

Department of Homeland Security
Transportation Security Administration
Budget Overview



Fiscal Year 2018
Congressional Justification

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Transportation Security Administration Appropriation Organization Structure

Organization Name	Level	Fund Type (* Includes Defense Funding)
Transportation Security Administration	Component	
Operations and Support	Appropriation	
Mission Support	PPA	Discretionary - Appropriation
Aviation Screening Operations	PPA	
Screening Workforce	PPA Level II	
Screening Partnership Program	PPA Level III	Discretionary - Appropriation
Screeener Personnel, Compensation, and Benefits	PPA Level III	Discretionary - Appropriation
Screeener Training and Other	PPA Level III	Discretionary - Appropriation
Airport Management	PPA Level II	Discretionary - Appropriation
Canines	PPA Level II	Discretionary - Appropriation
Screening Technology Maintenance	PPA Level II	Discretionary - Appropriation
Secure Flight	PPA Level II	Discretionary - Appropriation
Other Operations and Enforcement	PPA	
Inflight Security	PPA Level II	
Federal Air Marshals	PPA Level III	Discretionary - Appropriation
Federal Flight Deck Officer and Crew Training	PPA Level III	Discretionary - Appropriation
Aviation Regulation	PPA Level II	Discretionary - Appropriation
Air Cargo	PPA Level II	Discretionary - Appropriation
Intelligence and TSOE	PPA Level II	Discretionary - Appropriation
Surface Programs	PPA Level II	Discretionary - Appropriation
Vetting Programs	PPA Level II	
Vetting Operations	PPA Level III	Discretionary - Appropriation
TWIC Fee	PPA Level III	Discretionary - Fee
Hazardous Materials Endorsement Fee	PPA Level III	Discretionary - Fee
General Aviation at DCA Fee	PPA Level III	Discretionary - Fee
Commercial Aviation and Airports Fee	PPA Level III	Discretionary - Fee
Other Security Threat Assessments Fee	PPA Level III	Discretionary - Fee
Air Cargo/Certified Cargo Screening Program Fee	PPA Level III	Discretionary - Fee
TSA Precheck Fee	PPA Level III	Discretionary - Fee
Alien Flight School Fee	PPA Level III	Mandatory - Fee
Procurement, Construction, and Improvements	Appropriation	
Aviation Screening Infrastructure	PPA	
Checkpoint Support	PPA Level II	Discretionary - Appropriation
Checked Baggage	PPA Level II	Discretionary - Appropriation
Aviation Security Capital Fund (mandatory)	PPA Level II	Mandatory - Appropriation
Infrastructure for Other Operations	PPA	
Air Cargo	PPA Level II	Discretionary - Appropriation

Organization Name	Level	Fund Type (* Includes Defense Funding)
Surface Programs	PPA Level II	Discretionary - Appropriation
Vetting Programs	PPA Level II	Discretionary - Appropriation
Mission Support Assets and Infrastructure	PPA	Discretionary - Appropriation
Research and Development	Appropriation	Discretionary - Appropriation

Transportation Security Administration Strategic Context

Component Overview

The Transportation Security Administration (TSA) is comprised of the following mission-oriented programs that support achievement of the DHS strategic missions, goals, and objectives. Procurement, Construction, and Improvements programs are indented below the mission-oriented programs they support. Additionally, applicable fees and funds are also indented below the mission-oriented programs to which they most closely align.

Aviation Screening Operations: The Aviation Screening Operations program applies intelligence-driven, risk-based, layered passenger and baggage screening procedures and technology to increase aviation security to prevent terrorism and criminal activity. The program implements processes that allow personnel at security checkpoints to focus on high-risk and unknown travelers while managing the passenger experience. The program also ensures the 100% screening of checked baggage for prohibited items. Other activities include training the screener workforce, vetting airline passengers, and canine operations.

Aviation Screening Infrastructure: The Aviation Screening Infrastructure program acquires the assets and related enterprise infrastructure systems to support the Aviation Screening Operations program. The program supports the installation of electronic passenger and baggage screening equipment in our Nation's airports, including explosives trace detection devices and explosive detection system equipment.

TSA Pre-Check Fee: The Pre-Check fee collected from applicants supports the costs to conduct pre-travel risk assessments and background checks on individuals voluntarily submitting information in order to receive expedited screening at checkpoints.

Aviation Security Capital Fund: The Aviation Security Capital Fund provides for airport-facility modifications and security equipment acquisitions. The fund is derived from aviation-passenger security fees.

Other Operations and Enforcement: The Other Operations and Enforcement program encompasses security reviews, assessment, and enforcement activities in the various modes of commercial transportation. The program includes intelligence and analysis, visible intermodal prevention and response teams, domestic and international inspectors, reviews and assessments, Federal Air Marshals, deputizing airline pilots, and training crew members in self-defense. This program ensures compliance with transportation-related regulations and standards, providing credentialing services for transportation sector, and the vetting of the transportation workforce to prevent terrorism and criminal activity.

Infrastructure for Other Operations: The Infrastructure for Other Operations program acquires the assets and related enterprise infrastructure systems to support the mission of the Other Operations and Enforcement program related to security reviews, assessments, and enforcement activities in the various modes of transportation, and in-flight security activities in the aviation domain.

Air Cargo/Certified Cargo Screening Program Fee: The Air Cargo/Certified Cargo Screening Program fee supports security threat assessments of air cargo workers in the air cargo supply chain, including individuals authorized to screen cargo at designated cargo screening facilities.

Alien Flight School Fee: The Alien Flight School fee provides for the security threat assessment on foreign students seeking new or recurring training at flight schools regulated by the Federal Aviation Administration to ensure they do not pose a threat to aviation or national security.

Commercial Aviation and Airport Fee: The Commercial Aviation and Airport fee covers the fingerprint-based FBI criminal history records check for those individuals who apply for, or are issued, personal identification credentials at U.S. domestic airports, such as airport facilities workers, retail employees, airline employees, taxi drivers, and parking attendants.

FAA Certificates Fee: The FAA Certificates fee covers the security threat assessments and criminal history records check for individuals applying for an FAA certificate, such as pilots and certain drone operators.

Freight Rail Fee: The Freight Rail fee covers the security threat assessment and criminal history records check for freight rail workers.

General Aviation at DCA Fee: The General Aviation at DCA fee supports name-based security threat assessments as well as the personnel required to screen flight crewmembers and passengers on non-commercial aircraft (non-cargo) flying into and out of Ronald Reagan Washington National Airport (DCA) to and from one of the 28 domestic gateway airports. Domestic gateway airports are major airports which connect flights to other international airports.

Hazardous Materials Endorsement Fee: The Hazardous Materials Endorsement Fee provides for the vetting and adjudication of any driver seeking to obtain, renew and transfer a hazardous materials endorsement on their state-issued commercial driver's license. This endorsement is designed to protect against threats to illegal transportation of hazardous materials by unauthorized individuals.

Other Security Threat Assessments Fee: The Other Security Threat Assessments Fee covers the fingerprint-based FBI criminal history records check for individuals requesting access to Sensitive Security Information material, and several private charter operations to include 12/5, MD-3, and ASW.

Public Transportation and Passenger Rail Fee: The Public Transportation and Passenger Rail Fee provides for security threat assessments for workers of domestic public transportation and passenger rail systems.

TWIC Fee: The Transportation Worker Identification Credential (TWIC) Fee provides for the background check, identity verification, and issuance of a tamper-resistant biometric credential for maritime workers requiring unescorted access to secure areas of port facilities and vessels.

Mission Support: The Mission Support program provides enterprise leadership, management, and business administrative services that sustain the day-to-day back office operations. Key capabilities include managing the agency's performance, finances, workforce,

physical and personnel security, acquisition of goods and services, information technology, property and assets, communications, legal affairs, and administration.

Component Contributions to Achieving Departmental Missions

The table below shows the alignment of the TSA programs to the DHS Missions and Mature and Strengthen Homeland Security.

Programs	DHS Missions					*Mature and Strengthen Homeland Security
	*Prevent Terrorism and Enhance Security	*Secure and Manage Our Borders	*Enforce and Administer Our Immigration Laws	*Safeguard and Secure Cyberspace	*Strengthen National Preparedness and Resilience	
Aviation Screening Operations	100%					
Aviation Screening Infrastructure	100%					
TSA Pre-Check Fee	100%					
Aviation Security Capital Fund (ASCF)	100%					
Other Operations and Enforcement	96%	4%				
Infrastructure for Other Operations	100%					
Air Cargo/Certified Cargo Screening Program Fee	100%					
Alien Flight School Fee	100%					
Commercial Aviation and Airport Fee	100%					
FAA Certificates Fee						
Freight Rail Fee						
General Aviation at DCA Fee	100%					
Hazardous Materials Endorsement Fee	100%					
Other Security Threat Assessments Fee	100%					
Public Transportation and Passenger Rail Fee						
TWIC Fee	100%					
Mission Support						100%

**Totals account for rounding*

Mission 1: Prevent Terrorism and Enhance Security

Resources Requested

TSA resources supporting *Prevent Terrorism and Enhance Security* are provided in the table below.

\$ in thousands

Program Name	FY 2016 Revised Enacted		FY 2017 Annualized CR		FY 2018 President's Budget	
	\$	FTE	\$	FTE	\$	FTE
Aviation Screening Operations	4,466,066	46,797	4,456,247	46,273	4,822,911	48,436
Aviation Screening Infrastructure	197,095	172	189,235	172	57,213	-
TSA Pre-Check Fee	186,444	54	80,153	54	136,900	80
Aviation Security Capital Fund (ASCF)	250,000	-	250,000	-	250,000	-
Other Operations and Enforcement	1,336,754	2,745	1,336,987	2,745	1,266,799	2,476
Infrastructure for Other Operations	20,164	5	15,099	5	16,291	-
Air Cargo/Certified Cargo Screening Program Fee	4,711	11	3,500	11	5,200	11
Alien Flight School Fee	4,880	24	5,200	24	5,200	15
Commercial Aviation and Airport Fee	11,689	-	6,500	-	8,000	-
FAA Certificates Fee	-	-	-	-	-	-
Freight Rail Fee	-	-	-	-	-	-
General Aviation at DCA Fee	501	5	400	5	560	5
Hazardous Materials Endorsement Fee	18,907	34	21,083	34	20,200	37
Other Security Threat Assessments Fee	-	-	50	-	50	-
Public Transportation and Passenger Rail Fee	-	-	-	-	-	-
TWIC Fee	67,788	42	82,267	42	64,449	45
Mission Support	-	-	-	-	-	-
Total	6,564,999	49,889	6,446,721	49,365	6,653,773	51,105

Performance Measures

For *Prevent Terrorism and Enhance Security*, two types of performance measures are presented. Strategic Measures represent TSA measures that gauge achievement for this mission area, and are considered to be our Government Performance and Results Act Modernization Act (GPRAMA) performance measures. Additional Management Measures are displayed, as appropriate, to provide a more thorough context of expected performance results.

Strategic Measures

Measure: Average number of days for DHS Traveler Redress Inquiry Program (TRIP) redress requests to be closed						
Description: This measure describes the average number of days for the processing of traveler redress requests, excluding the time for the traveler to submit all required documents. DHS TRIP is a single point of contact for individuals who have inquiries or seek resolution regarding difficulties they experienced during their travel screening at transportation hubs or crossing U.S. borders. DHS TRIP is part of an effort by the Departments of State and Homeland Security to welcome legitimate travelers while securing our country from those who want to do us harm. This measure indicates how quickly the program is providing redress to individuals who have inquiries or seek resolution regarding difficulties they experienced during their travel screening at transportation hubs or crossing U.S. borders.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	<93	<78	<70	<60	<55	<55
Result:	52	62	50	44	N/A	N/A

Measure: Percent of air carriers operating from domestic airports in compliance with leading security indicators						
Description: This measure identifies air carrier compliance for U.S. flagged aircraft operating domestically with leading security indicators. These critical indicators are derived from security laws, rules, regulations, and standards. A leading security indicator is a key indicator that may be predictive of the overall security posture of an air carrier. Identifying compliance with the key indicators assesses air carrier's vulnerabilities and is part of an overall risk reduction process. Measuring compliance with standards is a strong indicator of system security.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	100%	100%	100%	100%	100%	100%
Result:	98%	98%	98%	98%	N/A	N/A

Measure: Percent of daily passengers receiving expedited physical screening based on assessed low risk						
Description: This measure gauges the percent of daily passengers who received expedited physical screening because they meet low risk protocols or have been otherwise assessed at the checkpoint as low-risk. TSA Pre-Check incorporates modified screening protocols for eligible participants who have enrolled in the TSA Pre-Check program as well as other known populations such as known crew members, active duty service members, members of Congress and other trusted populations. In an effort to strengthen aviation security while enhancing the passenger experience, TSA is focusing on risk-based, intelligence-driven security procedures and enhancing its use of technology in order to focus its resources on the unknown traveler.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	N/A	50%	50%	50%
Result:	N/A	N/A	N/A	46%	N/A	N/A

Measure: Percent of domestic cargo audits that meet screening standards						
Description: This measure gauges the compliance of shippers with cargo screening standards. Enforcing and monitoring cargo screening standards is one of the most direct methods TSA has for overseeing air cargo safety. TSA conducts these audits of shippers based on cargo regulations specified in Title 49 Code of Federal Regulations Part 1540 and these audits include: training, facilities, acceptance of cargo, screening, certifications, identification verification, and procedures. Ensuring successful cargo screening means having a safe, fast flow of air commerce and reduces the risk of criminal and terrorist misuse of the supply chain. The objective is to increase the security posture and compliance rate for each entity conducting domestic cargo screening.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	N/A	95%	96%	97%
Result:	N/A	N/A	N/A	98%	N/A	N/A

Measure: Percent of foreign airports that serve as last points of departure and air carriers involved in international operations to the United States advised of necessary actions to mitigate identified vulnerabilities in order to ensure compliance with critical security measures.						
Description: This index combines: (1) percent of foreign airports serving as Last Point of Departure (LPD) to the U.S. notified of critical vulnerabilities and accompanying recommendations, and (2) percent of foreign air carriers operating flights from these foreign airports and U.S. air carriers operating from any foreign airport regardless of destination notified of violations of critical regulations and accompanying recommendations/follow-up action. TSA evaluates/documents security at foreign airports with service to U.S., airports from which U.S. air carriers operate, and other sites on a 5-point scale against critical International Civil Aviation Organization (ICAO) aviation and airport security standards. TSA assess compliance with these standards and provides feedback to the host governments for awareness and recommended follow-up action. Identifying and notifying air carriers of non-compliance with critical regulations mitigates air carrier vulnerabilities and reduces risk.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	100%	100%	100%	100%	100%	100%
Result:	100%	100%	100%	100%	N/A	N/A

Measure: Percent of international cargo audits that meet screening standards						
Description: This measure gauges the compliance of international shippers with cargo screening standards. Enforcing and monitoring cargo screening standards is one of the most direct methods TSA has for overseeing air cargo safety. TSA conducts these audits of shippers based on cargo regulations specified in Title 49 Code of Federal Regulations Part 1540 and these audits include: training, facilities, acceptance of cargo, screening, certifications, identification verification, and procedures. Ensuring successful cargo screening means having a safe, fast flow of air commerce and reduces the risk of criminal and terrorist misuse of the supply chain. The objective is to increase the security posture and compliance rate for each entity conducting domestic cargo screening.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	N/A	95%	96%	97%
Result:	N/A	N/A	N/A	97%	N/A	N/A

Measure: Percent of overall compliance of domestic airports with established aviation security indicators						
Description: This measure provides the percent of domestic airports assessed that comply with established security standards and practices related to aviation security. Security indicators are key indicators that may be predictive of the overall security posture of an airport. Identifying compliance with the key indicators assesses airport vulnerabilities and is part of an overall risk reduction process. Measuring compliance with standards is a strong indicator of system security.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	100%	100%	100%	100%	100%	100%
Result:	94.4%	94%	95%	93%	N/A	N/A

Measure: Percent of overall level of implementation of industry agreed upon Security and Emergency Management action items by mass transit and passenger rail agencies						
Description: This measure provides the rate of implementation by mass transit, light and passenger rail, bus, and other commuter transportation agencies with established security standards and practices related to six critical Security Action Items (SAIs). These six SAIs are key indicators of the overall security posture of a mass transit and passenger rail transportation system. Measuring implementation of these six SAIs assesses transit vulnerabilities and is part of an overall risk reduction process.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	75%	77%	82%	86%	75%	77%
Result:	69%	78%	80%	71%	N/A	N/A

Measure: Percent of passenger data submissions that successfully undergo Secure Flight watch list matching						
Description: This measure will report the percent of qualified message submissions received from the airlines that are successfully matched by the Secure Flight automated vetting system against the existing high risk watch lists. A qualified message submission from the airlines contains passenger data sufficient to allow successful processing in the Secure Flight automated vetting system. Vetting individuals against high risk watch lists strengthens the security of the transportation system.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	N/A	N/A	100%	100%
Result:	N/A	N/A	N/A	N/A	N/A	N/A

Management Measures

Measure: Average number of international inspections conducted annually per inspector						
Description: International compliance with security requirements is measured through number of airport assessments and air carrier inspections for all regions and offices performed by field and headquarters inspectors.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	16	17	19	19	19	19
Result:	20.3	19	20	22	N/A	N/A

Measure: Composite index of Federal Air Marshal Service risk-based flight coverage goals						
Description: This measure reflects the percent of flights covered by FAMS according to the updated Concept of Operations (CONOPS) and TSA’s risk based strategy. The updated CONOPS and risk based strategy redistribute resources to more adequately cover high-risk flights as well as implement a random and unpredictable nature to FAMS scheduling. FAMS are trained and equipped law enforcement officers who deploy on commercial U.S. aircraft for both domestic and international flights to detect, deter, and defeat hostile acts targeting U.S. air carriers, airports, passengers, and crews.to achieve maximum risk mitigation and promote confidence in the nation's civil aviation system.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	N/A	100%	98%	98%
Result:	N/A	N/A	N/A	96.5%	N/A	N/A

Measure: Level of baggage security screening assessment results						
Description: This measure appraises the percent of the time Transportation Security Officers (TSOs) correctly detect threat items concealed in baggage using realistic and standardized assessment scenarios. This information is used to improve screening practices and procedures to reduce the probability of a successful terrorist or other criminal attack to the aviation transportation system. The actual results are Classified and are not releasable to the public at this time for security reasons.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	Classified	Classified	Classified	Classified	Classified	Classified
Result:	Classified	Classified	Classified	Classified	N/A	N/A

Measure: Level of passenger security screening assessment results						
Description: This measure appraises the percent of the time TSOs correctly detect threat items concealed in baggage using realistic and standardized assessment scenarios. This information is used to improve screening practices and procedures to reduce the probability of a successful terrorist or other criminal attack to the aviation transportation system. The actual results are classified and are not releasable to the public at this time for security reasons.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	Classified	Classified	Classified	Classified	Classified	Classified
Result:	Classified	Classified	Classified	Classified	N/A	N/A

Measure: Number of high risk pipeline systems on which security reviews were conducted						
Description: Pipeline Security Reviews assess and elevate the security posture of the pipeline energy transportation mode. Information and recommendations from pipeline corporate headquarters and field site reviews inform critical energy facility operators of issues to enhance security from terrorism and criminal activity. The onsite security reviews develop firsthand knowledge of security planning and execution of the critical pipeline systems, establish communication with key pipeline security personnel, and identify and share smart practices. As industry wide security gaps are identified through the process, the TSA Surface Division develops programs to address gaps throughout the pipeline industry. Each pipeline corporation is assessed/reassessed every 4-5 years.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	15	15	23	45	50	50
Result:	7	0	44	49	N/A	N/A

Measure: Percent of checked baggage screened with Explosive Detection Systems (EDS)						
Description: The measure tracks the percentage of checked baggage screened by EDS equipment, and provides an indicator of the deployment and utilization of stand-alone and in-line Next Generation (NextGen) EDS, which are installed at airports to detect threats concealed within checked baggage. Checked baggage that is not screened with EDS is alternatively screened with Explosives Trace Detection units in order to meet the 100% checked baggage screening requirement of the Aviation and Transportation Security Act of 2001 (P.L. 107-71).						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	90%	90%	90%	90%	90%	90%
Result:	90%	90%	90%	90%	N/A	N/A

Measure: Percent of countries with direct flights to the U.S. who are provided aviation security assistance						
Description: The measure reports the amount of interaction the United States has with countries providing Last-Point-of-Departure (LPD) service to the U.S. An LPD country is a country with at least one port providing direct traffic to a specific destination - usually a foreign airport with direct passenger and/or cargo flights to a U.S. destination airport. The U.S. interacts with countries providing LPD service with the goal to share aviation security policy and practices at either the national or airport level.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	100%	100%	100%	100%	100%	100%
Result:	100%	100%	100%	100%	N/A	N/A

Measure: Percent of Indirect Air Carriers (IAC) found to be compliant with TSA standard security programs						
Description: This measure gauges the percent of Indirect Air Carriers that have at least one finding during inspection calculated against the total number of inspections conducted. An IAC is defined as any person, organization, or business within the United States national air system that does not possess a Federal Aviation Administration issued air carrier operation certificate, yet employs the services of licensed air carriers to move cargo from one destination to another. Air carriers leasing and selling space on their aircrafts provide these services to companies for the purpose of shipping items. Examples of an IAC could be a charter vendor, the postal service, or freight forwarder. Standard Security Programs provide detailed guidance to these regulated parties on how to implement regulatory requirements. Continuing education, outreach efforts, and targeting additional resources on IACs identified as noncompliant, will increase the rate of IACs in compliance.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	88%	90%	92%	94%	96%	98%
Result:	90%	89%	88%	89%	N/A	N/A

Measure: Percent of transportation sector vetted population submissions that are matched against watch lists using the Transportation Vetting System						
Description: This measure indicates the percent of qualified record submissions, received from vetted transportation-sector population data providers, that are matched against existing high-risk watchlists using the Transportation Vetting System (TVS). A qualified submission contains sufficient data to allow the TVS automated vetting system to match individuals against existing high risk watch lists. The transportation sector populations include internationally-flying aircrew; aviation, air cargo, and port workers; HAZMAT drivers; FAA certificate holders; TSA employees; Pre-Check applicants; and alien flight school students. Vetting individuals against high risk watch lists strengthens the security of the transportation system.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	N/A	N/A	100%	100%
Result:	N/A	N/A	N/A	N/A	N/A	N/A

Measure: Percent variation between risk based planned deployments and actual deployments for Visible Intermodal Prevention and Response (VIPR) operations						
Description: This measure reflects the coverage by VIPR teams at prioritized locations based upon risk and assesses how well TSA is deploying its VIPR resources based on the risk levels assigned to deployment locations. The percent is determined by evaluating the deviation of actual coverage from desired coverage. VIPR operations are the deployment of any combination of TSA personnel and equipment for the purpose of enhancing the security of any mode of transportation (aviation, mass transit, highway, maritime, freight rail, and pipeline) with any of TSA's transportation security and law enforcement stakeholders which may include federal, state, tribal, or local authorities. The deployment locations within each transportation mode nationwide have been assigned a risk level based on data from the Transportation Sector Security Risk Assessment (TSSRA). TSSRA also determines the percent of deployment time for each risk level and constitutes the foundation for the risk-based deployment targets.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	N/A	90.0%	91%	92%
Result:	N/A	N/A	N/A	87.5%	N/A	N/A

Mission 2: Secure and Manage Our Borders

Resources Requested

TSA resources supporting *Secure and Manage Our Borders* are provided in the table below.

\$ in thousands

Program Name	FY 2016 Revised Enacted		FY 2017 Annualized CR		FY 2018 President's Budget	
	\$	FTE	\$	FTE	\$	FTE
Other Operations and Enforcement	59,384	207	59,550	207	59,197	206
Total	59,384	207	59,550	207	59,197	206

Performance Measures

TSA contributes to this mission, but does not have performance measures in this area.

Mature and Strengthen Homeland Security

Resources Requested

TSA resources supporting *Mature and Strengthen Homeland Security* are provided in the table below.

\$ in thousands

Program Name	FY 2016 Revised Enacted		FY 2017 Annualized CR		FY 2018 President's Budget	
	\$	FTE	\$	FTE	\$	FTE
Mission Support	918,981	1,737	919,534	1,737	869,258	1,645
Total	918,981	1,737	919,534	1,737	869,258	1,645

Performance Measures

TSA contributes to this mission, but does not have performance measures in this area.

Transportation Security Administration Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Operations and Support	55,227	51,656	\$7,076,105	55,227	51,132	\$6,971,471	55,460	52,956	\$7,258,724	233	1,824	\$287,253
Procurement, Construction, and Improvements	188	177	\$462,259	188	177	\$449,344	-	-	\$303,314	(188)	(177)	(\$146,030)
Research and Development	-	-	\$5,000	-	-	\$4,990	-	-	\$20,190	-	-	\$15,200
Total	55,415	51,833	\$7,543,364	55,415	51,309	\$7,425,805	55,460	52,956	\$7,582,228	45	1,647	\$156,423
Subtotal Discretionary - Appropriation	55,215	51,663	\$6,998,444	55,215	51,139	\$6,976,652	55,263	52,763	\$7,091,669	48	1,624	\$115,017
Subtotal Offsetting Fee - September 11 Security Fee	-	-	\$2,130,000	-	-	\$2,130,000	-	-	\$2,916,000	-	-	\$786,000
Adjusted Discretionary - Appropriation	55,215	51,663	\$4,868,444	55,215	51,139	\$4,846,652	55,263	52,763	\$4,175,669	48	1,624	(\$670,983)
Subtotal Discretionary - Fee	176	146	\$290,040	176	146	\$193,953	182	178	\$235,359	6	32	\$41,406
Subtotal Mandatory - Appropriation	-	-	\$250,000	-	-	\$250,000	-	-	\$250,000	-	-	-
Subtotal Mandatory - Fee	24	24	\$4,880	24	24	\$5,200	15	15	\$5,200	(9)	(9)	-

Transportation Security Administration Comparison of Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$7,440,096		
Transfers & Reprogrammings	\$7,501		
Delta in Enacted Fee Estimate to Fee Actuals	\$95,767		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$7,543,364	\$7,425,805	\$7,582,228
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$1,046,522	\$691,147	\$460,070
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	(\$595)	\$250
Supplementals	-	-	-
Total Budget Authority	\$8,589,886	\$8,116,357	\$8,042,548
Collections – Reimbursable Resources	\$14,348	\$6,276	\$6,276
Total Budget Resources	\$8,604,234	\$8,122,633	\$8,048,824
Obligations (Actual/Projections/Estimates)	\$7,954,673	\$7,662,563	\$7,724,159
Personnel: Positons and FTE			
Enacted/Request Positions	55,415	55,415	55,460
Enacted/Request FTE	51,833	51,309	52,956
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	56,977	55,415	55,460
FTE (Actual/Estimates/Projections)	54,720	51,309	52,956

**Transportation Security Administration
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Operations and Support	55,227	51,656	\$4,787,191	\$90.7	55,227	51,132	\$4,761,371	\$91.14	55,460	52,956	\$5,011,261	\$92.62	233	1,824	\$249,890	\$1.48
Procurement, Construction, and Improvements	188	177	\$26,916	\$152.07	188	177	\$26,916	\$152.07	-	-	-	-	(188)	(177)	(\$26,916)	(\$152.07)
Total	55,415	51,833	\$4,814,107	\$90.91	55,415	51,309	\$4,788,287	\$91.35	55,460	52,956	\$5,011,261	\$92.62	45	1,647	\$222,974	\$1.27
Discretionary - Appropriation	55,215	51,663	\$4,792,574	\$90.79	55,215	51,139	\$4,766,754	\$91.23	55,263	52,763	\$4,986,599	\$92.5	48	1,624	\$219,845	\$1.27
Discretionary - Fee	176	146	\$19,050	\$130.48	176	146	\$19,050	\$130.48	182	178	\$22,179	\$124.6	6	32	\$3,129	(\$5.88)
Mandatory - Fee	24	24	\$2,483	\$103.46	24	24	\$2,483	\$103.46	15	15	\$2,483	\$165.53	(9)	(9)	-	\$62.07

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

Transportation Security Administration
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$2,852,750	\$2,838,502	\$2,974,037	\$135,535
11.3 Other than Full-Time Permanent	\$311,571	\$309,033	\$324,029	\$14,996
11.5 Other Personnel Compensation	\$296,780	\$295,310	\$301,761	\$6,451
11.8 Special Personal Services Payments	\$92,511	\$91,754	\$97,154	\$5,400
12.1 Civilian Personnel Benefits	\$1,251,030	\$1,244,228	\$1,305,169	\$60,941
13.0 Benefits for Former Personnel	\$9,465	\$9,460	\$9,111	(\$349)
Total - Personnel Compensation and Benefits	\$4,814,107	\$4,788,287	\$5,011,261	\$222,974
Positions and FTE				
Positions - Civilian	55,415	55,415	55,460	45
FTE - Civilian	51,833	51,309	52,956	1,647

TSA’s FY 2018 request includes personnel cost increases of \$250 million, 233 positions, and 1,824 FTE. These increases are primarily the result of annualization of increases made in FY 2016 to address screening wait times at the Nation’s airports.

