ownership information for all property in the District of Columbia.

The WGIS Consortium will make it possible for the partners to build and maintain information on the city and the region as part of an "enterprise" computing environment. The enterprise computing environment will facilitate the sharing of information and applications to analyze and map this data, thereby reducing redundant data processing and staffing costs and make information more accessible to our federal, District, and private sector partners.

The WGIS Consortium Partners

NCPC has executed interagency/intergovernmental partnership agreements with the Criminal Division of the U. S. Department of Justice; General Services Administration; the U.S. Geological Survey; the D.C. Departments of Public Works and Administrative Services; the Metropolitan Police Department; and the District's Offices of the Chief Financial Officer, the Chief Technology Officer, and Planning. In addition, agreements have been made with several private sector groups, including ESRI, Inc., PEPCO, the Downtown Business Improvement District, the Millennium Institute, and D.C. Agenda. These partners have and will continue to provide funding and technical support for WGIS. Potential partners at the federal level include the U.S. Corps of Engineers, the Federal Highway Administration, Housing and Urban Development, the Architect of the Capitol, the Bureau of Census and the State Department. Prospective District partners include the Department of Housing and Community Development, the Office of Zoning, and the Washington Sewer Authority.

In addition, NCPC has been active in extending the partnership to the private sector, promoting public-private collaboration with a variety of companies. Potential private sector partners include the Washington Gas Company, Bell-Atlantic, and several large mapping companies. The development of the public-private consortium will provide systems support; the opportunity to market and resell products which are customized by the partners using government data, sharing costs and revenue with government partners; and the ability to maintain and expand WGIS databases.

The Consortium will relieve NCPC and its public sector partners of the costs of developing, purchasing and maintaining duplicative databases. This approach will accelerate WGIS development, provide a wide variety of services the public sector partners cannot provide themselves, and reduce investment in the fixed assets of systems hardware and software that have a short technological life span. Both the public and private sectors will benefit from the shared costs, centralized data production standard data formats and technology exchange provided through the WGIS Consortium.

This special four-year program to develop the WGIS Consortium is expected to run from FY 2000 to FY 2004. The request for funding has been reduced from previous years, because of recent events and certain assumptions we have made about the participation of WGIS partners. Under the recently passed Transportation Equity Act for the 21st Century (HR 2400), Congress allocated \$7.5 million to the District Government for GIS to be staggered over fiscal years 1998 through 2003. Thus, our partners will assume the bulk of the actual data and systems development costs. The WGIS Consortium Strategic Plan developed by NCPC with the \$200,000 allocated in the FY 1999 budget reaffirms the need for a Washington geographic information system. A similar study undertaken by the District Government lays out a strategic plan for GIS development there. We also believe that WGIS will attract additional contributions from other federal, state and local governments and from public-private sector partners that will join the consortium. However, NCPC will assume the leadership role in the development of the WGIS Consortium, as agreed-upon by the Office of Management and Budget, and the preparation and implementation of a plan for the establishment of a public-private partnership(s). This role is supported by Congress in its FY 1999 appropriations bill: *"The Committee recognizes the key role of the Commission in the development of the Washington geographic information system. To the extent that a public/private partnership can be developed to provide the resources to build, share, and maintain such a system, the Committee continues to support the Commission's leadership in coordinating this effort."*

NCPC will continue leadership in moving the consortium forward. The estimate for this special program includes costs for training to use various development software and hardware used jointly by the consortium and legal and marketing support for the establishment of the public-private consortium.

Additional resources approved to fund the special program:

Funds: \$155,000

Summary of Additional Resources Required

The Commission's FY 2001 budget supports the Administration's goals and is based on the NCPC's strategic plan for 1997 to 2002 submitted to Congress on September 30, 1997. It contains no programs that could be better done at any other governmental level (state or local). The total FY 2001 budget request for the National Capital Planning Commission is \$6,197,895. This estimate includes funding for all of the Commission's existing mandated functions, including the review of development and redevelopment plans under the Pennsylvania Avenue Development Corporation (PADC) Plan and any requirements driven by legislation and executive policy, and \$155,000 for continued NCPC leadership in the WGIS Consortium. The FY 2001 baseline estimate (\$6,342,895) is \$269,105 less than the enacted level (\$6,312,000) for fiscal year 2000.

A. JUSTIFICATION FOR INCREASE

This budget reflects an estimate for salaries and benefits to support a staff including 5 part-time appointed Commission members with a basic rate of pay that is equivalent to the Executive Level IV; funds for an anticipated lump sum annual leave payment to one of our Senior Executives at the end of the fiscal year in excess of \$100,000; funding to publish the Federal Elements of the Comprehensive Plan; and funding to procure additional square footage needed to support our space expansion. Pay rate increases are based on the OMB policy pay raise assumptions for 2001.

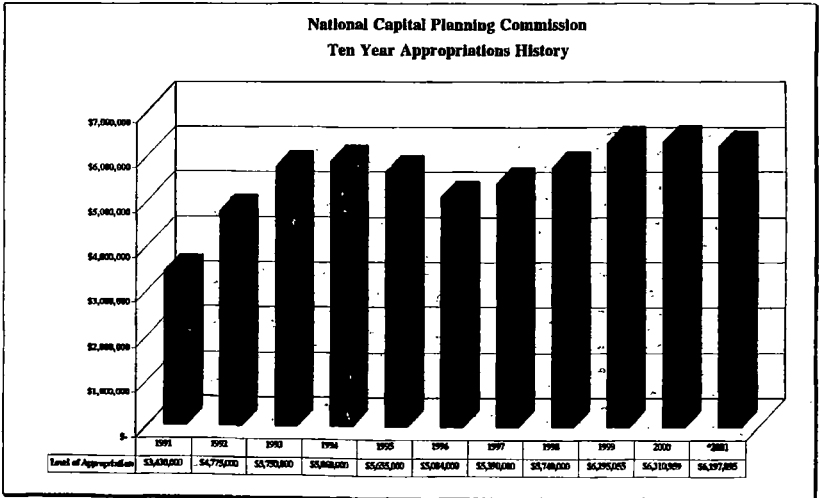
The budget year 2001 estimate of \$89,980 for contracts with experts is needed to supplement staff resources in highly technical planning areas such as the environment, transportation, and telecommunications. An additional \$155,000 is being requested to fund services to support the WGIS Consortium special project.

Estimates for other services, supplies, and materials reflect an increase based on the inflation factors provided by OMB. The estimates include projected costs for staff training; reporting services needed for monthly Commission meetings; telecommunications and computer hardware/software maintenance agreements; copier and fax machine maintenance; and cross-service agreements with the U.S. Department of Agriculture's National Finance Center (NFC) for personnel/payroll processing; General Services Administration Inspector General (IG) for audit coverage; and Federal Protective Service for security guards as needed; Department of Interior for drug-testing of all applicants and other testing-designated positions; and Department of Health and Human Services for occupational health programs and services.

In addition to the increase in the estimates to maintain and refresh existing computer desktop systems during the fiscal year, several equipment purchases are planned for this budget year, and will be made in accordance with the Commission's Information Technology Strategic Plan.

In summary, approval of the requested budget will allow the Commission to successfully accomplish all performance goals for fiscal year 2001 and continue to expand the use of CAD and GIS in the review, analysis, and presentation of master plan and project reviews.

A breakdown of the requested \$6,197,895 by object classification for fiscal year 2001 appears on the next page, and an appropriations history for the Commission over the last ten years is shown below:



FY 2001 reflects OMB approved level of funding.

**B. ANALYSIS OF RESOURCES BY OBJECT CLASSIFICATION
SALARIES AND EXPENSES**

OBJECT CLASSIFICATION AND DESCRIPTION	ACTUAL FY-1999	ESTIMATE FY-2000	ESTIMATE FY-2001	DIFFERENCE BETWEEN FY 00 & 01
11.0 Personnel Compensation	\$2,920,949	\$3,208,009	\$3,467,080	\$ 259,071
12.1 Personnel Benefits	519,762	688,138	694,815	6,677
21.0 Travel & Transportation of Persons	50,804	78,400	82,300	3,900
23.1 Rental Payments to GSA (RENT) and other	1,139,039	976,126	1,101,079	124,953
23.3 Communications, Utilities and Miscellaneous Charges	165,231	178,480	165,338	(13,142)
24.0 Printing & Reproduction	71,243	109,250	81,300	(27,950)
25.1 Contracts with Experts/ Consultants	453,024	337,000	244,980	(92,020)
25.2 Other Services	150,874	199,911	177,264	(22,647)
26.0 Supplies & Materials	58,429	40,200	47,739	7,539
31.0 Equipment ADP Software & Telecommunications Equipment	76,270 236,822	20,000 445,000	31,000 105,000	11,000 (340,000)
32.0 Space Alterations	<u>104,156</u>	<u>7,500</u>	<u>-0-</u>	<u>(7,500)</u>
99.0 Subtotal, Direct Obligations	5,946,603	6,288,014	6,197,895	90,119
99.0 Y2K Obligations	<u>358,055¹</u>	<u>22,945²</u>		
99.0 Total Obligations	6,304,658	6,310,959		
99.9 Reimbursable Obligations	<u>(9,603)³</u>			
99.9 Subtotal, Budget Authority	6,312,055	6,334,945		
40.3 Appropriation Rescinded	(17,000) ⁴	(23,986) ⁵		
99.9 Budget Authority	6,295,055	6,310,959		

¹ Multi-year Y2K emergency supplemental approved in FY 1999.

² Carryover balance of multi-year Y2K emergency supplemental.

³ Funds provided by the Department of Justice under reimbursable agreement.

⁴ Rescission pursuant to P.L. 106-51.

⁵ Rescission pursuant to P.L. 106-113.

C. ANALYSIS OF RESOURCES BY OBJECT CLASSIFICATION
WGIS ACCOUNT - 95X2500

OBJECT CLASSIFICATION AND DESCRIPTION	Actual FY-1999	Estimate FY-2000	Estimate FY-2001
11.0 Personnel	\$ 100,000	\$ 100,000	239,963
25.0 Other Services	390		
25.1 Contracts with Experts and Consultants	1,887,343	200,000	1,250,000
31.0 ADP Software	<u>25,837</u>	<u>20,000</u>	<u>20,000</u>
Total, Direct Obligations	\$2,013,570	\$ 320,000	\$1,509,963
<i>Offsets:</i>			
88.45 Offsetting Collections (Cash) from federal sources:	1,961,397	\$ 906,791	1,500,000
88.40 Offsetting Receipts (Cash) from non-federal sources: Fees and other charges for WGIS map products and services	<u>8,373</u>	<u>4,000</u>	<u>10,000</u>
88.90 Total, Offsetting Collections	\$1,969,770	\$910,791	\$1,510,000
Less Total Direct Obligations	<u>2,013,569</u>	<u>320,000</u>	<u>\$1,509,963</u>
Net Income or Loss (-)	-(43,799)	590,791	37
Unobligated Balance Available, Start of Year	<u>44,607</u>	<u>808</u>	<u>591,599</u>
Ending Balance	<u>\$808</u>	<u>\$591,599</u>	<u>\$591,636</u>

Note: An assessment fee of 4.0% is charged for each amount collected. The assessment will be used to: 1) provide funding for WGIS project management, and 2) reinvest in databases that will be used to market WGIS products and services.

D. SERVICES OF EXPERTS AND CONSULTANTS

The budget year 2001 estimate of \$89,980 for contracts with experts is needed to supplement staff resources in highly technical planning areas such as the environment, transportation, and telecommunications. An additional \$155,000 was approved to fund continued leadership of the WGIS Consortium.

COSTS OF EXPERTS AND CONSULTANTS

<u>Fiscal Year 1999</u>	<u>Fiscal Year 2000</u>	<u>Fiscal Year 2001</u>
\$ 453,024	\$ 337,000	\$ 244,980

National Capital Planning Commission

Fiscal Year 1999 Accomplishments A Performance Report

INTRODUCTION

In July 1997 the National Capital Planning Commission approved the agency's Strategic Plan for Fiscal Years 1997-2002 and the broad goals and objectives necessary to achieve it. The Strategic Plan and its goals and objectives establish agency priorities and provide overall guidance in formulating NCPC's annual budgets. The Commission's plan was forwarded to Congress on September 30, 1997 as required by the Results Act. Based on the general goals and objectives articulated in the Strategic Plan, the Commission, in consultation with staff, approved an FY 1999 performance plan that detailed specific activities and measurable goals to accomplish the agency's mission and set completion dates for each activity. This report summarizes NCPC's performance in accomplishing these FY 1999 goals and to the extent possible, indicates the corresponding budget amounts. In addition to reporting on our performance successes, this report also flags those goals with completion dates that have been deferred or that we have failed to meet. It should be noted that the Strategic Plan guides NCPC activities from FY 1997 through FY 2002; our performance plan, on the other hand, reports on FY 1999 activities only. Work on a number of the specific objectives is scheduled to begin in FY 2000 or beyond and are not included in this report.

1. STRATEGIC PLAN: *PRESERVE AND ENHANCE THE UNIQUE BEAUTY AND IMAGE OF THE NATIONAL CAPITAL AND ENSURE ITS PLANNED DEVELOPMENT.*

1.1 GENERAL GOAL: *Prepare comprehensive plans for the future development of federal land in the region, including the Monumental Core, Beltsville, Bolling-Anacostia, and Quantico Federal Area Sector Plans.*

PERFORMANCE RESULTS

- Staff made progress revising the federal elements of the *Comprehensive Plan for the National Capital*, the document that guides development of federal projects in the District of Columbia. Using our Geographic Information System (GIS), staff researched federal employment changes in the NCR and prepared new federal facilities and federal employment geographically-referenced databases with over 4000 sites. This data was used in revising the employment forecasts and in preparing updated draft policies for the element. The federal employment forecasts assisted the Washington Metropolitan Council of Governments in preparing regional forecasts for the Washington area. A staff draft of the Monumental Core element of the *Comprehensive Plan* has been completed, and will be incorporated into the Federal Elements of the *Comprehensive Plan*.
- Completed 60 percent of the Draft of the Beltsville Federal Sector Plan.

1.2 GENERAL GOAL: *Design, implement, and enforce policies to protect Washington's historic views and vistas.*

PERFORMANCE RESULTS

While no specific FY 1999 performance activity was established for this general goal, the Commission sought to preserve Washington's unique sweeping skyline and its historic views and vistas through its normal review of development plans and projects. For example:

- Completed a Final Environmental Impact Statement on National Harbor, a major mixed-use project on the Potomac River. Additionally, staff had completed all Endangered Species Act mitigation actions and had concurred with the U.S. Fish and Wildlife Service on actions to be taken to conserve potential Bald Eagle mitigation habitat in Prince George's County, Maryland. In November 1999, the President signed an appropriations bill that removed the Commission from any authority over the National Harbor property. **No further action will be directed toward the planned National Harbor project.**

1.3 GENERAL GOAL: *Design and implement policies to site new monuments, memorials, and other federal buildings in the Monumental Core while preserving open space.*

PERFORMANCE RESULTS

- In July 1999, acting on the recommendations of the Joint Task Force on Memorials, the Commission authorized circulation of a draft policy statement and map delineating three proposed commemorative zones in the National Capital for public comment. If adopted, the proposal would prohibit future memorials in the central Mall and encourage new commemorative works in locations that distribute cultural resources throughout the city and contribute to the local economic revitalization. This paved the way for a nationwide public outreach and comment period on the commemorative zone proposal.
- As an initial step in completing the Monuments, Memorials and Museums Master Plan, the staff completed a GIS-based inventory of existing memorials and museums in the Nation's Capital, a forecast of new memorials and museums that will need to be accommodated in the city over the next 50 years, and an initial list of potential memorial and museum sites. In addition, the Joint Task Force on Memorials spent considerable time developing a draft of recommended changes to the Commemorative Works Act of 1986 aimed at improving the process by which memorials are approved and constructed in the city. Additional funding in FY 2000 will be used to complete the master plan study. Work on this study will be coordinated with the revisions to the Federal Elements of the Comprehensive Plan also planned for FY 2000.
- In May 1999, NCPC convened a panel of planning and urban design experts to assist the Commission in preparing its Monuments, Memorials, and Museums (3M) master plan. The panelists focussed on the issues of accommodating memorials in the Nation's Capital and on locating them outside the close-in portions of the Monumental Core.

1.4 GENERAL GOAL: *Help ensure that development and redevelopment within the Pennsylvania Avenue area comply with the Pennsylvania Avenue Plan of 1974, and build on and reinforce the past achievements of the Pennsylvania Avenue Development Corporation.*

PERFORMANCE RESULTS

- The Commission approved the proposed amendments to the Pennsylvania Avenue Plan and Guidelines for Square 406. The amendments provided alternative setbacks to those currently allowed for the building block bounded by E, F, 8th and 9th Streets, N.W.
- NCPC developed CAD models of Square 406 that allowed critical review of PADC Plan modification and accompanying massing review. By reviewing three-dimensional computer massing modes, Commissioners were able to determine that the amendments would increase the allowable construction envelope without infringing on the character of either the historic buildings or their settings.
- Assisted the General Services Administration in the creation for qualifications and design competition, and in interviews and selection of second round semi-finalists of the developer team for Square 457C.
- The Commission has reviewed seven (7) building permit applications and one (1) amendment to the Pennsylvania Avenue Plan. In fulfilling its oversight responsibility, the Commission has supported the following projects that contribute to revitalization of the Penn Quarter Neighborhood:
 - National Press Building – Office Tenant Signage
 - National Press Building, Shoppes – Exterior Signage and Canopies
 - Austin Grill – Outdoor Seating Area
 - Lansburg, CVS Pharmacy – Window Display and
 - Stables Building – Waiver of Arts Requirement.

2. STRATEGIC PLAN: *ENSURE THAT THE LOCATION AND DESIGN OF ALL FEDERAL BUILDINGS IN THE NATIONAL CAPITAL REGION PROMOTE THE EFFECTIVE FUNCTIONING OF THE FEDERAL ESTABLISHMENT AND ADHERE TO HIGH ARCHITECTURAL, PLANNING, AND URBAN DESIGN STANDARDS.*

2.1 GENERAL GOAL: *Evaluate all development plans and projects of federal, District of Columbia, and many state and local government agencies to help ensure that they support the federal interests and contribute to the best urban design, transportation, and land-use outcomes.*

PERFORMANCE RESULTS

- Based on staff analysis and recommendations, the Commission acted on 140 plan and project submissions in FY 1999. A few examples of how Commission recommendation or staff consultation with project applicants during the submission stage substantially improved proposed projects include:

• World War II Memorial • E. Barrett Prettyman Courthouse • Embassy of Pakistan • Martin Luther King, Jr. Memorial	• Washington Convention Center • National Museum of the American Indian • Embassy of Nigeria
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- Created and completed new "Executive Director's Recommendation" format to improve the quality of staff reports to the Commission, resulting in faster review of project submissions.
- Participated in the District's Board of Zoning Adjustments (BZA) review of 120 zoning applications and/or appeals. Also reviewed two (2) Foreign Mission special BZA cases, and over fifteen (15) Zoning Commission referrals for federal interest.
- NCPC consultation on the World War II Memorial design has influenced refinements that enhance the power of the memorial and define its serene sense of place while remaining sensitive to the openness and historic surroundings of the Mall.
- The consultation and review process of the new DC Convention Center resulted in resolution of the majority of the requests contained in the preliminary site and building plans approval by the Commission.
- As a result of the review process and consultation with GSA and their architects, the E. Prettyman Barrett U.S. Courthouse Annex will be both forward looking and contextually responsive to the architecture exhibited by the existing monumental buildings on Pennsylvania Avenue and a significant architectural and symbolic addition to the Nation's ceremonial "Main Street."

2.2 GENERAL GOAL: *Increase enforcement of the Commission's policy directing 60 percent of regional federal employment to the District and 40 percent to the surrounding jurisdictions.*

PERFORMANCE RESULTS

- The Federal Office Space Task Force met four times in FY 1999 and examined the distribution of federal employment in the region and other issues related to federal development. In 1997 the District's share of federal employment was only 51.7 percent of total regional employment, a decline of 0.5 percent from 1996. In FY 2000, the Task Force will re-visit the Commission's 60/40 policy, improve its data gathering, investigate trends and examine the impacts of telecommuting and other employment conditions on future policy. In cooperation with the General Services Administration (GSA), the task force will also examine the space acquisition program for federally owned and leased office space and how it conforms to the Comprehensive Plan; the effectiveness of NCPC's existing policies in reviewing federal office space acquisition; and mechanisms that might be used to maintain federal employment in the District.

2.3 GENERAL GOAL: *Prepare a five-year capital improvements program containing all public works projects proposed by federal agencies in the region to guide OMB, Congress, and other public and private sector decision makers in evaluating planning, policy, and investment alternatives.*

PERFORMANCE RESULTS

- The proposed Federal Capital Improvements Program (FCIP) for Fiscal Years 2000-2004 was circulated to federal and local government agencies and interested private organizations and citizens for comment and adopted by the Commission at its July 1999 meeting. The 2000-2004 FCIP contains a total of 130 projects submitted by 14 departments and agencies in the National Capital Region for an estimated five-year cost of \$4.2 billion. All 130 projects were recommended by the Commission. For the first time, staff produced the FCIP, including design

and layout, using in-house desktop publishing capabilities. This resulted in a savings to the Commission of approximately \$15,000.

3. STRATEGIC PLAN: *IMPROVE THE QUALITY OF LIFE FOR THOSE WHO LIVE, WORK, AND VISIT IN THE NATIONAL CAPITAL REGION.*

3.1 GENERAL GOAL: *Promote the social and economic revitalization of Washington, D.C. by channeling the positive impacts of tourism and proposed federal development to aid the city.*

PERFORMANCE RESULTS

- In 1997 the Commission adopted new guidelines recommended by its Antenna Task Force for antennae on federal property. In FY 1999 the Commission reviewed nine (9) antenna submissions. The Task Force has continued to meet since issuing its report and is currently considering developing a master plan for antennas in the NCR.
- Engaged an independent consultant to analyze the impact, safety needs, and alternative siting and technology options prior to making any decision on the National Park Service's request to install two 100-foot cell phone antenna poles in Rock Creek Park.
- Provided support to the DC Agenda in establishing the National Capital Revitalization Corporation (NCRC). This included identifying NCRC strategy, spending plan and schedule of events. Draft report was forwarded to Mayor Anthony Williams on January 7, 1999.
- Served on the Executive Committee for the development of the Comprehensive Design Plan for the White House and President's Park. Committee participants were directly involved in the creation of the Plan and identified issues, desired features, and conceptual alternatives and helped develop the preferred alternatives.