**Transportation Security Administration
Non Pay Budget Exhibits**

Non Pay summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Operations and Support	\$2,288,914	\$2,210,100	\$2,247,463	\$37,363
Procurement, Construction, and Improvements	\$435,343	\$422,428	\$303,314	(\$119,114)
Research and Development	\$5,000	\$4,990	\$20,190	\$15,200
Total	\$2,729,257	\$2,637,518	\$2,570,967	(\$66,551)
Discretionary - Appropriation	\$2,205,870	\$2,209,898	\$2,105,070	(\$104,828)
Discretionary - Fee	\$270,990	\$174,903	\$213,180	\$38,277
Mandatory - Fee	\$2,397	\$2,717	\$2,717	-
Mandatory - Appropriation	\$250,000	\$250,000	\$250,000	-

**Transportation Security Administration
Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$167,499	\$169,822	\$152,141	(\$17,681)
22.0 Transportation of Things	\$1,222	\$1,230	\$1,210	(\$20)
23.1 Rental Payments to GSA	\$131,001	\$131,830	\$135,441	\$3,611
23.2 Rental Payments to Others	\$46,624	\$46,793	\$64,782	\$17,989
23.3 Communications, Utilities, and Misc. Charges	\$59,144	\$57,792	\$57,379	(\$413)
24.0 Printing and Reproduction	\$3,917	\$2,246	\$3,083	\$837
25.1 Advisory and Assistance Services	\$1,020,488	\$929,135	\$918,874	(\$10,261)
25.2 Other Services from Non-Federal Sources	\$275,090	\$276,557	\$269,449	(\$7,108)
25.3 Other Goods and Services from Federal Sources	\$336,077	\$336,702	\$329,526	(\$7,176)
25.4 Operation and Maintenance of Facilities	\$22,720	\$23,374	\$22,482	(\$892)
25.5 Research and Development Contracts	\$5,000	\$4,990	\$20,190	\$15,200
25.6 Medical Care	\$739	\$752	\$985	\$233
25.7 Operation and Maintenance of Equipment	\$319,411	\$317,701	\$314,986	(\$2,715)
25.8 Subsistence & Support of Persons	\$4,857	\$5,086	\$7,983	\$2,897
26.0 Supplies and Materials	\$67,740	\$70,540	\$64,878	(\$5,662)
31.0 Equipment	\$175,034	\$170,164	\$157,856	(\$12,308)
32.0 Land and Structures	\$12,062	\$12,132	\$12,318	\$186
41.0 Grants, Subsidies, and Contributions	\$79,770	\$79,770	\$36,553	(\$43,217)
42.0 Insurance Claims and Indemnities	\$862	\$902	\$851	(\$51)
Total - Non Pay Object Classes	\$2,729,257	\$2,637,518	\$2,570,967	(\$66,551)

**Transportation Security Administration
Supplemental Budget Justification Exhibits**

Working Capital Fund

Dollars in Thousands

Appropriation and PPA	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Operations and Support	\$78,258	\$44,875	\$36,018
Mission Support	\$71,405	\$37,933	\$29,373
Aviation Screening Operations	\$4,306	\$4,306	\$4,304
Other Operations and Enforcement	\$2,547	\$2,636	\$2,341
Total Working Capital Fund	\$78,258	\$44,875	\$36,018

**Transportation Security Administration
Status of Congressionally Requested Studies, Reports and Evaluations**

Fiscal Year	Due Date	Reference/Citation	Requirement	Status
2017	5/15/2017	FY 17 Appropriations P.L. 115-31 and associated reports	FY 2017 FAMS Mission Coverage, Staffing, and Hiring - Q2	In DHS Clearance
2017	N/A	P.L. 108-334	Unclaimed Money	Delivered report on 3/2/2017
2017	8/3/2017	FY 17 Appropriations P.L. 115-31/S.Rpt. 114-264	Advanced Integrated Passenger Screening Technologies	In process
2017	TBD	FY 17 Appropriations P.L. 115-31 and associated reports	SIDA Airport Security	In process
2017	8/15/2017	FY 17 Appropriations P.L. 115-31 and associated reports	FY 2017 FAMS Mission Coverage, Staffing, and Hiring - Q3	Will process at the end of Q3.
2017	11/15/2017	FY 17 Appropriations P.L. 115-31 and associated reports	FY 2017 FAMS Mission Coverage, Staffing, and Hiring - Q4	Will process at the end of Q4.

Transportation Security Administration Authorized/Unauthorized Appropriations

Dollars in Thousands

Budget Activity	Last year of Authorization	Authorized Level	Appropriation in Last Year of Authorization	FY 2018 President's Budget
	Fiscal Year	Amount	Amount	Amount
Operations and Support	N/A	N/A	N/A	\$7,019,065
Aviation Screening Operations	N/A	N/A	N/A	\$4,823,811
Other Operations and Enforcement	N/A	N/A	N/A	\$1,325,996
Mission Support	N/A	N/A	N/A	\$869,258
Procurement, Construction, and Improvements	N/A	N/A	N/A	\$52,414
Aviation Screening Infrastructure	N/A	N/A	N/A	\$36,123
Infrastructure for Other Operations	N/A	N/A	N/A	\$16,291
Research and Development	N/A	N/A	N/A	\$20,190
Research and Development	N/A	N/A	N/A	\$20,190
Federal Assistance	N/A	N/A	N/A	\$0
Total Direct Authorization/Appropriation	N/A	N/A	N/A	\$7,091,669
Fee Accounts	N/A	N/A	N/A	\$490,559

Fee accounts include Mandatory fees for the Alien Flight School Program (AFSP) and the Aviation Security Capital Fund (ASCF). The ASCF is funded out of the Aviation Passenger Security Fee. The following chart gives additional details for the Fee Accounts:

Discretionary Fees	\$235,359.00
Transportation Worker Identification Credential - Fee	\$64,449.00
Hazardous Materials Endorsement - Fee	\$20,200.00
General Aviation at DCA - Fee	\$560.00
Commerical Aviation and Airports - Fee	\$8,000.00
Other Security Threat Assessments - Fee	\$50.00
Air Cargo/Certified Cargo Screening Program - Fee	\$5,200.00
TSA Precheck - Fee	\$136,900.00
Mandatory Fees	\$255,200.00
Aviation Security Capital Fund	\$250,000.00
Alien Flight School - Fee	\$5,200.00

Transportation Security Administration Proposed Legislative Language

Operations and Support

For necessary expenses of the Transportation Security Administration *for operations and support* related to providing civil aviation security services, surface transportation security, the development of intelligence and vetting activities, transportation security support, and minor procurements, construction, and improvements pursuant to the Aviation and Transportation Security Act (Public Law 107–71; 115 Stat. 597; 49 U.S.C. 40101 note), [~~\$6,914,937,000~~]\$7,018,165,000, to remain available until September 30, [~~2018~~]2019; of which not to exceed \$7,650 shall be for official reception and representation expenses: *Provided*, That security service fees authorized under section 44940 of title 49, United States Code, shall be credited to this appropriation as offsetting collections and shall be available only for aviation security: *Provided further*, That the sum appropriated under this heading from the general fund shall be reduced on a dollar-for-dollar basis as such offsetting collections are received during fiscal year [~~2017~~]2018 so as to result in a final fiscal year appropriation from the general fund estimated at not more than [~~\$4,794,985,000~~]\$4,102,165,000. [*Provided further*, That the Administrator of the Transportation Security Administration shall submit to the Committees on Appropriations of the Senate and the House of Representatives, a semiannual report updating information on a strategy to increase the number of air passengers eligible for expedited screening as specified under this heading in Public Law 114–4: *Provided further*, That Members of the United States House of Representatives and the United States Senate, including the leadership; the heads of Federal agencies and commissions, including the Secretary, Deputy Secretary, Under Secretaries, and Assistant Secretaries of the Department of Homeland Security; the United States Attorney General, Deputy Attorney General, Assistant Attorneys General, and the United States Attorneys; and senior members of the Executive Office of the President, including the Director of the Office of Management and Budget, shall not be exempt from Federal passenger and baggage screening.]

Language Provision	Explanation
OPERATIONS AND SUPPORT	
<i><u>for operations and support</u></i>	Clarifying language. No substantial change proposed.
...[\$6,914,937,000] <u>\$7,018,165,000</u>	Dollar change only. No substantial change proposed.
...[2018] <u>2019</u>	Fiscal year change only. No substantial change proposed.
...[2017] <u>2018</u>	Fiscal year change only. No substantial change proposed.
...[\$4,794,985,000] <u>\$4,102,165,000</u>	Dollar change only. No substantial change proposed.

<p>....[: Provided further, That the Administrator of the Transportation Security Administration shall submit to the Committees on Appropriations of the Senate and the House of Representatives, a semiannual report updating information on a strategy to increase the number of air passengers eligible for expedited screening as specified under this heading in Public Law 114-4: Provided further, That Members of the United States House of Representatives and the United States Senate, including the leadership; the heads of Federal agencies and commissions, including the Secretary, Deputy Secretary, Under Secretaries, and Assistant Secretaries of the Department of Homeland Security; the United States Attorney General, Deputy Attorney General, Assistant Attorneys General, and the United States Attorneys; and senior members of the Executive Office of the President, including the Director of the Office of Management and Budget, shall not be exempt from Federal passenger and baggage screening.]</p>	<p>Language reflects that a full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.</p>
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Procurement, Construction, and Improvements

For necessary expenses of the Transportation Security Administration for procurement, construction, and improvements, pursuant to the Aviation Transportation Security Act (Public Law 107-71; 115 Stat. 597; 49 U.S.C. 40101 note), [\$206,093,000]\$53,314,000, to remain available until [September 30, 2018:]*September 30, 2019.* [*Provided*, That any award to deploy explosives detection systems shall be based on risk, the airport's current reliance on other screening solutions, lobby congestion resulting in increased security concerns, high injury rates, airport readiness, and increased cost effectiveness: *Provided further*, That, notwithstanding section 44923 of title 49, United States Code, for fiscal year 2017, any funds in the Aviation Security Capital Fund established by section 44923(h) of title 49, United States Code, may be used for the procurement and installation of explosives detection systems or for the issuance of other transaction agreements for the purpose of funding projects described in section 44923(a) of such title: *Provided further*, That, notwithstanding any other provision of law, mobile explosives detection systems purchased and deployed using funds made available under this heading may be moved and redeployed to meet evolving passenger and baggage screening security priorities at airports: *Provided further*, That, not later than 90 days after the date of enactment of this Act, the Secretary of Homeland Security shall submit to the Committees on Appropriations of the Senate and the House of Representatives a detailed report on—]

[(1) the Department of Homeland Security efforts and resources being devoted to develop more advanced integrated passenger screening technologies for the most effective security of passengers and baggage at the lowest possible operating and acquisition costs, including projected funding levels for each fiscal year for the next 5 years or until project completion, whichever is earlier;]

[(2) how the Transportation Security Administration is deploying its existing passenger and baggage screener workforce in the most cost effective manner; and]

[(3) labor savings from the deployment of improved technologies for passenger and baggage screening, including high-speed baggage screening and how those savings are being used to offset security costs or reinvested to address security vulnerabilities.]

<p>PROCUREMENT, CONSTRUCTION, AND IMPROVEMENTS</p>	
<p>...[\$206,093,000] <u>\$53,314,000</u></p>	<p>Dollar change only. No substantial change proposed.</p>
<p>...[2018] <u>2019</u></p>	<p>Fiscal year change only. No substantial change proposed.</p>
<p>...[Provided, That any award to deploy explosives detection systems shall be based on risk, the airport's current reliance on other screening solutions, lobby congestion resulting in increased security concerns, high injury rates, airport readiness, and increased cost effectiveness: Provided further, That, notwithstanding section 44923 of title 49, United States Code, for fiscal year 2017, any funds in the Aviation Security Capital Fund established by section 44923(h) of title 49, United States Code, may be used for the procurement and installation of explosives detection systems or for the issuance of other transaction agreements for the purpose of funding projects described in section 44923(a) of such title: Provided further, That, notwithstanding any other provision of law, mobile explosives detection systems purchased and deployed using funds made available under this heading may be moved and redeployed to meet evolving passenger and baggage screening security priorities at airports: Provided further, That, not later than 90 days after the date of enactment of this Act, the Secretary of Homeland Security shall submit to the Committees on Appropriations of the Senate and the House of Representatives a detailed report on—</p> <p>(1) the Department of Homeland Security efforts and resources being devoted to develop more advanced integrated passenger screening technologies for the most effective security of passengers and baggage at the lowest possible operating and acquisition costs, including projected funding levels for each fiscal year for the next 5 years or until project completion, whichever is earlier;</p> <p>(2) how the Transportation Security Administration is deploying its existing passenger and baggage screener workforce in the most cost effective manner; and</p> <p>(3) labor savings from the deployment of improved technologies for passenger and baggage screening, including high-speed baggage screening and how those savings are being used to offset security costs or reinvested to address security vulnerabilities.</p> <p>]</p>	<p>Language reflects that a full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114–254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.</p>

Research and Development

For necessary expenses of the Transportation Security Administration for [applied scientific] research and development pursuant to the Aviation Transportation Security Act (Public Law 107-71; 115 Stat. 597; 49 U.S.C. 40101 note), [\$5,000,000,]\$20,190,000, to remain available until [September 30, 2018]*September 30, 2019*.

RESEARCH AND DEVELOPMENT	
...[applied scientific]	Clarifying language. No substantial change proposed.
... <u>115</u>	Clarification of statute citation.
...[\$5,000,000] <u>\$20,190,000</u>	Dollar change only. No substantial change proposed.
...[2018] <u>2019</u>	Fiscal year change only. No substantial change proposed.

Transportation Security Administration Reimbursable Resources

Dollars in Thousands

Collections	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Change		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Department of Homeland Security - Federal Emergency Management Agency Source	-	-	\$42	-	-	-	-	-	-	-	-	-
Operations and Support	-	-	\$42	-	-	-	-	-	-	-	-	-
Mission Support	-	-	\$42	-	-	-	-	-	-	-	-	-
Department of Homeland Security - United States Secret Service Source	-	-	\$9,450	-	-	\$1,650	-	-	\$1,650	-	-	-
Operations and Support	-	-	\$9,450	-	-	\$1,650	-	-	\$1,650	-	-	-
Aviation Screening Operations	-	-	\$9,450	-	-	\$1,650	-	-	\$1,650	-	-	-
Screening Workforce	-	-	\$9,450	-	-	\$1,650	-	-	\$1,650	-	-	-
Screener Personnel, Compensation, and Benefits	-	-	\$9,450	-	-	\$1,650	-	-	\$1,650	-	-	-
Department of Homeland Security - Departmental Management and Operations Source	-	-	\$3,422	-	-	\$131	-	-	\$131	-	-	-
Operations and Support	-	-	\$3,422	-	-	\$131	-	-	\$131	-	-	-
Mission Support	-	-	\$3,422	-	-	\$131	-	-	\$131	-	-	-
Independent Agency - Intelligence Community Management Account Source	-	-	-	-	-	\$194	-	-	\$194	-	-	-
Operations and Support	-	-	-	-	-	\$194	-	-	\$194	-	-	-
Other Operations and Enforcement	-	-	-	-	-	\$194	-	-	\$194	-	-	-
Inflight Security	-	-	-	-	-	\$194	-	-	\$194	-	-	-
Federal Air Marshals	-	-	-	-	-	\$194	-	-	\$194	-	-	-
Department of Homeland Security - United States Coast Guard Source	-	-	\$14	-	-	\$48	-	-	\$48	-	-	-
Operations and Support	-	-	\$14	-	-	\$48	-	-	\$48	-	-	-
Aviation Screening Operations	-	-	\$14	-	-	\$48	-	-	\$48	-	-	-
Canines	-	-	\$14	-	-	\$48	-	-	\$48	-	-	-
Department of Homeland Security - National Protection and Programs Directorate Source	-	-	\$768	-	-	\$249	-	-	\$249	-	-	-
Operations and Support	-	-	\$768	-	-	\$249	-	-	\$249	-	-	-
Aviation Screening Operations	-	-	\$256	-	-	\$249	-	-	\$249	-	-	-
Airport Management	-	-	\$7	-	-	-	-	-	-	-	-	-
Canines	-	-	\$249	-	-	\$249	-	-	\$249	-	-	-
Other Operations and Enforcement	-	-	\$512	-	-	-	-	-	-	-	-	-
Vetting Programs	-	-	\$512	-	-	-	-	-	-	-	-	-
Vetting Operations	-	-	\$512	-	-	-	-	-	-	-	-	-
Executive Office of the President - Office of Administration Source	-	-	\$77	-	-	-	-	-	-	-	-	-
Operations and Support	-	-	\$77	-	-	-	-	-	-	-	-	-
Other Operations and Enforcement	-	-	\$77	-	-	-	-	-	-	-	-	-
Vetting Programs	-	-	\$77	-	-	-	-	-	-	-	-	-
Hazardous Materials Endorsement Fee	-	-	\$77	-	-	-	-	-	-	-	-	-
Department of Justice - National Security Division Source	-	-	\$20	-	-	\$4	-	-	\$4	-	-	-
Operations and Support	-	-	\$20	-	-	\$4	-	-	\$4	-	-	-
Mission Support	-	-	\$20	-	-	\$4	-	-	\$4	-	-	-
Department of State - Department of State Source	-	-	-	-	-	\$3,500	-	-	\$3,500	-	-	-

Collections		FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Change		
		Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Operations and Support	Location	-	-	-	-	-	\$3,500	-	-	\$3,500	-	-	-
Aviation Screening Operations	Location	-	-	-	-	-	\$3,500	-	-	\$3,500	-	-	-
Airport Management	Location	-	-	-	-	-	\$3,500	-	-	\$3,500	-	-	-
Department of Transportation - Department of Transportation	Source	-	-	-	-	-	\$500	-	-	\$500	-	-	-
Operations and Support	Location	-	-	-	-	-	\$500	-	-	\$500	-	-	-
Aviation Screening Operations	Location	-	-	-	-	-	\$500	-	-	\$500	-	-	-
Airport Management	Location	-	-	-	-	-	\$500	-	-	\$500	-	-	-
Department of Homeland Security - Office of Health Affairs	Source	-	-	\$183	-	-	-	-	-	-	-	-	-
Operations and Support	Location	-	-	\$183	-	-	-	-	-	-	-	-	-
Mission Support	Location	-	-	\$183	-	-	-	-	-	-	-	-	-
Office of the Director of National Intelligence	Source	-	-	\$16	-	-	-	-	-	-	-	-	-
Operations and Support	Location	-	-	\$16	-	-	-	-	-	-	-	-	-
Other Operations and Enforcement	Location	-	-	\$16	-	-	-	-	-	-	-	-	-
Intelligence and TSOC	Location	-	-	\$16	-	-	-	-	-	-	-	-	-
Department of Homeland Security - Immediate Office of the Secretary	Source	-	-	\$209	-	-	-	-	-	-	-	-	-
Operations and Support	Location	-	-	\$209	-	-	-	-	-	-	-	-	-
Mission Support	Location	-	-	\$209	-	-	-	-	-	-	-	-	-
Defense Intelligence Agency	Source	-	-	\$147	-	-	-	-	-	-	-	-	-
Operations and Support	Location	-	-	\$147	-	-	-	-	-	-	-	-	-
Mission Support	Location	-	-	\$147	-	-	-	-	-	-	-	-	-
Total Collections		-	-	\$14,348	-	-	\$6,276	-	-	\$6,276	-	-	-

Department of Homeland Security
Transportation Security Administration
Operations and Support



Fiscal Year 2018
Congressional Justification

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Operations and Support

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Mission Support	1,914	1,737	\$918,981	1,914	1,737	\$919,534	1,911	1,645	\$869,258	(3)	(92)	(\$50,276)
Aviation Screening Operations	49,988	46,797	\$4,466,066	49,988	46,273	\$4,456,247	50,507	48,436	\$4,822,911	519	2,163	\$366,664
Other Operations and Enforcement	3,325	3,122	\$1,691,058	3,325	3,122	\$1,595,690	3,042	2,875	\$1,566,555	(283)	(247)	(\$29,135)
Total	55,227	51,656	\$7,076,105	55,227	51,132	\$6,971,471	55,460	52,956	\$7,258,724	233	1,824	\$287,253
Subtotal Discretionary - Appropriation	55,027	51,486	\$6,781,185	55,027	50,962	\$6,772,318	55,263	52,763	\$7,018,165	236	1,801	\$245,847
Subtotal Offsetting Fee - September 11 Security Fee	-	-	\$2,130,000	-	-	\$2,130,000	-	-	\$2,916,000	-	-	\$786,000
Adjusted Discretionary - Appropriation	55,215	51,663	\$4,651,185	55,215	51,139	\$4,642,318	55,263	52,763	\$4,102,165	48	1,624	(\$540,153)
Subtotal Discretionary - Fee	176	146	\$290,040	176	146	\$193,953	182	178	\$235,359	6	32	\$41,406
Subtotal Mandatory - Fee	24	24	\$4,880	24	24	\$5,200	15	15	\$5,200	(9)	(9)	-

Overview

The Operations and Support (O&S) appropriation funds the Transportation Security Administration’s (TSA) operating salaries and expenses. This appropriation provides funding for TSA screening operations, including in-flight security, a strong security regulation and enforcement presence on-site at the Nation’s commercial airports, multi-modal regulation compliance inspections and deterrence programs, and support for operational and headquarters personnel, systems and infrastructure.

The appropriation is broken out into the following Programs, Projects, and Activities (PPA):

- **Mission Support:** The Mission Support PPA provides resourcing to support infrastructure required to sustain TSA’s nationwide operations, such as headquarters offices, human resources, information technology (IT), and major acquisitions to support those efforts.
- **Aviation Screening Operations:** This PPA supports the core functions of TSA’s frontline aviation security operations. This includes funding for the Screening Workforce, the National Explosives Detection Canine Team program, Secure Flight, and programs that support screening capabilities, as well as field support for these efforts. TSA performs this function through the use of an intelligence-driven Risk-Based Security (RBS) approach.

- **Other Operations and Enforcement:** Resources within this PPA provide for other key activities directly aligned to frontline operations and includes funding for Inflight Security, which includes funding for the Federal Air Marshals Service (FAMS) and Federal Flight Deck Officer (FFDO) and Crew Training, Aviation Regulation, Air Cargo, Intelligence and the TSA Operations Center (TSOC), and TSA's Vetting Programs.

TSA's appropriations are offset by the Aviation Passenger Security Fee and other Vetting Fees discussed under the Other Operations and Enforcement PPA. Additionally, TSA's budget request includes a proposal to increase offsetting revenue collections by \$530 million through an increase to the Aviation Passenger Security Fee of one dollar, from \$5.60 to \$6.60 per one-way trip. Legislation will be provided to Congress proposing this increase.

Operations and Support
Budget Authority and Obligations
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$6,985,372		
Transfers & Reprogrammings	(\$5,034)		
Delta in Enacted Fee Estimate to Fee Actuals	\$95,767		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$7,076,105	\$6,971,471	\$7,258,724
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$519,324	\$358,859	\$180,130
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	(\$345)	-
Supplementals	-	-	-
Total Budget Authority	\$7,595,429	\$7,329,985	\$7,438,854
Collections – Reimbursable Resources	\$14,348	\$6,276	\$6,276
Total Budget Resources	\$7,609,777	\$7,336,261	\$7,445,130
Obligations (Actual/Projections/Estimates)	\$7,280,280	\$7,156,131	\$7,356,630
Personnel: Positons and FTE			
Enacted/Request Positions	55,227	55,227	55,460
Enacted/Request FTE	51,656	51,132	52,956
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	56,789	55,227	55,460
FTE (Actual/Estimates/Projections)	54,543	51,132	52,956

**Operations and Support
Collections – Reimbursable Resources**
Dollars in Thousands

Collections	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Department of Homeland Security - Federal Emergency Management Agency Source	-	-	\$42	-	-	-	-	-	-
Department of Homeland Security - United States Secret Service Source	-	-	\$9,450	-	-	\$1,650	-	-	\$1,650
Department of Homeland Security - Departmental Management and Operations Source	-	-	\$3,422	-	-	\$131	-	-	\$131
Independent Agency - Intelligence Community Management Account Source	-	-	-	-	-	\$194	-	-	\$194
Department of Homeland Security - United States Coast Guard Source	-	-	\$14	-	-	\$48	-	-	\$48
Department of Homeland Security - National Protection and Programs Directorate Source	-	-	\$768	-	-	\$249	-	-	\$249
Executive Office of the President - Office of Administration Source	-	-	\$77	-	-	-	-	-	-
Department of Justice - National Security Division Source	-	-	\$20	-	-	\$4	-	-	\$4
Department of State - Department of State Source	-	-	-	-	-	\$3,500	-	-	\$3,500
Department of Transportation - Department of Transportation Source	-	-	-	-	-	\$500	-	-	\$500
Department of Homeland Security - Office of Health Affairs Source	-	-	\$183	-	-	-	-	-	-
Office of the Director of National Intelligence Source	-	-	\$16	-	-	-	-	-	-
Department of Homeland Security - Immediate Office of the Secretary Source	-	-	\$209	-	-	-	-	-	-
Defense Intelligence Agency Source	-	-	\$147	-	-	-	-	-	-
Total Collections	-	-	\$14,348	-	-	\$6,276	-	-	\$6,276

**Operations and Support
Summary of Budget Changes**
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	55,227	51,132	\$6,985,372
Approved FTE Increase	-	524	-
O&S - Mission Support to PC&I - Vetting Programs	-	-	(\$5,034)
Total Above Threshold Reprogrammings/Transfers	-	524	(\$5,034)
Delta in Enacted Fee Estimate to Fee Actuals	-	-	\$95,767
FY 2016 Revised Enacted	55,227	51,656	\$7,076,105
FY 2017 Annualized CR	55,227	51,132	\$6,971,471
FY 2018 Base Budget	55,227	51,132	\$6,971,471
Technical Adjustment	18	68	\$29
Transfer from O&S - Vetting Programs to PC&I - Vetting Programs	-	-	(\$2,200)
Transfer from PC&I - Air Cargo to O&S - Air Cargo	5	5	\$11,008
Transfer from PC&I - Checked Baggage to O&S - Screening Technology Maintenance	123	115	\$35,310
Transfer from PC&I - Checked Baggage to O&S - Surface Programs	-	-	\$8,000
Transfer from PC&I - Checkpoint Support to O&S - Screening Technology Maintenance	60	57	\$102,464
Transfer from TSA - Airport Management to USM - CRSO	-	-	(\$54)
Transfer from TSA - Intelligence and TSOC to A&O	-	-	(\$43)
Transfer from TSA - Mission Support to OSEM - OGC	-	-	(\$15)
Transfer from TSA - Mission Support to USM - CHCO	-	-	(\$1,802)
Transfer from TSA - Mission Support to USM - CIO	-	-	(\$756)
Transfer from TSA - Mission Support to USM - CPO	-	-	(\$235)
Transfer from TSA - Mission Support to USM - CRSO	-	-	(\$3)
Transfer from TSA - Mission Support to USM - CSO	-	-	(\$1,257)
Total Transfers	188	177	\$150,417
2016 Reprogramming Tails	1,469	2,352	\$182,911
2017 Pay Increase	-	-	\$75,137
2018 Pay Increase	-	-	\$67,596
Annualization of 12 K9 Teams	-	16	\$8,841