PERFORMANCE NOTE

The FY 1999 Performance Plan called for a revision in the Federal Facilities element of the Comprehensive Plan. The update containing the policies guiding federal development activities within the District and in outlying suburban jurisdictions has been deferred to FY 2000.

3.2 GENERAL GOAL: *Implement First Initiatives of Monumental Core Plan, including planning for the revitalization of the South Capitol/M Street, SE corridors and reclamation of the public waterfront.*

PERFORMANCE RESULTS

- The Commission approved a Waterfront Study that identified key conservation and development Opportunity Areas along the 22-mile Anacostia and Potomac riverfronts. The study included several short term proposals that would help add attractions along the waterfront and increase public access.
- Guided a multi-agency effort that completed design studies for the streetscape improvements, which are scheduled to begin in the fall of 1999. These studies resulted in an enhanced pedestrian environment adjacent to the Navy Yard and Southeast Federal Center. The Commission approved the project at its July meeting.

3.3 GENERAL GOAL: *Design transportation and visitor signage programs to improve movement to and through the National Capital Region.*

PERFORMANCE RESULTS

- Provided technical assistance to the Downtown Business Improvement District in establishing a District-wide comprehensive visitor orientation and wayfinding system for the city. Prototypes were installed in July. The Commission approved the design of the signage system in July 1999.
- Hosted a Transportation workshop, in partnership with the General Services Administration, the Department of Transportation, the Washington Metropolitan Area Transit Authority and the Metropolitan Washington Council of Governments, attended by more than 120 participants from 54 federal agencies. The purpose of the workshop was to educate federal agencies on their roles and responsibilities in the effort to reduce traffic congestion in the Washington Metropolitan Region. Each participant was given a handbook that provides procedures and guidance on the preparation of a Transportation Management Program (TMP). Subsequently, the Commission agreed to modify its Project Plans Submission Requirements to require that TMPs be part of new project submissions. A modification of the submission requirements will be circulated for agency review and comment in FY 2000.
- As part of the effort to reduce traffic congestion in the Washington Metropolitan Region, NCPC developed and has implemented a telecommuting policy.

3.4 GENERAL GOAL: *Develop a plan to locate embassies, chanceries, and other international organizations within the city to meet the needs of the diplomatic and international communities and to make these cross-cultural resources more accessible to visitors and residents alike.*

PERFORMANCE RESULTS

No specific FY 1999 performance activity was established for this general goal.

4. STRATEGIC PLAN: *PROTECT AND ENHANCE HISTORIC AND NATURAL RESOURCES WHILE ACCOMMODATING CHANGE IN THE NATION'S CAPITAL.*

4.1 GENERAL GOAL: *Help ensure that historic resources and properties including the L'Enfant and McMillan Plans are protected during federal project planning and development.*

PERFORMANCE RESULTS

In its routine review of all plans and projects, the Commission closely examines each proposal for its potential impact on historic properties and makes recommendations to mitigate any possible adverse effects. Among the projects reviewed in FY 1999 in which the Commission made significant historic preservation recommendations were the World War-II Memorial and security measures around the White House and President's Park. In addition to these activities, in FY 1999, the Commission:

- Continued to enforce provisions of the Memorandum of Agreement (pursuant to Section 106 of the National Historic Preservation Act) for the new Washington Convention Center.

- Drafted a Memorandum of Agreement for use with the proposed National Harbor project in Prince George's County.
- Is proceeding with the development of a GIS-linked database of federally owned historic properties in the National Capital Region. This database includes information about the character and significance of National Register-listed properties, and can be used by federal facilities managers and federal preservation officers, as well as the general public. No such regional database has previously existed. The information is supplied by federal facilities planners and will be updated regularly.

4.2 GENERAL GOAL: *Revise Commission environmental policies and strengthen its environmental review of all plans and projects.*

PERFORMANCE RESULTS

- Served as the lead agency overseeing the Environmental Assessment of eight (8) projects to ensure their compliance with the National Environmental Protection Act. Among those projects were the American Red Cross Building, the District of Columbia Municipal Building, antenna towers in Rock Creek Park, and the District of Columbia Comprehensive Plan amendments. In addition, NCPC staff and Commission reviewed and provided comments on the environmental documentation for seven projects. Among those projects were the Comprehensive Design Plan for the White House and President's Park, the 300-acre Lorton Correction Complex, the reconfiguration of E Street, NW, and the reopening of G Street, NW.

5. STRATEGIC PLAN: *PROMOTE STATE-OF-THE-ART INFORMATION TECHNOLOGIES TO SUPPORT INTEGRATED PLANNING IN THE NATIONAL CAPITAL REGION.*

5.1 GENERAL GOAL: *Help establish a Washington GIS public/private partnership to build, share, and maintain land-based information used in planning and managing federal facilities, conducting comprehensive planning, and defining the impact of federal and District of Columbia government planning on the city and its immediate environs.*

PERFORMANCE RESULTS

- Led the Washington GIS Consortium in completing its user needs assessment which provides the framework for the Consortium. The strategic plan was completed at the end of September 1999. The Consortium activities have focussed on defining its mission, expanding its data repository, and educating its current and potential partners about the benefits of emerging technologies. The strategic plan outlines the organizational structure, technology strategy, product and service matrix, and an implementation approach for the Consortium. Over the past several years, the Consortium has been a catalyst for government and commercial entities in need of comprehensive geographical regional data (i.e., aerial/orthophotography, property and zoning maps, planimetric maps, etc.).
- Hosted monthly meetings/forums attended by approximately 400 people that focussed on sharing available resources and data, developing specialized products and services in response to customer/partner needs, and expanding the partnership.

- Signed Memorandums of Agreement with the National Park Service, DC Office of the Chief of Technology, DC Department of Public Works and DC Office of Planning, the Metropolitan Washington Council of Governments and the Golden Triangle Business District.
- Completed a digital property map and database for the DC Office of Tax and Revenue to be used to collect property taxes and track changes and ownership.
- Provided technical assistance and contract support for the creation of new aerial photography of DC, which is the basis for new aerial photography, orthophotography and planimetric maps of the District. The aerial photography is complete and the process of planimetric compilation and quality control has begun along with the verification of the street inventory database of the District.
- Provided technical assistance and spatial data to the DC Office of the Chief Technology Officer to complete an intranet application, the DC "Atlas," which include maps and databases on essential information about the City, e.g. public buildings, streets, school and election districts, census tracts and census information.
- Began to update and enhance the three-dimensional model of the Mall produced by our partner, the Institute for Defense analysis.
- Implemented a data distribution policy for orthophotography, aerial photography, maps, other data. In FY 1999, total data sales were \$8,373.00.
- Provided to the DC Metropolitan Police Department for the 50th Anniversary Celebration of the North Atlantic Treaty Organization comprehensive maps of federal and local security activities and celebration events. These maps were used by the DC Metropolitan Police Department, FBI, Secret Service, and other law enforcement agencies as a reference tool for coordinating event security.
- Presented information about the Washington GIS Consortium and demonstrated Consortium data products to members of Congress and the general public as part of the National GeoData Forum's Exposition on GIS.
- Wrote and contributed to publications featuring use of 3D CAD and GIS technology in the National Capital Region. These activities were featured in the San Diego Tribune newspaper in May of 1999, the New York Time, AEC Systems' Magazine's Fall 1999, and GeoInfo Magazine in September and October 1999 issues.
- Demonstrated Washington GIS Consortium's data products, including a three-dimensional model of downtown Washington, at the Information Technology World Congress. This IT World Congress was attended by national information technology and public policy leaders.

5.2 GENERAL GOAL: *Research and develop better planning data and information such as regional population and economic forecasting, and other tools for simulation models needed by federal and local agencies in the region to visualize and to prepare for future probabilities.*

PERFORMANCE RESULTS

No activity in this fiscal year – goal cancelled.

5.3 GENERAL GOAL: *Improve the speed and accuracy for the review and analysis of proposed development in the National Capital Region through expanded use of CAD tools, GIS and other innovative technologies.*

PERFORMANCE RESULTS

- Trained CAD staff in multi-media presentation. Completed three-dimensional presentations for final review of WWII Memorial 3D simulation; Square 406 of the Pennsylvania Avenue Plan and Guidelines, the U.S. Court House, the National Harbor, and the Woodrow Wilson Bridge. This computer-assisted visualization helps staff better analyze proposed projects and their impact on the surrounding urban setting.
- Replaced video projection system with a new system in the Commission Chambers to enhance the visibility and quality of presentations.
- Provided desktop access to GIS for Office of Long Range Planning, Office of Plans Review, and Office of Administration to prepare a long range plan for memorials, museums, and monuments, to review proposed plans, and to manage NCPC office environment.
- Developed GIS maps and applications for memorials, monuments, and museums, embassies and chanceries, among many others. These maps and applications will be used for day-to-day long range planning and plans review.

6. STRATEGIC PLAN: *EDUCATE AND INCREASE THE INVOLVEMENT OF LOCAL, NATIONAL, AND INTERNATIONAL AUDIENCES IN PLANNING AND DEVELOPMENT IN THE NATIONAL CAPITAL.*

6.1 GENERAL GOAL: *Conduct seminars, conferences, and other public outreach programs to encourage public participation in the planning and development of the Nation's Capital.*

PERFORMANCE RESULTS

- Organized and participated in several public meetings concerning projects under Commission review. In FY 1999 the Commission conducted several major public meetings on the environmental protection and historic resources process for the National Harbor project. In fall 1998 NCPC staff and Commissioners presented a multi-media presentation at DC Link & Learn, a community-based technology training center of which NCPC is a founding partner. In April 1999 NCPC, with the General Services Administration and the Department of Transportation, sponsored a full-day Federal Agency Transportation Management Workshop

designed to develop strategies to reduce federal agencies' contribution to Washington-area traffic congestion. NCPC staff also prepared and presented a customized presentation to the Federal Administrative Managers Association on the Commission's role in reviewing federal security measures in the National Capital Region.

- Completed a ten-month display period of NCPC's exhibit highlighting the *Extending the Legacy Plan* at the Washington's National Building Museum in October 1998. Transferred the exhibit to the University of Virginia's Fine Arts Fiske-Kimball Library for display on long-term loan.
- Updated and refurbished an exhibit originally presented at Union Station in 1996. Installed the revised exhibit in the main terminal of Washington Dulles Airport. The exhibit, which includes a large-scale model of the plan, videos, and images, was originally scheduled for a six-month display period that has been extended to a 12-month period.
- Print articles on the Legacy Plan and its exhibit at Dulles Airport ran in the *Washington Flyer*, *United Hemisphere*, and *Landscape Architect*.
- Published four (4) issues of the NCPC Quarterly, including one issue with a special supplement on First Initiative projects. The Quarterly is distributed widely to elected officials, business and professional groups, civic organizations and interested citizens and reports on all Commission actions and a variety of planning issues of interest to the Commission.
- Presented the Legacy Plan to a variety of organizations including the Washington Building Congress, the USDA Graduate School, Lincoln Middle School, University of Baltimore, School Without Walls, the Federal Administrative Managers Association, the University of North Carolina, the University of Georgia, and the German American Business Association, the National Convention of Planning History, and the Anacostia Watershed Summit.
- Received the Premier Print Award from the Printing Industries of America for the design and production of the Legacy Plan document.
- Distributed a customer survey to about 1,800 individuals and organizations involved in Commission activities. In response to the survey results, staff has analyzed and responded to the results of the survey by simplifying the mailed notification of Commission monthly meetings and agenda items, modifying NCPC's web site, preparing a "Tips to Testifiers" sheet for members of the public appearing before the Commission, and revising the NCPC customer service plan.
- Published new NCPC federal information brochure with special emphasis on customer service component.
- Held public meetings to open 60-day public comment on the Joint Task Force on Memorials Commemorative Zone Policy.

6.2 GENERAL GOAL: *Build international partnerships to exchange information with other world capitals faced with balancing the interests of a national government in a local jurisdiction and satisfying the needs of both.*

PERFORMANCE RESULTS

- In FY 1999 Commission staff provided customized presentations to 14 delegations of planning and public policy officials from Japan, China, Iceland, Italy, Indonesia, Israel, and Germany.
- Hosted federal and city planners from Berlin at the request of USIA to review urban design implications of the security measures planned for the U.S. embassy in Berlin.
- Prepared Review of Canada's National Capital Commission new plan, the Plan for Canada's Capital. The review is scheduled to appear in a special Capital Cities edition of Plan Canada, the leading professional planning journalism in Canada.

9.0 GENERAL GOAL: *Upgrade of computer systems software and hardware to meet Year 2000 compliance.*

PERFORMANCE RESULTS

- Replaced 35 Personal Computers and upgraded 10 other non-compliant desktop computers.
- Upgraded the agency's local area network and "firewall" security system, including cabling, communications devices, ports, connectors, and other related network devices.
- Replaced Web server.
- Replaced remote access server.
- Converted non-compliant databases.
- Updated personnel time-keeping software.
- Prepared agency contingency plan in the event of systems failure.
- Designed and implemented a new, compliant network architecture.
- Replaced the voice-mail system.
- Upgraded graphics software.
- Completed upgrade and standardization of all desktop operating systems to Windows 98 or Windows NT.
- Upgraded and purchased additional AutoCAD 14 licenses to AEC Professional Suite Release 2.0 for ease of use, enhanced features, and additional user-friendly three-dimensional applications.

Linking Performance to Resources
An Estimate of Attributed Funding - FY 1999 Performance Goals

GPRA Strategic Plan Reference	Estimated Percent of FY 1999 Budget	Estimate of Funding Applied to Each Set of Goals	Reimbursable Obligations	Approved Y2K Emergency Funding	Offsetting Collections	Total
1.0	19%	\$ 1,543,620	-	-	-	\$ 1,543,620
2.0	17%	\$ 1,424,880	-	-	-	\$ 1,424,880
3.0	4%	\$ 296,850	-	-	-	\$ 296,850
4.0	5%	\$ 415,590	-	-	-	\$ 415,590
5.0	39%	\$ 949,920	\$(9,603)	\$ 358,055	\$1,969,770	\$ 3,268,142
6.0	9%	\$ 712,440	-	-	-	\$ 712,440
9.0*	7%	\$ 593,700	-	-	-	\$ 593,700
Total	100%	\$ 5,937,000**	\$(9,603)	\$ 358,055	\$1,969,770	\$ 8,264,825

Note: * Reflects overhead costs.

** Rescission in the amount of \$17,000 for administrative and travel expenses required by Secs. 102 and 202 of the Emergency Steel Loan Guarantee and Emergency Oil and Gas Guaranteed Loan Act of 1999 (P.L. 106-51).

NATIONAL CAPITAL PLANNING COMMISSION**STATUS OF PERTINENT AUTHORIZATION**

The authorization for the present account (31-28-2500-0-1-451) is contained in the National Capital Planning Act of 1952, as amended (40 U.S.C. 71-71i; D.C. Code Secs. 1-1001 to 1-1010). There are no estimates herein contained that exceed any limitations placed on the Commission by Committee Reports for the preceding fiscal year.

APPROPRIATION LANGUAGE**Salaries and Expenses**

For necessary expenses as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71-71i), including services as authorized by 5 U.S.C. 3109, [\$6,312,000] \$6,197,895: Provided, That hereafter all appointed members of the Commission will be compensated at the daily equivalent of the annual rate of basic pay for positions at level IV of the Executive Schedule under 5 U.S.C. 5315, for each day such member is engaged in the actual performance of duties.

*(Department of the Interior and Related Agencies
Appropriation Act, 2000, as enacted by Section
1000(a)(3) of the Consolidated Appropriations Act,
2000 (P.L. 106-113).)*

NATIONAL CAPITAL PLANNING COMMISSION

Salaries and Expenses

Detail of Permanent Positions

Identification Code:	1999	2000	2001
95-2500-0-1-451	Actual	Estimate	Estimate
ES-06	1	1	1
ES-05	0	1	0
ES-04	0	0	0
ES-03	1b	0	1
ES-02	1	1	0
ES-01	<u>1</u>	<u>0</u>	<u>1</u>
Subtotal	4	3	3
GS-15	2	3	3
GS-14	3	2	3
GS-13	9	12	12
GS-12	16	14	13
GS-11	1	4	4
GS-10	1	1	0
GS-09	8	6	8
GS-08	0	0	0
GS-07	4	2	3
GS-06	0	2	3
GS-05	2	2	1
GS-04	0	1	0
GS-03	1	2	1
GS-02	<u>1</u>	<u>0</u>	<u>0</u>
Subtotal	48	51	51
Total permanent positions	52	55	55
Unfilled positions, end of year (EOY)	3	0	0
WGIS positions, filled EOY	2	2	2
WGIS positions, unfilled (EOY)	<u>0</u>	<u>0</u>	<u>0</u>
Total permanent employment EOY	57	57	57

NATIONAL CAPITAL PLANNING COMMISSION

Salaries and Expenses

Detail of Permanent Positions (Does not include appointed members)

Identification Code:	1999	2000	2001
95-2500-0-1-451	Actual	Estimate	Estimate
Total number of positions	57	57	57
Total compensable workyears:			
Full-time equivalent employment	48	48	57
Average ES salary	\$118,148	\$125,732	\$130,635
Average GS grade	11.02	10.76	11.01
Average GS salary	\$55,736	\$56,213	\$59,578

NATIONAL CAPITAL PLANNING COMMISSION
Salaries and Expenses

Object Classification (in thousands of dollars)

Identification Code:		1999	2000	2001
95-2500-0-1-451		Actual	Estimate	Estimate
11.1	Full-time permanent	\$2,677	\$3,039	\$3,225
11.3	Other than full-time permanent	82	92	80
11.5	Other personal compensation	162	77	162
11.9	Total personnel compensation	2,921	3,208	3,467
12.1	Civilian personnel benefits	520	688	695
21.0	Travel and transportation of Persons	51	78	82
23.1	Rental payments to GSA	1,139	976	1,101
23.3	Communications, utilities and miscellaneous charges	165	179	165
24.0	Printing and reproduction	71	109	81
25.1	Consulting services	453	337	245
25.2	Other services	151	200	177
25.0	Supplies and materials	59	40	48
31.0	Equipment	313	465	136
32.0	Space Alterations	104	8	0
99.0	Subtotal obligations	5,947	6,288	6,198
99.0	Y2K obligations	358	23	
99.0	Total obligations	6,305	6,311	6,198
99.0	Reimbursable Obligations	(10)		
	Unobligated Balance Lapsing	0	0	0
99.9	Subtotal, Budget Authority	\$6,312	\$6,335	\$6,198
40.3	Appropriation Rescinded	(17)	(24)	
99.9	Budget Authority	\$6,295	\$6,311	\$6,198

NATIONAL CAPITAL PLANNING COMMISSION

Salaries and Expenses

Program and Financing (in thousands of dollars)

Identification Code:	1999	2000	2001
95-2500-0-1-451	Actual	Estimate	Estimate
Obligations by program activity:			
00.01 Direct program: Planning for the development of National Capital	\$6,295	\$6,311	\$6,198
09.10 Reimbursable program	10		
10.00 Total obligations	\$6,305	\$6,311	\$6,198
New budget authority (gross), detail:			
40.00 Appropriation (definite)	\$ 5,954	\$ 6,312	\$ 6,198
69.00 Offsetting collections (cash)	\$ 8	\$ 4	\$ 10
69.10 From Federal Sources	\$ 1,961	\$ 906	\$ 1,500
70.00 Total new budget authority (gross)	\$ 7,923	\$ 7,222	\$ 7,708

Change in unpaid obligations:
(in millions of dollars as reported in MAX)

72.40 Unpaid obligated balance, start of year	1	3	1
73.10 Total new obligations	8	6	7
73.20 Total outlays (gross)	-8	-6	-6
74.40 Unpaid obligated balance, end of year	3	1	1
88.00 Offsetting collections, federal sources	2	--	1
89.00 Budget authority	6	6	6
90.00 Outlays	4	6	5

HOLOCAUST
MEMORIAL
COUNCIL

**United States Holocaust Memorial Council
Fiscal Year 2001 Budget Justification**

Table of Contents

Introduction

Introduction	3
Mission	6
Rationale for Federal Role	7

Major Components of FY 2001 Budget

Overview of FY 2001 Request	8
-----------------------------------	---

Budget Priorities

Pay and Inflation	9
Repair and Rehabilitation	9
Privately Funded Increases	9
Summary of Changes (Table)	10
Budget Request by Account Type (Table)	11
Analysis of Increases for Sustaining Base Operations (Table)	12
Impact of FY 2001 Pay Factors	13
Impact of FY 2001 Non-personnel Factors	14

Non-appropriated Funds

Unrestricted Funds	15
Restricted Funds	15
Sources of Non-appropriated Funds	16
Outlook for Increasing Private Support	16
Endowment Campaign	17
Donated Funds History (Table)	18

Organizational Structure

Status of Organizational Restructuring	19
NAPA Study	19
Organization Structure (Chart)	20

Summary of Request by Activity (Table)	21
---	-----------

Museum Programs

Education and Exhibitions	22
Collections	26
Museum Services	28

Center for Advanced Holocaust Studies

Scholarly Programs	30
--------------------------	----

Museum Management and Operation

Museum Management	33
Administration	35
Communications	36
Operations and Maintenance	37
Technical Services	38
Security	39

No-year Fund Authority

Summary of FY 2001 Changes (Table)	40
Repair and Rehabilitation	41
Repair and Rehabilitation Budget Plan (Table)	42
Exhibition Development and Production	43
Security Enhancement	45
Y2K Funding	46

Appendix

Program and Financing Schedules	47
Annual Performance Plan, FY 2001 (GPRA)	55

United States Holocaust Memorial Council

**Fiscal Year 2001 Budget Request
(\$000)**

ACCOUNT	FY 1999 APPROPRIATION	FY 2000 APPROPRIATION	FY 2001 REQUEST
Salaries and expenses	29,268	30,447	31,400
Repair/rehabilitation	1,575	1,575	1,900
Exhibition development and production	1,264	1,264	1,264
Anti-terrorism/security	2,000	0	0
Y2K	900	0	0
TOTAL APPROPRIATED	35,007	33,286	34,564
Reductions pursuant to PL 106-15 (FY99) and PL 106-113 (FY2000)	-(42)	-(125)	0
TOTAL AVAILABLE	34,965	33,161	34,564

Introduction

The United States Holocaust Memorial Council (USHMC) was created by Public Law 96-388, dated October 7, 1980. The Act was amended in 1992 by PL 102-529, which provides authorization through the year 2000. Reauthorization legislation was submitted in late November to the Office of Management and Budget for interagency review.

The Council is entrusted with a unique Federal mission: on behalf of the United States, to remember those who were the victims of Nazi tyranny and to inform visitors to the United States Holocaust Memorial Museum (USHMM) and Americans in their communities about Holocaust history with its important lessons concerning the need to safeguard democratic principles and practices.

This budget submission describes the Council's actions pursuant to its Federal charter. In doing so, this request documents the Museum's popularity and reach, and discusses the challenges ahead, both fiscally and programmatically. Since the USHMM is mandated as a public-private partnership, the relationship of private funding to the Museum's ability to accomplish its goals is an essential component of its operation.

In less than seven years of operation, the Museum attracted 13.5 million visitors, of which over 4 million were children visiting in school or youth groups or with families and friends. The compelling nature of its acclaimed exhibitions, and the scope and reach of its scholarly and educational programs account for only part of the reason for the Museum's enormous success. The findings of a major, privately funded national survey (commissioned by the Museum on the occasion of its fifth anniversary) indicate that 80% of all Americans consider the Holocaust "extremely important" or "very important" as a

means of teaching history's lessons, and two out of every three adults (including 79% of African Americans and 75% of Latinos) say they would like to learn more about the Holocaust. Clearly, there is a huge demand for Holocaust education, and the USHMM exists to serve that need.

The United States Holocaust Memorial Museum was founded with the objective of being America's national center for Holocaust documentation and education. Increasingly, it has fulfilled this role both on site and through a dynamic and diversified program of outreach activities. The Museum has become a core part of the American civic landscape, part of our national dialogue about the moral dimensions of both personal and public responsibility. The institution is visited not only by adults, families, and school, civic, and religious groups, but also by current and future leaders from around the world. Since opening, the Museum has hosted 61 heads of state and 1,900 officials from 130 countries ranging from Albania and Argentina to Zambia and Zaire. In addition, an educational day at the Museum is a required part of the training for every freshman class at the U.S. Naval Academy, certain students preparing for careers in the U.S. foreign service, and all new officers of the District of Columbia police force.

The Museum works in partnership with a number of Federal agencies, providing key research and expertise on a variety of topics. Over the past few years, the Museum has worked cooperatively with Congress and other Federal agencies to provide research, expert analysis, and other support on the many issues relating to Holocaust victims' assets.

In an effort to reach the broadest possible audience and to serve its truly national constituency, the Museum has worked diligently to "extend its walls" through a multifaceted outreach program embracing traveling exhibitions, nationwide teacher training programs, an annual art and writing contest for middle school and high school students, an ambitious publications program, scholarly activities, and the expanded utilization of its Museum website.

The broad reach of the Museum is especially evident in the demand for its services. Especially notable are the requests to provide resource materials or training from approximately 30,000 teachers annually. Traveling exhibitions, made possible through private funding, extend access to the Museum's programs across the country and are being seen by hundreds of thousands each year. In FY 2000, exhibitions will travel to 12 cities across the United States.

Visitation statistics for the USHMM worldwide web homepage offer further evidence of the Museum's dynamic appeal, and of the use of cost-effective means of meeting the high demand for services. The USHMM website offers immediate access to the resources of the Museum, bringing the history and its lessons into homes and schools worldwide. Online visitors explore "virtual" exhibitions, access Museum resources including cataloged archives and library holdings, review transcripts of lectures recently delivered at the Museum, schedule group visits, and receive updates on Museum activities, events, and research including the International List of Current Activities Regarding Holocaust Victims' Assets. New in 1999 is a curricular segment of the website designed for secondary school students and their teachers. Current average "attendance" to the Museum website totals over 22,000 separate visitors per week.

Since 1997, the Museum has met the continuing demand for Holocaust remembrance and education activities largely through substantially increased private contributions. The Museum's Council has increased the private-side budget for the Museum by a total of \$7.5 million (or 56%) from FY 1997 to FY 2000 compared to an anticipated increase of \$1.6 million (or 8%) in Federal funds over that period. In accordance with guidance from OMB and the Congress, the Federal budget provides funding for fixed operational costs and basic programs, while the private side has absorbed all programmatic increases in addition to the effects of pay and inflation on privately funded activities and the effects of directed cuts to Federal program funding.

Accordingly, the Museum is requesting \$34,564,000, an increase of \$1,278,000 over the FY 2000 appropriation. This funding level provides an additional \$953,000 for mandatory increases for pay and inflation at currently projected rates of increase (net of a downward adjustment of \$61,000 for one less workday in FY 2001) and an additional \$325,000 in no-year funding for repair and rehabilitation (R&R) on an annual basis to address the backlog in accumulated projects.

Mission

The United States Holocaust Memorial Council was established by the United States Congress (PL 96-388) for three purposes:

1. To plan, construct, and operate a permanent living memorial museum to the victims of the Holocaust.
2. To provide for appropriate ways for the nation to commemorate the Days of Remembrance as an annual, national, civic commemoration of the Holocaust.
3. To develop a plan for carrying out the recommendations of the President's Commission on the Holocaust in its Report to the President of September 27, 1979.

The Museum is America's national institution for the documentation, study, and interpretation of Holocaust history, and serves as this country's memorial to the millions of people murdered during the Holocaust.

The Holocaust was the state-sponsored, systematic persecution and annihilation of European Jewry by Nazi Germany and its collaborators between 1933 and 1945. Jews were the primary victims - six million were murdered; Gypsies, the handicapped, and Poles were also targeted for destruction or decimation for racial, ethnic, or national reasons. Millions more, including homosexuals, Jehovah's Witnesses, Soviet prisoners of war, and political dissidents, also suffered grievous oppression and death under Nazi tyranny.

The Museum's primary mission is to advance and disseminate knowledge about this unprecedented tragedy, to preserve the memory of those who suffered, and to encourage its visitors to reflect upon the moral questions raised by the events of the Holocaust as well as their own responsibilities as citizens of a democracy.

The Museum strives to broaden public understanding of the history of the Holocaust through a full range of activities: exhibitions; research and publications; collecting and preserving material evidence, and documentation relating to the Holocaust; annual Holocaust commemorations known as Days of Remembrance; distribution of educational materials and teacher resources; and a variety of public programming designed to enhance understanding of the Holocaust and related issues, including those of contemporary significance.

In accordance with the Government Performance and Results Act (GPRA), the Museum has prepared a strategic plan covering the period through 2004 and an annual performance plan for FY 2001. The FY 2001 annual performance plan is included as an appendix to this document.

Rationale for Federal Role

The United States Holocaust Memorial Council was created by an act of Congress to carry out the above mentioned objectives through a public-private partnership. Federal funds provide for the basic fulfillment of the legislated mission of the Museum and its governing board, the Council. Private funds support all areas of the Museum, including basic administrative infrastructure, but are focused largely on programmatic areas and national outreach.

Current legislative authorization of the USHMC expires at the end of FY 2000. The Administration will shortly be sending a proposed reauthorization bill to the Congress.

Major Components of FY 2001 Budget Request (\$000)				
	FY 1999	FY 2000	FY 2001 Request	Increase
Annual Funds				
Salaries & expenses	\$29,268	\$30,447	\$31,400	\$953
No-Year Funds				
Repair & rehabilitation	1,575	1,575	1,900	325
Exhibition development & production	1,264	1,264	1,264	
Anti-terrorism/security				
Upgrades	2,000			
Y2K	900			
Subtotal	35,007	33,286	34,564	1,278
Reductions pursuant to PL 106- 51 (FY1999) and PL 106-113 (FY2000)	(42)	(125)		
Total Available	\$34,965	\$33,161	\$34,564	\$1,403

Overview of FY 2001 Request

The FY 2001 budget request of \$34,564,000 will provide for continuation of operations at the current level of services and an increase to address the underfunded Repair and Rehabilitation program.

The focus of the FY 2001 Federal budget request of the USHMM is to fund uncontrollable increases to the cost of operating and maintaining the facility with no programmatic expansions. The private side of the partnership is similarly limited due to the limits of annual fundraising potential and issues discussed on pages 15 - 17.

FY 2001 Budget Priorities

For FY 2001, the United States Holocaust Memorial Museum's request for all annual and no-year accounts totals \$34,564,000, an increase of \$1,278,000 over the FY 2000 appropriation. The priorities for Federal funding outlined below reflect the commitment of the Museum to limiting increases to those essential for operation and maintenance of the facilities and the requirement to provide basic public services and outreach efforts consistent with the Museum's legislated mission.

Proposed Federal Increases

Pay and Inflation (\$953,000)

Increases requested for necessary pay and inflation are estimated at \$953,000 at current policy levels. This figure includes unavoidable cost increases due to pay raises (net of a savings of \$61,000 to reflect one less workday in FY 2001), scheduled contract and utilities increases, and general inflation. Detailed information on pay and inflation is provided on pages 13 and 14.

Repair and Rehabilitation (\$325,000)

An additional \$325,000 per year in no-year funding for the Repair and Rehabilitation (R&R) program is requested to correct a chronic shortfall in this vital maintenance activity. The current five-year R&R plan (through FY 2005) indicates an average annual maintenance requirement of \$1.9 million.

Privately Funded Increases

The FY 2001 private budget (\$21 million in FY 2000) will provide funding increases for pay and inflation commensurate with those on the Federal side. Private funding will continue to finance the Museum's national outreach activities, including traveling exhibitions, scholarly programs, internet-based efforts, educational resources, and other publications. Private funds also completely support the Museum's fundraising activities, which raised over \$27 million in FY 1999. In addition, funding drawn from the Museum's quasi-endowment will be used to complete the implementation of a new integrated financial and administrative system begun in FY 2000.

UNITED STATES HOLOCAUST MEMORIAL MUSEUM

SALARIES AND EXPENSES

Summary of FY 2001 Changes

FY 2000 Appropriated	\$33,286,000
Pay increases (net of one less day)	561,000
FY 2001 base needs	\$33,747,000
 FY 2001 Increases / Decreases	
Non-personnel fixed costs	392,000
Repair & rehabilitation	325,000
FY 2001 Request	\$34,564,000

FY 2001 BUDGET REQUEST - BY ACCOUNT TYPE

<u>Salaries and Expenses</u>	<u>FTEs</u>	<u>\$000</u>
FY 2000 Appropriated	246	30,447
<u>Increases to Sustain Base Operations</u>		
Annualization of FY 2000 pay increase		165
Anticipated FY 2001 pay raise		457
One less work day in FY 2001		-61
Increases in utilities & postage		85
Security contract increase		95
Consolidated maintenance contract increase		46
Leased space increase		25
All remaining other objects inflation increases		141
FY 2001 Salaries and Expenses Request	246	31,400
<u>Repair and Rehabilitation</u>		
FY 2000 Appropriated	0	1,575
Increase to base level funding		325
FY 2001 Repair and Rehabilitation Request	0	1,900
<u>Exhibition Development and Production</u>		
FY 2000 Appropriated	0	1,264
FY 2001 Exhibition Development & Production Request	0	1,264
TOTAL REQUEST	246	34,564

Analysis of FY 2001 Increases for Sustaining Base Operations

The United States Holocaust Memorial Museum is requesting funds for necessary pay increases and inflation. These increased costs include yearly increases in personnel compensation plus the effects of rate hikes and inflation for utilities and other non-personnel expenses. In FY 2001 the Museum is seeking a total of \$953,000 to pay for the costs listed below.

<u>Increases for Pay</u>		<u>(\$000)</u>
1.	Annualization of FY 2000 pay raises	165
2.	Anticipated FY 2001 pay raises	457
3.	One less workday in FY 2001	-61
Subtotal, Personnel Increases		561
 <u>Non-personnel Increases (fixed costs)</u>		
1.	Utilities & postage	85
2.	Leased space	25
3.	Facilities services contract	46
4.	Security contract	95
5.	All other inflation effects	141
Subtotal, Non-personnel Increases		392
Total Increases for Base Operations		953

Impact of FY 2001 Pay Factors

SUBACTIVITY	ANNUALIZE 2000 PAY RAISE (\$000)	2001 PAY RAISE (\$000)	ONE LESS WORKDAY (\$000)	NET TOTAL FY 2001 PAY FACTORS (\$000)
Exhibitions & educational Programs	27	76	-10	93
Collections	35	96	-13	118
Museum services	18	50	-7	61
Scholarly programs	7	19	-3	23
Museum management	10	29	-4	35
Administration	25	68	-9	84
Communications	4	12	-2	14
Operations & maintenance	20	55	-7	68
Technical services	10	29	-4	35
Security	8	23	-3	28
Total Necessary Pay Costs	165	457	-61	561

Annualization of 2000 Pay Raise - One quarter of the 2000 pay increase falls in FY 2001 and was therefore not included in the FY 2000 budget request. The total cost of this increase is \$165,000. Approximately \$60,700, which is the incremental cost due to the higher-than-planned pay raise in FY 2000, is being absorbed in base funds.

Proposed 2001 Pay Raise - Current administration policy allows for a 3.7% pay increase in 2001. The impact of this increase in FY 2001, adjusted for three quarters of the fiscal year, totals \$457,000.

One Less Workday in FY 2001 - The FY 2001 pay calendar contains 260 compensable workdays instead of the 261 in FY 2000 resulting in a savings of \$61,000 in FY 2001.

Impact of FY 2001 Non-personnel Factors

Based on current guidelines projecting inflation at 2.3% for FY 2001 and scheduled increases to fixed costs, an increase of \$392,000 is required to offset declines in purchasing power due to rising costs and to continue to provide services at the current level. Projected increases separately identified below are based on estimates of actual cost and do not all reflect the general rate of inflation.

Beginning in FY 2000, the Museum has consolidated all facilities maintenance contracts under a single service contract. The timing of this change coincides with expiration of the option years on the largest of the previous contracts (janitorial services).

Cost Category	Requested Increase (\$000)
Utilities	75
Postage	10
Leased space	25
Security	95
Facility maintenance	46
All other costs subject to inflation	141
Totals	392

Non-appropriated Funds

Fund Type	FY 1998	FY 1999		FY 2000
	Actual Expenditures (\$000)	Actual Expenditures (\$000)	Percentage by Type	Budget (\$000)
Unrestricted	17,422	18,199	79%	21,000
Restricted	3,887	2,732	12%	2,141
Museum Shop and Café	2,360	2,140	9%	2,771
Total Non-appropriated	23,669	23,071	100%	25,912

Unrestricted Funds

In FY 2000, unrestricted funds provide direct support in all areas of the Museum except Security and provide 100% of the funding for the Development Office. Unrestricted donated funding represents 40% of the combined Federal & private annual budget of the Museum (restricted funds are not considered "annual" budget authority).

Restricted Funds

Restricted giving provides donor-directed financial support for specific Museum programs or projects. In FY 1999, donor-directed giving supported specific programs for education, conservation, exhibitions, scholarships, and conferences.

Outlined below are some recent examples of major donor-directed gifts, which are critical to the fulfillment of the Museum's mission, and which enable the Museum to respond to the broad-based demand for its educational resources and services.

Grants from Laurence Arnot of New Mexico and the Carole and Steven Weinberg Foundation in California are underwriting national education outreach. With this support, the Museum is able to offer teacher workshops in communities that could not otherwise receive this more intensive level of programming from the Museum. Two workshops have taken place in New Hampshire and plans are under way for workshops in New Mexico and Alabama in the year 2000.

Recurring annual grants from Johnson & Johnson of New Jersey, the Leo Rosner Foundation of New York, and an anonymous donor in California, support the teacher workshop program at the Museum. Teachers from across the United States, including New Jersey and western states as specified in the donor's grant agreements, are brought to the Museum for 2 - 3 day workshops that immerse them in Holocaust history and various pedagogical methods for teaching this history.

Funds from the Neukom Family Foundation, Washington, are making possible two conservation interns who will help our conservators address some of the serious backlog in the high volume of artifacts that require immediate attention in our collection. More

than 90 donors contributed to the Life Reborn Conference, held in January 2000, that focused on the little-known period after the war, an aspect of Holocaust history that epitomizes the essence of renewal and return to life.

The inaugural conference of the Center for Advanced Holocaust Studies held in December 1999, was funded by a gift from the Blanche and Irving Laurie Foundation. The Charles Revson Foundation of New York supports the opportunities for scholars to participate in the visiting fellows program, using the vast resources of the Museum's Archives and Library to conduct research on various aspects of the Holocaust.

Sources of Non-appropriated Funds

The Museum's enabling legislation stipulated that the Museum be built solely with private funds; therefore initial fundraising focused on the Capital Campaign. The Capital Campaign ended in FY 1994 having raised \$194 million in cash and pledges. The success of the Capital Campaign allowed the Museum to retire all debt in 1997.

Annual fundraising for yearly needs is accomplished through the Education and Remembrance Fund and the Museum's membership program, which currently has approximately 220,000 active members. Unrestricted cash receipts totaled \$18.8 million in FY 1998 and \$17.3 million in FY 1999. The decline from 1998 to 1999 is attributable to certain large one-time gifts received in 1998 that were not repeated in 1999.

Restricted funding includes gifts and grants from individuals, foundations, organizations, and corporations that specify the use of the donation or bequest. Restricted cash receipts totaled \$15.9 million in FY 1998 and \$13.4 million in FY 1999. Of the FY 1998 amount, \$3.8 million was available for programs, with the balance consisting of funds designated to restricted endowment. In FY 1999, \$3.3 million of restricted receipts were available for programs.

The Museum Shop and Café are self-sustaining operations that use their proceeds to support their activities.

Outlook for Increasing Private Support to Address Unfunded Needs

In response to U.S. House of Representatives report language accompanying the FY 1997 appropriations bill, the Council has increased private operational support to the Museum for a total increase of \$7.5 million from FY 1997 to FY 2000. This is an increase of 56% in three years compared to a 8% increase in Federal funds over the same period. As of FY 1999, the unrestricted private-side budget is equal to forecasted revenue, allowing increases only for mandatory pay and inflation.

Because private funds are raised concurrent with their spending, economic conditions have an immediate impact on Museum fundraising and a shortfall compared to projections requires privately funded components of budget to be curtailed or eliminated in the same year. The Council is now focusing on raising endowment funds in order to create a more stable operating base on the private side. This source of income, however, cannot realistically be achieved for many years.

Endowment Campaign

The Council takes seriously its challenge to create an endowment in order to ensure the long-term viability of the private component of the institution's public-private partnership. Thus far, the Museum, still benefiting from its newness, has enjoyed remarkable success in its annual fundraising (i.e. funds derived from Museum memberships and one-time gifts). However, based upon the experience of other institutions and the decline in revenue in FY 1999, the Museum cannot expect to sustain the level of annual fundraising achieved to date. Therefore a strong and flexible endowment is essential to the Museum's future.

The income from this endowment will constitute a source of private funds for the Museum's annual operating budget to offset the expected diminishing return from annual fundraising in the future. The endowment value as of December 31, 1999, was \$81.9 million, with the majority of its funds designated for restricted purposes. Endowment policy at the Museum emphasizes long-term growth and preservation of principal in order to provide a cushion against short-term volatility. In order to provide adequate investment revenues, therefore, a significant endowment is required. A new Development Director was appointed in FY 1999 and has been charged with planning an endowment campaign with a preliminary target of \$250 million in unrestricted funds.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

Application of Non-appropriated Funds

	Unrestricted Funds (\$000)			Restricted Funds (\$000)			Endowment Funds (\$000)		
	FY-98 Actual	FY-99 Actual	FY-00 Budget	FY-98 Actual	FY-99 Actual	FY-00 Estimate	FY-98 Actual	FY-99 Actual	FY-00 Estimate
Public Programs									
Education & Exhibitions	3,603	2,536	2,182	3,279	2,076	1,600	44	45	50
Collections	1,379	1,291	1,209	471	825	450			
Visitor Services	298	323	1,124	2	2				
Subtotal, Public Programs	5,280	4,151	4,515	3,752	2,903	2,050	44	45	50
Center for Advanced Holocaust Studies									
Scholarly Programs	406	782	1,204	118	81	75	103	102	100
Museum Management and Operations									
Museum Management	1,480	1,283	1,240	14	37	10	175		185
Administration	1,305	1,338	1,291						
Communications	984	1,822	2,059		11				
Operations & Maintenance	616	209	948		4			6	
Space Requirements	-	-	-						
Technical Services	347	415	422						
Security	42	-	-						
Subtotal, Museum Management and Operations	4,774	5,467	5,960	14	52	10	175	6	185
Development									
National & Regional Offices	2,448	2,199	3,266	3	6	6			
Membership	4,517	5,600	6,055						
Subtotal, Development	6,965	7,799	9,321	3	6	6			
Rubinstein Theater Endowment									
									50
Total Funds Applied	17,425	18,199	21,000	3,887	3,042	2,141	322	153	385

Organizational Structure

Status of Organizational Realignment

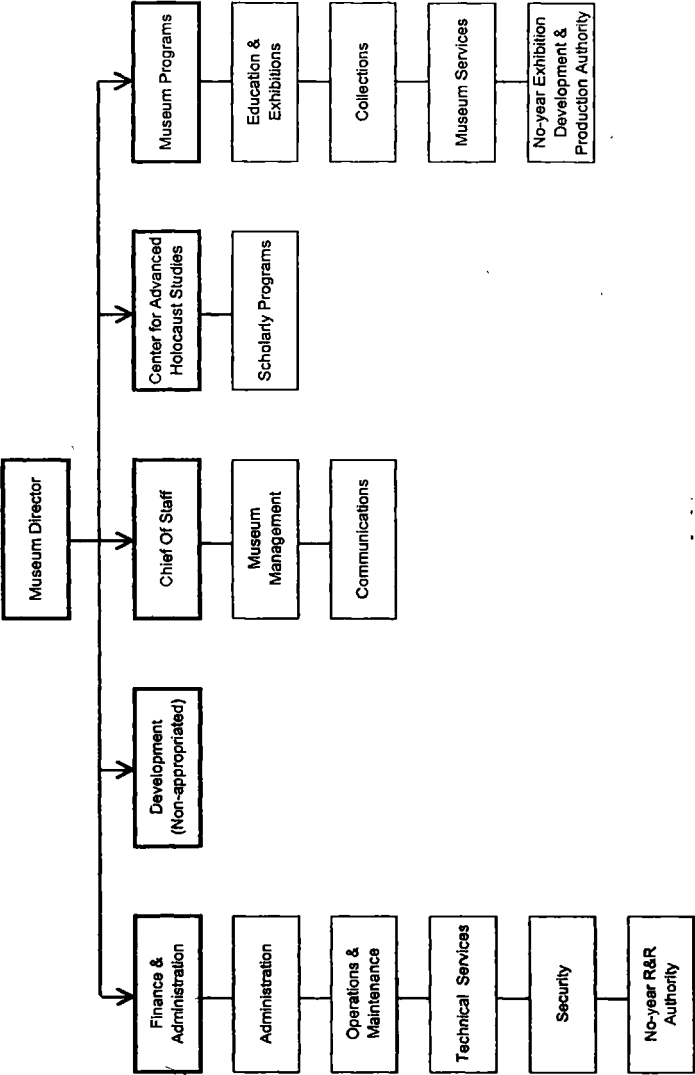
Organizational realignment consistent with Congressional and OMB approval of the proposal submitted with the FY 1998 budget request is complete. Significant accomplishments related to organizational and staffing changes that have been completed by the end of FY 2000 include filling the senior positions of Museum Director, Chief Financial Officer, and Equal Employment Opportunity Manager. At this time, no reorganizations or organizational realignments are planned for FY 2000 or FY 2001. The current organization chart is on the following page.