Budget Formulation Activity	Positions	FTE	Amount
Annualization of Field Intelligence Officers	-	9	\$2,000
Annualization of FY16 Pay Increase	-	-	\$15,251
Annualization of FY17 Pay Increase	-	-	\$24,905
Annualization of TSOs	-	323	\$26,941
Enhanced Criminal Vetting for Aviation Workers	-	-	\$1,500
Fee Adjustment	-	-	\$41,406
Fingerprint Results Database	-	-	\$500
OPM & DHS Credit Monitoring	-	-	\$10,591
Other Adjustments-to-Base	-	-	\$15,066
Physical Access Renovation	-	-	\$5,600
RapBack Implementation	-	-	\$1,650
Rent Increase	-	-	\$15,000
Risk Assessments/Physical Security Upgrades	-	-	\$3,500
SPP Pay COLA	-	-	\$4,842
Total, Pricing Increases	1,469	2,700	\$503,237
FAMS Training Reduction	-	-	(\$7,000)
Information Technology Savings	-	-	(\$30,000)
PreCheck Expansion Non-Recur	-	-	(\$11,700)
Program Efficiencies	-	-	(\$15,930)
Watchlist Services Non-Recur	-	-	(\$2,800)
Total, Pricing Decreases	-	-	(\$67,430)
Total Adjustments-to-Base	1,675	2,945	\$586,253
FY 2018 Current Services	56,902	54,077	\$7,557,724
AT Algorithm Development	-	-	\$5,000
Increase Redress Staffing	11	11	\$3,500
TSO Volume Growth	629	382	\$27,000
Total, Program Increases	640	393	\$35,500
Acquisition Program Investment Efficiencies	-	-	(\$28,450)
Cease Staffing at Exit Lanes	(1,794)	(1,090)	(\$77,000)
Eliminate LEO Reimbursable Program	-	-	(\$45,000)
Hiring Freeze and Payroll Efficiencies	-	(147)	(\$56,458)

Budget Formulation Activity	Positions	FTE	Amount
Personnel Futures Systems Backup	-	-	(\$30,000)
Reduce Large Aircraft and Charter Screening Program	-	-	(\$6,350)
Reduce VIPR Teams	(288)	(277)	(\$43,000)
Service Contract Savings	-	-	(\$23,456)
Training Reduction	-	-	(\$2,000)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$22,786)
Total, Program Decreases	(2,082)	(1,514)	(\$334,500)
FY 2018 Request	55,460	52,956	\$7,258,724
FY 2017 TO FY 2018 Change	233	1,824	\$287,253

**Operations and Support
Justification of Pricing Changes**
Dollars in Thousands

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Pricing Change 1 - 2016 Reprogramming Tails	1,469	2,352	\$182,911
Mission Support	-	-	\$1,922
Aviation Screening Operations	1,469	2,352	\$180,989
Screening Workforce	1,277	2,160	\$154,581
Screener Personnel, Compensation, and Benefits	1,265	2,149	\$151,237
Screener Training and Other	12	11	\$3,344
Airport Management	25	25	\$4,555
Canines	167	167	\$19,353
Screening Technology Maintenance	-	-	\$2,500
Pricing Change 2 - 2017 Pay Increase	-	-	\$75,137
Mission Support	-	-	\$4,165
Aviation Screening Operations	-	-	\$54,294
Screening Workforce	-	-	\$47,185
Screener Personnel, Compensation, and Benefits	-	-	\$46,809
Screener Training and Other	-	-	\$376
Airport Management	-	-	\$5,161
Canines	-	-	\$1,031
Screening Technology Maintenance	-	-	\$412
Secure Flight	-	-	\$505
Other Operations and Enforcement	-	-	\$16,678
Inflight Security	-	-	\$10,667
Federal Air Marshals	-	-	\$10,586
Federal Flight Deck Officer and Crew Training	-	-	\$81
Aviation Regulation	-	-	\$2,268
Air Cargo	-	-	\$1,160
Intelligence and TSOC	-	-	\$797
Surface Programs	-	-	\$1,525
Vetting Programs	-	-	\$261
Vetting Operations	-	-	\$261
Pricing Change 3 - 2018 Pay Increase	-	-	\$67,596
Mission Support	-	-	\$3,814
Aviation Screening Operations	-	-	\$49,103

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Screening Workforce	-	-	\$41,533
Screener Personnel, Compensation, and Benefits	-	-	\$41,115
Screener Training and Other	-	-	\$418
Airport Management	-	-	\$5,772
Canines	-	-	\$934
Screening Technology Maintenance	-	-	\$381
Secure Flight	-	-	\$483
Other Operations and Enforcement	-	-	\$14,679
Inflight Security	-	-	\$9,232
Federal Air Marshals	-	-	\$9,160
Federal Flight Deck Officer and Crew Training	-	-	\$72
Aviation Regulation	-	-	\$2,010
Air Cargo	-	-	\$1,042
Intelligence and TSOC	-	-	\$765
Surface Programs	-	-	\$1,396
Vetting Programs	-	-	\$234
Vetting Operations	-	-	\$234
Pricing Change 4 - Annualization of 12 K9 Teams	-	16	\$8,841
Aviation Screening Operations	-	16	\$8,841
Canines	-	16	\$8,841
Pricing Change 5 - Annualization of FY16 Pay Increase	-	-	\$15,251
Mission Support	-	-	\$841
Aviation Screening Operations	-	-	\$10,998
Screening Workforce	-	-	\$9,550
Screener Personnel, Compensation, and Benefits	-	-	\$9,497
Screener Training and Other	-	-	\$53
Airport Management	-	-	\$1,025
Canines	-	-	\$225
Screening Technology Maintenance	-	-	\$91
Secure Flight	-	-	\$107
Other Operations and Enforcement	-	-	\$3,412
Inflight Security	-	-	\$2,147
Federal Air Marshals	-	-	\$2,131
Federal Flight Deck Officer and Crew Training	-	-	\$16
Aviation Regulation	-	-	\$437
Air Cargo	-	-	\$255
Intelligence and TSOC	-	-	\$157
Surface Programs	-	-	\$359

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Vetting Programs	-	-	\$57
Vetting Operations	-	-	\$57
Pricing Change 6 - Annualization of FY17 Pay Increase	-	-	\$24,905
Mission Support	-	-	\$1,405
Aviation Screening Operations	-	-	\$18,089
Screening Workforce	-	-	\$15,304
Screener Personnel, Compensation, and Benefits	-	-	\$15,150
Screener Training and Other	-	-	\$154
Airport Management	-	-	\$2,126
Canines	-	-	\$344
Screening Technology Maintenance	-	-	\$137
Secure Flight	-	-	\$178
Other Operations and Enforcement	-	-	\$5,411
Inflight Security	-	-	\$3,402
Federal Air Marshals	-	-	\$3,375
Federal Flight Deck Officer and Crew Training	-	-	\$27
Aviation Regulation	-	-	\$741
Air Cargo	-	-	\$384
Intelligence and TSOC	-	-	\$283
Surface Programs	-	-	\$514
Vetting Programs	-	-	\$87
Vetting Operations	-	-	\$87
Pricing Change 7 - Annualization of Field Intelligence Officers	-	9	\$2,000
Other Operations and Enforcement	-	9	\$2,000
Intelligence and TSOC	-	9	\$2,000
Pricing Change 8 - Annualization of TSOs	-	323	\$26,941
Aviation Screening Operations	-	323	\$26,941
Screening Workforce	-	323	\$26,941
Screener Personnel, Compensation, and Benefits	-	323	\$26,941
Pricing Change 9 - Enhanced Criminal Vetting for Aviation Workers	-	-	\$1,500
Other Operations and Enforcement	-	-	\$1,500
Vetting Programs	-	-	\$1,500
Vetting Operations	-	-	\$1,500
Pricing Change 10 - FAMS Training Reduction	-	-	(\$7,000)
Other Operations and Enforcement	-	-	(\$7,000)
Inflight Security	-	-	(\$7,000)
Federal Air Marshals	-	-	(\$7,000)
Pricing Change 11 - Fee Adjustment	-	-	\$41,406

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Other Operations and Enforcement	-	-	\$41,406
Vetting Programs	-	-	\$41,406
TWIC Fee	-	-	(\$17,818)
Hazardous Materials Endorsement Fee	-	-	(\$883)
General Aviation at DCA Fee	-	-	\$160
Commercial Aviation and Airports Fee	-	-	\$1,500
Air Cargo/Certified Cargo Screening Program Fee	-	-	\$1,700
TSA Precheck Fee	-	-	\$56,747
Pricing Change 12 - Fingerprint Results Database	-	-	\$500
Other Operations and Enforcement	-	-	\$500
Vetting Programs	-	-	\$500
Vetting Operations	-	-	\$500
Pricing Change 13 - Information Technology Savings	-	-	(\$30,000)
Mission Support	-	-	(\$30,000)
Pricing Change 14 - OPM & DHS Credit Monitoring	-	-	\$10,591
Mission Support	-	-	\$10,591
Pricing Change 15 - Other Adjustments-to-Base	-	-	\$15,066
Aviation Screening Operations	-	-	\$550
Screening Technology Maintenance	-	-	\$550
Other Operations and Enforcement	-	-	\$14,516
Inflight Security	-	-	\$820
Federal Air Marshals	-	-	\$820
Aviation Regulation	-	-	\$706
Air Cargo	-	-	(\$552)
Surface Programs	-	-	\$10,775
Vetting Programs	-	-	\$2,767
Vetting Operations	-	-	\$2,767
Pricing Change 16 - Physical Access Renovation	-	-	\$5,600
Mission Support	-	-	\$5,600
Pricing Change 17 - PreCheck Expansion Non-Recur	-	-	(\$11,700)
Other Operations and Enforcement	-	-	(\$11,700)
Vetting Programs	-	-	(\$11,700)
Vetting Operations	-	-	(\$11,700)
Pricing Change 18 - Program Efficiencies	-	-	(\$15,930)
Mission Support	-	-	(\$6,520)
Aviation Screening Operations	-	-	(\$6,556)
Screening Workforce	-	-	(\$3,697)
Screener Training and Other	-	-	(\$3,697)

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Airport Management	-	-	(\$2,685)
Canines	-	-	(\$170)
Secure Flight	-	-	(\$4)
Other Operations and Enforcement	-	-	(\$2,854)
Inflight Security	-	-	(\$1,840)
Federal Air Marshals	-	-	(\$778)
Federal Flight Deck Officer and Crew Training	-	-	(\$1,062)
Intelligence and TSOC	-	-	(\$1,009)
Vetting Programs	-	-	(\$5)
Vetting Operations	-	-	(\$5)
Pricing Change 19 - RapBack Implementation	-	-	\$1,650
Other Operations and Enforcement	-	-	\$1,650
Vetting Programs	-	-	\$1,650
Vetting Operations	-	-	\$1,650
Pricing Change 20 - Rent Increase	-	-	\$15,000
Mission Support	-	-	\$15,000
Pricing Change 21 - Risk Assessments/Physical Security Upgrades	-	-	\$3,500
Mission Support	-	-	\$3,500
Pricing Change 22 - SPP Pay COLA	-	-	\$4,842
Aviation Screening Operations	-	-	\$4,842
Screening Workforce	-	-	\$4,842
Screening Partnership Program	-	-	\$4,842
Pricing Change 23 - Watchlist Services Non-Recur	-	-	(\$2,800)
Aviation Screening Operations	-	-	(\$1,380)
Secure Flight	-	-	(\$1,380)
Other Operations and Enforcement	-	-	(\$1,420)
Vetting Programs	-	-	(\$1,420)
Vetting Operations	-	-	(\$1,420)
Total Pricing Changes	1,469	2,700	\$435,807

Pricing Change 1 – 2016 Reprogramming Tails (1,469 positions, 2,352 FTEs, \$182.9 million): In FY 2016, TSA received several reprogrammings to address long wait times at the Nation’s airports and to enhance checkpoint security. This pricing change annualizes the associated positions and funding in FY 2018, including:

- Hiring 993 additional Transportation Security Officers (TSOs) – FY20 18 impact of 993 FTP, 907 FTE, \$68.0 million;
- Conversion of TSOs from part-time to full-time – FY 2018 impact of 0 FTP, 998 FTE, \$70.3 million;

- Adding 50 National Explosives Detection Canine Teams – FY 2018 impact of 167 FTP, 167 FTE, \$21.4 million; and
- Deploying Advanced Imaging Technology (AIT) to smaller airports – FY 2018 impact of 309 FTP, 280 FTE, 23.3 million.

Pricing Change 2 – 2017 Pay Increase (\$75.1 million): This pricing change reflects the effects of the FY 2017 pay increase for converting TSA’s PC&B costs to a FY 2017 baseline.

Pricing Change 3 – 2018 Pay Increase (\$67.6 million): This pricing change reflects the projected FY 2018 pay increase.

Pricing Change 4 – Annualization of 12 K9 Teams (16 FTE, \$8.8 million): TSA received authority and funding to increase the number of canine teams by 12. This pricing change annualizes the FTE and funding in FY 2018.

Pricing Change 5 – Annualization of FY 2016 Pay Increase (\$15.3 million): This pricing change reflects the effects of annualization of the FY 2016 pay increase in converting TSA PC&B costs to a FY 2017 baseline.

Pricing Change 6 – Annualization of FY 2017 Pay Increase (\$24.9 million): This pricing change reflects the annualization of the FY 2017 pay increase in FY 2018.

Pricing Change 7 – Annualization of Field Intelligence Officers (9 FTE, \$2 million): In FY 2016 TSA received authorization and funding to hire nine additional Field Intelligence Officers. This pricing change annualizes the FTE and funding in FY 2018.

Pricing Change 8 – Annualization of TSOs (323 FTE, \$26.9 million): TSA received authorization and funding for an increase the number of TSOs in the FY 2016 budget. This pricing change annualizes the FTE and funding in FY 2018.

Pricing Change 9 – Enhanced Criminal Vetting for Aviation Workers (\$1.5 million): This pricing change reflects TSAs efforts to improve the vetting of aviation workers, per recommendations from GAO, DHS Office of the Inspector General, and the Aviation Security Advisory Council. Enhanced capability for identity verification will allow TSA to accurately conduct security threat assessment checks on applicants and ensure they do not pose a threat to transportation security.

Pricing Change 10 – FAMS Training Reduction (-\$7.0 million): With the requested reduction to the VIPR program, the FAMS PPA will absorb most of the FTE from the cut and reassign FAMS to flying missions. Therefore, TSA will incur efficiencies of \$7 million in new-hire training expenses in FY 2018.

Pricing Change 11 – Fee Adjustment (\$41.4 million): This pricing change reflects a projected increases and decreases in projected collections for the various vetting fee programs in FY 2018. These are due to projected changes in applicants in FY 2018.

Pricing Change 12 – Fingerprint Results Database (\$500 thousand): This reflects changes TSA is making to systems to access the Fingerprint Results Database for recurrent criminal vetting.

Pricing Change 13 – Information Technology Savings (-\$30.0 million): The FY 2018 request includes a \$30.0 million savings in IT infrastructure due to a one-time contract period of performance restructuring.

Pricing Change 14 – OPM and DHS Credit Monitoring (\$10.6 million): This reflects TSAs funding of credit monitoring of employees affected by the OPM breach.

Pricing Change 15 – Other Adjustment to Base (\$15.1 million): This reflects many small pricing changes across TSA’s operation necessary to maintain the current services level. These are individually discussed in the applicable PPAs.

Pricing Change 16 – Physical Access Renovation (\$5.6 million): This pricing change reflects changes TSA is making to its physical access of facilities to ensure that Physical Access Control Systems (PACS) at federal facilities are properly equipped to provide access.

Pricing Change 17 – PreCheck Expansion Non Recur (-\$11.7 million): This reduction non-recurs one-time funds TSA received to expand the use of PreCheck lanes. This pricing change reflects TSA not receiving this funding in FY 2018.

Pricing Change 18 – Program Efficiencies (-\$15.9 million): This pricing change reflects reductions in program costs due to a number of efficiencies TSA has identified in FY 2018. Efficiencies include such savings as reduced spending on contracts and acquisitions and reductions to supplies and travel.

Pricing Change 19 – RapBack Implementation (\$1.7 million): This pricing change reflects TSA implementing guidance from GAO, DHS Office of the Inspector General, and the Aviation Security Advisory Council to continually vet populations with access to the Transportation system.

Pricing Change 20 – Rent Increase (\$15.0 million): This pricing change reflects increased rent costs to TSA facilities.

Pricing Change 21 – Risk Assessment/Physical Security Upgrades (\$3.5 million): This pricing change reflects changes TSA is making to improve physical security. TSA will upgrade 20-30 facilities per year to ensure they meet the threat analysis level to adhere to the minimum safety and security enhancements required by DHS and the Interagency Security Committee (ISC). This will also allow TSA to comply with HSPD-12 mandates.

Pricing Change 22 – Screening Partnership Program (SPP) Pay COLA (\$4.8 million): This pricing change reflects a contractually mandated increase for SPP to match pay COLA received by TSOs.

Pricing Change 23 – Watch-list Services Non Recur (-\$2.8 million): TSA received funding for a single year for Watch-list services. This pricing change reflects TSA no longer needing funding for this activity in FY 2018.

**Operations and Support
Justification of Program Changes**
Dollars in Thousands

Program Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Program Change 1 - AT Algorithm Development	-	-	\$5,000
Aviation Screening Operations	-	-	\$5,000
Screening Technology Maintenance	-	-	\$5,000
Program Change 2 - Acquisition Program Investment Efficiencies	-	-	(\$28,450)
Aviation Screening Operations	-	-	(\$28,450)
Screening Technology Maintenance	-	-	(\$28,450)
Program Change 3 - Cease Staffing at Exit Lanes	(1,794)	(1,090)	(\$77,000)
Aviation Screening Operations	(1,794)	(1,090)	(\$77,000)
Screening Workforce	(1,794)	(1,090)	(\$77,000)
Screener Personnel, Compensation, and Benefits	(1,794)	(1,090)	(\$77,000)
Program Change 4 - Eliminate LEO Reimbursable Program	-	-	(\$45,000)
Other Operations and Enforcement	-	-	(\$45,000)
Aviation Regulation	-	-	(\$45,000)
Program Change 5 - Hiring Freeze and Payroll Efficiencies	-	(147)	(\$56,458)
Mission Support	-	(107)	(\$23,726)
Aviation Screening Operations	-	(24)	(\$13,935)
Screening Workforce	-	-	(\$703)
Screening Partnership Program	-	-	(\$429)
Screener Training and Other	-	-	(\$274)
Airport Management	-	(14)	(\$9,674)
Canines	-	-	(\$20)
Screening Technology Maintenance	-	(10)	(\$2,729)
Secure Flight	-	-	(\$809)
Other Operations and Enforcement	-	(16)	(\$18,797)
Inflight Security	-	-	(\$12,192)
Federal Air Marshals	-	-	(\$12,192)
Aviation Regulation	-	(5)	(\$1,012)
Air Cargo	-	(4)	(\$2,443)
Intelligence and TSOC	-	-	(\$757)
Surface Programs	-	(7)	(\$2,265)
Vetting Programs	-	-	(\$128)
Vetting Operations	-	-	(\$128)

Program Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Program Change 6 - Increase Redress Staffing	11	11	\$3,500
Aviation Screening Operations	11	11	\$3,500
Secure Flight	11	11	\$3,500
Program Change 7 - Personnel Futures Systems Backup	-	-	(\$30,000)
Mission Support	-	-	(\$30,000)
Program Change 8 - Reduce Large Aircraft and Charter Screening Program	-	-	(\$6,350)
Aviation Screening Operations	-	-	(\$6,350)
Secure Flight	-	-	(\$6,350)
Program Change 9 - Reduce VIPR Teams	(288)	(277)	(\$43,000)
Other Operations and Enforcement	(288)	(277)	(\$43,000)
Surface Programs	(288)	(277)	(\$43,000)
Program Change 10 - Service Contract Savings	-	-	(\$23,456)
Mission Support	-	-	(\$2,421)
Aviation Screening Operations	-	-	(\$12,924)
Screening Workforce	-	-	(\$1,121)
Screener Training and Other	-	-	(\$1,121)
Airport Management	-	-	(\$2,783)
Screening Technology Maintenance	-	-	(\$9,020)
Other Operations and Enforcement	-	-	(\$8,111)
Inflight Security	-	-	(\$273)
Federal Flight Deck Officer and Crew Training	-	-	(\$273)
Aviation Regulation	-	-	(\$130)
Intelligence and TSOC	-	-	(\$1,295)
Surface Programs	-	-	(\$505)
Vetting Programs	-	-	(\$5,908)
Vetting Operations	-	-	(\$5,908)
Program Change 11 - TSO Volume Growth	629	382	\$27,000
Aviation Screening Operations	629	382	\$27,000
Screening Workforce	629	382	\$27,000
Screener Personnel, Compensation, and Benefits	629	382	\$27,000
Program Change 12 - Training Reduction	-	-	(\$2,000)
Mission Support	-	-	(\$2,000)
Program Change 13 - Travel, Supplies, and Headquarter Efficiencies	-	-	(\$22,786)
Mission Support	-	-	(\$3,653)
Aviation Screening Operations	-	-	(\$14,016)
Screening Workforce	-	-	(\$7,101)
Screener Training and Other	-	-	(\$7,101)
Airport Management	-	-	(\$5,169)

Program Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Canines	-	-	(\$101)
Screening Technology Maintenance	-	-	(\$1,117)
Secure Flight	-	-	(\$528)
Other Operations and Enforcement	-	-	(\$5,117)
Inflight Security	-	-	(\$1,816)
Federal Air Marshals	-	-	(\$1,816)
Aviation Regulation	-	-	(\$1,853)
Air Cargo	-	-	(\$617)
Intelligence and TSOC	-	-	(\$104)
Surface Programs	-	-	(\$705)
Vetting Programs	-	-	(\$22)
Vetting Operations	-	-	(\$22)
Total Program Changes	(1,442)	(1,121)	(\$299,000)

Program Change

AT Algorithm Development

Description

The FY 2018 request includes an increase of \$5.0 million to support the testing and deployment of an improved algorithm for checkpoint Advanced Technology (AT) X-Ray machine image analysis.

Justification

In June 2015, covert testing conducted by the DHS Office of the Inspector General revealed that TSA failed to detect certain prohibited items at several airports across the country. These shortfalls were not limited to certain employees or locations as it was determined that deficiencies existed in the screening process and technology.

To address these deficiencies, TSA will use requested resources for the testing and deployment of an enhanced Tier II algorithm for checkpoint x-ray image analysis. This algorithm will provide frames or other markers around selected items, which will alert the TSOs at the checkpoint to potential threats in carry-on bags. The algorithm will also provide enhanced threat image libraries based on recent and emerging threats.

Operational Testing for the Tier II algorithm on Rapiscan Advanced Technology X-Ray (AT) units is scheduled to begin in the third

quarter of FY 2018, with deployment in the fourth quarter.

Performance

This investment will provide TSA with an overall enhanced capability of finding threats and mitigating the risk to the traveling public. These algorithms are designed to increase the TSOs ability to find prohibited items, increase TSO efficiency in finding prohibited items, and ensure greater consistency of applying resolution protocols.

Program Change

Acquisition Program Investment Efficiencies

Description

The FY 2018 request includes a decrease of \$28.5 million to reduce lower priority acquisition program management support.

Justification

TSA has identified several contracts that do not directly support frontline operations. By reducing or eliminating these contracts, TSA achieves savings without immediately impacting security provided by frontline operations.

Performance

This reduction will eliminate TSA's engineering subject matter expertise (SME) support contract as well as halt any new systems enhancements. TSA will continue efforts to repair inoperable equipment, but will be unable to make any further enhancements. Additionally, TSA will not be able to conduct acceptance and operational testing efforts after FY 2017.

Program Change

Cease Staffing at Exit Lanes

Description

The FY 2018 request includes a realignment of \$77.0 million and 1,090 FTE to transition access control at exit lanes to the airport authorities/commercial airports pursuant to federal regulatory authorities.

Justification

Staffing exit lanes is not a screening function, but a function that falls under the purview of access control. TSA will work with airports to integrate exit lane security into their perimeter security plans and assess those plans regularly.

Of the cost and FTE savings associated with this proposal, 382 FTE and \$27.0M in TSO positions will be redirected to airport checkpoints to address continued passenger volume growth (see “TSO Volume Growth” program change below). In addition, the remaining \$50 million in savings from this proposed realignment will be redirected to fund TSO payroll inflation in FY 2018.

The Bipartisan Budget Act of 2013 requires TSA to continue its responsibilities for those exit lanes staffed as of December 1, 2013. Legislation will be provided to Congress proposing to transition the responsibility from TSA to airport operators.

Performance

This proposal will enable TSA to focus its resources on screening functions and risk-based security measures. Additionally, TSA will be able to provide the necessary support to airports for passenger volume growth, as well as fund the cost of pay inflation for frontline operations personnel. By redistributing these FTE, TSA will be able to improve screening operations, continue to professionalize the workforce, and improve retention of trained, qualified screeners which will lead to a high return on investment.

Program Change

Eliminate LEO Reimbursement Program

Description

The FY 2018 request includes a decrease of \$45.0 million eliminating the Law Enforcement Officer (LEO) Reimbursement Program.

Justification

The LEO Reimbursement program is designed to provide enhanced capabilities above basic requirements contained in regulation and incorporated into each airport operators Airport Security Program. Eliminating this program does not exempt airports from providing law enforcement services as agreed to in the Airport Security Program; however, TSA would no longer pay for services above and beyond the basic requirements. In recent years, the number of participants admitted into the program has continued to grow, resulting in decreases in average reimbursements per participant.. Additionally, the program has struggled to develop metrics and capture how it mitigates risk in an optimal way at all categories of airports.

While airports will still be responsible for complying with minimum security requirements set forth in regulation and Security

Directive incorporated into each airport operator's Airport Security Program, TSA will work with airport operators to ensure requirements are maintained in an efficient manner.

Performance

While defunding the program could lead to reduced LEO support at checkpoints, local law enforcement will still meet minimum security requirements and response times as set forth in the Airport Security Program.

Program Change**Hiring Freeze and Payroll Efficiencies****Description**

The FY 2018 request includes a decrease of \$56.5 million and 147 FTE from implementing a partial hiring freeze and realizing payroll efficiencies.

Justification

In an effort to be more efficient and meet executive priorities for workforce reduction, TSA will implement a modified hiring freeze on non-frontline personnel and fill vacant support positions at a reduced rate, projected to be approximately one hire for every two vacant positions.

Performance

By filling fewer vacant positions, TSA will be required to rely on current on-board staff to maintain routine workload. This could result in a higher attrition rate at the agency.

Program Change**Increase Redress Staffing****Description**

The FY 2018 request includes an increase of 11 positions, 11 FTE, and \$3.5 million for the DHS Traveler Redress Inquiry Program (TRIP)

Justification

DHS TRIP provides a single portal for travelers who use commercial airlines and are directed to the ticket counter to receive a boarding pass, repeatedly receive secondary screening at the security checkpoint, or are denied access to board an aircraft due to the Federal Watch list screening process.

To comply with a court order from the United States District Court for the District of Oregon, TSA is revising the DHS TRIP redress process for travelers who were denied boarding access. The Revised procedures will provide greater transparency and more robust review process and most significantly, enable TSA to provide redress applicants with confirmation of “No Fly” watchlist status, and the reasons for that status. This will allow redress applicants the ability to submit relevant evidence to challenge determinations and correct errors.

Unfortunately, it is projected that revising the redress process will increase the process’ complexity, and will result in a significant increase in the numbers of No Fly applicants seeking redress. However, TSA will address these concerns with the addition of the 11 positions as requested to help with the increased workload and to make required modifications to the DHS TRIP case processing system.

Additionally, the new redress procedures will require separate processes for U.S. citizens and non-citizens, which will require database development and the acquisition of citizen verification services. The current database is nearing the end of its service life, and is no longer in compliance with TSA and DHS policy for cloud-based systems – accordingly, TSA has determined that a new system would be more cost effective than patching the aging system. The cost of the new systems is estimated at \$1.5 million.

Performance

The proposed increase in staffing and funding for DHS TRIP will enable TSA to implement the revised DHS TRIP redress process, and will enable TSA to achieve its Redress performance goals. The revisions to the current redress process include providing greater transparency and more robust review procedures. Most notably, the revisions enhance the Government’s response to certain DHS TRIP redress applicants by providing them information not previously disclosed, to include confirmation of a “No Fly” watchlist status, and in many cases, the reasons for that status. This additional information will provide these redress applicants the opportunity to submit relevant evidence to challenge the determination and/or correct errors.

Program Change**Personnel Futures System Configuration****Description**

The FY 2018 request includes a decrease of \$30.0 million in TSA's Personnel Futures System.

Justification

TSA is working to replace the current HRAccess Program with a new, balanced and diversified approach. This approach includes insourcing associated positions and capitalizing on efficiencies with the current information technology assets. By reevaluating the location of system hosting and configuring most efficient and effective security controls, TSA will achieve program savings without negatively affecting the ability to process HR actions in a timely manner.

Performance

In the event of a network failure, TSA would be unable to provide human resources services to its more than 50,000 employees.

Program Change**Reduce Large Aircraft and Charter Screening Program****Description**

The FY 2018 request includes a reduction of \$6.4 million for the Large Aircraft and Charter Screening Program (LACSP)

Justification

This reduction is due to a delay in the General Aviation Security Rulemaking, which will postpone modifications to the Secure Flight system.

Performance

This proposed reduction will not adversely impact the Large Aircraft and Charter Screening Program or Secure Flight. Currently, there is no projected publish date for the General Aviation Security Rule.

Program Change**Reduce VIPR Teams****Description**

The FY 2018 request includes a decrease of \$43.0 million and 277 FTE to reduce the number of Visible Intermodal Prevention and Response (VIPR) teams from 31 to eight.

Justification

TSA's VIPR Program coordinates with other Federal, state, and local transportation security personnel and LEOs to conduct risk-based operations in all modes of transportation, including commercial aviation, mass transit, passenger rail, and maritime. By carefully applying the risk-based planning principles outlined in recently implemented VIPR Concept of Operations (CONOPS), TSA has number of VIPR teams needed to maintain an acceptable security posture from 31 to 8. TSA will continue to work with stakeholders to retain, to the greatest extent possible, any VIPR activities for those teams funded solely by state and local jurisdictions.

Performance

Analysis of the transportation infrastructure across the nation has been considered in the context of the perceived terrorist risk to the transportation network to determine the locations for the eight teams. From those locations, the teams will rely on the CONOPS to coordinate with stakeholders at locations with the highest risk to plan and schedule operations that will mitigate the probability and impact of terrorist actions.

Program Change**Service Contract Savings****Description**

The FY 2018 request includes a decrease of \$23.5 million in Service Contract Savings.

Justification

In an effort to be more efficient, TSA has conducted a review of its current service contracts. Through this review, TSA identified \$23.5 million in savings. Many of these contracts rely on programmatic support that can be shifted to federal employees. TSA continues to work to provide the best support to its frontline security operations, and sees this request as a way of achieving that goal.

Performance

This reduction could result in a slower delivery of products due to less reliance on contractor support.

Program Change**TSO Volume Growth****Description**

The FY 2018 request includes an increase of \$27.0 million and 629 FTP/382 FTE to address Passenger Volume Growth at United States airports. This increase is possible from realigning staffing and funding from the discontinuation of exit lane staffing.

Justification

TSA continues to experience airline passenger volume growth at airport checkpoints nationwide. Volume projections are based on a combination of historical growth trends as well as input from industry and the FAA. This request will allow TSA to maintain efficient passenger screening operations at airport checkpoints into FY 2018.

Performance

With the requested resources and FTE realignments, TSA will be able to appropriately staff its frontline workforce to meet its security mission and to address the increases projected in wait times at security checkpoints across U.S. airports and the aviation transportation sector.

Program Change**Training Reduction****Description**

The FY 2018 request includes a decrease of \$2.0 million in training. This reduction will be from the Management, Administrative and Professional (MAP) Basic Training for newly hired employees at TSA.

Justification

In addition to the cut to training for FAMS, described above under the Justification of Pricing Changes, TSA plans to reduce the newly implemented MAP Basic Training for newly hired personnel. This program is a five-day, in-residence training program held at the

TSA Training Center in Atlantic City, New Jersey. This program focuses on the history of TSA, its national security mission and the frontline operations that MAP employees support.

Performance

This reduction will not directly impact frontline operations, but without the proper training for new personnel, TSA's frontline operations runs the risk of not receiving the support functions it requires in a timely and/or proper fashion. New hires will still receive a one-day orientation course, while not as detailed as the MAP Basic Training, it will provide new hires with a review of the history and mission of the Transportation Security Administration.

Program Change

Travel, Supplies, and Headquarter Efficiencies

Description

The FY 2018 request includes a decrease of \$22.8 million for travel, supplies, and headquarter efficiencies.

Justification

In an effort to improve and evolve into a much more efficient agency, TSA is reorganizing its structure to consolidate and coordinate operations to better support frontline operations. In doing so, TSA also plans to see savings from travel, supplies, and other general administrative expenses. Reductions to non-frontline operations travel and supplies will have an impact on operational oversight and support services to frontline personnel.

Performance

These efficiencies will enable TSA to better support the frontline workforce in a more effective and efficient manner.

**Operations and Support
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Mission Support	1,914	1,737	\$264,374	\$147.16	1,914	1,737	\$264,374	\$147.16	1,911	1,645	\$252,334	\$148.31	(3)	(92)	(\$12,040)	\$1.15
Aviation Screening Operations	49,988	46,797	\$3,443,542	\$71.63	49,988	46,273	\$3,417,722	\$71.9	50,507	48,436	\$3,721,496	\$74.85	519	2,163	\$303,774	\$2.95
Other Operations and Enforcement	3,325	3,122	\$1,079,275	\$345.18	3,325	3,122	\$1,079,275	\$345.18	3,042	2,875	\$1,036,499	\$359.96	(283)	(247)	(\$42,776)	\$14.78
Total	55,227	51,656	\$4,787,191	\$90.7	55,227	51,132	\$4,761,371	\$91.14	55,460	52,956	\$5,010,329	\$92.61	233	1,824	\$248,958	\$1.47
Discretionary - Appropriation	55,027	51,486	\$4,765,658	\$90.58	55,027	50,962	\$4,739,838	\$91.02	55,263	52,763	\$4,986,599	\$92.5	236	1,801	\$246,761	\$1.48
Discretionary - Fee	176	146	\$19,050	\$130.48	176	146	\$19,050	\$130.48	182	178	\$22,179	\$124.6	6	32	\$3,129	(\$5.88)
Mandatory - Fee	24	24	\$2,483	\$103.46	24	24	\$2,483	\$103.46	15	15	\$1,551	\$103.4	(9)	(9)	(\$932)	(\$0.06)

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments, 13.0-Benefits for Former Personnel. Certain FTE rates are inflated due to Classified FTE data.

Operations and Support
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$2,832,357	\$2,818,109	\$2,973,488	\$155,379
11.3 Other than Full-Time Permanent	\$311,571	\$309,033	\$323,882	\$14,849
11.5 Other Personnel Compensation	\$296,310	\$294,840	\$301,728	\$6,888
11.8 Special Personal Services Payments	\$92,511	\$91,754	\$97,154	\$5,400
12.1 Civilian Personnel Benefits	\$1,244,977	\$1,238,175	\$1,304,966	\$66,791
13.0 Benefits for Former Personnel	\$9,465	\$9,460	\$9,111	(\$349)
Total - Personnel Compensation and Benefits	\$4,787,191	\$4,761,371	\$5,010,329	\$248,958
Positions and FTE				
Positions - Civilian	55,227	55,227	55,460	233
FTE - Civilian	51,656	51,132	52,956	1,824

Operations and Support Permanent Positions by Grade – Appropriation

Grades and Salary Range	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
Total, SES	144	144	144	-
Fee Funded Positions	131	131	197	66
L Band	76	76	76	-
K Band	748	748	723	-25
J Band	1,925	1,925	1,852	-73
I Band	2,588	2,588	2,389	-199
H Band	2,985	2,985	2,877	-108
G Band	6,195	6,195	6,204	9
F Band	8,136	8,136	7,901	-235
E Band	24,902	24,902	25,559	657
D Band	7,394	7,394	7,537	143
C Band	2	2	1	-1
B Band	1	1	-	-1
Total Permanent Positions	55,227	55,227	55,460	233
Position Locations				
Headquarters	3,192	3,192	2,832	-360
U.S. Field	51,024	51,024	51,621	597
Foreign Field	1,011	1,011	1,007	-4
Averages				
Average Personnel Costs, ES Positions	170,139	170,654	170,654	-

The FY 2018 increase in positions in O&S includes a transfer of positions from the Procurement, Construction and Improvements Appropriation (PC&I) to align with the Common Appropriations Structure (CAS).

**Operations and Support
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Mission Support	\$654,607	\$655,160	\$616,924	(\$38,236)
Aviation Screening Operations	\$1,022,524	\$1,038,525	\$1,101,415	\$62,890
Other Operations and Enforcement	\$611,783	\$516,415	\$530,056	\$13,641
Total	\$2,288,914	\$2,210,100	\$2,248,395	\$38,295
Discretionary - Appropriation	\$2,015,527	\$2,032,480	\$2,031,566	(\$914)
Discretionary - Fee	\$270,990	\$174,903	\$213,180	\$38,277
Mandatory - Fee	\$2,397	\$2,717	\$3,649	\$932

**Operations and Support
Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$163,420	\$165,611	\$151,880	(\$13,731)
22.0 Transportation of Things	\$1,222	\$1,230	\$1,210	(\$20)
23.1 Rental Payments to GSA	\$130,930	\$131,759	\$134,881	\$3,122
23.2 Rental Payments to Others	\$46,034	\$46,144	\$61,713	\$15,569
23.3 Communications, Utilities, and Misc. Charges	\$58,962	\$57,594	\$57,840	\$246
24.0 Printing and Reproduction	\$3,913	\$2,242	\$3,083	\$841
25.1 Advisory and Assistance Services	\$671,371	\$587,213	\$678,223	\$91,010
25.2 Other Services from Non-Federal Sources	\$273,389	\$274,828	\$269,396	(\$5,432)
25.3 Other Goods and Services from Federal Sources	\$330,050	\$329,893	\$326,946	(\$2,947)
25.4 Operation and Maintenance of Facilities	\$21,132	\$21,659	\$22,130	\$471
25.6 Medical Care	\$679	\$692	\$985	\$293
25.7 Operation and Maintenance of Equipment	\$318,526	\$316,694	\$314,528	(\$2,166)
25.8 Subsistence & Support of Persons	\$4,471	\$4,643	\$7,770	\$3,127
26.0 Supplies and Materials	\$67,074	\$69,863	\$64,863	(\$5,000)
31.0 Equipment	\$105,047	\$107,231	\$103,225	(\$4,006)
32.0 Land and Structures	\$12,062	\$12,132	\$12,318	\$186
41.0 Grants, Subsidies, and Contributions	\$79,770	\$79,770	\$36,553	(\$43,217)
42.0 Insurance Claims and Indemnities	\$862	\$902	\$851	(\$51)
Total - Non Pay Object Classes	\$2,288,914	\$2,210,100	\$2,248,395	\$38,295

**Operations and Support
Supplemental Budget Justification Exhibits**

Offsetting Fee Exhibit

Dollars in Thousands

Offsetting Fee	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President’s Budget	Increase/Decrease
	Amount	Amount	Amount	Amount
9/11 Passenger Security Fee	2,130,000	2,130,000	2,386,000	256,000
Proposed Passenger Security Fee Increase	-	-	530,000	530,000
Total	2,130,000	2,130,000	2,916,000	786,000

The Aviation Passenger Security Fee is assessed upon air transportation passengers on flights originating at airports in the United States. TSA’s appropriations are offset by this fee to provide civil aviation security services including salary, training, background investigations, Federal Air Marshals, research and development, Federal Security Managers, deployment of law enforcement, security-related capital improvements at airports, and training pilots and flight attendants.

TSA’s FY 2018 budget request includes a proposal to increase offsetting revenue collections by \$530 million through an increase to the Aviation Passenger Security Fee of one dollar, from \$5.60 to \$6.60 per one-way trip. This increase will allow the Federal Government to better focus on programs within the Department of Homeland Security that serve the most critical functions. Legislation will be provided to Congress proposing this increase. Furthermore, as an offsetting collection, this directly increases the amount of aviation security costs covered by the fee.

Mission Support – PPA

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Mission Support	1,914	1,737	\$918,981	1,914	1,737	\$919,534	1,911	1,645	\$869,258	(3)	(92)	(\$50,276)
Total	1,914	1,737	\$918,981	1,914	1,737	\$919,534	1,911	1,645	\$869,258	(3)	(92)	(\$50,276)
Subtotal Discretionary - Appropriation	1,914	1,737	\$918,981	1,914	1,737	\$919,534	1,911	1,645	\$869,258	(3)	(92)	(\$50,276)

The FY 2018 request includes a decrease of \$50.3 million and 3 FTP/92 FTE in the Mission Support PPA. TSA is committed to its mission of preventing terrorism and enhancing security within the nation’s transportation infrastructure, and it pursues this mission while maintaining the fiscal trust of tax and fee paying citizens. As such, the changes requested reflect TSA’s focus on maintaining frontline security operations. The majority of TSA’s requested decreases will be found within this PPA’s discussion.

Mission Support – PPA
Budget Authority and Obligations
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$924,015		
Transfers & Reprogrammings	(\$5,034)		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$918,981	\$919,534	\$869,258
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$154,715	\$22,227	\$10,000
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$1,073,696	\$941,761	\$879,258
Collections – Reimbursable Resources	\$4,023	\$135	\$135
Total Budget Resources	\$1,077,719	\$941,896	\$879,393
Obligations (Actual/Projections/Estimates)	\$1,056,877	\$931,896	\$879,393
Personnel: Positions and FTE			
Enacted/Request Positions	1,914	1,914	1,911
Enacted/Request FTE	1,737	1,737	1,645
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	1,666	1,914	1,911
FTE (Actual/Estimates/Projections)	1,614	1,737	1,645

**Mission Support – PPA
Collections – Reimbursable Resources**
Dollars in Thousands

Collections	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Department of Homeland Security - Federal Emergency Management Agency Source	-	-	\$42	-	-	-	-	-	-
Department of Homeland Security - Departmental Management and Operations Source	-	-	\$3,422	-	-	\$131	-	-	\$131
Department of Justice - National Security Division Source	-	-	\$20	-	-	\$4	-	-	\$4
Department of Homeland Security - Office of Health Affairs Source	-	-	\$183	-	-	-	-	-	-
Department of Homeland Security - Immediate Office of the Secretary Source	-	-	\$209	-	-	-	-	-	-
Defense Intelligence Agency Source	-	-	\$147	-	-	-	-	-	-
Total Collections	-	-	\$4,023	-	-	\$135	-	-	\$135

Mission Support – PPA
Summary of Budget Changes
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	1,914	1,737	\$924,015
O&S - Mission Support to PC&I - Vetting Programs	-	-	(\$5,034)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$5,034)
FY 2016 Revised Enacted	1,914	1,737	\$918,981
FY 2017 Annualized CR	1,914	1,737	\$919,534
FY 2018 Base Budget	1,914	1,737	\$919,534
Technical Adjustment	-	18	-
Realignment from Airport Management to Mission Support	-	-	\$7
Realignment from Federal Air Marshals to Mission Support	-	-	\$4,023
Realignment from Mission Support to Screening Partnership Program	-	-	(\$86)
Realignment from Mission Support to Surface Programs	(3)	(3)	(\$382)
Realignment from Screener Training and Other to Mission Support	-	-	\$1,712
Transfer from TSA - Mission Support to OSEM - OGC	-	-	(\$15)
Transfer from TSA - Mission Support to USM - CHCO	-	-	(\$1,802)
Transfer from TSA - Mission Support to USM - CIO	-	-	(\$756)
Transfer from TSA - Mission Support to USM - CPO	-	-	(\$235)
Transfer from TSA - Mission Support to USM - CRSO	-	-	(\$3)
Transfer from TSA - Mission Support to USM - CSO	-	-	(\$1,257)
Total Transfers	(3)	(3)	\$1,206
2016 Reprogramming Tails	-	-	\$1,922
2017 Pay Increase	-	-	\$4,165
2018 Pay Increase	-	-	\$3,814
Annualization of FY16 Pay Increase	-	-	\$841
Annualization of FY17 Pay Increase	-	-	\$1,405
OPM & DHS Credit Monitoring	-	-	\$10,591
Physical Access Renovation	-	-	\$5,600
Rent Increase	-	-	\$15,000

Budget Formulation Activity	Positions	FTE	Amount
Risk Assessments/Physical Security Upgrades	-	-	\$3,500
Total, Pricing Increases	-	-	\$46,838
Information Technology Savings	-	-	(\$30,000)
Program Efficiencies	-	-	(\$6,520)
Total, Pricing Decreases	-	-	(\$36,520)
Total Adjustments-to-Base	(3)	15	\$11,524
FY 2018 Current Services	1,911	1,752	\$931,058
Hiring Freeze and Payroll Efficiencies	-	(107)	(\$23,726)
Personnel Futures Systems Backup	-	-	(\$30,000)
Service Contract Savings	-	-	(\$2,421)
Training Reduction	-	-	(\$2,000)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$3,653)
Total, Program Decreases	-	(107)	(\$61,800)
FY 2018 Request	1,911	1,645	\$869,258
FY 2017 TO FY 2018 Change	(3)	(92)	(\$50,276)

PPA Description

The Mission Support PPA supports headquarters offices, human resources, information technology, and major acquisitions to support those efforts.

Adjustments to Base Justification

- Increase of 18 FTE as a technical correction
- Increase of \$1.7 million for a realignment from the Screener Training and Other PPA to consolidate recurrent vetting funding
- Increase of \$4.0 million for a realignment from the Federal Air Marshals PPA to consolidate background investigations funding and to consolidate physical security funding
- Increase of \$7 thousand for a realignment from the Airport Management PPA associated with including the Punta Gorda airport in the Screening Partnership Program (SPP)
- Decrease of 3 FTP/3 FTE for a realignment to the Surface Programs PPA
- Decrease of \$0.1 million for a realignment to the SPP PPA associated with including the Puta Gorda Airport in the SPP
- Decrease of \$0.4 million and 3 FTE for a realignment to the Surface Programs PPA to consolidate the Insider Threat program

- Decrease of \$4.1 million for transfers to other DHS components for Working Capital Fund activities
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$15.0 million for Rent Increases
 - Increase of \$10.6 million for OPM and DHS Credit Monitoring
 - Increase of \$5.6 million for Physical Access Renovation
 - Increase of \$3.5 million for Risk Assessments and Physical Security Upgrades
 - Increase of \$1.9 million for reprogramming tails of the FY 2016 increases for volume growth and Canine teams
 - Increase of \$0.88 million for an annualization of the FY 2016 pay increase
 - Increase of \$4.2 million for the FY 2017 Pay raise
 - Increase of \$1.4 million for an annualization of the FY 2017 pay increase
 - Increase of \$3.8 million for the FY 2018 Pay raise
 - Decrease of \$6.5 million for program efficiencies

**Mission Support – PPA
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Mission Support	1,914	1,737	\$264,374	\$147.16	1,914	1,737	\$264,374	\$147.16	1,911	1,645	\$252,334	\$148.31	(3)	(92)	(\$12,040)	\$1.15
Total	1,914	1,737	\$264,374	\$147.16	1,914	1,737	\$264,374	\$147.16	1,911	1,645	\$252,334	\$148.31	(3)	(92)	(\$12,040)	\$1.15
Discretionary - Appropriation	1,914	1,737	\$264,374	\$147.16	1,914	1,737	\$264,374	\$147.16	1,911	1,645	\$252,334	\$148.31	(3)	(92)	(\$12,040)	\$1.15

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The decrease in FTE in Mission Support is due to the realignment of three FTE to the Surface Programs PPA, in addition to a reduction in FTE associated with TSA’s proposed Modified Hiring Freeze.

PCB Change FY 2017-2018: The reduction of \$12.0 million in PC&B relates to the proposed Modified Hiring Freeze and Headquarter Efficiencies reductions.

Average Cost Change FY 2017-2018: The change in average cost is due to the annualization of the FY 2017 pay increase, and the FY 2018 pay raise.

Mission Support – PPA
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$189,753	\$189,753	\$181,112	(\$8,641)
11.3 Other than Full-Time Permanent	\$2,758	\$2,758	\$2,632	(\$126)
11.5 Other Personnel Compensation	\$9,088	\$9,088	\$8,674	(\$414)
12.1 Civilian Personnel Benefits	\$54,010	\$54,010	\$51,551	(\$2,459)
13.0 Benefits for Former Personnel	\$8,765	\$8,765	\$8,365	(\$400)
Total - Personnel Compensation and Benefits	\$264,374	\$264,374	\$252,334	(\$12,040)
Positions and FTE				
Positions - Civilian	1,914	1,914	1,911	(3)
FTE - Civilian	1,737	1,737	1,645	(92)

The FY 2018 request includes a reduction of \$12.0 million and 3 FTP / 92 FTE. These reductions include a transfer of 3 FTP / 3 FTE to the Surface Programs PPA, a technical correction of 18 FTE, and a reduction of 107 FTE associated with the Modified Hiring Freeze and Payroll Efficiencies.

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	1,737	189,753	109.2	1,737	189,753	109.2	1,645	181,112	110.1	(92)	8,641	0.9
Other Costs	0	74,621		0	74,621		0	71,222		0	(3,399)	
Total – Pay Cost Drivers	1,737	264,374	152.2	1,737	264,374	152.2	1,645	252,334	153.4	(92)	(12,040)	1.2

**Mission Support – PPA
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Mission Support	\$654,607	\$655,160	\$616,924	(\$38,236)
Total	\$654,607	\$655,160	\$616,924	(\$38,236)
Discretionary - Appropriation	\$654,607	\$655,160	\$616,924	(\$38,236)

The FY 2018 request reflects a reduction of \$38.2 million in non-pay funding. This reduction is largely due to the proposed reduction for IT Infrastructure savings and Personnel Futures System savings, offset by increases to Rent and Personnel and Physical Security.

**Mission Support – PPA
Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$7,352	\$7,358	\$6,900	(\$458)
22.0 Transportation of Things	\$343	\$343	\$327	(\$16)
23.1 Rental Payments to GSA	\$2,605	\$2,607	\$2,523	(\$84)
23.2 Rental Payments to Others	\$22,225	\$22,244	\$37,244	\$15,000
23.3 Communications, Utilities, and Misc. Charges	\$46,552	\$46,591	\$43,013	(\$3,578)
24.0 Printing and Reproduction	\$177	\$177	\$164	(\$13)
25.1 Advisory and Assistance Services	\$301,778	\$302,032	\$278,836	(\$23,196)
25.2 Other Services from Non-Federal Sources	\$103,821	\$103,909	\$95,929	(\$7,980)
25.3 Other Goods and Services from Federal Sources	\$100,077	\$100,162	\$88,534	(\$11,628)
25.4 Operation and Maintenance of Facilities	\$5,701	\$5,706	\$5,268	(\$438)
25.6 Medical Care	\$34	\$34	\$31	(\$3)
25.7 Operation and Maintenance of Equipment	\$26,948	\$26,971	\$24,004	(\$2,967)
26.0 Supplies and Materials	\$2,075	\$2,077	\$1,882	(\$195)
31.0 Equipment	\$33,739	\$33,768	\$31,174	(\$2,594)
32.0 Land and Structures	\$1,115	\$1,116	\$1,030	(\$86)
42.0 Insurance Claims and Indemnities	\$65	\$65	\$65	-
Total - Non Pay Object Classes	\$654,607	\$655,160	\$616,924	(\$38,236)

The FY 2018 request includes a decrease of \$38.2 million in non-pay funding. This change is due to contract decreases that support IT Infrastructure and Personnel Futures systems backup.

**Mission Support – PPA
Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President’s Budget	FY 2017 to FY 2018 Total Changes
Rent	\$39,803	\$39,803	\$54,803	\$15,000
Information Technology Infrastructure	\$322,581	\$334,270	\$304,270	(\$30,000)
Personnel Futures	\$80,799	\$77,334	\$47,334	(\$30,000)
Personnel & Physical Security	\$29,468	\$29,468	\$44,585	\$15,117
Other Costs	\$181,956	\$174,285	\$165,932	(\$8,353)
Total – Non Pay Cost Drivers	\$654,607	\$655,160	\$616,924	(\$38,236)

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Rent

Funding associated with this cost driver supports TSA’s Headquarters facility rent and utilities. GSA rental rates increase at approximately five percent each year. TSA historically has paid for these increases with carryover. In an effort to ensure all costs are covered within TSA’s baseline funds, the FY 2018 request reflects an increase of \$15.0 million for projected rent increases.

FY 2018 Non Pay Cost Driver – Information Technology (IT) Infrastructure

Funds associated with this cost driver support TSA’s enterprise-wide core IT and telecommunications infrastructure. The IT infrastructure is defined as all of the elements employed in the delivery of IT services to users, including the computing, network and telecommunications hardware, software, database management, operating systems software, middleware, help desk, Operations Centers, documentation and video. The FY 2018 request includes a \$30.0 million savings in IT infrastructure due to a one-time contract period of performance restructuring.

FY 2018 Non Pay Cost Driver – Personnel Futures

The Personnel Futures Program replaces a large Human Resources services contract with a new, balanced and diversified approach, which includes insourcing appropriate positions, relocating current IT assets into a DHS Data Center, and continuing to outsource selected functions. The FY 2018 request includes a decrease of \$30.0 million to the secondary systems backup function.

FY 2018 Non Pay Cost Driver – Personnel and Physical Security

Funding associated with this cost driver supports TSA's agency-wide physical, personnel, and internal security policies and procedures, thereby ensuring a safe and secure workplace for its employees, and effectively determining the employment suitability of all TSA personnel, including contractors. The FY 2018 request includes an increase of \$15.1 million. This increase includes a realignment of \$6 million from the Federal Air Marshals and Screener Training and Other PPAs to consolidate security funding. This increase also includes \$9.1 million in enhancements to Risk Assessments and Physical Security Upgrades.

FY 2018 Non Pay Cost Driver – Other Costs

Funding within this cost driver support the other costs associated with the Mission Support PPA to include policy development, performance management, human capital services, training and workforce engagement, financial management, acquisition, civil rights protection, legal advice, and providing a safe and healthy work environment for employees. The FY 2018 request includes a decrease of \$8.4 million to these costs and services.

Aviation Screening Operations - PPA
Budget Comparison and Adjustments
Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Screening Workforce	46,266	43,224	\$3,395,057	46,266	42,700	\$3,377,149	45,377	43,474	\$3,536,705	(889)	774	\$159,556
Airport Management	2,901	2,790	\$568,615	2,901	2,790	\$570,267	3,902	3,777	\$643,797	1,001	987	\$73,530
Canines	509	493	\$118,809	509	493	\$121,327	698	698	\$151,764	189	205	\$30,437
Screening Technology Maintenance	-	-	\$284,284	-	-	\$282,353	183	162	\$387,882	183	162	\$105,529
Secure Flight	312	290	\$99,301	312	290	\$105,151	347	325	\$102,763	35	35	(\$2,388)
Total	49,988	46,797	\$4,466,066	49,988	46,273	\$4,456,247	50,507	48,436	\$4,822,911	519	2,163	\$366,664
Subtotal Discretionary - Appropriation	49,988	46,797	\$4,466,066	49,988	46,273	\$4,456,247	50,507	48,436	\$4,822,911	519	2,163	\$366,664

The FY 2018 request includes an increase of \$366.7 million and 519 FTP/2,163 FTE over the FY 2017 Annualized CR levels. TSA is committed to its mission of preventing terrorism and enhancing security within the nation’s transportation infrastructure, and it pursues this mission while maintaining the fiscal trust of tax and fee paying citizens. As such, the changes requested in the Aviation Screening Operations PPA reflects TSA’s focus on maintaining frontline security operations. The majority of TSA’s requested increases will be found within this PPA’s discussion.

Aviation Screening Operations – PPA Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$4,463,352		
Transfers & Reprogrammings	\$2,714		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$4,466,066	\$4,456,247	\$4,822,911
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$179,532	\$108,533	\$43,000
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$4,645,598	\$4,564,780	\$4,865,911
Collections – Reimbursable Resources	\$9,720	\$5,947	\$5,947
Total Budget Resources	\$4,655,318	\$4,570,727	\$4,871,858
Obligations (Actual/Projections/Estimates)	\$4,565,734	\$4,527,727	\$4,871,858
Personnel: Positions and FTE			
Enacted/Request Positions	49,988	49,988	50,507
Enacted/Request FTE	46,797	46,273	48,436
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	51,510	49,988	50,507
FTE (Actual/Estimates/Projections)	49,480	46,273	48,436

Aviation Screening Operations – PPA Collections – Reimbursable Resources

Dollars in Thousands

Collections	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Department of Homeland Security - United States Secret Service Source	-	-	\$9,450	-	-	\$1,650	-	-	\$1,650
Department of Homeland Security - United States Coast Guard Source	-	-	\$14	-	-	\$48	-	-	\$48
Department of Homeland Security - National Protection and Programs Directorate Source	-	-	\$256	-	-	\$249	-	-	\$249
Department of State - Department of State Source	-	-	-	-	-	\$3,500	-	-	\$3,500
Department of Transportation - Department of Transportation Source	-	-	-	-	-	\$500	-	-	\$500
Total Collections	-	-	\$9,720	-	-	\$5,947	-	-	\$5,947

TSA received reprogramming funds in FY 2016 to alleviate a funding shortfall due to volume growth at airports across the United States and to invest in the latest screening technologies at lower volume airports.