NAPA Study

During 1999 the National Academy of Public Administration (NAPA) undertook a study of the USHMM in response to a request initiated by the House Subcommittee on Interior and Related Agencies. The study was designed to help the Museum examine a variety of areas in governance and management, many of which were identified by the Museum in 1998 during the course of its own self-assessment. In 1998, the Chair of the Council appointed an Ad Hoc Committee on Governance to examine the Council's operation. Many of the NAPA recommendations regarding management have already begun to be addressed by the newly appointed Museum Director, such as a revamped performance appraisal system, increased accountability of staff at all levels, improved communication and coordination, and more comprehensive and effective long-term planning. The management of the Museum considers the NAPA study a very useful document for moving the institution from its early formative years through the maturation process.

United States Holocaust Memorial Council

Organizational Structure
FY 1999



United States Holocaust Memorial Council

Summary of Request by Activity - FY2001

Budget Activity	FY 1999 Actual		FY 2000 Estimate		FY 2001 Request		Requested Change	
	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
Education & Exhibitions	35	\$ 2,688	39	\$ 2,996	39	\$ 3,098	-	\$ 102
Collections	44	3,986	46	4,332	46	4,474	-	142
Museum Services	42	1,659	41	1,813	41	1,877	-	64
Scholarly Programs	8	792	10	726	10	751	-	25
Museum Management and Operation	7	1,114	9	1,212	9	1,254	-	42
Administration	28	2,549	32	2,882	32	2,978	-	96
Communications	5	896	6	649	6	670	-	21
Operations & Maintenance	27	8,347	33	8,320	33	8,585	-	265
Technical Services	12	1,912	15	2,017	15	2,076	-	59
Security	12	5,248	15	5,500	15	5,637	-	137
R&F No-year	-	1,575	-	1,575	0	1,900	-	325 *
Exhibitions No-year	1	1,264	-	1,264	0	1,264	-	-
Anti-Terrorism No-year	-	-	-	-	-	-	-	-
Total, USHMM Base	221	\$32,030	246	\$33,286	246	\$34,564	-	\$ 1,278
Y2K Emergency Funding	-	900	-	-	-	-	-	-
Security Emergency Funding	-	2,000	-	-	-	-	-	-
TOTAL USHMM APPROPRIATION	221	\$34,930	246	\$33,286	246	\$34,564	0	\$ 1,278
Less: Reductions pursuant to P.L. 106-51 (1999) & 106-113 (2000)	-	\$ (42)	-	\$ (125)	-	\$ -	-	\$ -
Net available for obligation	221	\$34,888	246	\$33,161	246	\$34,564	-	\$ 1,403

Note: Figures for no-year are budget authority, not obligations.

* All increases are fixed-costs except for the \$325,000 requested for the repair and rehabilitation program.

**Museum Programs
Education and Exhibitions**

FY 1999 Actual		FY 2000 Enacted		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
35	2,688	39	2,996	39	3,098	0	102	0	0

Level of Funding Requested: The \$102,000 increase requested for FY 2001 will fund increases for necessary pay and inflation.

Program Summary: The USHMM fulfills its educational mission primarily through its dynamic, experiential exhibition program. Innovative multimedia displays and survivor testimony, as well as the dramatic presentation of authentic artifacts in the Museum's exhibitions offer visitors a personalized encounter with a historical event of unimaginable magnitude. During its first six years, the Museum's exhibition program has included the acclaimed Permanent Exhibition - *The Holocaust* - covering three floors of the Museum; a permanent exhibition for younger audiences, their families, and teachers: *Remember the Children: Daniel's Story*; the continual offering of original, temporary exhibitions that have focused on such diverse subjects as an American rescuer, the challenge of liberation, the controversy of the 1936 Berlin Olympics, and the stark reality of ghetto life; various smaller exhibitions documenting the activities of Oscar Schindler, the Nazi persecution of homosexuals, the heroic actions of a Catholic rescuer in France, the artistic record of life in an internment camp created by a Black American expatriate of Jewish descent, and the ill-fated voyage of the *St. Louis* among others; and an ambitious program of traveling exhibitions that visited sixteen cities in FY 1999.

Clearly, these exhibitions are meeting a very real need: results of a national survey undertaken in 1997 indicate that 80% of the public thinks the Holocaust is "extremely" or "very" important in teaching the lessons of history, and two out of every three Americans want to learn more about the Holocaust, 61% *specifically* by visiting the United States Holocaust Memorial Museum. The Museum has struck a chord with a majority of Americans; for a young institution, it has garnered a high level of name recognition, with three out of four Americans saying they have heard of the Museum. Visitor response is also overwhelmingly favorable: 65% of visitors rate their overall experience at the Museum as a "10" on a standard 10-point scale, and 91% say they "definitely" would recommend a visit to a friend.

The Museum's exhibition and education programs contribute directly to this high level of public interest. Educational efforts provide an interpretive corollary to the exhibition program. Museum educators produce pre-visit and post-visit curricular packets to accompany exhibitions, for use both on-site and with exhibitions circulating to communities around the nation; they develop educational materials for classroom use, such as an award-winning Artifact Poster set and accompanying teacher's guide; they administer the May Family National Art and Writing Contest, sponsor annual educator conferences, and train local high school students to become ambassadors of history to their own communities through the innovative privately funded "Bringing the Lessons Home" project.

Included in the Museum's educational functions is the continuing coordination of the annual national civic commemoration of Days of Remembrance, a Congressionally mandated observance. Although the national ceremony is held in the Capitol Rotunda, the Museum's national outreach activities encourage and support commemorations held in hundreds of cities nationwide through efforts targeted to governors, mayors, and civic organizations.

Staff responsibilities within the Exhibitions Division include conceiving, planning, and implementing all special and traveling exhibitions. Development, design, fabrication, and installation costs are borne through the funds raised privately and through the no-year exhibition development and production fund. The division is also responsible for the ongoing maintenance and historical accuracy of all exhibitions, pursuing, as needed, any content or design revisions to those exhibitions. The Education Division is responsible for developing materials that enhance the Museum's interpretive functions. This division produces public programs, publications, curricular materials, and teacher guides to amplify exhibition messages; provides training for the personalized presentation of exhibitions to visiting student and adult groups; and works with other Museum departments to develop Internet and Learning Center applications that are available long after a particular exhibition closes.

In sum, the Museum's exhibition and education programs are the core of the Museum's role as the national center for Holocaust education.

Current Accomplishments: As the Museum enters its seventh year of operation, education and exhibition programs are continuing to enjoy extraordinary popularity with the public. The Internet has added an enormous new audience for the Museum's programs and services, with current weekly usage averaging in excess of 22,000 separate visits to the site. An average user looks at 20 pages on the Museum website, with more than half going to pages that exemplify the Museum's unique offerings - its document archive catalogs, library holdings, and photographic archive images.

During its presentation from November 21, 1997 to October 3, 1999, the Museum's major special exhibition *Hidden History of the Kovno Ghetto* attracted 620,000 visitors. Supported partially by a generous grant from Lorraine and Jack N. Friedman, this groundbreaking exhibition explored the brief and nightmarish three-year life of the Kovno ghetto in Lithuania. The Museum devoted considerable time and resources, both Federal and private, during the past year in the planning and execution of the next major special exhibition that will follow the Kovno exhibition. On April 28, 2000, the Museum will open *Flight and Rescue*, an exhibition that will present the story of the flight and rescue of some 2,200 Polish Jews via Lithuania, the Soviet Union, Japan, and—for half—to China, made possible by visas from the acting Dutch consul, Jan Zwartendyk, and the Japanese consul, Chiune Sugihara, from their posts in Kaunas, Lithuania.

The Museum's traveling exhibition program continued to serve new audiences around the country. As a result of private funding, the Museum recreated two of its earlier exhibitions - *Assignment Rescue: The Story of Varian Fry and the Emergency Rescue Committee* and *Remember the Children: Daniel's Story* - for presentation to communities around the nation. Through FY 1999, traveling versions of these exhibitions have been shown in Anchorage, Fairbanks, and Juneau, Alaska; San Francisco, Los Angeles, and Palo Alto, California; Denver and Boulder, Colorado; Chicago and Wheeling, Illinois; Las Vegas, Nevada; New York City; and two sites in West Virginia and one site each in

North Carolina, Ohio, and Pennsylvania. The Museum has plans for these exhibitions to travel to locations in Alabama, California, Georgia, Kansas, Kentucky, Missouri, Oklahoma, Pennsylvania, and Wisconsin during FY 2000. *THE NAZI OLYMPICS Berlin 1936*, which enjoyed a highly successful year on display at the USHMM, was designed to be a traveling exhibition. A national tour of this popular exhibition began in late 1997, with visits to Grand Rapids, Michigan; Canton, Ohio; and Milwaukee, Wisconsin. The exhibition also has traveled to Portland, Oregon, and San Diego, California, and is scheduled to travel to Chicago, Illinois, and St. Louis, Missouri.

In response to the explosion of public demand for Internet access to programs and resources, the USHMM has vigorously employed its website to deliver educational materials and visitor information. Serving as "virtual exhibitions" that reach thousands of online visitors per week, the Museum's web versions of the *Kristallnacht*, *Kovno*, and *St. Louis* exhibitions were all created during the previous year using a combination of Federal and private funding.

A special segment of the Museum's website is devoted to a student outreach project based on the Museum's Permanent Exhibition and incorporates the Museum's collections to illustrate the history of the Holocaust. In addition to using the website for educational purposes, the Museum's Internet homepage also offers visitors access to various Museum resources, including its catalogued archives and library holdings, photographic collection, transcripts of recently delivered lectures, calendar updates on Museum events, public program offerings, and practical information about the Permanent Exhibition pass system, group reservations, and membership.

Teachers and students continue to be among the Museum's most important audiences. Through its on-site and outreach activities, training programs, workshops, fellowships and conferences, and its widely distributed resource packets, exhibition-related publications, and curricular and teaching guideline materials, the Museum serves approximately 30,000 teachers annually. Educational programs range from the services of the Education Resource Center to intensive training programs funded by private foundations. During the past year, nearly 400 teachers attended the Arthur and Rochelle Belfer National Conference for Educators at the Museum and an additional 24 were named Mandel Teacher Fellows. Another program, funded by the Fannie Mae Foundation and geared primarily to Washington area high schools, has served over 20,000 teachers and students in its five years of operation. In the course of its regular program of Museum visits for school groups, approximately 170,000 students in over 3,000 groups were served this past year.

In the past year, the education staff has produced a variety of interpretive materials to support special exhibitions as well as the Permanent Exhibition. Teaching materials have been developed to enhance students' learning experiences in the touring exhibitions *Olympics* and *Remember the Children*, and the on-site presentation of *Hidden History of the Kovno Ghetto*. During the past year, the Museum published a teacher's guide to the Permanent Exhibition.

A major effort of the Survivor's Registry during the past two years has been to trace the fate of the 936 passengers aboard the *St. Louis*, a ship bearing refugees from Nazism, which was denied safe harbor in both Cuba and the United States in the spring of 1939, only to return its ill-fated passengers to a Europe on the brink of war. To commemorate the 60th anniversary of this tragic voyage, and to spotlight this unprecedented search,

the Museum launched a special institutional project that included the creation of a 2,800-square-foot temporary exhibition, a series of public programs, a special website, an educational publication, and several special events, all funded largely through private donations. As a result of the efforts of the researchers and through the extensive press coverage the search project received, the Museum has now documented the fates of all but 15 of the 936 passengers on board the *St. Louis*.

Relation to GPRA Performance Plan: The education and exhibitions activity focuses on mission goal I: Serve as the nation's preeminent center for Holocaust education and remembrance. Activities serving this goal are the cornerstone of the Museum's public service mission. The most basic elements of meeting this core mission lie at the center of the rationale for Federal funding of essential programmatic functions.

**Museum Programs
Collections**

FY 1999 Actual		FY 2000 Enacted		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
44	3,986	46	4,332	46	4,474	0	142	0	0

Level of Funding Requested: The \$142,000 increase requested for FY 2001 will fund increases for necessary pay and inflation.

Program Summary: The Collections Division has completed implementation of the comprehensive reorganization begun in 1998. The objective was to consolidate all collecting functions within the Museum with institutional priorities driving collecting activities. Under this new organization, acquisition, intake, processing, documentation, and ongoing collection maintenance are accomplished in a more efficient manner and within a context of overall strategic priorities.

The USHMM Archives represent a major repository of Holocaust documentation consisting of more than 10 million pages of handwritten documents, personal papers, and microfilms, from both American and European collections. As a result of the Museum's systematic archival microfilming projects in various European countries and the former Soviet Union, the Museum now possesses the single most comprehensive collection of historical Holocaust documents available in one location. Determined pursuit of additional archival materials has resulted, for example, in an unprecedented agreement with the French national archives that will add to the collection millions of pages of documents relating to the Holocaust in France. Archival researchers and curators are currently working in 31 countries to identify and copy relevant materials. A catalog of the Museum's archival holdings is now available through the internet.

The Museum's artifact collection, which currently numbers more than 35,000 objects in addition to more than 4,500 objects held on long-term loan, represents the most comprehensive body of Holocaust-related artifacts outside of the camp sites in Europe. As with all museum collections, these artifacts require conservation, storage, documentation, and cataloging in compliance with professional museological practices and under the Museum's fiduciary obligation as custodian in the public trust, to ensure the artifacts will be available in perpetuity to the public for educational and scholarly purposes.

Current Accomplishments: The Museum's collections include approximately 10 million pages of original and microfilmed documents, 65,000 photographic images, 35,000 objects, 6,000 oral histories, and 420 hours of historical film and videotape. The Library contains 30,000 items in 18 languages. Although the Museum holds one of the world's largest and most comprehensive collections of Holocaust documentation, significant amounts of important original material still remain in various archival institutions and in individual hands worldwide. Working at institutions in politically fragile countries and reaching out to survivors, liberators, and others as the generation of eyewitnesses dwindles, is essential during this window of opportunity.

The Museum has produced over 1,000 oral histories and has collected more than 5,000 from other institutions within the United States and abroad, primarily of Jewish survivors. As a result of a grant from the Herr family, the Museum is producing interviews with individuals who are underrepresented in our collections and not available elsewhere, such as Jehovah's Witnesses, Roma (Gypsies), witnesses, and perpetrators of the Holocaust.

Similarly, the art and artifact collection generally seeks donations but also has received a grant to purchase items that would otherwise be unavailable. During the past fiscal year, the Museum received 310 new artifactual collections, including a wedding dress with a remarkable story. The dress was donated to the Museum's collection by Lilly (Laks) Friedman, who survived Bergen-Belsen and was married in January 1946 near the Bergen-Belsen DP camp wearing the donated dress. Because supplies were scarce, material for the dress was difficult to acquire. Aaron Friedman succeeded in obtaining a parachute from a former German airman, and the nonsmoking Lilly then traded her cigarette rations for the dressmaking services of a friend. Enough fabric remained to make Aaron's wedding shirt. The dress was later worn by as many as 17 to 20 other women, perhaps more, who married in the DP camps after World War II. Mr. and Mrs. Friedman later immigrated to the United States.

In the past year, the Photographic Reference Collection acquired approximately 8,000 new images from individual donors and archival institutions in Europe and Israel. Among the many groups that benefit from the services provided by the Photo Archive are researchers, publishers, film producers, news organizations, museums, and other cultural and historic institutions. For example, in the past year, extensive services have been provided to organizations such as CNN, the Imperial War Museum, Yale University Press, Yad Vashem, Queensborough Community College in New York, and Publications International in Illinois.

The document archives received more than 40 collections in the past year, which included manuscripts and collections of personal papers totaling 35 linear feet and approximately 50 microfilm collections totaling 545 reels and 12,270 microfiches. Many of the international archival collections were obtained through generous grants from the Conference on Jewish Material Claims against Germany. Collections were acquired from various individuals and institutions, including the State Archives of the Russian Federation (GARF), the Steven Spielberg Jewish Film Archive (Jerusalem), and Norbert Wollheim, a German Jew who, during the Holocaust, was instrumental in the movement of children out of Nazi-occupied Austria and Germany through the *Kindertransport*.

Relation to GPRA Performance Plan: The Collections activity provides the means and resources necessary for mission goal II: Serve as the world's premiere repository for Holocaust-related artifacts and archival collections.

**Museum Programs
Museum Services**

FY 1999 Actual		FY 2000 Enacted		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
42	1,659	41	1,813	41	1,877	0	64	0	0

Level of Funding Requested: The \$64,000 increase requested for FY 2001 will fund increases for necessary pay and inflation.

Program Summary: The Museum Services Division is responsible for operating the Museum facility and providing an environment for visitors that is welcoming, safe, broadly accessible, and educationally enriching. Since the Museum's April 1993 opening, Museum Services has served more than 13.3 million visitors from urban, rural, and international communities. Managing circulation, providing information, attending to school and adult groups, offering educational guidance, and assisting with special events are the primary responsibilities of Museum Services staff. Museum Services is also involved in formal and informal assessments of visitation and the development of a variety of public information and educational materials for the institution.

Current Accomplishments: Visitation remains high, with approximately 2 million visitors annually since opening. The need for an energetic, well-trained, and responsive Museum Services division remains a top priority, helping to ensure that visitor experiences at the Museum are positive and enriching.

To serve Museum visitors most effectively, the museum services division tailors its operations based upon demographic data gleaned from quarterly visitor surveys, which also include opinion questions. The findings of a major nationwide survey conducted in 1997 have also informed the operation. For example, division staff take into consideration when planning that of the 13.3 million who have visited as of mid-December 1999, approximately 3.8 million have been children. The division also has noted the increasing diversity of USHMM's visitation, such that it is now similar in profile to that of other museums on the National Mall. A review of demographic surveys prepares Museum Services personnel to anticipate and assist the varying needs of the 47% of individual (non-group) visitors who are under age 40; the 70% under age 50; the 1.3 million visitors from foreign countries; the 19% who are repeat visitors; the 1.4 million who are minorities; and the 9.25 million of the Museum's visitors who are not Jewish.

The effectiveness of the Museum Services program can be measured, in part, using the findings of visitor surveys. We have learned that some 76% of visitors spend two hours or more at the Museum. Surveys also indicate a strong trend away from "destination visitors," those who carefully planned their visits and represented a majority at the Museum during its first years. Many visitors now plan only a few days in advance, if at all, and require significantly more guidance once in the Museum.

A vast majority of visitors continue to give the Museum extremely high ratings, with 92% giving the Museum a rating of 8 or higher on a scale of 1 to 10. The most frequent complaints from visitors relate to overcrowding and lack of understanding of the pass

system required for timed entry to the Permanent Exhibition. Although complaints about overcrowding have dramatically lessened over the years, this problem is hard to resolve completely.

Relation to GPRA Performance Plan: The Museum Services Division provides the day-to-day support required for mission goal I: Serve as the nation's preeminent center for Holocaust education and remembrance. Museum Services staff are the primary link between visitors and the Museum's public activities and are an essential element of the Federal core of programmatic activity.

**Center for Advanced Holocaust Studies
Scholarly Programs**

FY 1999 Actual		FY 2000 Enacted		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
8	792	10	726	10	751	0	25	0	0

Level of Funding Requested: The \$25,000 increase requested for FY 2001 will fund increases for necessary pay and inflation.

Program Summary: The mission of the Center for Advanced Holocaust Studies is to provide content support for all programmatic activities of the Museum; to support scholarship in the field of Holocaust Studies, including both research and the publication of scholarly output in the field; to promote the growth of the field of Holocaust Studies at American universities and strong relationships between American and foreign scholars of the Holocaust; and to ensure the ongoing training of future generations of scholars specializing in the Holocaust. The Museum's goal is to serve as the principal center supporting Holocaust studies in the United States.

In advancing its mission to generate new knowledge about the Holocaust, the Center seeks to provide a fertile atmosphere for scholarly discourse and debate through a vigorous program of visiting scholars and fellows; conferences and seminars; a strategic research and publication program designed to shed new light on Holocaust-related subjects that have been studied previously, to fill gaps in the literature, and to make access to study of the Holocaust easier for new and established scholars and for the general public; and the encouragement of a dense network of cooperative programs with universities, university faculty, and advanced university students in the United States and abroad. Participants in the Center's programs have come from American colleges and universities as diverse as Gettysburg College (PA), the University of Arizona, Berea College (KY), the University of Michigan, the National Defense University, and the University of Hawaii.