Aviation Screening Operations – PPA Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	49,988	46,273	\$4,463,352
Air Cargo to Screener PC&B	-	-	\$2,714
Approved FTE Increase	-	524	-
Total Above Threshold Reprogrammings/Transfers	-	524	\$2,714
FY 2016 Revised Enacted	49,988	46,797	\$4,466,066
FY 2017 Annualized CR	49,988	46,273	\$4,456,247
FY 2018 Base Budget	49,988	46,273	\$4,456,247
Technical Adjustment	17	17	\$29
Realignment from Air Cargo to Screener Training and Other	5	5	\$1,035
Realignment from Airport Management to Intelligence and TSOC	(6)	(6)	(\$876)
Realignment from Airport Management to Mission Support	-	-	(\$7)
Realignment from Aviation Regulation to Screener Training and Other	1	1	\$193
Realignment from Mission Support to Screening Partnership Program	-	-	\$86
Realignment from Screener Training and Other to Mission Support	-	-	(\$1,712)
Realignment from Secure Flight to Aviation Regulation	(1)	(1)	(\$202)
Realignment from Surface Programs to Airport Management	3	3	\$606
Realignment from Surface Programs to Screener Training and Other	2	2	\$256
Transfer from PC&I - Checked Baggage to O&S - Screening Technology Maintenance	123	115	\$35,310
Transfer from PC&I - Checkpoint Support to O&S - Screening Technology Maintenance	60	57	\$102,464
Transfer from TSA - Airport Management to USM - CRSO	-	-	(\$54)
Total Transfers	187	176	\$137,099
2016 Reprogramming Tails	1,469	2,352	\$180,989
2017 Pay Increase	-	-	\$54,294
2018 Pay Increase	-	-	\$49,103
Annualization of 12 K9 Teams	-	16	\$8,841
Annualization of FY16 Pay Increase	-	-	\$10,998
Annualization of FY17 Pay Increase	-	-	\$18,089

Budget Formulation Activity	Positions	FTE	Amount
Annualization of TSOs	-	323	\$26,941
Other Adjustments-to-Base	-	-	\$550
SPP Pay COLA	-	-	\$4,842
Total, Pricing Increases	1,469	2,691	\$354,647
Program Efficiencies	-	-	(\$6,556)
Watchlist Services Non-Recur	-	-	(\$1,380)
Total, Pricing Decreases	-	-	(\$7,936)
Total Adjustments-to-Base	1,673	2,884	\$483,839
FY 2018 Current Services	51,661	49,157	\$4,940,086
AT Algorithm Development	-	-	\$5,000
Increase Redress Staffing	11	11	\$3,500
TSO Volume Growth	629	382	\$27,000
Total, Program Increases	640	393	\$35,500
Acquisition Program Investment Efficiencies	-	-	(\$28,450)
Cease Staffing at Exit Lanes	(1,794)	(1,090)	(\$77,000)
Hiring Freeze and Payroll Efficiencies	-	(24)	(\$13,935)
Reduce Large Aircraft and Charter Screening Program	-	-	(\$6,350)
Service Contract Savings	-	-	(\$12,924)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$14,016)
Total, Program Decreases	(1,794)	(1,114)	(\$152,675)
FY 2018 Request	50,507	48,436	\$4,822,911
FY 2017 TO FY 2018 Change	519	2,163	\$366,664

PPA Description

The Aviation Screening Operations PPA supports the majority of TSA’s frontline operations. Since 2011, TSA has been performing this function through the use of Risk-Based Security (RBS). RBS increases the overall security effectiveness by focusing security resources on higher-risk and unknown travelers, while expanding the process for low risk and known/trusted travelers.

Adjustments to Base Justification

See PPA Level II and III for Adjustments to Base discussion.

**Aviation Screening Operations – PPA
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Screening Workforce	46,266	43,224	\$3,016,528	\$67.74	46,266	42,700	\$2,990,708	\$67.98	45,377	43,474	\$3,158,619	\$70.53	(889)	774	\$167,911	\$2.55
Airport Management	2,901	2,790	\$329,375	\$117.06	2,901	2,790	\$329,375	\$117.06	3,902	3,777	\$410,231	\$107.7	1,001	987	\$80,856	(\$9.36)
Canines	509	493	\$65,517	\$132.37	509	493	\$65,517	\$132.37	698	698	\$92,250	\$131.64	189	205	\$26,733	(\$0.73)
Screening Technology Maintenance	-	-	-	-	-	-	-	-	183	162	\$23,803	\$146.93	183	162	\$23,803	\$146.93
Secure Flight	312	290	\$32,122	\$110.77	312	290	\$32,122	\$110.77	347	325	\$36,593	\$112.59	35	35	\$4,471	\$1.82
Total	49,988	46,797	\$3,443,542	\$71.63	49,988	46,273	\$3,417,722	\$71.9	50,507	48,436	\$3,721,496	\$74.85	519	2,163	\$303,774	\$2.95
Discretionary - Appropriation	49,988	46,797	\$3,443,542	\$71.63	49,988	46,273	\$3,417,722	\$71.9	50,507	48,436	\$3,721,496	\$74.85	519	2,163	\$303,774	\$2.95

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

Aviation Screening Operations - PPA
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$1,974,054	\$1,959,806	\$2,153,387	\$193,581
11.3 Other than Full-Time Permanent	\$295,351	\$292,813	\$308,271	\$15,458
11.5 Other Personnel Compensation	\$173,210	\$171,740	\$181,657	\$9,917
11.8 Special Personal Services Payments	\$91,002	\$90,245	\$95,653	\$5,408
12.1 Civilian Personnel Benefits	\$909,328	\$902,526	\$981,886	\$79,360
13.0 Benefits for Former Personnel	\$597	\$592	\$642	\$50
Total - Personnel Compensation and Benefits	\$3,443,542	\$3,417,722	\$3,721,496	\$303,774
Positions and FTE				
Positions - Civilian	49,988	49,988	50,507	519
FTE - Civilian	46,797	46,273	48,436	2,163

The changes to payroll in the Aviation Screening Operations PPA are due to the annualization of the FY 2016 reprogramming action to address increased passenger volume growth at airports, and proposed program changes to further increase passenger screening capacity, and to transfer exit lane staffing function to airports and airport authorities. TSA continues to see increases in volume growth, and the FY 2018 request reflects changes to address that increased volume.

**Aviation Screening Operations PPA
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Screening Workforce	\$378,529	\$386,441	\$378,086	(\$8,355)
Airport Management	\$239,240	\$240,892	\$233,566	(\$7,326)
Canines	\$53,292	\$55,810	\$59,514	\$3,704
Screening Technology Maintenance	\$284,284	\$282,353	\$364,079	\$81,726
Secure Flight	\$67,179	\$73,029	\$66,170	(\$6,859)
Total	\$1,022,524	\$1,038,525	\$1,101,415	\$62,890
Discretionary - Appropriation	\$1,022,524	\$1,038,525	\$1,101,415	\$62,890

The FY 2018 request includes an increase of \$68.4 million in the Aviation Security Operations non-pay funding. This change is largely due to the realignment of screening technology funds from PC&I to align with the CAS.

**Aviation Screening Operations – PPA
Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$48,664	\$51,074	\$39,497	(\$11,577)
22.0 Transportation of Things	\$636	\$646	\$650	\$4
23.1 Rental Payments to GSA	\$121,005	\$121,865	\$125,605	\$3,740
23.2 Rental Payments to Others	\$14,462	\$14,887	\$15,099	\$212
23.3 Communications, Utilities, and Misc. Charges	\$4,732	\$4,828	\$4,996	\$168
24.0 Printing and Reproduction	\$384	\$399	\$387	(\$12)
25.1 Advisory and Assistance Services	\$64,032	\$67,989	\$137,814	\$69,825
25.2 Other Services from Non-Federal Sources	\$121,408	\$126,933	\$120,804	(\$6,129)
25.3 Other Goods and Services from Federal Sources	\$195,764	\$192,908	\$202,440	\$9,532
25.4 Operation and Maintenance of Facilities	\$13,926	\$14,551	\$14,958	\$407
25.6 Medical Care	\$52	\$54	\$54	-
25.7 Operation and Maintenance of Equipment	\$287,400	\$285,874	\$285,451	(\$423)
25.8 Subsistence & Support of Persons	\$2,296	\$2,508	\$2,674	\$166
26.0 Supplies and Materials	\$56,842	\$59,617	\$54,291	(\$5,326)
31.0 Equipment	\$53,765	\$57,123	\$57,435	\$312
32.0 Land and Structures	\$10,467	\$10,539	\$10,865	\$326
41.0 Grants, Subsidies, and Contributions	\$25,924	\$25,924	\$27,645	\$1,721
42.0 Insurance Claims and Indemnities	\$765	\$806	\$750	(\$56)
Total - Non Pay Object Classes	\$1,022,524	\$1,038,525	\$1,101,415	\$62,890

The Aviation Screening Operations non-pay request for FY 2018 is reflective of the realignment of funds from PC&I, as well as targeted reductions to travel, supplies and materials, and service contracts in an effort to maintain frontline security operations.

Screening Workforce – PPA Level II

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Screening Partnership Program	-	-	\$169,983	-	-	\$165,793	10	10	\$175,580	10	10	\$9,787
Screener Personnel, Compensation, and Benefits	46,086	43,049	\$2,999,659	46,086	42,525	\$2,973,827	45,087	43,190	\$3,128,064	(999)	665	\$154,237
Screener Training and Other	180	175	\$225,415	180	175	\$237,529	280	274	\$233,061	100	99	(\$4,468)
Total	46,266	43,224	\$3,395,057	46,266	42,700	\$3,377,149	45,377	43,474	\$3,536,705	(889)	774	\$159,556
Subtotal Discretionary - Appropriation	46,266	43,224	\$3,395,057	46,266	42,700	\$3,377,149	45,377	43,474	\$3,536,705	(889)	774	\$159,556

The FY 2018 request includes an increase of \$159.6 million and 774 FTE, and a decrease of 889 FTP, from the FY 2017 Annualized CR levels. These changes reflect TSA’s focus on maintaining frontline security operations.

Screening Workforce – PPA Level II Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	46,266	42,700	\$3,379,792
Air Cargo to Screener PC&B	-	-	\$2,714
Airport Management to Screener PC&B	-	-	\$3,200
Approved FTE Increase	-	524	-
Canines (listed as AvReg) to Screener PC&B	-	-	\$2,900
Secure Flight to Screener PC&B	-	-	\$6,350
Total Above Threshold Reprogrammings/Transfers	-	524	\$15,164
Airport Management to SPP	-	-	\$101
Total Below Threshold Reprogrammings	-	-	\$101
FY 2016 Revised Enacted	46,266	43,224	\$3,395,057
FY 2017 Annualized CR	46,266	42,700	\$3,377,149
FY 2018 Base Budget	46,266	42,700	\$3,377,149
Technical Adjustment	(5)	(5)	\$29
Realignment from Air Cargo to Screener Training and Other	5	5	\$1,035
Realignment from Airport Management to Screener Training and Other	3	3	\$301
Realignment from Airport Management to Screening Partnership Program	10	10	\$1,933
Realignment from Aviation Regulation to Screener Training and Other	1	1	\$193
Realignment from Mission Support to Screening Partnership Program	-	-	\$86
Realignment from Screener PC&B to Airport Management	(1,017)	(1,017)	(\$79,879)
Realignment from Screener Training and Other to Mission Support	-	-	(\$1,712)
Realignment from Surface Programs to Screener Training and Other	2	2	\$256
Total Transfers	(996)	(996)	(\$77,787)
2016 Reprogramming Tails	1,277	2,160	\$154,581
2017 Pay Increase	-	-	\$47,185
2018 Pay Increase	-	-	\$41,533
Annualization of FY16 Pay Increase	-	-	\$9,550
Annualization of FY17 Pay Increase	-	-	\$15,304

Budget Formulation Activity	Positions	FTE	Amount
Annualization of TSOs	-	323	\$26,941
SPP Pay COLA	-	-	\$4,842
Total, Pricing Increases	1,277	2,483	\$299,936
Program Efficiencies	-	-	(\$3,697)
Total, Pricing Decreases	-	-	(\$3,697)
Total Adjustments-to-Base	276	1,482	\$218,481
FY 2018 Current Services	46,542	44,182	\$3,595,630
TSO Volume Growth	629	382	\$27,000
Total, Program Increases	629	382	\$27,000
Cease Staffing at Exit Lanes	(1,794)	(1,090)	(\$77,000)
Hiring Freeze and Payroll Efficiencies	-	-	(\$703)
Service Contract Savings	-	-	(\$1,121)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$7,101)
Total, Program Decreases	(1,794)	(1,090)	(\$85,925)
FY 2018 Request	45,377	43,474	\$3,536,705
FY 2017 TO FY 2018 Change	(889)	774	\$159,556

PPA Level II Description

The Screening Workforce Level II PPA supports funding for TSA's SPP, Screener Personnel, Compensation, and Benefits, and Screener Training and Other Level III PPAs.

Adjustments to Base Justification

See discussion at PPA Level III for the Screener PC&B, SPP, and Screener Training and Other PPAs.

**Screening Workforce – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Screening Partnership Program	-	-	-	-	-	-	-	-	10	10	\$1,423	\$138.1	10	10	\$1,423	\$138.1
Screener Personnel, Compensation, and Benefits	46,086	43,049	\$2,997,824	\$67.58	46,086	42,525	\$2,972,004	\$67.83	45,087	43,190	\$3,126,241	\$70.25	(999)	665	\$154,237	\$2.42
Screener Training and Other	180	175	\$18,704	\$106.23	180	175	\$18,704	\$106.23	280	274	\$30,955	\$112.28	100	99	\$12,251	\$6.05
Total	46,266	43,224	\$3,016,528	\$67.74	46,266	42,700	\$2,990,708	\$67.98	45,377	43,474	\$3,158,619	\$70.53	(889)	774	\$167,911	\$2.55
Discretionary - Appropriation	46,266	43,224	\$3,016,528	\$67.74	46,266	42,700	\$2,990,708	\$67.98	45,377	43,474	\$3,158,619	\$70.53	(889)	774	\$167,911	\$2.55

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

Screening Workforce – PPA Level II
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$1,668,430	\$1,654,182	\$1,749,338	\$95,156
11.3 Other than Full-Time Permanent	\$294,714	\$292,176	\$307,479	\$15,303
11.5 Other Personnel Compensation	\$170,634	\$169,164	\$178,030	\$8,866
11.8 Special Personal Services Payments	\$88,012	\$87,255	\$91,895	\$4,640
12.1 Civilian Personnel Benefits	\$794,195	\$787,393	\$831,311	\$43,918
13.0 Benefits for Former Personnel	\$543	\$538	\$566	\$28
Total - Personnel Compensation and Benefits	\$3,016,528	\$2,990,708	\$3,158,619	\$167,911
Positions and FTE				
Positions - Civilian	46,266	46,266	45,377	(889)
FTE - Civilian	43,224	42,700	43,474	774

The Screening Workforce PPA includes an increase of \$167.9 million in the FY 2018 request. This is due to the annualization of the positions hired in FY 2016 to address passenger volume growth, as well as proposed program changes to further increase passenger screening capacity, and to transfer exit lane staffing function to airports and airport authorities.

**Screening Workforce – PPA Level II
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Screening Partnership Program	\$169,983	\$165,793	\$174,157	\$8,364
Screener Personnel, Compensation, and Benefits	\$1,835	\$1,823	\$1,823	-
Screener Training and Other	\$206,711	\$218,825	\$202,106	(\$16,719)
Total	\$378,529	\$386,441	\$378,086	(\$8,355)
Discretionary - Appropriation	\$378,529	\$386,441	\$378,086	(\$8,355)

Screening Workforce – PPA Level II
Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$34,109	\$36,106	\$34,240	(\$1,866)
22.0 Transportation of Things	\$34	\$36	\$36	-
23.1 Rental Payments to GSA	\$280	\$296	\$272	(\$24)
23.2 Rental Payments to Others	\$111	\$117	\$107	(\$10)
23.3 Communications, Utilities, and Misc. Charges	\$115	\$122	\$112	(\$10)
24.0 Printing and Reproduction	\$212	\$224	\$206	(\$18)
25.1 Advisory and Assistance Services	\$26,245	\$27,783	\$25,550	(\$2,233)
25.2 Other Services from Non-Federal Sources	\$80,015	\$84,588	\$79,519	(\$5,069)
25.3 Other Goods and Services from Federal Sources	\$178,625	\$174,948	\$182,560	\$7,612
25.4 Operation and Maintenance of Facilities	\$8,864	\$9,384	\$8,622	(\$762)
25.6 Medical Care	\$15	\$16	\$15	(\$1)
25.7 Operation and Maintenance of Equipment	\$35	\$37	\$34	(\$3)
26.0 Supplies and Materials	\$41,305	\$43,719	\$38,484	(\$5,235)
31.0 Equipment	\$7,873	\$8,334	\$7,657	(\$677)
32.0 Land and Structures	\$3	\$3	\$3	-
42.0 Insurance Claims and Indemnities	\$688	\$728	\$669	(\$59)
Total - Non Pay Object Classes	\$378,529	\$386,441	\$378,086	(\$8,355)

See PPA Level III for discussion.

Screening Partnership Program – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Screening Partnership Program	-	-	\$169,983	-	-	\$165,793	10	10	\$175,580	10	10	\$9,787
Total	-	-	\$169,983	-	-	\$165,793	10	10	\$175,580	10	10	\$9,787
Subtotal Discretionary - Appropriation	-	-	\$169,983	-	-	\$165,793	10	10	\$175,580	10	10	\$9,787

The FY 2018 request includes an increase of \$9.8 million and 10/10 FTP/FTE over the FY 2017 Annualized CR levels, which includes payroll efficiencies. These changes reflect TSA’s focus on maintaining frontline security operations.

Screening Partnership Program – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$166,928
Airport Management to SPP	-	-	\$101
Screener PC&B to SPP	-	-	\$2,619
Screener Training & Other to SPP	-	-	\$335
Total Below Threshold Reprogrammings	-	-	\$3,055
FY 2016 Revised Enacted	-	-	\$169,983
FY 2017 Annualized CR	-	-	\$165,793
FY 2018 Base Budget	-	-	\$165,793
Technical Adjustment	-	-	\$29
Realignment from Airport Management to Screening Partnership Program	10	10	\$1,933
Realignment from Mission Support to Screening Partnership Program	-	-	\$86
Realignment from Screener PC&B to Screening Partnership Program	-	-	\$3,019
Realignment from Screener Training and Other to Screening Partnership Program	-	-	\$307
Total Transfers	10	10	\$5,345
SPP Pay COLA	-	-	\$4,842
Total, Pricing Increases	-	-	\$4,842
Total Adjustments-to-Base	10	10	\$10,216
FY 2018 Current Services	10	10	\$176,009
Hiring Freeze and Payroll Efficiencies	-	-	(\$429)
Total, Program Decreases	-	-	(\$429)
FY 2018 Request	10	10	\$175,580
FY 2017 TO FY 2018 Change	10	10	\$9,787

PPA Level III Description

The Screening Partnership Program procures screening services from qualified private companies at TSA airports. As required by Statute, the program provides airports with a process to "opt-out" and request TSA use private screening companies instead of Federal screeners. The program also provides the business infrastructure capable of acquiring, deploying, and supporting the management of private screening resources at airports. Private screeners must pass TSA training, maintain TSA certification, and follow TSA's screening procedures. Private screening performance must "be equal to or greater than the level provided by Federal personnel", and private screeners must receive compensation "not less than the compensation received by Federal screeners". SPP addresses the requirement to provide airports with a process to request TSA to use private screening companies instead of Federal ones and then procure, deploy, and manage those companies.

Adjustments to Base Justification

- Increase of \$29 thousand for a technical adjustment
- Increase of \$0.3 million for a realignment from the Screener Training and Other PPA associated with including the Punta Gorda airport in the SPP
- Increase of \$0.1 million for a realignment from the Mission Support PPA associated with including the Punta Gorda airport in the SPP
- Increase of \$1.9 million and 10 FTP/10 FTE for a realignment from the Airport Management PPA to consolidate SPP program management personnel, and for a realignment from the Airport Management PPA associated with including the Punta Gorda airport in the SPP
- Increase of \$3.0 million for a realignment from the Screener PC&B PPA associated with including the Punta Gorda airport in the SPP
- Increase of \$4.8 for SPP Pay Inflation, described above under Justification of Pricing Changes

**Screening Partnership Program – PPA Level III
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Screening Partnership Program	-	-	-	-	-	-	-	-	10	10	\$1,423	\$138.1	10	10	\$1,423	\$138.1
Total	-	-	-	-	-	-	-	-	10	10	\$1,423	\$138.1	10	10	\$1,423	\$138.1
Discretionary - Appropriation	-	-	-	-	-	-	-	-	10	10	\$1,423	\$138.1	10	10	\$1,423	\$138.1

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The change in FTE between FY 2017 and FY 2018 is the result of a realignment of 10 FTE from the Airport Management PPA to support the SPP.

PCB Change FY 2017-2018: The PC&B Change is the associated funding realigned with the 10 FTE.

Average Cost Change FY 2017-2018: The average cost change is caused by the realignment of 10 FTE into the SPP PPA.

Screening Partnership Program – PPA Level III
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	-	-	\$785	\$785
11.3 Other than Full-Time Permanent	-	-	\$140	\$140
11.5 Other Personnel Compensation	-	-	\$82	\$82
11.8 Special Personal Services Payments	-	-	\$42	\$42
12.1 Civilian Personnel Benefits	-	-	\$374	\$374
Total - Personnel Compensation and Benefits	-	-	\$1,423	\$1,423
Positions and FTE				
Positions - Civilian	-	-	10	10
FTE - Civilian	-	-	10	10

The pay object class table depicts the breakout of the 10 FTE realigned to the SPP PPA in FY 2018.

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	0	0	0	0	0	0	10	1,423	142.3	10	1,423	142.3
Total Pay Cost Drivers							10	1,423	142.3	10	1,423	142.3

**Screening Partnership Program– PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Screening Partnership Program	\$169,983	\$165,793	\$174,157	\$8,364
Total	\$169,983	\$165,793	\$174,157	\$8,364
Discretionary - Appropriation	\$169,983	\$165,793	\$174,157	\$8,364

The increase in non-pay is a result of the Punta Gorda airport joining the SPP. Funding is realigned from the Screener PC&B, Screener Training and Other, Airport Management, and Mission Support PPAs to transition federal resources to contracting dollars.

Screening Partnership Program – PPA Level III

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$37	\$37	\$37	-
25.3 Other Goods and Services from Federal Sources	\$169,842	\$165,653	\$174,017	\$8,364
25.4 Operation and Maintenance of Facilities	\$1	\$1	\$1	-
26.0 Supplies and Materials	\$102	\$101	\$101	-
31.0 Equipment	\$1	\$1	\$1	-
Total - Non Pay Object Classes	\$169,983	\$165,793	\$174,157	\$8,364

The FY 2017 to FY 2018 change in non-pay costs is a result of the Punta Gorda airport joining the SPP as well as TSA applying the requisite pay inflation factors provided to federal TSOs.

Non Pay Cost Drivers

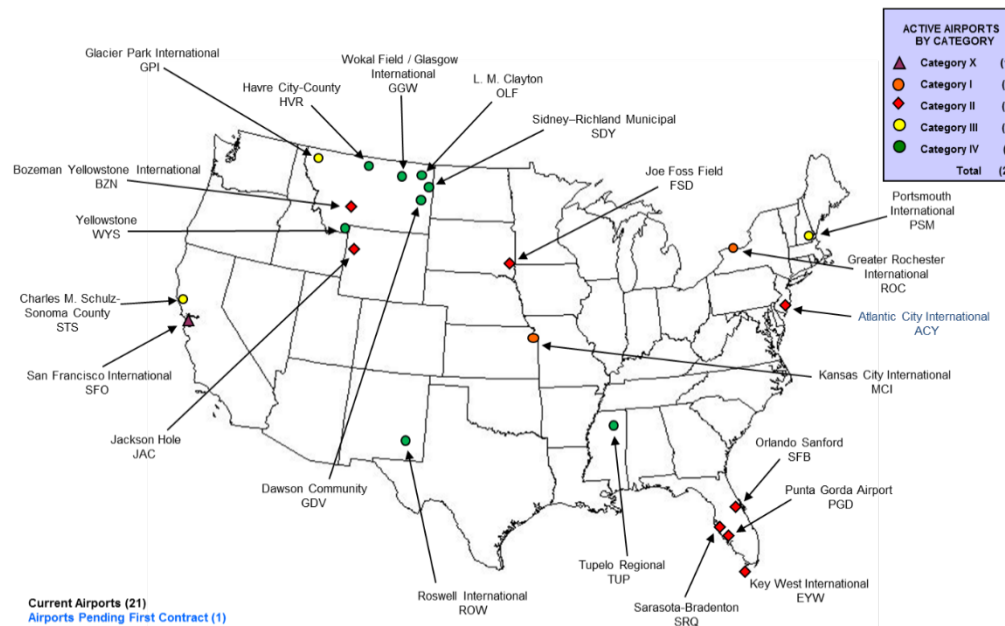
Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Participating Airports	\$166,279	\$162,180	\$170,362	\$8,182
Increased Travel & Training	\$1,372	\$1,338	\$1,405	\$67
Increased Outbound Flights	\$1,336	\$1,303	\$1,369	\$66
National Deployment Office Support	\$996	\$972	\$1,021	\$49
Total Non Pay Cost Drivers	\$169,983	\$165,793	\$174,157	\$8,364

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Participating Airports

The SPP permits airport operators to request screening services through private screening companies, who are required to provide services equal to or better than federal screening operations. The primary cost driver for the SPP PPA is the number of participating airports. With the addition of Punta Gorda, there are now 21 airports participating in the SPP (see chart below) and TSA continues to review applications as they are submitted. The increase in FY 2018 is driven by the addition of Punta Gorda.



FY 2018 Non Pay Cost Driver – Increased Travel & Training

Privitized screeners in the SPP are required to attend the same training as federal TSOs. As training requirements change, each contract in the program may need to issue a contract modification to cover the enhanced costs. Increased costs in FY 2018 are driven by the addition of Punta Gorda.

FY 2018 Non Pay Cost Driver – Increased Outbound Flights

The SPP costs can increase due to a change in air carrier flights. Contracts are awarded with the current air carrier plans, but airports can change the number of air carriers and flights servicing their airport at any time. This change results in a contract modification from SPP airports to increase the cost accordingly. Increased costs in FY 2018 are driven by the addition of Punta Gorda.

FY 2018 Non Pay Cost Driver – National Deployment Office Support

The National Deployment Office (NDO) mitigates and reduces risk where other means are unavailable by providing Federal Security Directors (FSDs) additional security personnel. The NDO provides necessary personnel to FSDs for security screening support during crisis response and recovery operations, peak seasonal demands, special security events, risk mitigation or other activities that require higher-than-normal security related staffing levels, while protecting the Nation's transportation system. Should an SPP airport need more NDO support, costs on the contract could rise year to year in accordance with the need. Increased costs in FY 2018 are driven by the addition of Punta Gorda.

Screener Personnel, Compensation, and Benefits – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Screener Personnel, Compensation, and Benefits	46,086	43,049	\$2,999,659	46,086	42,525	\$2,973,827	45,087	43,190	\$3,128,064	(999)	665	\$154,237
Total	46,086	43,049	\$2,999,659	46,086	42,525	\$2,973,827	45,087	43,190	\$3,128,064	(999)	665	\$154,237
Subtotal Discretionary - Appropriation	46,086	43,049	\$2,999,659	46,086	42,525	\$2,973,827	45,087	43,190	\$3,128,064	(999)	665	\$154,237

The FY 2018 request includes an increase of \$154.2 million and 665 FTE, and a decrease of 999 FTP, from the FY 2017 Annualized CR levels, which includes an increase to the number of TSOs performing aviation screening functions, and a reduction to Staffing at Airport Exit Lanes. These changes reflect TSA’s focus on maintaining frontline security operations.