The Center offers privately funded fellowship and visiting scholar opportunities designed to bring pre- and postdoctoral scholars, at various career stages, to the Museum for extended periods of research in the Museum's growing archival collections and to prepare manuscripts for publication based on Holocaust-related research. Fellows and research associates participate together with staff scholars in the full range of intellectual activities at the Museum and are provided the opportunity to make presentations of their work at the Center and at universities locally and nationwide.

The Center houses the Senior Historian of the Museum and provides critical content support for all programmatic components of the Museum, especially Exhibitions, Education, Collections, and International Programs. The Center also provides research assistance as requested for Congressional offices and committees and for other Federal agencies involved in such issues as the adjudication of claims by U.S. citizens against Germany and the recovery of Holocaust victim's assets. Scholars from the Center provide ongoing input to the preparation of U.S. diplomats for assignments to countries

where understanding the Holocaust and related issues of genocide and crimes against humanity represents an important educational or public policy issue.

The Center publishes the Museum's scholarly journal, *Holocaust and Genocide Studies*, in collaboration with Oxford University Press. *Holocaust and Genocide Studies* is the world's foremost journal in this field, and its content is considered authoritative. The Center also organizes the activities of the Miles Lerman Center for the Study of Jewish Resistance.

In order to strengthen post-secondary teaching about the Holocaust and to reinforce relationships among Holocaust scholars, the Center sponsors seminars for professors of college-level Holocaust courses, summer research workshops for scholars, conferences and symposia, and a variety of speaker programs at the Museum and at other institutions. Over 40 colleges and universities, from Washington and Minnesota to Georgia and Florida, participated in the Center's programs in FY 1999.

The Center has a base level of staffing and the Museum plans to seek private funds to enhance the scope of the Center's activities.

Current Accomplishments: Six of this country's leading scholars specializing in the Holocaust Studies field have been appointed to the Academic Committee that provides guidance to the Center's programs. The Center hosted an increased number of visiting fellows and organized a successful competition for fellowship support that will bring a mix of senior, mid-career, and new scholars, including advanced graduate students to the Center for full-semester or year-long research in 1999 - 2000. A Fellows Senior Seminar and a staff course on major issues in Holocaust Studies also are planned.

With attention to its government/public service mission, the Center in 1999 provided extensive staff research support on Holocaust victim assets issues to the Department of State and the newly appointed U.S. Commission on Holocaust Victim Assets. Similar support was provided to the Congressional Research Service to assist in a response to Congressional inquiries. A series of scholarly articles on victim assets issues is in preparation.

As a result of a grant from a private foundation, the Senior Historian and other staff scholars initiated work on an encyclopedia of camps and ghettos in Nazi-dominated Europe, the type of reference work that has been sorely lacking in the Holocaust Studies field. Publishing initiatives have focused on making available to new scholars classic works that have been out of print; starting a translation series to make first-class scholarship in other languages available to American and other English-speaking scholars; and establishing publication priorities based on the needs of the field and the archival and other research resources of the Museum.

The Center organized a colloquium on Collaboration with Nazi Germany in the Baltic States in the spring of 1999, and has successfully completed its inaugural conference on Holocaust Studies in the 21st Century in December 1999. Both activities were made possible through generous grant support from private foundations. In December 1998, the Center cosponsored a conference titled World War II, The Holocaust, and Creation of the State of Israel with six Israeli research universities and foundations. The conference provided access for American scholars to Israeli and other scholars working on Holocaust topics.

Dr. Peter Longerich, Reader, Department of German, Royal Holloway College at the University of London, delivered the Joseph and Rebecca Meyerhoff Annual Lecture, entitled: "Policy of Destruction: Nazi Anti-Jewish Policy and the Genesis of the 'Final Solution.'" As part of the Center's effort to reach scholarly audiences outside the nation's capital, the program was repeated at Northwestern University Law School (Chicago) and Mount Saint Mary's University (Los Angeles). Dr. Peter Gay, Sterling Professor Emeritus, Yale University, and Director of the Center for Scholars and Writers at the New York Public Library, delivered the Monna and Otto Weinmann Annual Lecture on "Moritz Frolich – Morris Gay: A German Refugee in the United States." This annual lecture focuses on Holocaust survivors in the United States.

To highlight the appearance of new scholarship related to Jewish resistance, and to stimulate scholars to undertake additional research in this area, the Center published a special Occasional Paper entitled *Jewish Resistance: A Working Bibliography* on the occasion of the Museum's Fourth Annual Tribute to Jewish Resistance during the Holocaust, a program of the Miles Lerman Center for the Study of Jewish Resistance. All activities of the Lerman Center, including this new occasional paper, are privately funded.

The Center implemented its first Seminar for Professors of College Level Holocaust Courses. This series of in-depth discussions was taught by professor Raul Hilberg, Professor Emeritus at the University of Vermont, and was attended by 23 university professors from all over the United States. Faculty from Brandeis University (MA) and Seton Hall (NJ) as well as schools such as Knox College (IL), Southeast Missouri State University, and Whitworth College (WA) participated in the seminar and shared their experiences in teaching the Holocaust.

The Center also hosted a series of Summer Research Workshops, designed to promote collaborative research, discussion, and debate on important Holocaust-related topics among scholars from the United States and abroad, and at more senior as well as more junior levels of academic advancement. The topics of the 1999 workshops, determined through a competitive process, were: The Jewish Resistance Movement in Nazi Concentration Camps in the light of Archival Sources; SS Racial Policies and Forced Population Movements in Occupied Europe; Sephardic Communities in the Holocaust; and The Nazi Final Solution in the Ukraine.

In the coming year, Center staff and fellows will build on the accomplishments of the Center's first full year of operation and continue to develop and conduct scholarly research programs and projects in Holocaust and genocide studies, both independently and in cooperation with research organizations and universities throughout the United States and abroad.

Relation to GPRA Performance Plan: The Center's scholarly programs provide the primary resources to achieve mission goal III: Serve as the world's preeminent center for scholarly research of the Holocaust. This goal is heavily dependent on private funding.

**Museum Management and Operation
Museum Management**

FY 1999 Actual		FY 2000 Enacted		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
7	1,114	9	1,212	9	1,254	0	42	0	0

Level of Funding Requested: The \$42,000 increase requested for FY 2001 will fund increases for necessary pay and inflation.

Program Summary: The Museum's Council establishes overall policy for the Museum's basic operations and program activity. The Council consists of 68 members. Fifty-five of the 65 voting members of the Council are appointed by the President with an additional ten Congressional members, five appointed by the Speaker of the House of Representatives and five appointed by the President Pro Tempore of the Senate. The Secretaries of Interior, State, and Education appoint three non-voting members, respectively. Council members, by law, are eligible to be paid the daily equivalent of the maximum annual rate of basic pay in effect for positions at Level IV of the Executive Schedule for each day during which they are engaged in the actual performance of duties of the Council. Members also are authorized to have their travel expenses reimbursed, in the same manner as persons employed intermittently in government service. In practice, no Council member currently collects the pay entitlement, however, most Council members do request reimbursement for travel expenses.

In order to carry out its policy oversight, the Council has implemented a committee system that consists of an executive and 12 other committees and six subcommittees. The entire Council meets on a semi-annual basis, and has delegated its oversight authority to an Executive Committee in between these meetings. The Executive Committee meets monthly, except when the full Council meets and the month of August, but both the Council and Executive Committee communicate frequently between meetings via phone, fax, and special mailings. Most of the various committees and subcommittees meet twice annually. Although this describes the Council's current method of operation, it should be noted that in the summer of 1998, the Council Chair appointed an Ad Hoc Committee on Governance to look at specific areas of the Council's operations. A preliminary report from this committee was presented to the Executive Committee in February 1999, and a final report with recommendations will be presented to the full Council in December 1999.

This budgetary component also funds salaries and expenses related to upper-level management of the Museum, and includes not only positions providing support to the Council but also to senior management, such as legal counsel, Chief of Staff, an internal auditor, and support positions and associated expenses related to institution-wide management.

Current Accomplishments: In parallel with the GPRA strategic planning process, senior management has been working on a comprehensive long-range strategic plan for the Museum. This effort includes a full scale review of long-term programmatic goals, operational needs, management practices, and organizational structures. The Museum

is committed to undertaking its activities in the most efficient manner possible and with informed compliance with all Federal requirements. During FY 1997, the structural reorganization of the Museum was approved by the Council and subsequently by the Congress for implementation at the start of FY 1998.

In February 1999, at the recommendation of the U.S. House of Representatives Appropriations Subcommittee for Interior and Related Agencies, the Museum contracted with the National Academy of Public Administration (NAPA) to undertake a study to examine Council governance as well as Museum management. Completed in August 1999, the study offers a number of important recommendations that will improve both governance and management practices. Many of the governance related recommendations were already being addressed by the Ad Hoc Committee on Governance, and the management problems had been identified during FY 1999 by the then acting (and now permanent) Director of the Museum.* However, the NAPA study will be a very useful tool in helping the Museum move forward in these critical areas, which are vital for the long-term health of the institution.

Finally, the Committee on Conscience, formed in June 1996 to alert the national conscience and stimulate worldwide action to confront and halt acts of genocide and related crimes against humanity, was organized during FY 1998 and staffed in FY 1999. This committee is a result of the recommendations of the report of the President's Commission on the Holocaust (September 27, 1979), which was the basis for the legislation that established the Council in October 1980.

Relation to GPRA Performance Plan: Museum management affects achievement of all of the USHMC goals by providing policy, direction, and guidance, and by allocating resources to the subordinate activities of the Museum.

* A permanent Director of the Museum was named in March 1999.

**Museum Management and Operation
Administration**

FY 1999 Actual		FY 2000 Estimate		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
28	2,549	32	2,882	32	2,978	0	96	0	0

Level of Funding Requested: The \$96,000 increase requested for FY 2001 will fund increases for necessary pay and inflation.

Program Summary: Administration includes those functions needed to fulfill Federal requirements for operating any public Federal facility. These include budget and financial services, contracting, personnel and payroll, and property management. In addition to its Federal responsibilities, the Museum also has a significant number of privately funded programs. The private funds must also be managed in accordance with accepted financial management practices, and privately funded staff positions must also receive personnel, payroll, and benefit support similar to the Federal positions. Funds received through private sector donations are often subject to specific restrictions, and must be managed and allocated in accordance with the terms and conditions of the individual gifts.

Current Accomplishments: In FY 1999, the USHMM hired a Chief Financial Officer to oversee all financial and procurement functions. In FY 1999, the Museum began the process of acquiring and operating its own in-house financial and administrative management system, funded entirely with non-appropriated funds but conforming to all applicable Federal standards for financial systems. In late FY 1999, financial systems software was purchased. In FY 2000, a contract will be issued for implementation services for the accounting and procurement functions. Human resources management functions of the software are expected to be purchased and implemented beginning in FY 2001, again using non-appropriated funds. During the conversion process, the Museum will continue to perform Federal accounting on the National Park Service's system.

Contracting for services is another significant portion of the administrative function. The contract for security services alone requires full-time contract administration. Between the security contract and the janitorial function, the Museum has 150 contract workers, with an additional 8 contract workers providing exhibition maintenance services. In FY 2000 the security contract option period expires and a new request for proposals will be issued and assessed.

Relation to GPRA Performance Plan: Administrative functions are responsible for addressing the infrastructure goals outlined in the annual performance plan.

**Museum Management and Operation
Communications**

FY 1999 Actual		FY 2000 Estimate		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
5	896	6	649	6	670	0	21	0	0

Level of Funding Requested: The \$21,000 increase requested for FY 2001 will fund increases for necessary pay and inflation.

Program Summary: The Communications Division provides the Council and the Museum with comprehensive internal and external information dissemination and services. Its activities include communications planning and implementation on behalf of Council and Museum initiatives; media relations, public information activities, and a national speakers bureau; development of select publications, including assistance to the Museum's electronic communications; advertising, including public service announcements; editorial services; documentation of Council and Museum activities through photography; visitor surveys; public opinion research; and internal communications.

Since the Museum opened there has been tremendous and sustained media interest in all aspects of the Museum's programmatic activities and institutional objectives. The Communications Division works to service this demand, providing timely information and serving as the authorized respondent to all media inquiries and requests.

Program: In addition to routine activities such as management of media contacts, development of public information materials, services offered by the national speakers bureau, and advertising, the division's major programmatic activities include broadening the Museum's audience and extending its reach across the country by publicizing traveling exhibitions, educational outreach activities, additions to the collections, and scholarly initiatives; and by promoting the major special exhibition *Flight and Rescue* and other upcoming exhibitions, programs, and scholarly activities. Through its public information component, the division also ensures that queries to the Museum are answered fully and promptly.

The Communications Division works closely with the United States Holocaust Memorial Council's Days of Remembrance Committee to focus public attention on Holocaust remembrance observances around the country as well as the national civic commemoration held in the Capitol Rotunda each year. The division continues its national efforts to support private-sector fundraising, through publication of the Museum's newsletter, which is sent bimonthly to more than 220,000 supporters, and through close coordination with the Museum's four regional fundraising offices.

Relation to GPRA Performance Plan: The communications activity plays an integral supporting role in all of the externally oriented goals of the institution.

**Museum Management and Operation
Operations and Maintenance**

FY 1999 Actual		FY 2000 Estimate		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
27	8,347	33	8,320	33	8,585	0	265	0	0

Level of Funding Requested: The \$265,000 increase requested for FY 2001 will fund increases for necessary pay and inflation.

Program Summary: The Operations and Maintenance Division operates, maintains, and repairs more than 400,000 square feet of Museum space, office space, warehouse space, grounds, and parking lots. The group maintains and operates the building envelope and interior spaces, including fire protection systems, elevators and lifts, electrical and mechanical systems, sanitary water distribution systems, pavements, and grounds. The division has primary responsibility for space management, which is a major concern given the shortage of space within the Museum complex. The division also manages the inventory and property management programs, mail services, and the telecommunications program, including telephone systems, pager systems, and cellular phone systems.

This division has primary responsibility for management of recurring maintenance, service contracts, pest management, waste and recycling, utilities and energy management, and exhibition maintenance program. As the Museum became fully operational, the adjacent administrative annex was insufficient. The Museum leases 27,000 square feet of office space at L'Enfant Plaza and 30,000 square feet of warehouse space in Linthicum, Maryland, for collections storage and the shop for exhibition fabrication.

Current Accomplishments: The completion of construction and furnishing in leased space and relocation of employees was the most significant accomplishment of FY 1999. The inefficiency due to lack of proximity of leased space to the Museum, especially for the Linthicum space, has been reduced as much as possible by considering the functions and typical work of all staff and making large-scale reassignments of offices during FY 1999. In the long run, the Museum hopes to better consolidate staff in closer locations; but until such time as suitable office space becomes available, all currently leased space is necessary.

Relation to GPRA Performance Plan: The operations and maintenance activities provide the resources to maintain the physical plant as cited in the infrastructure goals.

**Museum Management and Operation
Technical Services**

FY 1999 Actual		FY 2000 Estimate		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
12	1,912	15	2,017	15	2,076	0	59	0	0

Level of Funding Requested: The \$59,000 increase requested for FY 2001 will fund increases for necessary pay and inflation.

Program Summary: The Technical Services program is responsible for all aspects related to the use and implementation of technology employed during the daily operation of the Museum in both the operational and programmatic areas. Duties include the procurement, installation and maintenance of all computer and audiovisual hardware and software. Additionally, Technical Services staff are charged with operating all the collections databases as well as the electronic media contained in the Museum's permanent and special exhibitions, the Wexner Learning Center, two theaters, and the Resource Center for Educators. Technical Services is the focal point for all technical requirements for all Museum functions, thus assuring continuity and full integration among applications and departments.

Current Accomplishments: Technical Services provides all technical support for the entire institution from sophisticated Museum systems for the Finance Department to word processing and electronic mail for all individual users and workstations. During FY 1999, Technical Services staff were focused on ensuring that all systems under their control would be Y2K compliant before the end of the fiscal year. This major undertaking was in addition to providing day-to-day support to end-users and exhibitions. Additionally, this department is responsible for analysis and coordination of technical requirements for new automated systems for financial management and fundraising that were under development and implementation during 1999. Finally, Technical Services also is continuing the process begun in FY 1997 to design, configure, and install a digital library and multimedia system that will make the Museum's digital archives available online to academic programs, student outreach activities, and distance learning initiatives, and to make necessary network upgrades to support the associated increased demands of all new applications.

Relation to GPRA Performance Plan: Although the annual plan cites technical services largely under infrastructure goals, this function crosses the boundary between providing purely administrative technical support and being an integral part of accomplishing mission goals for education and collections.

**Museum Management and Operations
Security**

FY 1999 Actual		FY 2000 Estimate		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
12	5,248	15	5,500	15	5,637	0	137	0	0

Level of Funding Requested: The \$137,000 increase requested for FY 2001 will fund increases for necessary pay and inflation.

Program Summary: The Protection Services Branch is responsible for ensuring comprehensive protection of the Museum and its employees, visitors, facilities, collections/artifacts, resources, and entrusted properties, while maintaining a safe level of public access to these entities. Protection Services also ensures a suitable level of occupational medical services and emergency first-aid services to employees and visitors.

The main functions of Protection Services are to provide support through physical and technical security, communications, and fire and public safety programs. This includes developing and implementing a fire and emergency evacuation plan; managing a contract security force consisting of 85 officers; providing technical and maintenance support for radios, access control systems, electronic intrusion detection and duress alarm systems, and closed circuit television equipment and devices; conducting security surveys and vulnerability assessments; and the design, development, implementation and testing of security systems. Protection Services maintains a proactive liaison with the security, law enforcement, and intelligence community regarding security matters pertaining to Museum personnel, facilities, assets, or activities.

Current Accomplishments: In 1997, Protection Services executed an interagency agreement with the Department of the Navy to provide security support for systems design, development, and engineering. This agreement included conducting a comprehensive security survey of the Museum, Annex, and off-site facilities and making recommendations to enhance the Museum's overall security posture. Protection Services also implemented new entrance security procedures and adopted a computerized training program for security officers to improve entry-control procedures. In conjunction with the R&R program, security improvements were included in the project to provide improved visitor access to the Meyerhoff Theater. In addition, Protection Services began a \$2 million security upgrade project that will include upgrades to off-site facilities at Linthicum and L'Enfant and equipment and relocation of the Control Center.

Relation to GPRA Performance Plan: Security operations provide a key support service as described in the infrastructure goals in the annual performance plan. Adequate security is also an implicit prerequisite to the successful accomplishment of the public education and exhibition missions of the Museum and to the proper care of collections.

U.S. HOLOCAUST MEMORIAL MUSEUM**No-year Funding****Summary of FY 2001 Changes**

<u>FY 2000 Anticipated</u>	<u>2,839</u>
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<u>FY 2001 Increases</u>	
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Repair & rehabilitation	<u>325</u>
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FY 2001 Request	3,164
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**Repair and Rehabilitation
(No-Year Funding Authority)**

FY 1999 Actual		FY 2000 Enacted		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
0	1,575	0	1,575	0	1,900	0	0	0	325

Level of Funding Requested: The increase of \$325,000 requested in FY 2001 will provide a level of funding that meets the average annual cost of projects on the current 5-year plan and will prevent the accumulation of a backlog of deferred maintenance.

Note Concerning Estimates: The amounts shown represent new budget authority only. Amount and timing of actual obligations may be different due to the availability of funds carried forward from prior fiscal years.

Program Summary: The repair and rehabilitation program provides funding to make repairs to areas affected by wear and tear and to correct deficiencies so that the Museum and Annex buildings do not accumulate a large maintenance backlog. The primary purpose of the program is to provide a safe environment for visitors, staff, and Museum collections that adheres to applicable codes and ensures proper preservation, repair, and renewal of facilities and systems.

Associated tasks include contracted architectural, engineering, and planning services, as well as project design and construction management. Other needs include the preparation of feasibility studies, construction estimating, and preparation of construction drawings.

Current Accomplishments: The success of the Museum in attracting visitors has the ancillary effect of increasing the frequency of required repairs. The Museum building and environmental systems require constant repair and attention to ensure maximum public access and safety and to minimize the potential for the type of large and costly failures in the future that have recently plagued numerous prominent public monuments and museums in Washington D.C. The FY 2000 and FY 2001 project list is included on the following page.

Highlights of the 1999 R&R program include:

- Completion of funding remedial engineering to the Annex roof structure & installation of catwalk system to provide safe means of access to mechanical systems
- Beginning of HVAC modifications to correct environmental control deficiencies
- Continuation of security bollards projects (to be completed in FY 2000)
- Completion of modifications to Permanent Exhibition egress to improve visitor safety
- Design of harness system installation in Museum skylight area to provide safe access to the roof
- Completion of modifications to the administrative offices for the Museum Shop staff

Relation to GPRA Performance Plan: Repair and rehabilitation of USHMC facilities is addressed in the infrastructure goal in the annual performance plan.

United States Holocaust Memorial Council
Repair & Rehabilitation Budget Plan
FY 2000 and FY 2001

Repair & Rehabilitation Projects Currently Scheduled			Cumulative Impact of Security Projects on Repair & Rehabilitation Budget	
Project	FY 2000	FY 2001	Project Description	Total Cost
14th Street bollards	450,000		14th st. bollards	550,000
Museum lower repairs	90,000		15th st. bollards	1,450,000
Museum entrance redesign	150,000		Parking lot / bollards	550,000
Annex window replacement design	120,000	340,000	Bollards construction Mgt.	150,000
Library renovations design	180,000		Loading dock modification	1,194,000
Learning center redesign	130,000			additional \$800,000 from Anti-terrorism Supplemental
Renovate concourse kitchen	150,000			
All small projects & emergencies	455,000	385,000		
Replace exhibit space floor		300,000		
HVAC phase II		500,000		
Exhibits casework design		200,000		
Bookstore phase II		200,000		
Office space construction		75,000		
Total funded	1,728,000	2,000,000	Total R&R funds for Security	3,934,000

Repair & Rehabilitation Projects Projected to be in Backlog at end of Fiscal Year		
Project	FY 2000	FY 2001
Bookstore renovations	200,000	
P.E. casework design	200,000	
Annex window replacement	340,000	
Replace floor in temp. exh. area	300,000	
P.E. casework construction		200,000
Museum exterior cleaning	30,000	30,000
Learning Center renovation	500,000	500,000
Library renovation	600,000	600,000
Café tile replacement	50,000	50,000
Total Backlogged	2,220,000	1,380,000

Note: an item is described as "backlogged" if it could have been begun if additional funds were available in that year.

**Exhibition Development and Production
(No-Year Funding Authority)**

FY 1999 Actual		FY 2000 Enacted		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
1	1,264	0	1,264	0	1,264	0	0	0	0

Level of Funding Requested: No increase is requested for the Exhibition Development and Production Program. It is the practice of the USHMM to limit requests for inflation by requiring this activity to absorb such unavoidable costs. The effects of inflation on purchasing power in FY 2001 are estimated at \$34,000.

Note Concerning Estimates: The amounts shown represent new budget authority only. Amount and timing of actual obligations may be different due to the availability of funds carried forward from prior fiscal years.

Program Summary: Exhibitions are the primary means by which all museums educate the public. At the USHMM, exhibitions are key to helping visitors understand the complex and disturbing history of the Holocaust; they help to make history immediate. With the presentation of authentic artifacts in environmental settings, and the creative integration of audiovisual elements, historical film footage, and eyewitness testimony, the Museum's exhibitions have proved to be an exceptionally effective way to help visitors begin to personalize a history that for many defies comprehension.

Unlike other museums, which tend to collect and exhibit in areas well documented by scholars, historians, and even other museums, the USHMM is faced with an unusual challenge. There are few, if any, existing exhibitions on Holocaust subjects that the Museum can borrow. Because this period was relatively recent, much of the documentation on the Holocaust is only now being gathered, cataloged, and reviewed, and much of the research that would contribute to the presentation of historical exhibitions on the subject is only now being conducted. To plan and present each new exhibition, the Museum must, in effect, carry out its own primary research: tracking down appropriate authentic materials, most of which remain in Europe; reviewing all manner of documentation to establish a valid historical framework; and subjecting that "thesis" to the critical review of experts in the field of Holocaust Studies, in order to "vet" the historical accuracy of the exhibition's perspective.

In order to provide a dynamic series of exhibitions that can complement the Permanent Exhibition of the USHMM and will resonate with our diverse membership, the Museum has had to commit to an ambitious schedule of original exhibition development. Most originally produced exhibitions require at least three to four years of advance planning and research, during which curators establish the thematic concept and message of a proposed exhibition, and systematically review various collections for appropriate exhibition material. Once an exhibition enters its implementation phase, the staff begins the intense work of narrative formulation and script writing; execution of loan agreements; conservation treatments; audio-visual production; and design, mount-making, fabrication, and installation. After an exhibition has been mounted, the work continues with post-production modifications and specialized maintenance.

Exhibitions represent the single most intensive activity of the institution as a whole, in terms of both financial and human resources. As the "public face" of the Museum, they, more than any other public offering, represent the institution's mission and character. Exhibitions draw on other facets of the Museum: for instance, Collections staff work closely with exhibition curators to use the Museum's artifacts, archives, photographs, film and video, and oral history collections; effect loans; and ensure the physical stability of all exhibited materials.

Current Accomplishments: Although the Museum seeks private support for exhibitions, Federal no-year funds are essential. Because exhibitions are the institution's largest single undertaking, requiring substantial funds and long lead times, the Museum has adopted a long-term exhibition plan through the year 2008.

The very successful special exhibition *Hidden History of the Kovno Ghetto*, which opened in 1997, was made possible by no-year funds and generous support from private donors. This exhibition is a model of the public-private partnership: in this particular case, private funding supported historical and primary source material research, concept development, audio-visual production, and publication of a catalog, while Federal funds went toward exhibition design, fabrication, and installation.

The *Kovno* exhibition closed October 3, 1999, and the next major exhibition is scheduled to open in spring 2000 and run through fall 2001. This exhibition, entitled *Flight and Rescue*, will tell the remarkable story of the flight of Polish Jewish refugees on the eve of the Holocaust through Lithuania, the Soviet Union, and Japan, and on to final destinations in China, the United States, and beyond. The exhibition will intertwine the major social and political developments with the lives of the refugees and those family members who remained to face Nazi terror or Soviet persecution. The roles of the Japanese consul Chiune Sugihara, diplomat Jan Zwartendyk from The Netherlands, and other individuals and organizations that aided the refugees will be highlighted.

In accordance with its long-term plan for the first decade of the next century, the Museum has begun preliminary research to develop an original exhibition on the topic of American responses to the Nazi book burnings (scheduled to open in the fall of 2002, and planned for a national tour following its run in Washington). The Museum will also develop major exhibitions on Nazi Racial Science, and on France during the Holocaust. In addition, smaller-scale exhibitions, such as one on *Life Reborn: Jewish Displaced Persons, 1946 – 1951*, which opened December 8, 1999, will be selected to support the Museum's other programs or outreach efforts.

Relation to GPRA Performance Plan: No-year funding of exhibition development provides the long-range planning needed for the exhibitions aspect of the primary mission of the Museum.

**Anti-Terrorism & Security Enhancements
(No-Year Funding Authority)**

FY 1999 Actual		FY 2000 Enacted		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
0	2,000	0	0	0	0	0	0	0	0

Level of Funding Requested: No additional funds are requested for this activity.

Note Concerning Estimates: The amounts shown represent new budget authority only. Amount and timing of actual obligations may be different due to the availability of funds carried forward from prior fiscal years.

Program Summary: In FY 1997, the Museum received a \$1 million one-time supplemental appropriation to enhance security at the Museum and improve its protection against potential security threats. An additional \$2 million was provided during FY 1999 through an emergency supplemental appropriation.

Funds were applied during 1997 to partially fund major physical security enhancement projects and to fill two additional security positions. The funding received in FY 1999 will be obligated during FY 1999 and FY 2000 to carry out the recommendations of the 1998 security assessment.

Current Accomplishments: Because of the sensitivity of the subject matter, security constraints prevent disclosure, in this document, of progress to date. All items funded under this activity are currently under implementation.

Relation to GPRA Performance Plan: Security operations provide a key support service as described in the infrastructure goals in the annual performance plan.

**Y2K Emergency Funding
(Three-Year Funding Authority)**

FY 1999 Actual		FY 2000 Enacted		FY 2001 Request		Pay & Inflation Increase		Program Increase	
FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)	FTE	(\$000)
0	900	0	0	0	0	0	0	0	0

Level of Funding Requested: No additional funds are requested for this activity.

Program Summary: The Museum received \$900,000 in emergency funding during FY 1999 to address mission-critical computer systems that were not compliant with the year 2000. These funds are available through FY 2001, but will be fully obligated by the beginning of 2000 due to the approaching deadline for year-2000 compliance.

Current Accomplishments: Contracts were issued and testing and abatement begun well in advance of the March 31, 1999 deadline. All remedial measures and equipment replacement have been completed. Additional monitoring, testing, and validation will continue into the year 2000. The two largest compliance projects were the replacement of the access control systems to the Museum and Annex and the detailed testing and replacement where necessary of every component of the USHMM network. The USHMM network is unique in that it provides not only the administrative systems to employees in eight geographically diverse locations, but it is integral to the programmatic mission of the Museum through audio-visual components, internet services, and numerous stand alone systems, such as the Learning Center.

Relation to GPRA Performance Plan: The funds made available in FY 1999 provided the means to ensure compliance for this critical infrastructure goal prior to the year 2000.

U.S. HOLOCAUST MEMORIAL COUNCIL			
Total (\$000)			
IDENTIFICATION CODE	1999 actual	2000 enacted	2001 request
Obligations by program activity:			
01.10 Direct Program	35,988	34,698	34,300
10.00 Total Obligations	35,988	34,698	34,300
Budgetary resources available for obligation			
21.40 Unobligated balance available, s.o.y	2,587	1,737	200
22.00 New budget authority (gross)	34,965	33,161	34,564
22.30 Unobligated balance expiring (-)	(35)	0	0
23.90 Total budgetary resources available for obligation	37,725	34,898	34,764
23.95 New obligations (-)	(35,988)	(34,698)	(34,300)
24.40 Unobligated balance available, e.o.y.	1,737	200	464
New Budget Authority (gross), detail			
Current			
40.00 Appropriation	32,107	33,286	34,564
40.15 Appropriation (emergency: P.L. 106-31)	2,000	0	0
40.75 Reduction pursuant to P.L. 106-51	(42)	0	0
40.76 Reduction pursuant to P.L. 106-113	0	(125)	0
42.00 Transferred from other accounts (11-1237)	900	0	0
70.00 Total new budget authority	34,965	33,161	34,564
Change in unpaid obligations			
Unpaid obligations, s.o.y.			
72.40 Obligated balance, s.o.y	13,008	12,484	14,509
73.10 New obligations	35,988	34,698	34,300
73.20 Total outlays (gross)(-)	(35,926)	(32,673)	(33,565)
73.40 Adjustments in expired accounts	(586)	0	0
Unpaid obligations, e.o.y.			
74.40 Obligated balance, e.o.y.	12,484	14,509	15,244
Outlays (gross), detail			
86.90 Outlays from new current authority	25,196	23,572	24,796
86.93 Outlays from current balances	10,730	9,101	8,769
87.00 Outlays (gross)	35,926	32,673	33,565
89.00 Budget authority (net)	34,965	33,161	34,564
90.00 Outlays (net)	35,926	32,673	33,565

U.S. HOLOCAUST MEMORIAL COUNCIL Total (\$000)			
IDENTIFICATION CODE	1999 actual	2000 estimate	2001 request
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent	10,018	11,092	11,747
11.3 Other than Full-time Permanent	558	603	638
11.5 Other Personnel compensation	447	362	383
11.9 Total Personnel Compensation	11,023	12,057	12,768
Other			
12.1 Personnel benefits	2,665	3,118	3,258
13.1 Benefits for former personnel	0	0	0
13.4 D.O.L. Unemployment compensation	13	0	0
21.0 Travel and trans.-persons	542	588	569
22.0 Travel and trans.-things	55	104	106
23.1 Rental Payments to GSA	998	1,091	1,116
23.2 Rental Payments to others	13	0	0
23.3 Communications, utilities & misc	2,176	2,226	2,313
24.0 Printing and reproduction	487	281	288
25.2 Other services	8,931	4,516	3,522
25.3 Services from other Gov't. agencies	1,386	1,167	277
25.4 Operation of facilities	3,683	7,628	8,099
25.7 Operation & maint. of eqt.	1,408	249	255
26.0 Supplies and materials	846	970	992
31.0 Equipment	1,697	703	737
32.0 Land & Structures	63	0	0
42.0 Insurance claims & indemnities	2	0	0
99.0 Total Obligations	35,988	34,698	34,300
Total compensable workyears:			
Full-time equivalent employment	221	246	246

U.S. HOLOCAUST MEMORIAL COUNCIL Detail of Annual Funding (\$000)			
IDENTIFICATION CODE			
95-3300-0-9-806	1999 actual	2000 enacted	2001 request
Obligations by program activity:			
01.10 Direct Program	29,191	30,322	31,400
10.00 Total Obligations	29,191	30,322	31,400
Budgetary resources available for obligation			
21.40 Unobligated balance available, s.o.y	0	0	0
22.00 New budget authority (gross)	29,226	30,322	31,400
22.30 Unobligated balance expiring (-)	(35)	0	0
23.90 Total budgetary resources available for obligation	29,191	30,322	31,400
23.95 New obligations (-)	(29,191)	(30,322)	(31,400)
24.40 Unobligated balance available, e.o.y.	0	0	0
New Budget Authority (gross), detail			
Current			
40.00 Appropriation	29,268	30,447	31,400
40.75 Reduction pursuant to P.L. 106-51	(42)	0	0
40.76 Reduction pursuant to P.L. 106-113	0	(125)	0
43.00 Appropriations total	29,226	30,322	31,400
70.00 Total new budget authority	29,226	30,322	31,400
Change in unpaid obligations			
Unpaid obligations, s.o.y.			
72.40 Obligated balance, s.o.y	8,522	8,958	9,910
73.10 New obligations	29,191	30,322	31,400
73.20 Total outlays (gross)(-)	(28,377)	(29,370)	(31,625)
73.40 Adjustments in expired accounts	(378)	0	0
Unpaid obligations, e.o.y.			
74.40 Obligated balance, e.o.y.	8,958	9,910	9,685
Outlays (gross), detail			
86.90 Outlays from new current authority	21,452	21,234	23,651
86.93 Outlays from current balances	6,925	8,136	7,974
87.00 Outlays (gross)	28,377	29,370	31,625
89.00 Budget authority (net)	29,226	30,322	31,400
90.00 Outlays (net)	28,377	29,370	31,625

U.S. HOLOCAUST MEMORIAL COUNCIL Detail of Annual Funding (\$000)			
IDENTIFICATION CODE 95-3300-0-9-806			
	1999 actual	2000 estimate	2001 request
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent	10,017	11,092	11,747
11.3 Other than Full-time Permanent	470	603	638
11.5 Other Personnel compensation	446	362	383
11.9 Total Personnel Compensation	10,933	12,057	12,768
Other			
12.1 Personnel benefits	2,646	3,118	3,258
13.1 Benefits for former personnel	0	0	0
13.4 D.O.L. Unemployment compensation	13	0	0
21.0 Travel and trans.-persons	497	558	539
22.0 Travel and trans.-things	37	104	106
23.1 Rental Payments to GSA	998	1,091	1,116
23.2 Rental Payments to others	13	0	0
23.3 Communications, utilities & misc	2,176	2,226	2,313
24.0 Printing and reproduction	462	281	288
25.2 Other services	7,111	2,666	2,552
25.3 Services from other Gov't. agencies	428	271	277
25.4 Operation of facilities	1,395	6,028	6,199
25.7 Operation & maint. of eqt.	548	249	255
26.0 Supplies and materials	800	970	992
31.0 Equipment	1,132	703	737
32.0 Land & Structures	0	0	0
42.0 Insurance claims & indemnities	2	0	0
99.0 Total Obligations	29,191	30,322	31,400
Total compensable workyears:			
Full-time equivalent employment	220	246	246

U.S. HOLOCAUST MEMORIAL COUNCIL Detail of No-Year Funding (\$000)			
IDENTIFICATION CODE			
95-3300-0-X-806	1999 actual	2000 enacted	2001 request
Obligations by program activity:			
Direct Program			
10.00 Total Obligations	5,913	4,360	2,900
Budgetary resources available for obligation			
21.40 Unobligated balance available, s.o.y	2,587	1,721	200
22.00 New budget authority (gross)	4,839	2,839	3,164
22.10 Recovery of prior year obligations	208	0	0
22.30 Unobligated balance expiring (-)	0	0	0
23.90 Total budgetary resources available for obligation	7,634	4,560	3,364
23.95 New obligations (-)	(5,913)	(4,360)	(2,900)
24.40 Unobligated balance available, e.o.y.	1,721	200	464
New Budget Authority (gross), detail			
Current			
40.00 Appropriation	2,839	2,839	3,164
40.15 Appropriation (emergency: PL 106-31)	2,000	0	0
43.00 Appropriations total	4,839	2,839	3,164
Change in unpaid obligations			
Unpaid obligations, s.o.y.			
72.40 Obligated balance, s.o.y	4,486	3,458	4,599
73.10 New obligations	5,913	4,360	2,900
73.20 Total outlays (gross)(-)	(6,733)	(3,219)	(1,940)
73.40 Adjustments in expired accounts	(208)	0	0
Unpaid obligations, e.o.y.			
74.40 Obligated balance, e.o.y.	3,458	4,599	5,559
Outlays (gross), detail			
86.90 Outlays from new current authority	2,928	2,338	1,145
86.93 Outlays from current balances	3,805	881	795
87.00 Outlays (gross)	6,733	3,219	1,940
89.00 Budget authority (net)	4,839	2,839	3,339
90.00 Outlays (net)	6,733	3,219	1,940

U.S. HOLOCAUST MEMORIAL COUNCIL Detail of No-Year Funding (\$000)			
IDENTIFICATION CODE 95-3300-0-X-806	1999 actual	2000 estimate	2001 request
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent	1		
11.3 Other than Full-time Permanent	88		
11.5 Other Personnel compensation	1		
11.9 Total Personnel Compensation	90	0	0
Other			
12.1 Personnel benefits	19		
13.1 Benefits for former personnel			
13.4 D.O.L. Unemployment compensation			
21.0 Travel and trans.-persons	45	30	30
22.0 Travel and trans.-things	18		
23.1 Rental Payments to GSA			
23.2 Rental Payments to others			
23.3 Communications, utilities & misc			
24.0 Printing and reproduction	25		
25.2 Other services	1,715	1,834	970
25.3 Services from other Gov't. agencies	596	896	
25.4 Operation of facilities	2,288	1,600	1,900
25.7 Operation & maint. of eqt.	860		
26.0 Supplies and materials	46		
31.0 Equipment	148		
32.0 Land & Structures	63		
42.0 Insurance claims & indemnities			
99.0 Total Obligations	5,913	4,360	2,900
Total compensable workyears:			
Full-time equivalent employment	1	0	0

U.S. HOLOCAUST MEMORIAL COUNCIL Detail of Emergency Y2K Funding (\$000)			
IDENTIFICATION CODE			
95-3300-0-9/1-806	1999 actual	2000 enacted	2001 request
Obligations by program activity:			
Direct Program			
10.00 Total Obligations	884	16	0
Budgetary resources available for obligation			
21.40 Unobligated balance available, s.o.y	0	16	0
22.00 New budget authority (gross)	900	0	0
22.30 Unobligated balance expiring (-)	0	0	0
23.90 Total budgetary resources available for obligation	900	16	0
23.95 New obligations (-)	(884)	(16)	0
24.40 Unobligated balance available, e.o.y.	16	0	0
New Budget Authority (gross), detail			
Current			
40.00 Appropriation			
42.00 Transferred from other accounts (11-1237)	900	0	0
43.00 Appropriations total	900	0	0
Change in unpaid obligations			
Unpaid obligations, s.o.y.			
72.40 Obligated balance, s.o.y	0	68	0
73.10 New obligations	884	16	0
73.20 Total outlays (gross)(-)	(816)	(84)	0
73.40 Adjustments in expired accounts	0	0	0
Unpaid obligations, e.o.y.			
74.40 Obligated balance, e.o.y.	68	0	0
Outlays (gross), detail			
86.90 Outlays from new current authority	816	0	0
86.93 Outlays from current balances	0	84	0
87.00 Outlays (gross)	816	84	0
89.00 Budget authority (net)	900	0	0
90.00 Outlays (net)	816	84	0

U.S. HOLOCAUST MEMORIAL COUNCIL Detail of Emergency Y2K Funding (\$000)			
IDENTIFICATION CODE 95-3300-0-9/1-806	1999 actual	2000 estimate	2001 request
Direct Obligations:			
Personnel Compensation:			
11.1 Full-time permanent			
11.3 Other than Full-time Permanent			
11.5 Other Personnel compensation			
11.9 Total Personnel Compensation	0	0	0
Other			
12.1 Personnel benefits			
13.1 Benefits for former personnel			
13.4 D.O.L. Unemployment compensation			
21.0 Travel and trans.-persons			
22.0 Travel and trans.-things			
23.1 Rental Payments to GSA			
23.2 Rental Payments to others			
23.3 Communications, utilities & misc			
24.0 Printing and reproduction			
25.2 Other services	105	16	
25.3 Services from other Gov't. agencies	362		
25.4 Operation of facilities			
25.7 Operation & maint. of eqt.			
26.0 Supplies and materials			
31.0 Equipment	417		
32.0 Land & Structures			
42.0 Insurance claims & indemnities			
99.0 Total Obligations	884	16	0
Total compensable workyears:			
Full-time equivalent employment	0	0	0

GOVERNMENT PERFORMANCE AND RESULTS ACT
ANNUAL PERFORMANCE PLAN - FY 2001

Mission Statement

The Museum's primary mission is to advance and disseminate knowledge about this unprecedented tragedy; to preserve the memory of those who suffered; and to encourage its visitors to reflect upon the moral and spiritual questions raised by the events of the Holocaust as well as their own responsibilities as citizens of a democracy.

Relationship of Performance Plan to Mission Goals

Activities planned for FY 2001 are linked to the Museum's broad mission goals and to the structure of the USHMM budget through a hierarchic structure that breaks each mission goal into activity-based components and outcome-oriented objectives. Samples of typical measurement indicators that may be used in preparing the annual report are provided for each objective, however other measures may be used as appropriate or as information availability dictates. For each major objective under a mission goal, a representative cross section of specific activities is provided to illustrate the efforts that will be undertaken to further the goals of the Museum. Since many of the activities planned for FY 2001 are dependent on the results of FY 2000 plans, the activities listed are not all-inclusive. As the actual results of FY 1999 and FY 2000, both on the Federal and non-federal sides of the partnership become known, the activities planned for FY 2001 will be revised.

The combined public-private funding of the USHMM results in a greater degree of dependency on resource availability than in a wholly-Federal agency. Most program activities of the Museum rely on a mix of Federal and non-Federal funds to meet stated objectives. Those activities of the Museum that are wholly supported by non-appropriated funds - fund-raising and projects funded through restricted grants - are not included in this plan.

Performance elements were selected whose accomplishment can be readily determined, measured, and that have a clear impact on the goals to which they relate. Museum managers will be held accountable in annual performance plans for their objectives and will be the source of performance reports.

Due to the relatively young age of the USHMM, infrastructure goals, while largely internally-directed, are a significant part of the work to be accomplished in the near term. The establishment and maintenance of a strong managerial, administrative, and technical infrastructure supports all efforts toward the mission goals, as has been documented in the 1999 study of governance and management by the National Academy of Public Administration (NAPA).

Actual performance data for FY 1999 and its impact on FY 2000 plans is not yet available. The FY 1999 performance report will be completed by March 31, 2000 at which time its impact on the FY 2001 performance plan will be accounted for.