Screener Personnel, Compensation, and Benefits – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	46,086	42,525	\$2,973,839
Air Cargo to Screener PC&B	-	-	\$2,714
Airport Management to Screener PC&B	-	-	\$3,200
Approved FTE Increase	-	524	-
Canines (listed as AvReg) to Screener PC&B	-	-	\$2,900
Screener Training & Other to Screener PC&B	-	-	\$13,275
Secure Flight to Screener PC&B	-	-	\$6,350
Total Above Threshold Reprogrammings/Transfers	-	524	\$28,439
Screener PC&B to SPP	-	-	(\$2,619)
Total Below Threshold Reprogrammings	-	-	(\$2,619)
FY 2016 Revised Enacted	46,086	43,049	\$2,999,659
FY 2017 Annualized CR	46,086	42,525	\$2,973,827
FY 2018 Base Budget	46,086	42,525	\$2,973,827
Technical Adjustment	(42)	(42)	-
Realignment from Screener PC&B to Airport Management	(1,017)	(1,017)	(\$79,879)
Realignment from Screener PC&B to Screener Training and Other	(40)	(40)	(\$3,614)
Realignment from Screener PC&B to Screening Partnership Program	-	-	(\$3,019)
Total Transfers	(1,057)	(1,057)	(\$86,512)
2016 Reprogramming Tails	1,265	2,149	\$151,237
2017 Pay Increase	-	-	\$46,809
2018 Pay Increase	-	-	\$41,115
Annualization of FY16 Pay Increase	-	-	\$9,497
Annualization of FY17 Pay Increase	-	-	\$15,150
Annualization of TSOs	-	323	\$26,941
Total, Pricing Increases	1,265	2,472	\$290,749
Total Adjustments-to-Base	166	1,373	\$204,237
FY 2018 Current Services	46,252	43,898	\$3,178,064

Budget Formulation Activity	Positions	FTE	Amount
TSO Volume Growth	629	382	\$27,000
Total, Program Increases	629	382	\$27,000
Cease Staffing at Exit Lanes	(1,794)	(1,090)	(\$77,000)
Total, Program Decreases	(1,794)	(1,090)	(\$77,000)
FY 2018 Request	45,087	43,190	\$3,128,064
FY 2017 TO FY 2018 Change	(999)	665	\$154,237

PPA Level III Description

TSA maintains a federal workforce of approximately 43,000 TSO FTE at approximately 440 airports with various security screening duties and specialties. With the evolution of TSA's RBS programs, the TSO responsibility, especially at the checkpoint, has significantly evolved. Officer duties go beyond verbatim adherence to Standard Operating Procedures and include critical thinking about today's threats and risks, and the mitigation techniques necessary to respond to those threats.

Adjustments to Base Justification

- Decrease of 42 FTP and 42 FTE for a technical adjustment associated with including Punta Gorda in the SPP
- Decrease of \$3.0 million for a realignment to the SPP PPA associated with including Punta Gorda in the SPP
- Decrease of \$79.9 million and 1,017 FTP/1,017 FTE for a realignment to the Airport Management PPA for the Coordination Center Officers (CCO)
- Decrease of \$3.6 million and 40 FTP/40 FTE for a realignment to the Screener Training and Other PPA to consolidate training positions and funding
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$26.9 million and 323 FTE to annualize positions from an FY 2016 increase
 - Increase of \$151.2 million and 1,265 FTP/2,149 FTE from the FY 2016 reprogramming
 - Increase of \$9.5 million for the annualization of the FY 2016 pay increase
 - Increase of \$46.8 million for the FY 2017 pay raise
 - Increase of \$15.2 million for the annualization of the FY 2017 pay increase
 - Increase of \$41.1 million for the FY 2018 pay raise

**Screener Personnel, Compensation, and Benefits – PPA Level III
Personnel Compensation and Benefits**

Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Screener Personnel, Compensation, and Benefits	46,086	43,049	\$2,997,824	\$67.58	46,086	42,525	\$2,972,004	\$67.83	45,087	43,190	\$3,126,241	\$70.25	(999)	665	\$154,237	\$2.42
Total	46,086	43,049	\$2,997,824	\$67.58	46,086	42,525	\$2,972,004	\$67.83	45,087	43,190	\$3,126,241	\$70.25	(999)	665	\$154,237	\$2.42
Discretionary - Appropriation	46,086	43,049	\$2,997,824	\$67.58	46,086	42,525	\$2,972,004	\$67.83	45,087	43,190	\$3,126,241	\$70.25	(999)	665	\$154,237	\$2.42

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request includes an increase of 665 FTE. This reflects the adjustments to base outlined above, and the proposed program changes to reduce 1,090 FTE to eliminate staffing at airport exit lanes, and increase 382 FTE to address volume growth at airports.

PCB Change FY 2017-2018: The change in PC&B from FY 2017 to FY 2018 is largely driven by the change in FTE and the pay increases in FY 2017 and FY 2018.

Average Cost Change FY 2017-2018: The change in average cost over FY 2017 is due to the annualization of the FY 2017 pay increase and the FY 2018 pay raise factors.

Screener Personnel, Compensation, and Benefits – PPA Level III
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$1,654,294	\$1,640,046	\$1,725,159	\$85,113
11.3 Other than Full-Time Permanent	\$294,714	\$292,176	\$307,339	\$15,163
11.5 Other Personnel Compensation	\$170,624	\$169,154	\$177,932	\$8,778
11.8 Special Personal Services Payments	\$87,898	\$87,141	\$91,663	\$4,522
12.1 Civilian Personnel Benefits	\$789,751	\$782,949	\$823,582	\$40,633
13.0 Benefits for Former Personnel	\$543	\$538	\$566	\$28
Total - Personnel Compensation and Benefits	\$2,997,824	\$2,972,004	\$3,126,241	\$154,237
Positions and FTE				
Positions - Civilian	46,086	46,086	45,087	(999)
FTE - Civilian	43,049	42,525	43,190	665

The FY 2018 request includes an increase of \$154.2 million in payroll funding. This is due to the adjustments to base and proposed program changes described above.

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Transportation Security Officers	43,049	2,997,824	69.6	42,525	2,972,004	69.9	43,190	3,126,241	72.4	665	154,237	2.5
Total – Pay Cost Drivers	43,049	2,997,824	69.6	42,525	2,972,004	69.9	43,190	3,126,241	72.4	665	154,237	2.5

**Screener Personnel, Compensation, and Benefits PPA Level III
 Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Screener Personnel, Compensation, and Benefits	\$1,835	\$1,823	\$1,823	-
Total	\$1,835	\$1,823	\$1,823	-
Discretionary - Appropriation	\$1,835	\$1,823	\$1,823	-

The FY 2018 request reflects no change to non-pay funding from FY 2017 levels.

**Screener Personnel, Compensation, and Benefits – PPA Level III
 Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
25.2 Other Services from Non-Federal Sources	\$1,786	\$1,774	\$1,774	-
25.3 Other Goods and Services from Federal Sources	\$49	\$49	\$49	-
Total - Non Pay Object Classes	\$1,835	\$1,823	\$1,823	-

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Settlements	1,835	1,823	1,823	0
Total – Non Pay Cost Drivers	1,835	1,823	1,823	0

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Settlements

Funding associated with this cost driver is for settlement funds provided for the screeners at airport checkpoints. Settlement funds cover small claims at the checkpoint for TSOs. This amount does not typically change from year to year.

Screener Training and Other – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Screener Training and Other	180	175	\$225,415	180	175	\$237,529	280	274	\$233,061	100	99	(\$4,468)
Total	180	175	\$225,415	180	175	\$237,529	280	274	\$233,061	100	99	(\$4,468)
Subtotal Discretionary - Appropriation	180	175	\$225,415	180	175	\$237,529	280	274	\$233,061	100	99	(\$4,468)

The FY 2018 request includes a decrease of \$4.5 million and an increase of 100 FTP/99 FTE from the FY 2017 Annualized CR levels, which includes reductions due to the proposed modified hiring freeze; service contract savings; and travel, supplies, and headquarter efficiencies. These changes reflect TSA’s focus on maintaining frontline security operations.

Screener Training and Other – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	180	175	\$239,025
Screener Training & Other to Screener PC&B	-	-	(\$13,275)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$13,275)
Screener Training & Other to SPP	-	-	(\$335)
Total Below Threshold Reprogrammings	-	-	(\$335)
FY 2016 Revised Enacted	180	175	\$225,415
FY 2017 Annualized CR	180	175	\$237,529
FY 2018 Base Budget	180	175	\$237,529
Technical Adjustment	37	37	-
Realignment from Air Cargo to Screener Training and Other	5	5	\$1,035
Realignment from Airport Management to Screener Training and Other	3	3	\$301
Realignment from Aviation Regulation to Screener Training and Other	1	1	\$193
Realignment from Screener PC&B to Screener Training and Other	40	40	\$3,614
Realignment from Screener Training and Other to Mission Support	-	-	(\$1,712)
Realignment from Screener Training and Other to Screening Partnership Program	-	-	(\$307)
Realignment from Surface Programs to Screener Training and Other	2	2	\$256
Total Transfers	51	51	\$3,380
2016 Reprogramming Tails	12	11	\$3,344
2017 Pay Increase	-	-	\$376
2018 Pay Increase	-	-	\$418
Annualization of FY16 Pay Increase	-	-	\$53
Annualization of FY17 Pay Increase	-	-	\$154
Total, Pricing Increases	12	11	\$4,345
Program Efficiencies	-	-	(\$3,697)
Total, Pricing Decreases	-	-	(\$3,697)
Total Adjustments-to-Base	100	99	\$4,028
FY 2018 Current Services	280	274	\$241,557

Budget Formulation Activity	Positions	FTE	Amount
Hiring Freeze and Payroll Efficiencies	-	-	(\$274)
Service Contract Savings	-	-	(\$1,121)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$7,101)
Total, Program Decreases	-	-	(\$8,496)
FY 2018 Request	280	274	\$233,061
FY 2017 TO FY 2018 Change	100	99	(\$4,468)

PPA Level III Description

The Screener Training and Other PPA provides the resources to support new and recurring training requirements for the TSO workforce, as well as other direct costs associated with screening operations.

Adjustments to Base Justification

- Increase of 37 FTP/37 FTE for a technical adjustment
- Increase of \$1.0 million and 5 FTP/5 FTE for a realignment from the Air Cargo PPA to consolidate positions and funding
- Increase of \$0.2 million and 1 FTP/1 FTE for a realignment from the Aviation Regulation PPA to consolidate positions and funding
- Increase of \$0.3 million and 3 FTP/3 FTE for a realignment from the Airport Management PPA to consolidate training positions and funding
- Increase of \$3.6 million and 40 FTP/ 40 FTE for a realignment from the Screener PC&B PPA to consolidate training positions and funding
- Increase of \$0.3 million and 2 FTP/2 FTE for a realignment from the Surface Programs PPA to consolidate positions and funding
- Decrease of \$0.3 million for a realignment to the SPP PPA associated with including the Punta Gorda airport in the SPP
- Decrease of \$1.7 million for a realignment to the Mission Support PPA to consolidate recurrent vetting funds
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$3.3 million and 12 FTP/11 FTE for the FY 2016 reprogramming tails associated with passenger volume growth at airports
 - Increase of \$0.1 million for an annualization of the FY 2016 pay increase
 - Increase of \$0.4 million for the FY 2017 pay raise
 - Increase of \$0.2 million for an annualization of the FY 2017 pay increase
 - Increase of \$0.4 for the FY 2018 pay raise
 - Decrease of \$3.7 million for program efficiencies (historical underburn of resources)

**Screener Training and Other – PPA Level III
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Screener Training and Other	180	175	\$18,704	\$106.23	180	175	\$18,704	\$106.23	280	274	\$30,955	\$112.28	100	99	\$12,251	\$6.05
Total	180	175	\$18,704	\$106.23	180	175	\$18,704	\$106.23	280	274	\$30,955	\$112.28	100	99	\$12,251	\$6.05
Discretionary - Appropriation	180	175	\$18,704	\$106.23	180	175	\$18,704	\$106.23	280	274	\$30,955	\$112.28	100	99	\$12,251	\$6.05

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request includes an increase of 99 FTE. This change reflects realignments from other PPAs as well as the annualization of the positions associated with the FY 2016 reprogramming action to address increased passenger volume growth.

PCB Change FY 2017-2018: The change in PC&B between FY 2017 and FY 2018 is due to the realignment of funds from other PPAs as well as pay inflation factors.

Average Cost Change FY 2017-2018: The average cost change over FY 2017 is due to pay inflation factors.

Screener Training and Other – PPA Level III
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$14,136	\$14,136	\$23,394	\$9,258
11.5 Other Personnel Compensation	\$10	\$10	\$16	\$6
11.8 Special Personal Services Payments	\$114	\$114	\$190	\$76
12.1 Civilian Personnel Benefits	\$4,444	\$4,444	\$7,355	\$2,911
Total - Personnel Compensation and Benefits	\$18,704	\$18,704	\$30,955	\$12,251
Positions and FTE				
Positions - Civilian	180	180	280	100
FTE - Civilian	175	175	274	99

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	175	14,136	80.8	175	14,136	80.8	274	23,394	85.4	99	9,258	4.6
Other Costs	0	4,568			4,568		0	7,561		0	2,993	
Total – Pay Cost Drivers	175	18,704	80.8	175	18,704	80.8	274	30,955	85.4	99	12,251	4.6

**Screener Training and Other – PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Screener Training and Other	\$206,711	\$218,825	\$202,106	(\$16,719)
Total	\$206,711	\$218,825	\$202,106	(\$16,719)
Discretionary - Appropriation	\$206,711	\$218,825	\$202,106	(\$16,719)

The FY 2018 request includes a decrease of \$16.7 million in Screener Training and Other non-pay funding. This change is largely due to the reductions in service contracts and travel, supplies, and headquarter efficiencies.

**Screener Training and Other – PPA Level III
 Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$34,072	\$36,069	\$34,203	(\$1,866)
22.0 Transportation of Things	\$34	\$36	\$36	-
23.1 Rental Payments to GSA	\$280	\$296	\$272	(\$24)
23.2 Rental Payments to Others	\$111	\$117	\$107	(\$10)
23.3 Communications, Utilities, and Misc. Charges	\$115	\$122	\$112	(\$10)
24.0 Printing and Reproduction	\$212	\$224	\$206	(\$18)
25.1 Advisory and Assistance Services	\$26,245	\$27,783	\$25,550	(\$2,233)
25.2 Other Services from Non-Federal Sources	\$78,229	\$82,814	\$77,745	(\$5,069)
25.3 Other Goods and Services from Federal Sources	\$8,734	\$9,246	\$8,494	(\$752)
25.4 Operation and Maintenance of Facilities	\$8,863	\$9,383	\$8,621	(\$762)
25.6 Medical Care	\$15	\$16	\$15	(\$1)
25.7 Operation and Maintenance of Equipment	\$35	\$37	\$34	(\$3)
26.0 Supplies and Materials	\$41,203	\$43,618	\$38,383	(\$5,235)
31.0 Equipment	\$7,872	\$8,333	\$7,656	(\$677)
32.0 Land and Structures	\$3	\$3	\$3	-
42.0 Insurance Claims and Indemnities	\$688	\$728	\$669	(\$59)
Total - Non Pay Object Classes	\$206,711	\$218,825	\$202,106	(\$16,719)

**Screener Training and Other – PPA Level III
 Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President’s Budget	FY 2017 to FY 2018 Total Changes
TSO Training	\$76,768	\$76,768	\$76,768	\$0
Screening Consumables, Uniforms, and Other	\$105,515	\$105,515	\$100,515	(\$5,000)
Other Costs	\$24,428	\$36,542	\$24,823	(\$11,719)
Total – Non Pay Cost Drivers	\$206,711	\$218,825	\$202,106	(\$16,719)

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver –TSO Training

This cost driver reflects the core training of the TSO workforce. This request continues the centralization and standardization of TSO Basic Training at the TSA Academy at the Federal Law Enforcement Training Center (FLETC), in Glynco, Georgia. This provides TSA with a structured, centralized training environment for its TSO new hires for the first time since TSA was first stood up in 2002. Costs are primarily driven by the number of TSOs, especially new hires. There is no change in costs from FY 2017.

FY 2018 Non Pay Cost Driver – Screening Consumables, Uniforms, and Other

Consumable supplies are critical materials used by TSOs to ensure effective screening of passengers, carry-on, and checked baggage. These consumable supplies include disposable gloves, sample swabs/wands, reactant materials, and baggage inserts, which both notify passengers that their bag has been inspected and provide contact information in the event of a problem. In addition, TSA provides uniforms to new hires, as well as replacement uniforms to all TSOs through the annual allowance program. The FY 2018 request includes a \$5.0 million reduction to consumables funding, to reduce supply costs.

FY2018 Non Pay Cost Driver – Other Costs

Funding in this cost driver covers other costs associated with screening operations, such as other supplies and travel costs. The FY 2018 request includes a decrease of \$11.7 million in this cost driver. This reduction is due to a realignment of non-pay funding to payroll to accurately cost for FTE, a reduction to non-pay funding for historical underburn of resources, and a reduction to travel costs and support functions due to identified headquarter efficiencies.

Airport Management – PPA Level II

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Airport Management	2,901	2,790	\$568,615	2,901	2,790	\$570,267	3,902	3,777	\$643,797	1,001	987	\$73,530
Total	2,901	2,790	\$568,615	2,901	2,790	\$570,267	3,902	3,777	\$643,797	1,001	987	\$73,530
Subtotal Discretionary - Appropriation	2,901	2,790	\$568,615	2,901	2,790	\$570,267	3,902	3,777	\$643,797	1,001	987	\$73,530

The FY 2018 request includes an increase of \$73.5 million and 1,001 FTP/987 FTE from the FY 2017 Annualized CR levels, which includes reductions due to the proposed modified hiring freeze; service contract savings; and travel, supplies, and headquarter efficiencies. These changes reflect TSA’s focus on maintaining frontline security operations.

Airport Management – PPA Level II Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	2,901	2,790	\$571,916
Airport Management to Screener PC&B	-	-	(\$3,200)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$3,200)
Airport Management to SPP	-	-	(\$101)
Total Below Threshold Reprogrammings	-	-	(\$101)
FY 2016 Revised Enacted	2,901	2,790	\$568,615
FY 2017 Annualized CR	2,901	2,790	\$570,267
FY 2018 Base Budget	2,901	2,790	\$570,267
Realignment from Airport Management to Intelligence and TSOC	(6)	(6)	(\$876)
Realignment from Airport Management to Mission Support	-	-	(\$7)
Realignment from Airport Management to Screener Training and Other	(3)	(3)	(\$301)
Realignment from Airport Management to Screening Partnership Program	(10)	(10)	(\$1,933)
Realignment from Airport Management to Secure Flight	(25)	(25)	(\$2,112)
Realignment from Screener PC&B to Airport Management	1,017	1,017	\$79,879
Realignment from Surface Programs to Airport Management	3	3	\$606
Transfer from TSA - Airport Management to USM - CRSO	-	-	(\$54)
Total Transfers	976	976	\$75,202
2016 Reprogramming Tails	25	25	\$4,555
2017 Pay Increase	-	-	\$5,161
2018 Pay Increase	-	-	\$5,772
Annualization of FY16 Pay Increase	-	-	\$1,025
Annualization of FY17 Pay Increase	-	-	\$2,126
Total, Pricing Increases	25	25	\$18,639
Program Efficiencies	-	-	(\$2,685)
Total, Pricing Decreases	-	-	(\$2,685)
Total Adjustments-to-Base	1,001	1,001	\$91,156
FY 2018 Current Services	3,902	3,791	\$661,423

Budget Formulation Activity	Positions	FTE	Amount
Hiring Freeze and Payroll Efficiencies	-	(14)	(\$9,674)
Service Contract Savings	-	-	(\$2,783)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$5,169)
Total, Program Decreases	-	(14)	(\$17,626)
FY 2018 Request	3,902	3,777	\$643,797
FY 2017 TO FY 2018 Change	1,001	987	\$73,530

PPA Level II Description

The Airport Management PPA supports airport FSDs and their Staff, Airport Parking, Fleet Services, and Transit Benefits, as well as Airport Rent and Furniture.

Adjustments to Base Justification

- Increase of \$79.9 million and 1,017 FTP/1,017 FTE for a realignment from the Screener PC&B PPA to move the CCOs
- Increase of \$0.6 million and 3 FTP/3 FTE for a realignment from the Surface Programs PPA to consolidate positions and funding
- Decrease of \$0.3 million and 3 FTP/3 FTE for a realignment to the Screener Training and Other PPA to consolidate training positions and funding
- Decrease of \$0.9 million and 6 FTP/6 FTE for a realignment to the Intelligence and TSOC PPA to move the Airspace Waivers program
- Decrease of \$1.9 million for a realignment to the SPP PPA associated with the privatization of the Punta Gorda airport and to consolidate SPP program management personnel
- Decrease of \$2.1 million and 25 FTP/25 FTE for a realignment to the Secure Flight PPA to consolidate the Identification Verification Call Center (IVCC) personnel with Secure Flight
- Decrease of \$0.1 million for a transfer to other DHS components for Working Capital Fund activities
- Decrease of \$7 thousand for a realignment to the Mission Support PAA associated with including the Punta Gorda airport in the SPP
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$4.6 million and 25 FTP/25 FTE to annualize the reprogramming actions from FY 2016 related to increased passenger volume growth at airports
 - Increase of \$1.0 million to annualize the FY 2016 pay increase
 - Increase of \$5.2 million for the FY 2017 pay raise
 - Increase of \$2.1 million to annualize the FY 2017 pay increase

- Increase of \$5.8 million for the FY 2018 pay raise
- Decrease of \$2.7 million for program efficiencies

**Airport Management – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Airport Management	2,901	2,790	\$329,375	\$117.06	2,901	2,790	\$329,375	\$117.06	3,902	3,777	\$410,231	\$107.7	1,001	987	\$80,856	(\$9.36)
Total	2,901	2,790	\$329,375	\$117.06	2,901	2,790	\$329,375	\$117.06	3,902	3,777	\$410,231	\$107.7	1,001	987	\$80,856	(\$9.36)
Discretionary - Appropriation	2,901	2,790	\$329,375	\$117.06	2,901	2,790	\$329,375	\$117.06	3,902	3,777	\$410,231	\$107.7	1,001	987	\$80,856	(\$9.36)

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request includes an increase of 987 FTE over FY 2017 levels. This change is largely due to the realignment of the Coordination Center Officers (CCOs) from the Screener PC&B PPA.

PCB Change FY 2017-2018: The FY 2018 request includes an increase of \$80.9 million in payroll. This change is due to the realignment of the CCOs from the Screener PC&B PPA along with pay inflation factors.

Average Cost Change FY 2017-2018: The average cost decrease is due to the realignment of CCOs into the Airport Management PPA, since the payroll associated with the positions is lower than the other positions within the PPA.

Airport Management PPA Level II
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$233,086	\$233,086	\$290,305	\$57,219
11.3 Other than Full-Time Permanent	\$495	\$495	\$616	\$121
11.5 Other Personnel Compensation	\$1,493	\$1,493	\$1,861	\$368
11.8 Special Personal Services Payments	\$2,783	\$2,783	\$3,466	\$683
12.1 Civilian Personnel Benefits	\$91,518	\$91,518	\$113,983	\$22,465
Total - Personnel Compensation and Benefits	\$329,375	\$329,375	\$410,231	\$80,856
Positions and FTE				
Positions - Civilian	2,901	2,901	3,902	1,001
FTE - Civilian	2,790	2,790	3,777	987

The FY 2018 request includes an increase of \$80.9 million in payroll funding. This increase is due to the realignment of the CCOs from the Screener PC&B PPA, as well as pay inflation.

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Screening Field Support Staff	2,417	281,272	116.4	2417	281,272	116.4	3,404	360,239	105.8	987	78,967	(10.6)
Transportation Security Specialists – Explosives	359	45,893	127.8	359	45,893	127.8	359	47,695	132.9	0	1,802	5.1
Other Costs	14	2,210	157.9	14	2,210	157.9	14	2,297	164.1	0	87	6.2
Total Pay Cost Drivers	2,790	329,375	118.1	2,790	329,375	118.1	3,777	410,231	108.6	987	80,856	(9.5)

**Airport Management– PPA Level II
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Airport Management	\$239,240	\$240,892	\$233,566	(\$7,326)
Total	\$239,240	\$240,892	\$233,566	(\$7,326)
Discretionary - Appropriation	\$239,240	\$240,892	\$233,566	(\$7,326)

The FY 2018 request reflects a reduction of \$7.3 million in non-pay funding in the Airport Management PPA.

Airport Management – PPA Level II

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$10,800	\$10,874	\$95	(\$10,779)
22.0 Transportation of Things	\$549	\$553	\$553	-
23.1 Rental Payments to GSA	\$120,593	\$121,425	\$125,179	\$3,754
23.2 Rental Payments to Others	\$10,368	\$10,440	\$10,763	\$323
23.3 Communications, Utilities, and Misc. Charges	\$3,924	\$3,951	\$4,073	\$122
24.0 Printing and Reproduction	\$157	\$158	\$163	\$5
25.1 Advisory and Assistance Services	\$8,895	\$8,957	\$9,234	\$277
25.2 Other Services from Non-Federal Sources	\$33,561	\$33,792	\$32,029	(\$1,763)
25.3 Other Goods and Services from Federal Sources	\$8,895	\$8,957	\$9,180	\$223
25.4 Operation and Maintenance of Facilities	\$4,184	\$4,213	\$4,343	\$130
25.6 Medical Care	\$26	\$26	\$26	-
25.7 Operation and Maintenance of Equipment	\$524	\$527	\$543	\$16
26.0 Supplies and Materials	\$12,543	\$12,630	\$12,240	(\$390)
31.0 Equipment	\$13,709	\$13,804	\$14,233	\$429
32.0 Land and Structures	\$10,464	\$10,536	\$10,862	\$326
42.0 Insurance Claims and Indemnities	\$48	\$49	\$50	\$1
Total - Non Pay Object Classes	\$239,240	\$240,892	\$233,566	(\$7,326)

The FY 2018 request includes a reduction of \$7.3 million in non-pay funding. This reduction is largely due to savings from service contract reductions and cuts to travel and supplies.

Airport Management – PPA Level II Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Airport Parking, Fleet & Transit Benefits	\$27,700	\$27,700	\$29,563	\$1,863
Airport Rent and Furniture	\$153,968	\$156,205	\$161,037	\$4,832
Other Costs	\$57,572	\$56,987	\$42,966	(\$14,021)
Total – Non Pay Cost Drivers	\$239,240	240,892	233,566	(\$7,326)

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Airport Parking, Fleet & Transit Benefits

This program currently provides parking at participating airports for field staff. In addition, TSA provides transit benefits for more than 11,000 field office employees and fleet services for 3,500 vehicles. The increase is driven by an increase in the number of field staff.

FY 2018 Non Pay Cost Driver – Airport Rent and Furniture

In order for TSA field operations to successfully fulfill their mission, they require facilities both inside the airport terminals as well as in close proximity to the airports in commercial office spaces. These spaces provide TSO break rooms and training spaces, coordination centers, support spaces for the FAMS officers as well as administrative offices for the FSDs and FAM SACs. Due to the continuance of lease rate increases, the FY 2018 request includes an additional \$4.8 million in funding to Airport Rent and Furniture.

FY 2018 Non Pay Cost Driver – Other Costs

Funding for this cost driver supports costs associated with the necessary travel, training, and contract requirements for staff at the nation's airports. The FY 2018 request includes a decrease of \$14.0 million in this category. This cut is due to a reduction in PCS moves, a reduction to service contracts, and reductions to supplies and travel.

Canines – PPA Level II

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Canines	509	493	\$118,809	509	493	\$121,327	698	698	\$151,764	189	205	\$30,437
Total	509	493	\$118,809	509	493	\$121,327	698	698	\$151,764	189	205	\$30,437
Subtotal Discretionary - Appropriation	509	493	\$118,809	509	493	\$121,327	698	698	\$151,764	189	205	\$30,437

The FY 2018 request includes an increase of \$30.4 million and 189 FTP/205 FTE from the FY 2017 Annualized CR levels, which includes reductions due to the proposed modified hiring freeze; and travel, supplies, and headquarter efficiencies. These changes reflect TSA’s focus on maintaining frontline security operations.

Canines – PPA Level II
Summary of Budget Changes
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	509	493	\$121,709
Canines (listed as AvReg) to Screener PC&B	-	-	(\$2,900)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$2,900)
FY 2016 Revised Enacted	509	493	\$118,809
FY 2017 Annualized CR	509	493	\$121,327
FY 2018 Base Budget	509	493	\$121,327
Technical Adjustment	22	22	-
2016 Reprogramming Tails	167	167	\$19,353
2017 Pay Increase	-	-	\$1,031
2018 Pay Increase	-	-	\$934
Annualization of 12 K9 Teams	-	16	\$8,841
Annualization of FY16 Pay Increase	-	-	\$225
Annualization of FY17 Pay Increase	-	-	\$344
Total, Pricing Increases	167	183	\$30,728
Program Efficiencies	-	-	(\$170)
Total, Pricing Decreases	-	-	(\$170)
Total Adjustments-to-Base	189	205	\$30,558
FY 2018 Current Services	698	698	\$151,885
Hiring Freeze and Payroll Efficiencies	-	-	(\$20)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$101)
Total, Program Decreases	-	-	(\$121)
FY 2018 Request	698	698	\$151,764
FY 2017 TO FY 2018 Change	189	205	\$30,437

PPA Level II Description

The National Explosives Detection Canine Team Program (NEDCTP) trains and deploys certified explosives detection canine teams to deter and detect the introduction of explosive devices into the transportation system. Bomb threats cause disruption of air, land, and sea commerce and pose an unacceptable danger to the traveling public. Explosives detection canine teams are proven and reliable resources in the detection of explosives and are a key component in a balanced counter-terrorism program. The NEDCTP consists of TSA-led canine teams and partnerships between TSA and state and local law enforcement within the aviation, mass transit, and maritime sectors as noted in the following chart:

Type	Function	FY 2018	
		Teams	Locations
State and Local Law Enforcement Teams (Legacy)	Multi-Modal	675	109
Total State and Local Law Enforcement Teams		675	109
Federal Teams (Proprietary)	Multi-Modal	15	4
	Passenger Screening	357	45
Total Federal Teams		372	49
Total All Explosives Detection Canine Teams		1,047	158

Adjustments to Base Justification

- Increase of 22 FTP/22 FTE due to a technical adjustment
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$19.4 million and 167 FTP/167 FTE from the FY 2016 reprogramming
 - Increase of \$8.8 million and 16 FTE for an annualization of 12 canine teams
 - Increase of \$0.2 million to annualize the FY 2016 pay increase
 - Increase of \$1.0 million for the FY 2017 pay raise
 - Increase of \$0.3 million to annualize the FY 2017 pay increase
 - Increase of \$0.9 million for the FY 2018 pay raise
 - Decrease of \$0.1 million for program efficiencies

**Canines – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Canines	509	493	\$65,517	\$132.37	509	493	\$65,517	\$132.37	698	698	\$92,250	\$131.64	189	205	\$26,733	(\$0.73)
Total	509	493	\$65,517	\$132.37	509	493	\$65,517	\$132.37	698	698	\$92,250	\$131.64	189	205	\$26,733	(\$0.73)
Discretionary - Appropriation	509	493	\$65,517	\$132.37	509	493	\$65,517	\$132.37	698	698	\$92,250	\$131.64	189	205	\$26,733	(\$0.73)

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request includes an increase of 205 FTE. These increases are due to annualizing a prior year increase in Canine teams and the FY 2016 reprogramming to address passenger volume growth and increase security at airports

PCB Change FY 2017-2018: The FY 2018 request includes an increase of \$26.7 million in payroll funding. This increase is due to FTE increases detailed above, as well as pay inflation factors.

Average Cost Change FY 2017-2018: The average cost change is reduced slightly under FY 2017 levels. This is due to the program hiring personnel lower in the pay band levels.

Canines – PPA Level II
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$48,888	\$48,888	\$68,836	\$19,948
11.3 Other than Full-Time Permanent	\$58	\$58	\$81	\$23
11.5 Other Personnel Compensation	\$221	\$221	\$311	\$90
11.8 Special Personal Services Payments	\$207	\$207	\$292	\$85
12.1 Civilian Personnel Benefits	\$16,089	\$16,089	\$22,654	\$6,565
13.0 Benefits for Former Personnel	\$54	\$54	\$76	\$22
Total - Personnel Compensation and Benefits	\$65,517	\$65,517	\$92,250	\$26,733
Positions and FTE				
Positions - Civilian	509	509	698	189
FTE - Civilian	493	493	698	205

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	493	48,888	99.2	493	48,888	99.2	698	68,836	98.6	205	19,948	(0.6)
Other Costs	0	16,629		0	16,629		0	23,414		0	6,785	
Total – Pay Cost Drivers	493	65,517	132.9	493	65,517	132.9	698	92,250	132.2	205	26,733	(0.7)

**Canines – PPA Level II
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Canines	\$53,292	\$55,810	\$59,514	\$3,704
Total	\$53,292	\$55,810	\$59,514	\$3,704
Discretionary - Appropriation	\$53,292	\$55,810	\$59,514	\$3,704

The FY 2018 request includes an increase of \$3.7 million to the Canine PPA non-pay funding. This increase is due to the annualization of the increase in canine teams in the FY 2016 budget as well as the increase in Canine teams from the reprogramming action of FY 2016 to address the increase in passenger volume and increase security at airports.

**Canines – PPA Level II
Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$3,633	\$3,967	\$4,230	\$263
22.0 Transportation of Things	\$51	\$55	\$59	\$4
23.1 Rental Payments to GSA	\$132	\$144	\$154	\$10
23.2 Rental Payments to Others	\$44	\$48	\$51	\$3
23.3 Communications, Utilities, and Misc. Charges	\$339	\$370	\$395	\$25
24.0 Printing and Reproduction	\$15	\$17	\$18	\$1
25.1 Advisory and Assistance Services	\$2,338	\$2,553	\$2,723	\$170
25.2 Other Services from Non-Federal Sources	\$7,525	\$8,219	\$8,764	\$545
25.3 Other Goods and Services from Federal Sources	\$7,953	\$8,686	\$9,262	\$576
25.4 Operation and Maintenance of Facilities	\$1	\$1	\$1	-
25.6 Medical Care	\$11	\$12	\$13	\$1
25.7 Operation and Maintenance of Equipment	\$97	\$106	\$113	\$7
25.8 Subsistence & Support of Persons	\$2,296	\$2,508	\$2,674	\$166
26.0 Supplies and Materials	\$2,904	\$3,171	\$3,381	\$210
41.0 Grants, Subsidies, and Contributions	\$25,924	\$25,924	\$27,645	\$1,721
42.0 Insurance Claims and Indemnities	\$29	\$29	\$31	\$2
Total - Non Pay Object Classes	\$53,292	\$55,810	\$59,514	\$3,704

The FY 2018 request includes an increase of \$3.7 million in non-pay funding. This increase is due to the annualization of the 50 canine teams provided in the FY 2016 reprogramming actions as well as the annualization of the 12 canine teams from the FY 2016 Budget.

**Canines – PPA Level II
Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President’s Budget	FY 2017 to FY 2018 Total Changes
Reimbursable Agreements (OTAs)	\$34,577	\$34,577	\$34,577	\$0
Training	\$4,389	\$4,389	\$4,389	\$0
Other Costs	\$14,326	\$21,233	\$20,548	(\$685)
Total – Non Pay Cost Drivers	\$53,292	\$55,810	\$59,514	\$3,704

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Reimbursable Agreements (OTAs)

TSA currently funds 98 OTAs with state and local law enforcement participants. Each OTA is a collection of documents that outlines the roles and responsibilities associated with the participant and NEDCTP. The OTA also addresses certification standards, guidelines, procedures, logistical support and coordination for all canine matters relating to the TSA Program. The cost of this Non Pay Cost Driver rises as more agreements are put into place.

FY 2018 Non Pay Cost Driver – Training

TSA trains Multi-Modal and Passenger Screening Canine Teams. The operation of TSA-led Passenger Screening Canine (PSC) teams in the airport passenger environment is an effective way to screen the general public in mass numbers or during peak periods when applying RBS expedited screening initiatives. The PSC detection methodology relies on the canine’s ability to process air currents and detect carried or body-worn explosives whether someone is moving or still. The canine handler is trained to read the canine’s behavioral changes to identify the source of an explosives odor and follow the vapor wake to the explosive source.

TSA uses PSC teams to conduct screening of individuals entering screening checkpoints with an active TSA Pre✓® lane. This provides an additional layer of explosives screening of all individuals entering the checkpoint and enables TSA to provide an expedited screening process for randomly selected passengers determined to be low risk.

Training for TSA’s canines consists of the following:

- Canines receive approximately 15 weeks of training prior to being assigned to a 10 week EDC Student Handler Course.

- PSC canines receive approximately 25 weeks of training prior to being assigned to a 12 week PSC Student Handler Course

There is also an additional four-week bridge course for handlers trained in EDC to obtain the additional skill for PSC work.

TSA trained 250 teams in FY 2016 and 300 teams in FY 2017. In FY 2018, TSA intends to train 300 teams.

FY 2018 Non Pay Cost Driver – Other Costs

Funding in this cost driver supports the other costs associated with TSA’s Canine Program. The FY 2018 request includes a decrease of \$0.7 million for a reduction to travel and supplies as well as other identified program efficiencies.

Screening Technology Maintenance – PPA Level II

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Screening Technology Maintenance	-	-	\$284,284	-	-	\$282,353	183	162	\$387,882	183	162	\$105,529
Total	-	-	\$284,284	-	-	\$282,353	183	162	\$387,882	183	162	\$105,529
Subtotal Discretionary - Appropriation	-	-	\$284,284	-	-	\$282,353	183	162	\$387,882	183	162	\$105,529

The FY 2018 request includes an increase of \$105.5 million and 183 FTP/162 FTE over the FY 2017 Annualized CR levels, which includes funding for AIT algorithm development, and reductions due to acquisition program efficiencies; the proposed modified hiring freeze; service contract savings; and travel, supplies, and headquarter efficiencies. These changes reflect TSA’s focus on maintaining frontline security operations.

Screening Technology Maintenance – PPA Level II Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$284,284
FY 2016 Revised Enacted	-	-	\$284,284
FY 2017 Annualized CR	-	-	\$282,353
FY 2018 Base Budget	-	-	\$282,353
Transfer from PC&I - Checked Baggage to O&S - Screening Technology Maintenance	123	115	\$35,310
Transfer from PC&I - Checkpoint Support to O&S - Screening Technology Maintenance	60	57	\$102,464
Total Transfers	183	172	\$137,774
2016 Reprogramming Tails	-	-	\$2,500
2017 Pay Increase	-	-	\$412
2018 Pay Increase	-	-	\$381
Annualization of FY16 Pay Increase	-	-	\$91
Annualization of FY17 Pay Increase	-	-	\$137
Other Adjustments-to-Base	-	-	\$550
Total, Pricing Increases	-	-	\$4,071
Total Adjustments-to-Base	183	172	\$141,845
FY 2018 Current Services	183	172	\$424,198
AT Algorithm Development	-	-	\$5,000
Total, Program Increases	-	-	\$5,000
Acquisition Program Investment Efficiencies	-	-	(\$28,450)
Hiring Freeze and Payroll Efficiencies	-	(10)	(\$2,729)
Service Contract Savings	-	-	(\$9,020)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$1,117)
Total, Program Decreases	-	(10)	(\$41,316)
FY 2018 Request	183	162	\$387,882
FY 2017 TO FY 2018 Change	183	162	\$105,529

PPA Level II Description

Funding in this PPA supports the maintenance, program support, and disposal of Transportation Security Equipment (TSE) in the Nation's airports. Additionally, this PPA supports all below-threshold purchases of TSE, and all personnel involved in the Passenger Screening Program (PSP), Electronic Baggage Screening Program (EBSP), Security Technology Integrated Program (STIP), and related procurements.

Adjustments to Base Justification

- Increase of \$35.5 million and 123 FTP/115 FTE for a transfer from the PC&I – Checked Baggage PPA to move personnel and below-threshold procurements to O&S, in order to align with the CAS
- Increase of \$103.2 million and 60 FTP/57 FTE for a transfer from the PC&I – Checkpoint Support PPA to move personnel and below-threshold procurements to O&S, in order to align with the CAS
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$2.5 million for equipment maintenance associated with the FY 2016 reprogramming actions
 - Increase of \$0.5 million thousand for other adjustments to base (increased costs for STIP)
 - Increase of \$0.1 million to annualize the FY 2016 pay increase
 - Increase of \$0.4 million for the FY 2017 pay raise
 - Increase of \$0.1 million to annualize the FY 2017 pay increase
 - Increase of \$0.4 million for the FY 2018 pay raise

**Screening Technology Maintenance – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Screening Technology Maintenance	-	-	-	-	-	-	-	-	183	162	\$23,803	\$146.93	183	162	\$23,803	\$146.93
Total	-	-	-	-	-	-	-	-	183	162	\$23,803	\$146.93	183	162	\$23,803	\$146.93
Discretionary - Appropriation	-	-	-	-	-	-	-	-	183	162	\$23,803	\$146.93	183	162	\$23,803	\$146.93

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request includes an increase of 162 FTE. This increase is due to the realignment of personnel from the PC&I Appropriation, to align with the CAS.

PCB Change FY 2017-2018: The FY 2018 request includes an increase of \$23.8 million in payroll. This increase is due to the realignment of personnel from the PC&I Appropriation, to align with the CAS.

Average Cost Change FY 2017-2018: The average cost change is due to the realignment of funds from the PC&I appropriation. The average cost per FTE increased slightly over FY 2017 levels and this change is due to the increase in pay inflation.

Screening Technology Maintenance – PPA Level II
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	-	-	\$17,965	\$17,965
11.5 Other Personnel Compensation	-	-	\$473	\$473
12.1 Civilian Personnel Benefits	-	-	\$5,365	\$5,365
Total - Personnel Compensation and Benefits	-	-	\$23,803	\$23,803
Positions and FTE				
Positions - Civilian	-	-	183	183
FTE - Civilian	-	-	162	162

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel							162	17,965	110.9	162	17,965	110.9
Other Costs								5,838			5,838	
Total – Pay Cost Drivers							162	23,803	146.9	162	23,803	146.9

**Screening Technology Maintenance – PPA Level II
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Screening Technology Maintenance	\$284,284	\$282,353	\$364,079	\$81,726
Total	\$284,284	\$282,353	\$364,079	\$81,726
Discretionary - Appropriation	\$284,284	\$282,353	\$364,079	\$81,726

The FY 2018 request includes an increase of \$81.7 million due to the realignment of funding from the PC&I Appropriation, to align with the CAS.

Screening Technology Maintenance – PPA Level II
Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$65	\$65	\$885	\$820
23.2 Rental Payments to Others	-	-	\$297	\$297
23.3 Communications, Utilities, and Misc. Charges	-	-	\$67	\$67
25.1 Advisory and Assistance Services	\$1,816	\$1,804	\$75,936	\$74,132
25.2 Other Services from Non-Federal Sources	\$3	\$3	\$192	\$189
25.3 Other Goods and Services from Federal Sources	-	-	\$1,151	\$1,151
25.4 Operation and Maintenance of Facilities	-	-	\$1,128	\$1,128
25.7 Operation and Maintenance of Equipment	\$282,399	\$280,480	\$280,480	-
26.0 Supplies and Materials	\$1	\$1	\$103	\$102
31.0 Equipment	-	-	\$3,840	\$3,840
Total - Non Pay Object Classes	\$284,284	\$282,353	\$364,079	\$81,726

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Screening Equipment Maintenance & Disposal	\$280,509	\$280,500	\$283,000	\$2,500
Passenger Screening Program (PSP)	\$0	\$0	\$76,750	\$76,750
Other Costs	\$3,775	\$1,853	\$4,329	\$2,476
Total – Non Pay Cost Drivers	\$284,284	\$282,353	\$364,079	\$81,726

NARRATIVE EXPLANATION OF CHANGES**FY 2018 Non Pay Cost Driver – Screening Equipment Maintenance & Disposal**

This cost driver supports the maintenance and disposal of TSE. During the initial warranty period, the Original Equipment Manufacturer (OEM) is responsible for all preventive and corrective maintenance actions as specified in each technology acquisition contract. After the warranties expire, all TSA checkpoint and checked baggage screening equipment is under a TSA maintenance contract throughout its life cycle. In FY 2018, the Budget Request will support maintenance services for over 13,000 pieces of security equipment that have come out of OEM warranty. These costs include labor; repair parts; packaging and transportation of repair parts; initial consumables for Explosives Trace Detection (ETD) units; tools, test equipment and calibration; maintenance training; and related logistics, data management, safety, occupational health, and environmental management functions. The FY 2018 request includes an increase of \$2.5 million for maintenance associated with equipment purchased as part of the FY 2016 reprogramming action to address increased passenger volume and enhanced security at airports.

Also included as a cost driver are funds for the disposal of equipment including funds to remove Sensitive Security Information and hazardous material from disposed equipment.

FY 2018 Non Pay Cost Driver – Passenger Screening Program (PSP)

TSA procures and installs checkpoint TSE to support RBS requirements, to recapitalize the aging screening equipment fleet, and to add detection capabilities and improve performance. TSA is in the process of reevaluating checkpoint screening technology requirements based on latest operational needs and threats. Technology purchase and installation requirements vary year to year based on testing schedules, airport site readiness, and operational requirements. Checkpoint TSE purchases using PSP funding falls below the \$250,000 per end unit PC&I threshold, therefore, all program dollars are transferred from the PC&I appropriation to the O&S appropriation in FY 2018.

The table below shows FY 2016 operating quantities and planned procurements for FY 2017 and FY 2018. Operating quantities are those units that are located at the airports, training facilities, and testing facilities and fall within current FOC objectives and thresholds. Purchases of TSE made in the PSP are detailed further in the TSA PC&I Congressional Justification.

	FY 2016 Operating Quantities	FY 2017 Planned Buys	FY 2018 Planned Buys
Passenger Screening Program Screening Equipment			
Advanced Imaging Technology	846	1	
Advanced Technology X-ray	2,199		
Computed Tomography Test Units			2
Bottle Liquids Scanner	1,638		
Boarding Pass Scanner	2,300		
Chemical Analysis Devise	511		
Credential Authentication Technology	17	30	
Enhanced Metal Detectors	1,376		
Explosives Trace Detection	3,055	2	
Automated Screening Lanes	2		

The FY 2018 request includes a reduction of \$16.4 million to the PSP program in the O&S Appropriation. This reduction is due to TSA’s proposed reductions to acquisition investments and support services contracts, which will result in the elimination of TSA’s engineering subject matter expertise support contract as well as halt any new systems enhancements. TSA will still fix any broken equipment, but will be unable to make any further enhancements. Additionally, there will be no acceptance and operational testing after FY 2017. FY 2018 funding for PSP will pay for equipment maintenance, engineering, and testing of equipment for future purchases.

FY 2018 Non Pay Cost Driver – Other Costs

Funding in this cost driver supports the other costs associated with Screening Technology equipment and maintenance activities. The FY 2018 request includes an increase of \$2.5 million in this cost driver. This is due to the realignment of funds from the PC&I Appropriation to align with CAS Policy.

Secure Flight – PPA Level II

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Secure Flight	312	290	\$99,301	312	290	\$105,151	347	325	\$102,763	35	35	(\$2,388)
Total	312	290	\$99,301	312	290	\$105,151	347	325	\$102,763	35	35	(\$2,388)
Subtotal Discretionary - Appropriation	312	290	\$99,301	312	290	\$105,151	347	325	\$102,763	35	35	(\$2,388)

The FY 2018 request includes a decrease of \$2.4 million and an increase of 35 FTP/FTE from the FY 2017 Annualized CR levels. This includes an increase to Increase Redress Staffing and decreases due to the LACSP, the proposed modified hiring freeze, and travel, supplies, and headquarter efficiencies. These changes reflect TSA’s focus on maintaining frontline security operations.

Secure Flight – PPA Level II Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	312	290	\$105,651
Secure Flight to Screener PC&B	-	-	(\$6,350)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$6,350)
FY 2016 Revised Enacted	312	290	\$99,301
FY 2017 Annualized CR	312	290	\$105,151
FY 2018 Base Budget	312	290	\$105,151
Realignment from Airport Management to Secure Flight	25	25	\$2,112
Realignment from Secure Flight to Aviation Regulation	(1)	(1)	(\$202)
Total Transfers	24	24	\$1,910
2017 Pay Increase	-	-	\$505
2018 Pay Increase	-	-	\$483
Annualization of FY 16 Pay Increase	-	-	\$107
Annualization of FY 17 Pay Increase	-	-	\$178
Total, Pricing Increases	-	-	\$1,273
Program Efficiencies	-	-	(\$4)
Watchlist Services Non-Recur	-	-	(\$1,380)
Total, Pricing Decreases	-	-	(\$1,384)
Total Adjustments-to-Base	24	24	\$1,799
FY 2018 Current Services	336	314	\$106,950
Increase Redress Staffing	11	11	\$3,500
Total, Program Increases	11	11	\$3,500
Hiring Freeze and Payroll Efficiencies	-	-	(\$809)
Reduce Large Aircraft and Charter Screening Program	-	-	(\$6,350)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$528)
Total, Program Decreases	-	-	(\$7,687)
FY 2018 Request	347	325	\$102,763

Budget Formulation Activity	Positions	FTE	Amount
FY 2017 TO FY 2018 Change	35	35	(\$2,388)

PPA Level II Description

Secure Flight mitigates known and unknown threats to aviation security by identifying high- and low-risk passengers and designating them for enhanced screening, standard screening, expedited screening, or prohibition from boarding a covered flight, as appropriate. The Secure Flight program enhances the Nation’s transportation system by operating a risk-based, intelligence driven watch list matching capability that uses government watch lists in order to effectively identify individuals

Using an automated process to match Secure Flight Passenger Data against watch lists maintained by the Federal Government, Secure Flight prevents terrorists from boarding an aircraft or accessing the sterile area of a U.S. airport by effectively identifying individuals who may pose a threat to aviation or national security. In addition, Secure Flight includes a matching function for the Centers for Disease Control and Prevention’s Do Not Board list, which contains a list of individuals with communicable diseases who meet specific criteria and pose a significant health risk to other passengers. These individuals are restricted from boarding commercial aircraft departing from and/or arriving in the United States. Any travelers identified during the automatic matching process undergo an additional manual review. Flagged travelers are then identified to the airline for notification and to make the redress process available to the traveler. Secure Flight pre-screens an average of 6 million passengers daily – approximately 2 million each 72 hours, 48 hours, and 24 hours out from scheduled flights.

Adjustments to Base Justification

Increase of \$2.1 million and 25 FTP/25 FTE for a realignment from the Airport Management PPA to consolidate IVCC personnel with Secure Flight

- Decrease of \$0.2 million and 1 FTP/1 FTE for a realignment to the Aviation Regulation PPA to consolidate funding and personnel
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$0.1 million to annualize the FY 2016 pay increase
 - Increase of \$0.5 million for the FY 2017 pay raise
 - Increase of \$0.2 million to annualize the FY 2017 pay increase
 - Increase of \$0.5 million for the FY 2018 pay raise
 - Decrease of \$4 thousand for program efficiencies
 - Decrease of \$1.4 million for the non-recurrence of watchlist services

**Secure Flight – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Secure Flight	312	290	\$32,122	\$110.77	312	290	\$32,122	\$110.77	347	325	\$36,593	\$112.59	35	35	\$4,471	\$1.82
Total	312	290	\$32,122	\$110.77	312	290	\$32,122	\$110.77	347	325	\$36,593	\$112.59	35	35	\$4,471	\$1.82
Discretionary - Appropriation	312	290	\$32,122	\$110.77	312	290	\$32,122	\$110.77	347	325	\$36,593	\$112.59	35	35	\$4,471	\$1.82

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request includes an increase of 35 FTE. This increase reflects a realignment of 25 FTE from the Airport Management PPA as well as a realignment of 1 FTE to the Aviation Regulation PPA. The request also includes an increase of 11 FTE to increase Redress Staffing.

PCB Change FY 2017-2018: The FY 2018 request includes an increase of \$4.5 million in payroll. This increase is due to the realignment of 25 IVCC positions from the Airport Management PPA, as well as the requested increase in Redress Staffing, and payroll inflation.

Average Cost Change FY 2017-2018: The average cost change over FY 2017 is due to payroll inflation.

Secure Flight – PPA Level II
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$23,650	\$23,650	\$26,943	\$3,293
11.3 Other than Full-Time Permanent	\$84	\$84	\$95	\$11
11.5 Other Personnel Compensation	\$862	\$862	\$982	\$120
12.1 Civilian Personnel Benefits	\$7,526	\$7,526	\$8,573	\$1,047
Total - Personnel Compensation and Benefits	\$32,122	\$32,122	\$36,593	\$4,471
Positions and FTE				
Positions - Civilian	312	312	347	35
FTE - Civilian	290	290	325	35

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	290	23,650	81.6	290	23,650	81.6	325	26,943	82.9	35	3,293	1.3
Other Costs		8,472			8,472			9,560		0	1,178	
Total – Pay Cost Drivers	290	32,122	110.8	290	32,122	110.8	325	36,593	112.6	35	4,471	1.8

**Secure Flight – PPA Level II
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Secure Flight	\$67,179	\$73,029	\$66,170	(\$6,859)
Total	\$67,179	\$73,029	\$66,170	(\$6,859)
Discretionary - Appropriation	\$67,179	\$73,029	\$66,170	(\$6,859)

The FY 2018 request includes a reduction of \$6.9 million in non-pay resources mainly due to a program change that reduces funding for the LACSP as a result of delays in the General Aviation Security Rulemaking.

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$57	\$62	\$47	(\$15)
22.0 Transportation of Things	\$2	\$2	\$2	-
23.2 Rental Payments to Others	\$3,939	\$4,282	\$3,881	(\$401)
23.3 Communications, Utilities, and Misc. Charges	\$354	\$385	\$349	(\$36)
25.1 Advisory and Assistance Services	\$24,738	\$26,892	\$24,371	(\$2,521)
25.2 Other Services from Non-Federal Sources	\$304	\$331	\$300	(\$31)
25.3 Other Goods and Services from Federal Sources	\$291	\$317	\$287	(\$30)
25.4 Operation and Maintenance of Facilities	\$877	\$953	\$864	(\$89)
25.7 Operation and Maintenance of Equipment	\$4,345	\$4,724	\$4,281	(\$443)
26.0 Supplies and Materials	\$89	\$96	\$83	(\$13)
31.0 Equipment	\$32,183	\$34,985	\$31,705	(\$3,280)
Total - Non Pay Object Classes	\$67,179	\$73,029	\$66,170	(\$6,859)

The FY 2018 request includes a reduction of \$6.9 million in non-pay resources. This decrease is mainly due to a program change that reduces funding for the LACSP due to the delay in the General Aviation Security Rulemaking.

Secure Flight – PPA Level II Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Enterprise License Agreements	\$12,956	\$12,956	\$12,956	\$0
Contracts	\$25,333	\$27,540	\$24,958	(\$2,582)
Rent	\$3,939	\$4,282	\$3,881	(\$401)
Equipment Purchase and Maintenance	\$36,528	\$39,709	\$35,986	(\$3,723)
Other Costs	\$1,379	\$1,498	\$1,345	(\$153)
Total – Non Pay Cost Drivers	\$67,179	\$73,029	\$66,170	(\$6,859)

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Enterprise License Agreements

TSA is required to pay for licenses to use software related to the Secure Flight system. The Secure Flight program operates on a technical platform supported by multiple mission critical system software and hardware licenses. The Secure Flight system supports about 250 users and vets over 700 million passengers a year. Costs for Enterprise License Agreements are steady, as they are paid for through a fixed price contract.

FY 2018 Non Pay Cost Driver – Contracts

The Secure Flight PPA relies heavily on contracts and contractor support to perform watch list matching to identify known or suspected threats to aviation security, and to identify low-risk passengers for expedited screening. The FY 2018 request includes a decrease of \$2.6 million for these contracts, driven primarily by the non-recur of one-year funds to initiate the DHS Watchlist Service to enhance TSA's ability to identify a passenger on the watch list that is attempting to board an airplane, through an automated reconciliation process.

FY 2018 Non Pay Cost Driver – Rent

The Secure Flight PPA pays for rent and associated costs at its two operations centers in Maryland and Colorado. The FY 2018 request includes a \$401 thousand reduction for rent based on reducing associated costs.

FY 2018 Non Pay Cost Driver- Equipment Purchase and Maintenance

Secure Flight relies heavily on IT equipment to match SFPD against watch lists. The purchase and maintenance to include upgrades of

this equipment is a major cost for the Secure Flight program. The FY 2018 request includes a 9% reduction based on a delay in the General Aviation Security Rulemaking.

FY 2018 Non Pay Cost Driver – Other Costs

This funds the other costs associated with the Secure Flight program to include supplies and materials. TSA is reducing these miscellaneous costs by \$153 thousand in FY 2018.

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Other Operations and Enforcement –PPA
Budget Comparison and Adjustments
Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Inflight Security	38	36	\$825,834	38	36	\$824,828	38	36	\$823,419	-	-	(\$1,409)
Aviation Regulation	1,081	1,033	\$215,636	1,081	1,033	\$215,148	1,085	1,032	\$173,535	4	(1)	(\$41,613)
Air Cargo	640	615	\$90,945	640	615	\$93,519	640	611	\$102,721	-	(4)	\$9,202
Intelligence and TSOC	420	385	\$77,986	420	385	\$77,798	429	404	\$79,790	9	19	\$1,992
Surface Programs	813	761	\$110,798	813	761	\$110,702	520	477	\$86,316	(293)	(284)	(\$24,386)
Vetting Programs	333	292	\$369,859	333	292	\$273,695	330	315	\$300,774	(3)	23	\$27,079
Total	3,325	3,122	\$1,691,058	3,325	3,122	\$1,595,690	3,042	2,875	\$1,566,555	(283)	(247)	(\$29,135)
Subtotal Discretionary - Appropriation	3,125	2,952	\$1,396,138	3,125	2,952	\$1,396,537	2,845	2,682	\$1,325,996	(280)	(270)	(\$70,541)
Subtotal Discretionary - Fee	176	146	\$290,040	176	146	\$193,953	182	178	\$235,359	6	32	\$41,406
Subtotal Mandatory - Fee	24	24	\$4,880	24	24	\$5,200	15	15	\$5,200	(9)	(9)	-

The FY 2018 request includes a decrease of \$29.1 million and 283 FTP/247 FTE (a decrease in appropriated funding of \$70.5 million and 280 FTP/270 FTE) from the FY 2017 Annualized CR levels. TSA is committed to its mission of preventing terrorism and enhancing security within the nation’s transportation infrastructure, and it pursues this mission while maintaining the fiscal trust of tax and fee paying citizens. As such, the changes requested in the Other Operations and Enforcement PPA reflects TSA’s focus on maintaining high-priority frontline security operations. Many of TSA’s requested decreases will be found within this PPA’s discussion.