SERVE AS THE NATION'S PRE-EMINENT CENTER FOR HOLOCAUST EDUCATION AND REMEMBRANCE

Sustain and broaden on-site Museum audiences

- Enhance the experience of Museum visitors
Measurement indicators:
 Learning Center visitation statistics
 Percentage of requests for group accommodations able to be honored
 Attendance at special events and programs
- Mount compelling special exhibitions
Measurement indicators:
 Attendance at special exhibitions
 Media coverage of special exhibitions
- Offer compelling public programs
Measurement indicators:
 Attendance at public programs
- Make Museum programs and exhibitions accessible to special-needs visitors
 (including visitors with disabilities and non-English speaking visitors)
Measurement indicators:
 Profile of visitor demographics
 Attendance at targeted programs or events
 Usage statistics for special-needs materials

Activities Planned for FY-2001

On-site non-recurring program activities are centered around the exhibitions. The specific kind, number, subject matter, and dates for programs are formulated during the course of exhibition development and execution so are typically not determined until the same year as the exhibition opening. At this time, the major temporary exhibition, *Flight and Rescue*, will be on exhibit into the beginning of FY 2001. Research and planning at various stages are underway on the following new exhibitions:

- Book Burning
- Nazi Persecution of Roma and Sinti (Gypsies)
- Hidden Children
- Nazi Persecution of Homosexuals
- Nazi Racial Science
- The Art of Arthur Szyk
- Voyage of the St. Louis (traveling version)

In addition to exhibition-related activities, the following service enhancement efforts are planned for FY-2001:

- Extended hours during the peak-demand months
- Operate bookstore during extended hours & selected special events
- Hold 6-8 member nights
- Improve efforts to facilitate survivor participation in Museum activities

Serve national audiences

- Offer high quality traveling exhibitions to diverse communities throughout the United States
Measurement indicators:
 Geographic distribution of traveling exhibition venues
 Attendance at traveling exhibitions
 Media coverage for regional programs and events
- Offer an array of activities and products to complement travelling exhibitions
Measurement indicators:
 Number of exhibit-related programs and products
 Statistics on requests for materials
- Offer a comprehensive and integrated website that reflects the broad range of Museum programs
Measurement indicators:
 Website visitation statistics
- Offer a series of quality public programs to communities throughout the United States
Measurement indicators:
 Number of programs
 Program visitation

Activities Planned for FY-2001

National outreach activities are centered around the traveling exhibition program and the Museum website. Publications and communications activities are also integral to the ability of the Museum to extend its programmatic reach beyond Washington D.C. As with temporary exhibitions at the Museum, most of the specific programs that accompany traveling exhibitions are not identified in detail until the year of the exhibition. Outlined below are the exhibition, website, and other programs that are currently scheduled.

- *Remember the Children* traveling exhibition and associated programs to travel to Kansas City
- *Nazi Olympics* traveling exhibition and associated programs tentatively scheduled to travel to two cities
- *Assignment Rescue* traveling exhibition and associated programs scheduled to travel to at least one city
- *Varian Fry* traveling exhibition scheduled to travel to nine cities
- Begin outreach to Latino community
- Incorporate senior staff, Council leadership, and children of survivors into Speakers Bureau programs
- Emphasize outreach to minority audiences within the context of a comprehensive approach to communications support of traveling exhibitions
- Develop regional communications vehicles for Development activities
- Expand communications segment of the Museum website to target travel and tourism
- Provide additional access to the collections on the internet
- Employ the Museum's website to deliver educational programs

Serve the national educational community

- Encourage and support Holocaust education efforts at the community level
Measurement indicators:
 Number of entries to May Family contest
 Statistics for materials requests
- Enhance awareness and increase usage of the Museum's classroom and teacher training programs and resources
Measurement indicators:
 Number of requests for materials
 Number of applications to various teacher training programs
 Geographic distribution of program participants
- Extend the reach of the Museum's educational resources through quality internet programming.
Measurement indicators:
 Website visitation statistics

Activities Planned for FY-2001:

- Implement the Shoah Foundation oral history project (Technical Services)
- Develop a program of intensive courses at the Museum for college level educators teaching on the Holocaust (CAHS)
- Employ the Museum's website to deliver educational products
- Develop a national education outreach plan
- Conduct teacher workshops in underserved areas

SERVE AS THE WORLD'S PREMIERE REPOSITORY FOR HOLOCAUST-RELATED ARTIFACTS AND ARCHIVAL COLLECTIONS

Build the largest, most comprehensive Holocaust-related artifact and archival collections in the world

- Acquire artifacts and objects necessary for the Permanent Exhibition rotation
Measurement indicators:
 Number of artifacts and objects acquired for the Permanent Exhibition
- Acquire artifacts and objects necessary for development of special exhibitions
Measurement indicators:
 Number of objects acquired for special exhibitions
- Acquire collections that address weaknesses in the USHMM collection
Measurement indicators:
 Number of collections objects acquired
 Elimination of collections lacunae
- Identify likely sources of artifacts, documents, photographs, moving images, and oral histories and reach out effectively to them
Measurement indicators:
 Number of new collections accessioned
 Depth and breadth of new collections identified and researched

Activities Planned for FY-2001

Collections acquisition is an ongoing activity with long-range goals as stated above, but specific annual activities cannot be planned more than a few months to a year in advance. The nature of the "marketplace" is such that opportunity, generational transitions, and political situations have a significant effect on the availability of collections and the Museum must combine long term collecting priorities with short term flexibility. For this reason, a realistic and detailed long term action plan for collecting activities is not possible.

Safeguard the Museum's collections

- Provide for appropriate display and care of collections on exhibit
Measurement indicators:
 Incidents of collections damaged while on public display
 Rotation statistics for Permanent Exhibition objects
- Provide for appropriate care and conservation of collections in storage or in transit
Measurement indicators:
 Incidents of collections damaged while in transit or storage
 Number of environmental and security deficiencies in storage areas

Activities Planned for FY-2001

Most collections management and security activities are of a continuing nature. Annual conservation plans are dependent upon the needs of exhibitions as well as what is dictated by the objects themselves. Conservation plans are thus prepared and modified during the course of each year. The major FY 2001 project related to collections management is:

- Design modifications to permanent exhibit cases (R&R Project)

Ensure the accessibility of Museum collections on-site and nationally

- Create and implement a comprehensive integrated cataloging and collections information system that provides current, accurate online access to relevant Museum collections information

Measurement indicators:

- Percentage of material available online
- Usage statistics for online and manually accessed materials

- Serve the national and international museum community through an active collections loan program

Measurement indicators:

- Number of loans made & number of objects loaned
- Geographic distribution of loans

Activities Planned for FY-2001

- Begin cataloging and digitizing audio/visual assets for online delivery
- Digitize 25% of the video material in the Permanent Exhibition and deliver managed video assets online
- Bring Max Foundation systems online
- Provide online access to Museum collections, including the Library
- Develop a front-end for the Geographic Fact Finder

**SERVE AS THE WORLD'S PRE-EMINENT CENTER FOR SCHOLARLY RESEARCH
OF THE HOLOCAUST**

Advance the field Holocaust scholarship in the United States and abroad

- Provide support to Holocaust scholars
 - Measurement indicators:
 - Number of scholars supported at the USHMM
 - Fundraising results for scholarly programs
 - Number of papers written/published/presented
 - Number and geographic distribution of scholars participating in USHMM programs
 - Number of scholarly conferences and attendance
- Work to improve Holocaust studies in higher education
 - Measurement indicators:
 - Number and kind of relationships formed with institutions of higher learning
 - Number of teachers from higher education participating in CAHS programs

Activities Planned for FY-2001

CAHS staff:

- Develop a program of intensive courses at the Museum for college level educators teaching on the Holocaust (CAHS)
- Expand the Center's presence on U.S. university and college campuses and at scholarly conferences
- Refine and increase participation in the visiting fellows program
- Develop a program of scholarly symposia at the Museum
- Complete creation and begin implementation of the Academic Publications plan
- Complete a Holocaust Studies Guide identifying Holocaust courses at U.S. colleges and universities

Communications activities:

- Develop a comprehensive media-relations program to promote Center activities and opportunities

PROVIDE THE NECESSARY INFRASTRUCTURE TO ACCOMPLISH THE PROGRAMMATIC MISSION OF THE MUSEUM AND TO MEET ALL APPLICABLE REGULATORY AND LEGISLATIVE REQUIREMENTS

Provide a well-qualified, well-trained, well-informed, and motivated workforce

- Establish and maintain institution-wide standards of service for all Museum functions
Measurement indicators:
 Constituent survey results
 Performance appraisal results
- Implement human resources and internal communications policies and practices that provide the best possible staffing for all Museum functions and programs
Measurement indicators:
 Staffing statistics (such as turnover, average vacancy periods, FTE usage)
 Constituent survey results
 Outside honors and awards received
 Grievances and other adverse actions

Activities Planned for FY-2001

- Participate in diversity recruitment fairs
- Assess new employee training needs
- Offer training opportunities on project management, supervision, and Holocaust history
- Restructure journeyman positions to entry level to attract trainees
- Train Museum leadership and other key staff in public speaking and presentation
- Provide ethics training for new employees & individual counseling on request

Provide the administrative and technological infrastructure necessary to support the staff, programs, and constituents of the USHMM

- Identify, procure, and develop/maintain automated systems necessary to provide integrated access to administrative, financial, and programmatic information to those with a need to access this information regardless of their location.
Measurement indicators:
 Integration of similar databases
 Progress reports on major systems projects
 System performance statistics
 User satisfaction with automated systems
- Provide necessary staffing, policies, and procedures to carry out the non-programmatic functions that support the programmatic mission of the USHMM
Measurement indicators:
 Completion of projects on schedule and within budget
 Overtime hours worked
 Vacancy rate in support positions
- Operate a strategic planning system to ensure adequate linkage between programmatic and financial goals
Measurement indicators:
 Adequacy of funding for new initiatives and projects
 Private fund raising statistics
 Self-assessment of major projects

Activities Planned for FY-2001**Museum Management**

- Fully incorporate strategic and annual planning into the budget formulation advance planning process
- Complete management improvements recommended by the NAPA study
- Develop a strategic communications plan

Finance Office

- Complete phase two of financial and administrative system implementation

Technical Services:

- Draft a strategic plan for management information systems
- Complete a high-speed digital link to provide voice, data, and video service to regional offices
- Implement a direct, high-speed link to Federal payroll system in Denver
- Complete all server operating platform upgrades to enable running all internet protocols
- Complete implementation of Lotus Notes
- Continue to develop and refine consolidated mailing list

Maximize use of Museum facilities to meet the needs of staff, visitors, and collections in a safe, secure manner

- Operate security and safety programs that address all applicable health, safety, and security requirements.

Measurement indicators:

Statistics from OSHA reports
OWCP payments and lost-work hours
Security statistics

- Maintain the structures and mechanical systems to ensure they meet or exceed functional requirements throughout their expected useful life

Measurement indicators:

Unexpected systems failures
R&R spending and backlog of major projects

Activities Planned for FY-2001**Security activities:**

- Complete security upgrades under FY99 supplemental funding
- Award new contract for guard services

Facility Management activities:

- Replace Ross building windows
- Complete HVAC phase 3
- Replace concourse exhibition gallery floor
- Complete design of Library and Learning Center renovations
- Design Permanent Exhibition casework



The Presidio Trust



Fiscal Year 2001 Budget Justification

**THE PRESIDIO TRUST
FISCAL YEAR 2001 BUDGET JUSTIFICATION**

Contents

Executive Summary	1
Budget Justification	3
<i>Background</i>	
<i>Establishing a Long-Term Partnership with the National Park Service</i>	
<i>Achieving Financial Self-Sufficiency</i>	
<i>Establishing a Sustained Revenue Stream – Trust Reimbursements</i>	
<i>Summary Cash Flow – FY99, FY00, FY01</i>	
<i>Environmental Remediation</i>	
<i>Conclusion</i>	
Proposed Appropriations Language	10
Presidio Trust Organizational Chart	11
Presidio Jurisdictional Map	12
Financial Management Program – Cash Flows (for comparison)	13
MAX Budget Schedules	14
Presidio Trust Budgets for FY99, FY00, FY01 (by object classification)	16

**THE PRESIDIO TRUST
FISCAL YEAR 2001 BUDGET JUSTIFICATION**

EXECUTIVE SUMMARY

Congress established the Presidio Trust in 1996 to preserve and enhance the 222-year old Presidio as a national park and to become financially self-sustaining in fifteen years. The Presidio Trust assumed jurisdiction over 80 percent of the Presidio on July 1, 1998.

In keeping with congressional intent that appropriations for the Presidio shall decline each year until the Trust achieves complete financial self-sufficiency, the Trust is requesting significantly less funding in FY2001 than was received in FY2000.

To preserve the park's natural and historic resources and stimulate private sector investment, the Trust has moved aggressively to upgrade the former Army post's antiquated infrastructure, residences and non-residential buildings. Investment in these facilities is necessary to establish lease revenue that will support the park.

By the beginning of Fiscal Year 2001, 40 percent of the Presidio's infrastructure work will be complete. The park's 1,116 housing units, which will ultimately provide 56 percent of the Trust's operating income, will be fully occupied at that time.

The Trust is currently completing an environmental review in preparation for the deconstruction of the 900,000 square foot Letterman hospital and research facility. A new privately-financed complex will be constructed at the site. This new facility will ultimately provide 14 percent of the revenue needed annually to operate the park and fund capital reserves.

Fiscal Year 2000 will also see the completion of one of the most significant privately-funded park restoration projects in the entire National Park system. Crissy Field, a 100-acre site on the Presidio's bayfront will become a newly restored waterfront park. Over 70 acres of asphalt have already been removed, a 22-acre wetland and environmental education facility are being created and recreational facilities – from picnic areas to bike and hiking trails to boardsailing areas – are being established.

The transformation of this area, which is the size of Washington D.C.'s Mall (from the Capitol to the Washington Monument), is being funded entirely with non-federal dollars. This project, managed by the National Park Service and adjacent to Trust land, will greatly enhance the Presidio as a whole.

The Trust is also expediting environmental cleanup of the Presidio. Under the terms of a first-of-its-kind agreement signed in FY1999 with the Defense and Interior Departments, the Trust is leading cleanup efforts at the former military base. Using private sector techniques and efficiencies, the Trust will complete remediation two decades ahead of the Army's schedule. A key component of the deal is an innovative insurance policy that protects the government for up to 100 percent of cost overruns.

The Trust has also strengthened ties with its federal partner, the National Park Service. The two agencies have joined together to protect and enhance the natural landscape of the Presidio, combining resources and staff in a truly cooperative effort aimed at revegetating the park's forest and native plant areas. Through joint interpretive planning and exhibit development, the Trust and National Park Service are working to ensure that the Presidio's rich history and culture are conveyed to park visitors in new and imaginative ways.

The Trust has also entered into a relationship with the Smithsonian Institution with the objective of bringing the Smithsonian's artifacts, exhibits and programs to the Presidio.

Sustainability is a key theme at the Presidio and the Trust is working to ensure that buildings and infrastructure are rehabilitated to conserve energy and other resources. By the end of Fiscal Year 2001, the Trust will have reduced energy consumption by 30 percent since assuming jurisdiction of the Presidio in 1998 – reaching the federal government's goal four years ahead of schedule. The Trust's recycling and salvage programs were awarded the State of California's top honor in FY1999, and in FY2000 the Trust will publish the first-ever "green" building guidelines for use in the rehabilitation of historic buildings.

The Trust's approach to managing the Presidio in a sustainable manner means that actions must be taken today to assure the Trust's long-term financial viability. Consideration for the park's financial welfare is a key element of every Trust decision. Scarce federal resources are invested carefully with an eye toward creating the sustained revenue stream that will provide for the park after appropriated dollars are eliminated in FY2013.

Accordingly, in Fiscal Year 2001 the Trust will continue to make critical investments in the park's infrastructure and buildings. Additional revenue-producing facilities will be brought into service, natural areas will be enhanced and historic landmark buildings reused.

In order to carry out its programs in Fiscal Year 2001, the Trust is requesting \$23.4 million. This is \$400,000 below the amount specified in the Trust's *Financial Management Program* that was provided to Congress on July 8, 1998 and is \$1 million less than the amount appropriated for FY2000.

In the Trust Act, Congress authorized the Trust to borrow up to \$50 million from the federal Treasury. Of this amount, the Trust is requesting appropriations authority to borrow \$10 million for critical building and infrastructure improvements needed to support the Trust's aggressive leasing program. **This amount is \$10 million below the FY2000 appropriated amount.** This would bring the Trust's borrowing up to the level authorized in the Trust Act; therefore no additional requests for borrowing are anticipated. The improvements funded through this program are essential to the Trust's effort to establish sustained revenue flows needed achieve financial self-sufficiency.

As the Presidio enters the new millennium, the Presidio Trust is making great strides to reduce its reliance on federal funds and to protect and enhance the historic Presidio as a unique national park. The Presidio is becoming a model of sustainable practices and responsible stewardship. The Presidio Trust, working closely with the National Park Service, is taking important steps to ensure that this park is protected not only for the next several years, but also for the next century.

THE PRESIDIO TRUST FISCAL YEAR 2001 BUDGET JUSTIFICATION

BACKGROUND

Congress established the Presidio Trust in 1996 in order to provide an appropriate management framework for a unique and complex national park site. The Presidio, the oldest continuously operated military post in the nation, is part of the Golden Gate National Recreation Area. The 222-year-old post was designated as a National Historic Landmark District in 1962. It is a magnificent site located at the confluence of San Francisco Bay and the Pacific Ocean with commanding views of the Golden Gate. In 1972, Congress declared the Presidio to be "one of America's great natural and historic sites" and directed that it be included in the national park system should it become excess to the needs of the military.

In 1994, five years after the Base Realignment and Closure Commission determined it to be excess to the military's needs, the Army transferred the Presidio to the National Park Service for management as a national park site. Congress subsequently authorized the establishment of the Presidio Trust, a wholly-owned corporation of the Federal government, and equipped it with specific authorities designed to assist in managing the Presidio. President Clinton appointed six members of the Trust's 7-member Board of Directors and they were sworn in on July 9, 1997.

The Presidio Trust assumed administrative jurisdiction over approximately 80 percent of the Presidio (Area B) on July 1, 1998. The National Park Service manages the remaining area of the Presidio (Area A).

Authorities of the Presidio Trust

The Presidio Trust was established to preserve and enhance the Presidio as a national park in an urban area and to achieve financial self-sufficiency by Fiscal Year 2013. In establishing the Presidio Trust as a government corporation, Congress created an organization that could operate in the marketplace, make real-time decisions and reinvest revenues into the park in order to generate sufficient cash flow to eventually operate the park without federal appropriations.

The Act provided significant operational latitude in staffing, contracting, leasing and the retention of revenues. Through a combination of direct staffing and contracting, the Trust is managing park operations and leasing functions in the most cost-effective manner possible. By Fiscal Year 2013, the Trust projects operational savings of at least 20 percent. Significant savings have already been achieved in maintenance operations.

The Trust is required by law to develop a comprehensive program for management of the Presidio which includes a schedule of appropriated funding that will enable the Trust to become financially self-sufficient 15 complete fiscal years after its first meeting. For the fourteen complete fiscal years following the submission of the funding schedule, appropriations are authorized for the Trust at the levels indicated in the schedule. The Trust submitted this program – its *Financial Management Program* – to the Administration and Congress on July 8, 1998.

ESTABLISHING A LONG-TERM PARTNERSHIP WITH THE NATIONAL PARK SERVICE

By the beginning of FY2000, the Trust had assumed all operational functions from the National Park Service. With the transition complete, the Trust and the National Park Service are now working to cement a long-term partnership for managing the Presidio and enhancing the visitor experience.

In accordance with direction provided by Congress, the Trust and NPS are also collaborating on ways to create operational savings throughout the Presidio. One area of possible savings through collaboration is in maintenance. The Trust is negotiating with NPS to provide maintenance services in portions of the Area A (managed by NPS). By taking advantage of economies of scale inherent in the Trust's maintenance program, this could reduce overall maintenance costs at the Presidio. It may also be possible to consolidate law enforcement activities under the US Park Police rather than paying for both police and law enforcement rangers. During FY2000, the Trust hopes to sign several interagency agreements with the National Park Service that will reduce operational costs for the Presidio as a whole.

The National Park Service will continue to provide public safety services to the Trust on a reimbursable basis. Two Memoranda of Understanding (MOU) – for law enforcement and fire/emergency services -- are currently in place that establish the parameters for this contractual relationship and a mechanism for payment by the Trust.

ACHIEVING FINANCIAL SELF-SUFFICIENCY

On July 8, 1998, the Presidio Trust submitted its *Financial Management Program* to Congress, as required by Public Law 104-333. The *Program* provides a schedule of annually decreasing appropriations necessary to achieve financial self-sufficiency by Fiscal Year 2013. The level of investment delineated in this schedule is critical to achieving a continuous break-even status after Fiscal Year 2013. To ensure that the Trust would achieve financial self-sufficiency – and maintain it – a 30-year financial model was developed. It indicates that, given sufficient investment in early years, the Trust will achieve financial self-sufficiency in Fiscal Year 2013 and will require no subsequent appropriations. The Trust charts its progress against this financial model and is pleased to report that, to date, the financial targets set in 1998 are being met.

The Trust is requesting \$23.4 million for operations in Fiscal Year 2001. These funds will be used to fund Trust operations as well as those functions performed by the National Park Service under reimbursable agreements. The request represents a 4 percent decrease in direct appropriations from FY2000.

PRESIDIO TRUST OPERATIONS IN FY2001

In Fiscal Year 2001, the Presidio Trust projects operating and capital expenditures of \$81.5 million. Expenditures on environmental remediation performed by the Trust are projected to be \$13 million (funded by the U.S. Army).

The Trust Act requires the Trust to bring all buildings into compliance with current building codes by FY2007. As current tenants move out, Trust crews will be completing building upgrades. This work will be funded with funds borrowed from the Treasury and authorized in appropriations acts.

ESTABLISHING A SUSTAINED REVENUE STREAM

The Presidio contains over 500 historic structures. These buildings, and several hundred non-historic buildings, are the keys to providing revenue that will enable the Presidio Trust to become financially self-sustaining.

Moving aggressively to lease Presidio buildings

Since assuming administrative jurisdiction over Area B lands and facilities on July 1, 1998, the Presidio Trust has moved aggressively on a program of rehabilitation and leasing of residential and non-residential buildings.

In FY1999, the Trust signed a lease agreement for the former Sixth Army Headquarters on the Presidio's Main Post. The San Francisco Film Centre has invested over \$6 million into rehabilitation of the historic Headquarters building.

The Trust has also entered into exclusive negotiations with Lucasfilm, Ltd. to redevelop 900,000 square feet at the Letterman Complex. Final negotiations will commence upon completion of the environmental process this spring. During FY2000, the obsolete hospital and research complex will be deconstructed. Construction of a new complex at the site that is more compatible with the Presidio's historic character will begin in FY2001. The project will be privately-funded and will ultimately provide 14 percent of the Trust's annual budget.

The Trust is moving expeditiously to make housing units ready for occupancy. Thus far, the Trust has brought 463 housing units into service with funding provided primarily through Treasury borrowing. By the end of FY1999, 740 of the Presidio's 1,116 housing units were occupied. As a result, revenue from housing is projected to more than double in FY2000 to \$11.6 million. In FY2001, housing revenues are projected to rise to \$14 million. The Trust projects that housing revenues will fund 56 percent of the Trust's budget by FY2013.

Demand for Presidio housing is very strong; 97 percent of available housing is leased and there is currently a waiting list for housing units. The Trust's residential leasing program is constrained only by the extent to which housing units can be rehabilitated and made ready for lease. Treasury borrowing authorized for Fiscal Year 2000 will make it possible to bring 102 historic housing units and associated infrastructure on-line this year.

Figure 1 below shows revenues (reimbursables) projected for Fiscal Year 2001 as compared to Fiscal Years 1999 and 2000. As a result of aggressive leasing by the Trust, total revenues are projected to increase in FY2001 to \$25.4 million, an 8 percent increase over FY2000. Figure 2 breaks Trust-generated revenue down by percentage.

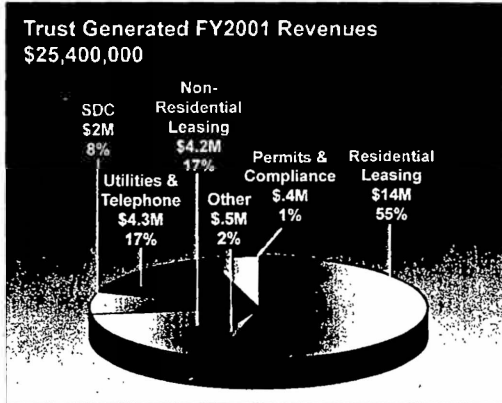
Figure 1

THE PRESIDIO TRUST
SUMMARY CASH FLOW (in millions)
FISCAL YEAR 1999, FISCAL YEAR 2000 & FISCAL YEAR 2001

	FY 1999	FY 2000	FY 2001
Income (Reimbursables)			
Residential	5.7	11.6	14.0
Non-Residential	2.7	3.6	4.2
SDC (includes DOD)	2.5	2.0	2.0
Utilities & Telephone	2.9	4.3	4.3
Permits/Compliance	0	1.5	.4
Other	2.7	.5	.5
Subtotal - Income (Reimbursables)	16.5	23.5	25.4
Other Cash In			
Environmental Remediation	25.0	25.0	25.0
Environmental Remediation - Carryover		21.2	33.3
Borrowing - New	20.0	20.0	10.0
Borrowing - Carryover		15.0	15.0
Appropriation	14.9	24.4	23.4
Less Rescission	(.1)	(.2)	
TOTAL CASH IN	\$76.3	\$128.9	\$132.1
Expenditures			
Operating Expenditures	26.1	38.8	39.0
Other Expenditures			
Utility Upgrades Funded by Army	2.0		
Capital Projects Funded Internally	2.7	5.4	6.0
Capital Projects Funded by Borrowing	5.0	20.0	20.0
Environmental Remediation	3.8	12.9	13.0
Finance & Insurance Costs	0.2	3.0	3.5
TOTAL EXPENDITURES	\$39.8	\$80.5	\$81.5
NET CASH FLOW - BORROWING	15.0	15.0	5.0
NET CASH FLOW - ENVIR. REM.	21.2	33.3	45.3
NET CASH FLOW - OPERATIONS	0.3	0.1	0.3
TOTAL NET CASH FLOW	\$36.5	\$48.4	\$50.6

NOTE: Net cash flow from borrowing and environmental remediation can only be used on specific programs.

Figure 2



Capital Investment in the Presidio

Capital investment in residential and non-residential buildings and related infrastructure is critical to establishing adequate inflows of revenue. This investment is particularly important in the Trust's early years. Although the Trust is implementing a variety of leasing strategies to attract private funds for building rehabilitation, there is a critical need for capital investment by the Trust to prepare facilities for lease and upgrade infrastructure. Recognizing this need, Congress provided authorization in Public Law 104-333 for the Trust to borrow up to \$50 million at any given time from the Treasury, subject to appropriations acts.

The Trust's *Financial Management Program* and supporting documentation identifies investments over a fifteen-year period funded through a mixture of tenant-funded renovation and new development and Trust-funded rehabilitation of buildings and infrastructure. In Fiscal Year 2000, the Trust will spend \$25.4 million on capital projects. This will be funded by \$20 million of Treasury borrowing and \$5.4 million in Trust-generated revenues and grants.

The Trust projects \$26.0 million in capital expenditures during Fiscal Year 2001. These investments will be funded with \$20 million in outlays from Treasury borrowing and \$6 million from Trust-generated revenues. Funding for critical projects is contingent upon receiving the requested level of Treasury borrowing for Fiscal Year 2001.

Capital projects in Fiscal Year 2001 will include:

- Upgrade of 20 percent of the park's infrastructure (60 percent of Presidio infrastructure will be upgraded by the end of FY2001)
- Building code and seismic upgrades of historic housing units (required by the Trust Act)
- Rehabilitation of non-residential buildings to prepare for multi-tenant leasing to small and medium-sized tenants

The Trust's *Financial Management Program* assumed that a total of \$50 million in Treasury borrowing would be available during Fiscal Year 1999 and Fiscal Year 2000. Congress provided the Trust with authority to borrow \$20 million in Fiscal Year 1999 and \$20 million in Fiscal Year 2000. In order to maintain its leasing momentum, the Trust is requesting \$10 million in Treasury borrowing in Fiscal Year 2001.

The Trust will repay Treasury borrowings from lease revenues; appropriated funds will not be used to repay Treasury borrowings. The Trust has negotiated a loan agreement with the Treasury Department for the entire \$50 million authorized in the Omnibus Parks and Public Lands Management Act of 1996 ("The Trust Act"). The agreement requires repayment of all Treasury borrowings within 30 years.

ENVIRONMENTAL REMEDIATION

In FY1999, the Trust signed a first-of-its-kind environmental remediation agreement that will expedite environmental cleanup at the Presidio by more than two decades. Remediation will not only be faster, it will also be more thorough. The agreement, signed in May, 1999 with the Defense and Interior Departments, transfers lead agency status for the Presidio's cleanup from the Army to the Trust. Environmental remediation will be managed by the Trust and will be funded with DOD funds transferred to the Trust from the Army. (The Trust has received \$50 million of the total \$100 million cleanup cost - 2 of 4 annual installments). The Trust projects environmental remediation spending to be \$13 million in FY2001.

As part of the agreement, the Trust also purchased an environmental insurance policy to cover cost overruns of up to an additional \$100 million. The Army retains responsibility for all unknown contaminants and has agreed to step back into the process if costs exceed a total of \$210 million.

The Trust considers this landmark agreement to be essential to its efforts to achieve financial self-sufficiency. Only by controlling the pace, quality and direction of the cleanup can the Trust be assured that remediation activities will coincide with leasing and reuse priorities. The Trust has received strong support for this effort from state and federal regulatory agencies, the Restoration Advisory Board and the general public.

CONCLUSION

Since assuming jurisdiction of over 80 percent of the Presidio in July 1998, the Presidio Trust has made key investments in the park designed to bring the 220-year old military installation up to current standards demanded by today's marketplace. The Trust has also moved aggressively to establish a sustained stream of revenue by leasing both residential and non-residential buildings. It has taken control of the environmental remediation process, thereby removing a serious potential obstacle to achieving financial self-sufficiency.

Having completed a successful transition of operations and personnel from the National Park Service, the Trust is now working to establish a strong and enduring partnership with NPS. In FY2001, the Trust and NPS will implement a plan for protecting, replanting and enhancing the Presidio's forests and native plants areas, implement an interpretive plan designed to educate park visitors about the Presidio's history and current sustainability activities, and continue to collaborate to reduce the overall cost of Presidio operations to the federal taxpayer.

In accordance with its mission of preserving and enhancing the Presidio as a national park while becoming financially self-sufficient, the Trust is creating revenue to displace federal appropriations. The Trust's FY2001 budget request illustrates the success of this effort; **the Trust is requesting significantly less funding in FY2001 than it requested in FY2000.** This trend is projected to continue until FY2013, when the Trust will request no federal funding.

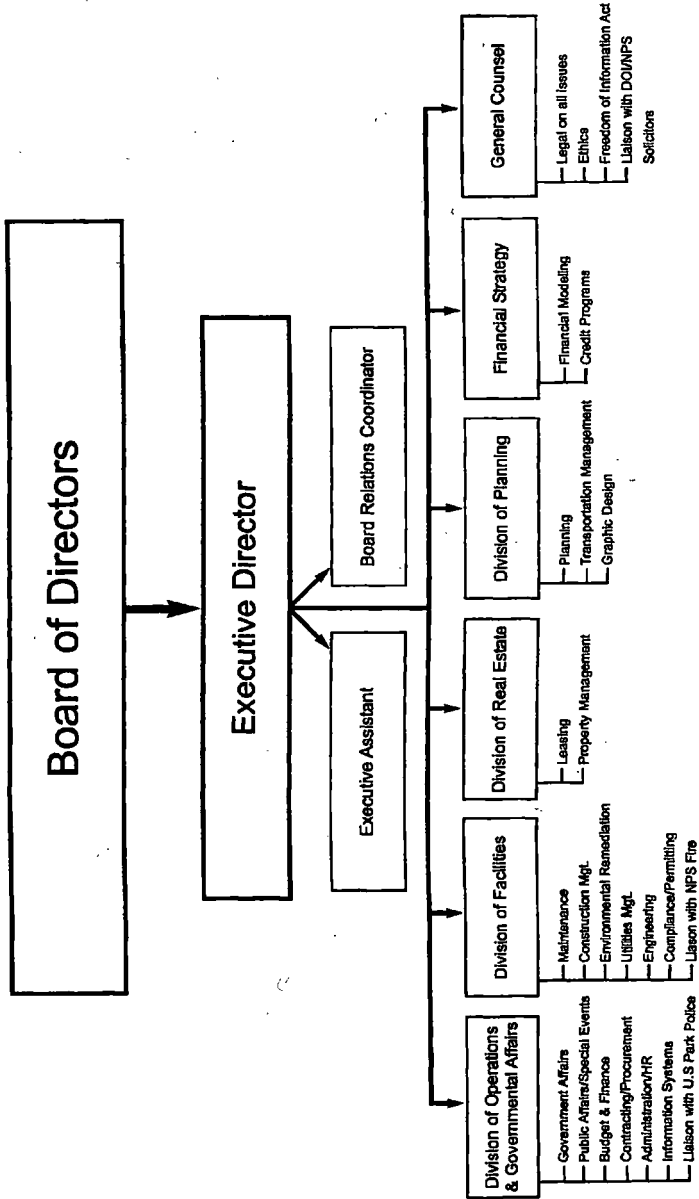
To continue to achieve the results envisioned by the President and Congress and outlined in the Trust's *Financial Management Program*, it is essential that adequate funding be provided in Fiscal Year 2001. The Trust appreciates the strong support it received from the Administration and Congress during the Fiscal Year 2000 budget cycle and looks forward to moving ahead in Fiscal Year 2001 with its program for bringing the Presidio closer to true financial sustainability.

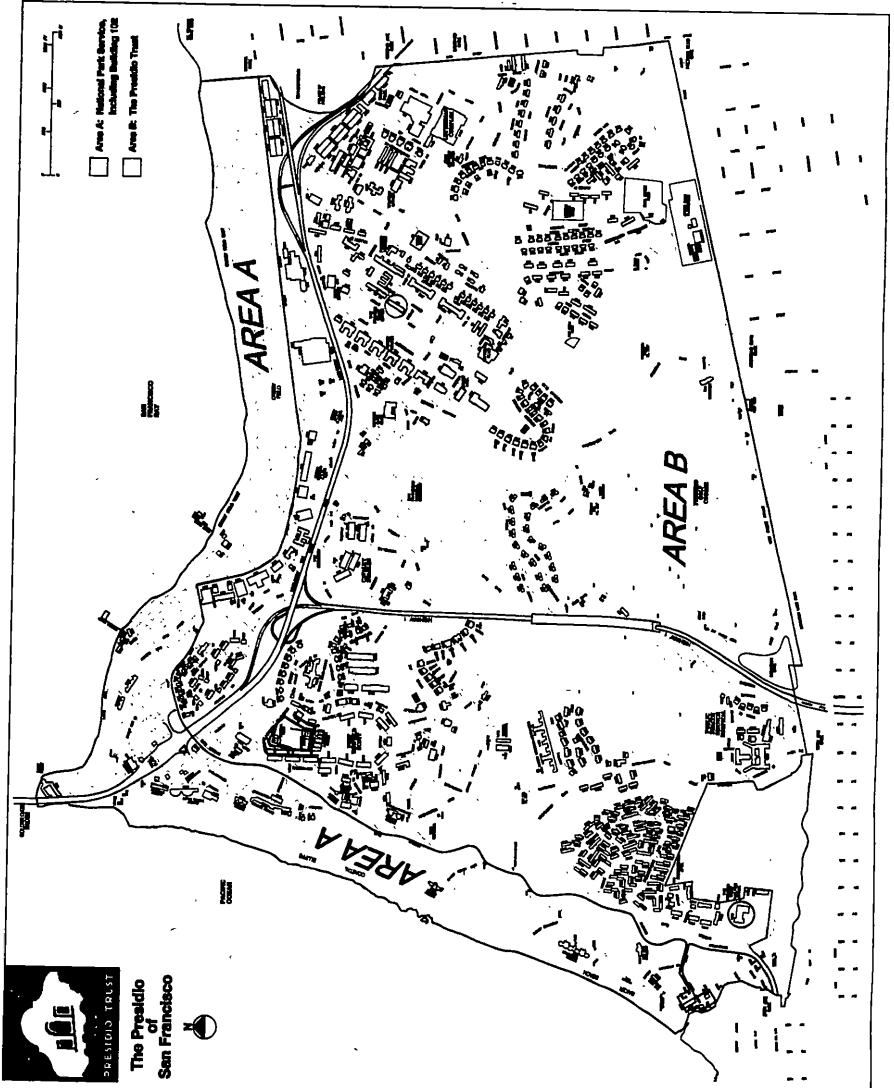
Proposed Appropriations Language**PRESIDIO TRUST**

For necessary expenses to carry out title I of the Omnibus Parks and Public Lands Management Act of 1996, \$23,400,000 shall be available to the Presidio Trust, to remain available until expended. The Trust is authorized to issue obligations to the Secretary of the Treasury pursuant to section 104(d)(3) of the Act, in an amount not to exceed \$10,000,000.

THE PRESIDIO TRUST

Organizational Chart





APPENDIX B
SUMMARY OF ANNUAL CASH FLOWS
FISCAL YEAR ENDING 1998 THROUGH 2027

ALL CURRENCY IN 1998 DOLLARS

	FLOW (\$000,000)																Supplemental	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	@20	@25
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2017	2022
REVENUES – CASH INFLOW	31.4	33.1	38.6	42.7	47.9	51.3	53.6	55.1	55.4	57.0	56.7	57.1	56.9	54.9	51.9	41.7	43.4	41.3
COSTS – CASH OUTFLOW	28.9	54.9	48.8	41.7	54.9	47.6	53.0	44.1	62.7	53.2	53.5	51.3	48.5	47.2	60.8	35.7	34.9	34.4
NET CASH FLOW BEFORE FINANCING	2.6	(21.8)	(10.3)	1.0	(7.0)	3.7	0.6	11.0	(7.2)	3.8	3.2	5.8	8.4	7.7	(8.9)	6.0	8.5	6.9
FINANCING – CASH INFLOW/(OUTFLOW)	0.0	23.5	22.0	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(3.0)	(5.1)	(5.1)	(5.1)
NET CASH FLOW AFTER FINANCING	2.6*	1.7	11.7	(2.0)	(10.0)	0.7	(2.4)	8.0	(10.2)	0.8	0.2	2.8	5.4	4.7	(11.9)	0.9	3.3	1.7
CUMULATIVE CASH FLOW	2.6	4.2	16.0	14.0	4.0	4.7	2.3	10.3	0.0	0.8	1.0	3.8	9.2	13.9	1.9	2.8	14.7	19.1
FEDERAL APPROPRIATIONS	25.0	25.0	24.4	23.8	23.1	22.5	21.9	21.3	20.6	20.0	19.4	18.8	18.1	15.0	12.0	0.0	0.0	0.0
TREASURY LOAN	0.0	25.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DEBT SERVICE	0.0	1.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	5.1	5.1	5.1

* FY98 Carryover balance represents funds that the Trust will have access to, but are dedicated to specific programs (e.g. Investments Improvement Accounts related to correction contracts and NPS and historic preservation programs).

July 7: FMP TABLE

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FINANCIAL MANAGEMENT PROGRAM
THE PRESIDIO TRUST

THE PRESIDIO TRUST
MAX PROGRAM AND FINANCE SCHEDULES (In millions)

	FY 1999	FY 2000	FY 2001
Program and Financing (P)			
Obligations by program activity			
0001 Operations	15	24	23
0002 Loan Guarantee Subsidy	0	1	0
0100 Operations	15	25	23
0900 Reimbursable program	25	49	80
1000 Total new obligations	40	74	103
Budgetary resources available for obligation			
2140 Unobligated balance available, start of year	1	37	47
2200 New budget authority (gross)	75	82	73
2390 Total budgetary resources available for obligation	76	119	120
2395 Total new obligations	-40	-74	-103
2440 Unobligated balance available, end of year	37	47	17
New budget authority (gross), detail			
Discretionary			
4000 Appropriation	14	24	23
4700 Authority to borrow	20	20	10
Spending authority from offsetting collections			
Discretionary			
6800 Offsetting collections (cash)	25	25	25
6800 Offsetting collections (cash)	15	12	14
6810 From Fed sources: Change in receivables and unpaid, unfilled	1	1	1
6890 Spending authority from offsetting collections (total discretionary)	41	38	40
7000 Total new budget authority (gross)	75	82	73
Change in unpaid obligations			
Unpaid obligations, start of year			
7240 Obligated balance, start of year	1	6	31
7295 From Federal sources: Receivables and unpaid, unfilled orders	0	1	1
7299 Total unpaid obligations, start of year	1	7	32
7310 Total new obligations	40	74	103
7320 Total outlays (gross)	-35	-49	-66
Unpaid obligations, end of year			
7440 Obligated balance, end of year	6	31	69
7495 From Federal sources: Receivables and unpaid, unfilled orders	1	1	1
7499 Total unpaid obligations, end of year	7	32	70
Outlays (gross), detail			
8690 Outlays from new discretionary authority	35	28	24
8693 Outlays from discretionary balances	0	21	42
8700 Total outlays (gross)	35	49	66

FY 1999	FY 2000	FY 2001
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Program and Financing (P) (continued)

Offsets: Against gross budget authority and outlays

Offsetting collections (cash) from

8800	Federal sources	30	30	30
8840	Non-Federal sources	10	7	9
8890	Total, offsetting collections (cash)	40	37	39
	Offsets: Against gross budget authority only			
8895	From Federal sources: Change in receivables and unpaid, unfilled	1	1	1
	Net budget authority and outlays			
8900	Budget authority	34	44	33
9000	Outlays	-7	12	27

Credit Subsidy Data - Policy (U)

Guaranteed loan levels supportable by subsidy budget authority

2150	Loan guarantee levels	0	0	200
2159	Total loan guarantee levels	0	0	200
	Guaranteed loan subsidy (in percent)			
2320	Subsidy rate	0	0	46
2329	Weighted average subsidy rate	0	0	46
	Guaranteed loan subsidy budget authority			
2330	Subsidy budget authority	0	0	1
2339	Total subsidy budget authority	0	0	1
	Guaranteed loan subsidy outlays			
2340	Subsidy outlays	0	0	1
2349	Total subsidy outlays	0	0	1

NOTE 1: Variations between the Program and Finance Schedule (P) and the Detail of Revenue and Expenditures are due primarily to various timing differences. In addition, the Detail of Revenue and Expenditures is derived using accounting principles and the Program and Finance Schedule is derived using budget concepts.

NOTE 2: The unobligated balance carryforward in FY 2000 and 2001 of \$15M is due to restrictions placed on the Presidio Trust by the Treasury Department concerning the expenditure of borrowed funds. Congress clarified borrowing conditions in the Trust Act. However, the Treasury Department has not adjusted its conditions on lending the funds. As a result, the Trust is currently prohibited from obligating more than \$10 million of the amount authorized on its capital improvement program.

Under an agreement signed in fiscal year 1999 between the Presidio Trust and Defense and Interior Departments designed to make environmental cleanup at the park more cost effective and efficient, the Army will have provided the Trust \$75M by fiscal year 2001. These monies will fund remediation projects over a ten-year period and are expenditures from this fund are restricted to uses specified in the agreement. Accordingly, the Trust will show larger balances in remediation funds during earlier years. The Trust shows a balance of \$34M in fiscal year 2000 and \$15M in fiscal year 2001.

THE PRESIDIO TRUST
BUDGETS BY OBJECT CLASSIFICATIONS (In millions)

	FY99	FY00	FY01
Object Classifications (O)			
Personnel	11	19	20
Compensation			
Benefits	4	6	6
Transportation of Things		1	2
Printing and Reproduction		1	2
Communication	3	5	6
Utilities & Misc			
Advisory & Assistance	1	1	3
Other Services	4	9	22
Gov. Purchases & Services	4	4	4
Supplies & Materials	4	7	9
Equipment	1	4	6
Land & Structures	8	17	23
TOTAL	40	74	103

Total FTE	327	357	360
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