**Other Operations and Enforcement – PPA
Budget Authority and Obligations**

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$1,598,005		
Transfers & Reprogrammings	(\$2,714)		
Delta in Enacted Fee Estimate to Fee Actuals	\$95,767		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$1,691,058	\$1,595,690	\$1,566,555
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$185,077	\$228,099	\$127,130
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	(\$345)	-
Supplementals	-	-	-
Total Budget Authority	\$1,876,135	\$1,823,444	\$1,693,685
Collections – Reimbursable Resources	\$605	\$194	\$194
Total Budget Resources	\$1,876,740	\$1,823,638	\$1,693,879
Obligations (Actual/Projections/Estimates)	\$1,657,669	\$1,696,508	\$1,605,379
Personnel: Positions and FTE			
Enacted/Request Positions	3,325	3,325	3,042
Enacted/Request FTE	3,122	3,122	2,875
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	3,613	3,325	3,042
FTE (Actual/Estimates/Projections)	3,449	3,122	2,875

**Other Operations and Enforcement – PPA
Collections – Reimbursable Resources**

Dollars in Thousands

Collections	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Independent Agency - Intelligence Community Management Account Source	-	-	-	-	-	\$194	-	-	\$194
Department of Homeland Security - National Protection and Programs Directorate Source	-	-	\$512	-	-	-	-	-	-
Executive Office of the President - Office of Administration Source	-	-	\$77	-	-	-	-	-	-
Office of the Director of National Intelligence Source	-	-	\$16	-	-	-	-	-	-
Total Collections	-	-	\$605	-	-	\$194	-	-	\$194

Other Operations and Enforcement – PPA Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	3,325	3,122	\$1,598,005
Air Cargo to Screener PC&B	-	-	(\$2,714)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$2,714)
Delta in Enacted Fee Estimate to Fee Actuals	-	-	\$95,767
FY 2016 Revised Enacted	3,325	3,122	\$1,691,058
FY 2017 Annualized CR	3,325	3,122	\$1,595,690
FY 2018 Base Budget	3,325	3,122	\$1,595,690
Technical Adjustment	1	33	-
Realignment from Air Cargo to Screener Training and Other	(5)	(5)	(\$1,035)
Realignment from Airport Management to Intelligence and TSOC	6	6	\$876
Realignment from Aviation Regulation to Screener Training and Other	(1)	(1)	(\$193)
Realignment from Federal Air Marshals to Mission Support	-	-	(\$4,023)
Realignment from Mission Support to Surface Programs	3	3	\$382
Realignment from Secure Flight to Aviation Regulation	1	1	\$202
Realignment from Surface Programs to Airport Management	(3)	(3)	(\$606)
Realignment from Surface Programs to Screener Training and Other	(2)	(2)	(\$256)
Transfer from O&S - Vetting Programs to PC&I - Vetting Programs	-	-	(\$2,200)
Transfer from PC&I - Air Cargo to O&S - Air Cargo	5	5	\$11,008
Transfer from PC&I - Checked Baggage to O&S - Surface Programs	-	-	\$8,000
Transfer from TSA - Intelligence and TSOC to A&O	-	-	(\$43)
Total Transfers	4	4	\$12,112
2017 Pay Increase	-	-	\$16,678
2018 Pay Increase	-	-	\$14,679
Annualization of Field Intelligence Officers	-	9	\$2,000
Annualization of FY16 Pay Increase	-	-	\$3,412
Annualization of FY17 Pay Increase	-	-	\$5,411
Enhanced Criminal Vetting for Aviation Workers	-	-	\$1,500

Budget Formulation Activity	Positions	FTE	Amount
Fee Adjustment	-	-	\$41,406
Fingerprint Results Database	-	-	\$500
Other Adjustments-to-Base	-	-	\$14,516
RapBack Implementation	-	-	\$1,650
Total, Pricing Increases	-	9	\$101,752
FAMS Training Reduction	-	-	(\$7,000)
PreCheck Expansion Non-Recur	-	-	(\$11,700)
Program Efficiencies	-	-	(\$2,854)
Watchlist Services Non-Recur	-	-	(\$1,420)
Total, Pricing Decreases	-	-	(\$22,974)
Total Adjustments-to-Base	5	46	\$90,890
FY 2018 Current Services	3,330	3,168	\$1,686,580
Eliminate LEO Reimbursable Program	-	-	(\$45,000)
Hiring Freeze and Payroll Efficiencies	-	(16)	(\$18,797)
Reduce VIPR Teams	(288)	(277)	(\$43,000)
Service Contract Savings	-	-	(\$8,111)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$5,117)
Total, Program Decreases	(288)	(293)	(\$120,025)
FY 2018 Request	3,042	2,875	\$1,566,555
FY 2017 TO FY 2018 Change	(283)	(247)	(\$29,135)

PPA Description

Other Operations and Enforcement: This PPA funds other frontline operations and includes funding for Inflight Security which includes the FAMS and FFDO and Crew Training; Aviation Regulation, which provides law enforcement and regulatory presence at airports to ensure compliance with required security measures and response to security incidents; Air Cargo, which implements statutory requirement for ensuring the security of transportation systems and passengers when cargo is transported by air; Intelligence and the TSOC, which provide for the review, synthesis, and analysis of transportation specific intelligence; Surface Programs, which protect the surface transportation system (mass transit, freight, rail, pipeline, and maritime); and Vetting Programs, which examine and vet various populations requiring access to the transportation network.

Adjustments to Base Justification

See PPA Level II and III for adjustments to base discussion.

**Other Operations and Enforcement – PPA
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Inflight Security	38	36	\$677,369	\$18,798.31	38	36	\$677,369	\$18,798.31	38	36	\$660,457	\$18,328.97	-	-	(\$16,912)	(\$469.34)
Aviation Regulation	1,081	1,033	\$143,942	\$138.4	1,081	1,033	\$143,942	\$138.4	1,085	1,032	\$145,270	\$139.81	4	(1)	\$1,328	\$1.41
Air Cargo	640	615	\$72,957	\$118.62	640	615	\$72,957	\$118.62	640	611	\$73,334	\$120.01	-	(4)	\$377	\$1.39
Intelligence and TSOC	420	385	\$50,199	\$130.39	420	385	\$50,199	\$130.39	429	404	\$56,202	\$139.11	9	19	\$6,003	\$8.72
Surface Programs	813	761	\$96,803	\$127.2	813	761	\$96,803	\$127.2	520	477	\$60,523	\$126.88	(293)	(284)	(\$36,280)	(\$0.32)
Vetting Programs	333	292	\$38,005	\$130.15	333	292	\$38,005	\$130.15	330	315	\$40,713	\$129.25	(3)	23	\$2,708	(\$0.9)
Total	3,325	3,122	\$1,079,275	\$345.18	3,325	3,122	\$1,079,275	\$345.18	3,042	2,875	\$1,036,499	\$359.96	(283)	(247)	(\$42,776)	\$14.78
Discretionary - Appropriation	3,125	2,952	\$1,057,742	\$357.77	3,125	2,952	\$1,057,742	\$357.77	2,845	2,682	\$1,012,769	\$377.02	(280)	(270)	(\$44,973)	\$19.25
Discretionary - Fee	176	146	\$19,050	\$130.48	176	146	\$19,050	\$130.48	182	178	\$22,179	\$124.6	6	32	\$3,129	(\$5.88)
Mandatory - Fee	24	24	\$2,483	\$103.46	24	24	\$2,483	\$103.46	15	15	\$1,551	\$103.4	(9)	(9)	(\$932)	(\$0.06)

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments, 13.0-Benefits for Former Personnel. Certain FTE rates are inflated due to Classified FTE data.

The Inflight Security PPA includes Personnel Compensation and Benefits amounts for the FAMS PPA. However, the positions and FTE in the FAMS PPA are SSI and are not reported in this document.

Other Operations and Enforcement – PPA
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$668,550	\$668,550	\$638,989	(\$29,561)
11.3 Other than Full-Time Permanent	\$13,462	\$13,462	\$12,979	(\$483)
11.5 Other Personnel Compensation	\$114,012	\$114,012	\$111,397	(\$2,615)
11.8 Special Personal Services Payments	\$1,509	\$1,509	\$1,501	(\$8)
12.1 Civilian Personnel Benefits	\$281,639	\$281,639	\$271,529	(\$10,110)
13.0 Benefits for Former Personnel	\$103	\$103	\$104	\$1
Total - Personnel Compensation and Benefits	\$1,079,275	\$1,079,275	\$1,036,499	(\$42,776)
Positions and FTE				
Positions - Civilian	3,325	3,325	3,042	(283)
FTE - Civilian	3,122	3,122	2,875	(247)

The FY 2018 request includes a decrease of \$42.8 million. This decrease is largely due to the proposed reduction of VIPR Teams in the Surface Programs PPA.

**Other Operations and Enforcement PPA
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Inflight Security	\$148,465	\$147,459	\$162,962	\$15,503
Aviation Regulation	\$71,694	\$71,206	\$28,265	(\$42,941)
Air Cargo	\$17,988	\$20,562	\$29,387	\$8,825
Intelligence and TSOC	\$27,787	\$27,599	\$23,588	(\$4,011)
Surface Programs	\$13,995	\$13,899	\$25,793	\$11,894
Vetting Programs	\$331,854	\$235,690	\$260,061	\$24,371
Total	\$611,783	\$516,415	\$530,056	\$13,641
Discretionary - Appropriation	\$338,396	\$338,795	\$313,227	(\$25,568)
Discretionary - Fee	\$270,990	\$174,903	\$213,180	\$38,277
Mandatory - Fee	\$2,397	\$2,717	\$3,649	\$932

Other Operations and Enforcement PPA
Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$107,404	\$107,179	\$105,483	(\$1,696)
22.0 Transportation of Things	\$243	\$241	\$233	(\$8)
23.1 Rental Payments to GSA	\$7,320	\$7,287	\$6,753	(\$534)
23.2 Rental Payments to Others	\$9,347	\$9,013	\$9,370	\$357
23.3 Communications, Utilities, and Misc. Charges	\$7,678	\$6,175	\$9,831	\$3,656
24.0 Printing and Reproduction	\$3,352	\$1,666	\$2,532	\$866
25.1 Advisory and Assistance Services	\$305,561	\$217,192	\$261,573	\$44,381
25.2 Other Services from Non-Federal Sources	\$48,160	\$43,986	\$52,663	\$8,677
25.3 Other Goods and Services from Federal Sources	\$34,209	\$36,823	\$35,972	(\$851)
25.4 Operation and Maintenance of Facilities	\$1,505	\$1,402	\$1,904	\$502
25.6 Medical Care	\$593	\$604	\$900	\$296
25.7 Operation and Maintenance of Equipment	\$4,178	\$3,849	\$5,073	\$1,224
25.8 Subsistence & Support of Persons	\$2,175	\$2,135	\$5,096	\$2,961
26.0 Supplies and Materials	\$8,157	\$8,169	\$8,690	\$521
31.0 Equipment	\$17,543	\$16,340	\$14,616	(\$1,724)
32.0 Land and Structures	\$480	\$477	\$423	(\$54)
41.0 Grants, Subsidies, and Contributions	\$53,846	\$53,846	\$8,908	(\$44,938)
42.0 Insurance Claims and Indemnities	\$32	\$31	\$36	\$5
Total - Non Pay Object Classes	\$611,783	\$516,415	\$530,056	\$13,641

The FY 2018 request includes an increase of \$13.6 million. This decrease includes TSA's proposed reduction to the VIPR Teams and elimination of the LEO Reimbursement Program, offset by fee adjustments.

Inflight Security – PPA Level II

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Federal Air Marshals	-	-	\$805,076	-	-	\$804,175	-	-	\$803,905	-	-	(\$270)
Federal Flight Deck Officer and Crew Training	38	36	\$20,758	38	36	\$20,653	38	36	\$19,514	-	-	(\$1,139)
Total	38	36	\$825,834	38	36	\$824,828	38	36	\$823,419	-	-	(\$1,409)
Subtotal Discretionary - Appropriation	38	36	\$825,834	38	36	\$824,828	38	36	\$823,419	-	-	(\$1,409)

Inflight Security – PPA Level II Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	38	36	\$825,834
FY 2016 Revised Enacted	38	36	\$825,834
FY 2017 Annualized CR	38	36	\$824,828
FY 2018 Base Budget	38	36	\$824,828
Technical Adjustment	5	5	-
Realignment from Federal Air Marshals to Intelligence and TSOC	(5)	(5)	(\$533)
Realignment from Federal Air Marshals to Mission Support	-	-	(\$4,023)
Total Transfers	(5)	(5)	(\$4,556)
2017 Pay Increase	-	-	\$10,667
2018 Pay Increase	-	-	\$9,232
Annualization of FY16 Pay Increase	-	-	\$2,147
Annualization of FY17 Pay Increase	-	-	\$3,402
Other Adjustments-to-Base	-	-	\$820
Total, Pricing Increases	-	-	\$26,268
FAMS Training Reduction	-	-	(\$7,000)
Program Efficiencies	-	-	(\$1,840)
Total, Pricing Decreases	-	-	(\$8,840)
Total Adjustments-to-Base	-	-	\$12,872
FY 2018 Current Services	38	36	\$837,700
Hiring Freeze and Payroll Efficiencies	-	-	(\$12,192)
Service Contract Savings	-	-	(\$273)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$1,816)
Total, Program Decreases	-	-	(\$14,281)
FY 2018 Request	38	36	\$823,419
FY 2017 TO FY 2018 Change	-	-	(\$1,409)

PPA Level II Description

The Inflight Security Level II PPA includes funding for the FAMS and FFDO and Crew Training Level III PPAs.

Adjustments to Base Justification

See PPA Level III for discussion on Adjustments-to-Base.

**Inflight Security – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Federal Air Marshals	-	-	\$672,316	-	-	-	\$672,316	-	-	-	\$655,188	-	-	-	(\$17,128)	-
Federal Flight Deck Officer and Crew Training	38	36	\$5,053	\$140.36	38	36	\$5,053	\$140.36	38	36	\$5,269	\$146.36	-	-	\$216	\$6
Total	38	36	\$677,369	\$18,798.31	38	36	\$677,369	\$18,798.31	38	36	\$660,457	\$18,328.97	-	-	(\$16,912)	(\$469.34)
Discretionary - Appropriation	38	36	\$677,369	\$18,798.31	38	36	\$677,369	\$18,798.31	38	36	\$660,457	\$18,328.97	-	-	(\$16,912)	(\$469.34)

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments, 13.0-Benefits for Former Personnel. Certain FTE rates are inflated due to Classified FTE data.

Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$368,931	\$368,931	\$359,761	(\$9,170)
11.3 Other than Full-Time Permanent	\$12,652	\$12,652	\$12,328	(\$324)
11.5 Other Personnel Compensation	\$105,456	\$105,456	\$102,794	(\$2,662)
11.8 Special Personal Services Payments	\$630	\$630	\$614	(\$16)
12.1 Civilian Personnel Benefits	\$189,700	\$189,700	\$184,960	(\$4,740)
Total - Personnel Compensation and Benefits	\$677,369	\$677,369	\$660,457	(\$16,912)
Positions and FTE				
Positions - Civilian	38	38	38	-
FTE - Civilian	36	36	36	-

**Inflight Security-PPA Level II
Non Pay Budget Exhibits**

Non Pay Summary

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Federal Air Marshals	\$132,760	\$131,859	\$148,717	\$16,858
Federal Flight Deck Officer and Crew Training	\$15,705	\$15,600	\$14,245	(\$1,355)
Total	\$148,465	\$147,459	\$162,962	\$15,503
Discretionary - Appropriation	\$148,465	\$147,459	\$162,962	\$15,503

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$98,494	\$97,825	\$97,688	(\$137)
22.0 Transportation of Things	\$124	\$123	\$123	-
23.1 Rental Payments to GSA	\$1,004	\$997	\$997	-
23.2 Rental Payments to Others	\$5,702	\$5,663	\$5,633	(\$30)
23.3 Communications, Utilities, and Misc. Charges	\$4,199	\$4,171	\$7,013	\$2,842
24.0 Printing and Reproduction	\$3	\$3	\$5	\$2
25.1 Advisory and Assistance Services	\$17,078	\$16,964	\$18,215	\$1,251
25.2 Other Services from Non-Federal Sources	\$7,440	\$7,390	\$11,207	\$3,817
25.3 Other Goods and Services from Federal Sources	\$5,249	\$5,214	\$7,549	\$2,335
25.4 Operation and Maintenance of Facilities	\$963	\$956	\$1,441	\$485
25.6 Medical Care	\$523	\$519	\$811	\$292
25.7 Operation and Maintenance of Equipment	\$1,602	\$1,591	\$2,485	\$894
25.8 Subsistence & Support of Persons	-	-	\$2,576	\$2,576
26.0 Supplies and Materials	\$3,404	\$3,381	\$4,186	\$805
31.0 Equipment	\$2,680	\$2,662	\$3,033	\$371
Total - Non Pay Object Classes	\$148,465	\$147,459	\$162,962	\$15,503

Federal Air Marshals – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Federal Air Marshals	-	-	\$805,076	-	-	\$804,175	-	-	\$803,905	-	-	(\$270)
Total	-	-	\$805,076	-	-	\$804,175	-	-	\$803,905	-	-	(\$270)
Subtotal Discretionary - Appropriation	-	-	\$805,076	-	-	\$804,175	-	-	\$803,905	-	-	(\$270)

The FY 2018 request includes a decrease of \$0.3 million from the FY 2017 Annualized CR levels, which includes reductions due to the proposed modified hiring freeze; travel, supplies, and headquarter efficiencies; and a reduction to FAMS training. These changes reflect TSA’s focus on maintaining frontline security operations.

Federal Air Marshals PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$805,076
FY 2016 Revised Enacted	-	-	\$805,076
FY 2017 Annualized CR	-	-	\$804,175
FY 2018 Base Budget	-	-	\$804,175
Technical Adjustment	5	5	-
Realignment from Federal Air Marshals to Intelligence and TSOC	(5)	(5)	(\$533)
Realignment from Federal Air Marshals to Mission Support	-	-	(\$4,023)
Total Transfers	(5)	(5)	(\$4,556)
2017 Pay Increase	-	-	\$10,586
2018 Pay Increase	-	-	\$9,160
Annualization of FY16 Pay Increase	-	-	\$2,131
Annualization of FY17 Pay Increase	-	-	\$3,375
Other Adjustments-to-Base	-	-	\$820
Total, Pricing Increases	-	-	\$26,072
FAMS Training Reduction	-	-	(\$7,000)
Program Efficiencies	-	-	(\$778)
Total, Pricing Decreases	-	-	(\$7,778)
Total Adjustments-to-Base	-	-	\$13,738
FY 2018 Current Services	-	-	\$817,913
Hiring Freeze and Payroll Efficiencies	-	-	(\$12,192)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$1,816)
Total, Program Decreases	-	-	(\$14,008)
FY 2018 Request	-	-	\$803,905
FY 2017 TO FY 2018 Change	-	-	(\$270)

PPA Level III Description

The mission of the Federal Air Marshals is to detect, deter, and defeat criminal, terrorist, and hostile activities that target our nation's transportation systems. Under the revised FAMS Concept of Operations (CONOPS), the program utilizes an RBS approach, informed by the results of the Transportation Sector Security Risk Assessments. The CONOPS framework deploys and utilizes FAMS personnel and resources based on data elements designed to mitigate the maximum risk to the civilian aviation system and traveling public. The FAMS budget supports payroll costs for Federal Air Marshals and the civilian workforce who provide vital protective and law enforcement services for both domestic and international air travel, operational and infrastructure requirements, internal business processes, and training and travel expenses of the FAMS.

Adjustments to Base Justification

- Decrease of \$4.0 million for a realignment to the Mission Support PPA to consolidate background investigations funding, and to consolidate physical security funding
- Decrease of \$0.5 million and 5 FTP/5 FTE for a realignment to the Intelligence and TSOC PPA to consolidate intelligence positions and funding
- A technical adjustment showing the 5 FTP/5FTE realigned to the Intelligence and TSOC PPA – other FAMS FTP/FTE are SSI and not reported in this document
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$0.8 million for other adjustments to base (restoration of travel funding)
 - Increase of \$2.1 million to annualize the FY 2016 pay increase
 - Increase of \$10.6 million for the FY 2017 pay raise
 - Increase of \$3.4 million to annualize the FY 2017 pay increase
 - Increase of \$9.2 million for the FY 2018 pay raise
 - Decrease of \$0.8 million for program efficiencies (a reduction to Permanent Change of Station (PCS) moves)

**Federal Air Marshals-PPA Level III
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Federal Air Marshals	-	-	\$672,316	-	-	-	\$672,316	-	-	-	\$655,188	-	-	-	(\$17,128)	-
Total	-	-	\$672,316	-	-	-	\$672,316	-	-	-	\$655,188	-	-	-	(\$17,128)	-
Discretionary - Appropriation	-	-	\$672,316	-	-	-	\$672,316	-	-	-	\$655,188	-	-	-	(\$17,128)	-

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request includes a realignment of 5 FTE to the Intelligence and TSOC PPA. The FAMS total budgeted FTE is Sensitive Security Information (SSI) and can be provided under a separate document with the proper markings and permissions.

PCB Change FY 2017-2018: The FY 2018 budget includes a decrease of \$17.1 million in payroll funding. This change is largely due to a modified hiring freeze and payroll efficiencies, as well as identified headquarter efficiencies to better support frontline security operations.

Average Cost Change FY 2017-2018: The average cost change discussion can be provided under a separate document marked as SSI.

Federal Air Marshals – PPA Level III
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$365,619	\$365,619	\$356,306	(\$9,313)
11.3 Other than Full-Time Permanent	\$12,652	\$12,652	\$12,328	(\$324)
11.5 Other Personnel Compensation	\$105,088	\$105,088	\$102,411	(\$2,677)
11.8 Special Personal Services Payments	\$630	\$630	\$614	(\$16)
12.1 Civilian Personnel Benefits	\$188,327	\$188,327	\$183,529	(\$4,798)
Total - Personnel Compensation and Benefits	\$672,316	\$672,316	\$655,188	(\$17,128)
Positions and FTE				
Positions - Civilian	-	-	-	-

A breakdown of the FAMS FTE and associated payroll cost drivers will be provided under a separate document marked SSI.

**Federal Air Marshals – PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Federal Air Marshals	\$132,760	\$131,859	\$148,717	\$16,858
Total	\$132,760	\$131,859	\$148,717	\$16,858
Discretionary - Appropriation	\$132,760	\$131,859	\$148,717	\$16,858

The FY 2018 request includes an increase of \$16.9 million in the Federal Air Marshals PPA non-pay funding. This increase in non-pay is due to a realignment of payroll funds to non-pay to properly cost for FTE. In prior years, the Federal Air Marshals PPA relied on a realignment of funds from payroll to non-pay to fund mission critical items.

Federal Air Marshals – PPA Level III

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$98,407	\$97,739	\$97,625	(\$114)
22.0 Transportation of Things	\$78	\$77	\$77	-
23.1 Rental Payments to GSA	\$1,004	\$997	\$997	-
23.2 Rental Payments to Others	\$5,267	\$5,231	\$5,231	-
23.3 Communications, Utilities, and Misc. Charges	\$4,199	\$4,171	\$7,013	\$2,842
24.0 Printing and Reproduction	\$3	\$3	\$5	\$2
25.1 Advisory and Assistance Services	\$3,893	\$3,867	\$6,039	\$2,172
25.2 Other Services from Non-Federal Sources	\$6,908	\$6,862	\$10,716	\$3,854
25.3 Other Goods and Services from Federal Sources	\$4,302	\$4,273	\$6,674	\$2,401
25.4 Operation and Maintenance of Facilities	\$880	\$874	\$1,365	\$491
25.6 Medical Care	\$523	\$519	\$811	\$292
25.7 Operation and Maintenance of Equipment	\$1,602	\$1,591	\$2,485	\$894
25.8 Subsistence & Support of Persons	-	-	\$2,576	\$2,576
26.0 Supplies and Materials	\$3,049	\$3,028	\$4,103	\$1,075
31.0 Equipment	\$2,645	\$2,627	\$3,000	\$373
Total - Non Pay Object Classes	\$132,760	\$131,859	\$148,717	\$16,858

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Travel	\$98,407	\$97,739	\$97,625	(\$114)
Training	\$7,700	\$7,700	\$700	(\$7,000)
Contracts	\$7,403	\$7,302	\$22,729	\$15,427
Rent	\$6,271	\$6,228	\$6,228	\$0
Supplies	\$3,049	\$3,028	\$4,103	\$1,075
Other Costs	\$9,930	\$9,862	\$17,332	\$7,470
Total Non Pay Cost Drivers	\$132,760	\$131,859	\$148,717	\$16,858

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Travel

This cost driver funds all travel necessary to perform domestic and international mission coverage, mission essential training, and other business-related travel in support of FAMS operational and programmatic goals. The FY 2018 request includes a \$0.1 million decrease to travel. While this travel applies to the support functions, it will not impact mission travel of the FAMS on international and domestic flights.

FY 2018 Non Pay Cost Driver – Training

Upon entry into the FAM Training Program, FAM trainees undergo an intensive 16.5-week training program conducted at FLETC in Artesia, New Mexico and at the FAMS Training Center (FAMSTC) in Atlantic City, New Jersey. The training component provides for all associated training requirements to include FLETC-related expenses, role player contracts, hotel lodging contracts for Atlantic City based classes, training supplies, firing range fees, training gear, equipment, and clothing. With the requested reduction to the VIPR program, the FAMS PPA will absorb most of the FTE from the cut and reassign FAMS to flying missions. Therefore, TSA will incur efficiencies of \$7 million in new-hire training expenses in FY 2018.

FY 2018 Non Pay Cost Driver – Contracts

The FAMS PPA uses contracts and contractor support for mission support functions. The FY 2018 request includes an increase of \$15.4 million for these contracts. TSA anticipates increases in contractual services to include parking, mobile services, and firing ranges.

FY 2018 Non Pay Cost Driver – Rent

The FAMS PPA pays for rent at various field offices. The FY 2018 request includes a \$3.5 million increase. TSA does not anticipate any changes to rent in FY 2018.

FY 2018 Non Pay Cost Driver – Supplies

This funds supplies for the Federal Air Marshals program. The FY 2018 request includes a \$1 million increase for supplies. This change reflects the actual supply requirements of executing the FAMS program.

FY 2018 Non Pay Cost Driver – Other Costs

This funds the other costs associated with the Federal Air Marshals program to include equipment purchase and maintenance. The FY 2018 request includes a \$7.5 million increase for these other costs. This change reflects anticipated increases in maintaining FAMS equipment.

Federal Flight Deck Officer and Crew Training – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Federal Flight Deck Officer and Crew Training	38	36	\$20,758	38	36	\$20,653	38	36	\$19,514	-	-	(\$1,139)
Total	38	36	\$20,758	38	36	\$20,653	38	36	\$19,514	-	-	(\$1,139)
Subtotal Discretionary - Appropriation	38	36	\$20,758	38	36	\$20,653	38	36	\$19,514	-	-	(\$1,139)

The FY 2018 request includes a decrease of \$1.1 million from the FY 2017 Annualized CR, which includes service contract savings. These changes reflect TSA's focus on maintaining frontline security operations.

Federal Flight Deck Officer and Crew Training – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	38	36	\$20,758
FY 2016 Revised Enacted	38	36	\$20,758
FY 2017 Annualized CR	38	36	\$20,653
FY 2018 Base Budget	38	36	\$20,653
2017 Pay Increase	-	-	\$81
2018 Pay Increase	-	-	\$72
Annualization of FY 16 Pay Increase	-	-	\$16
Annualization of FY 17 Pay Increase	-	-	\$27
Total, Pricing Increases	-	-	\$196
Program Efficiencies	-	-	(\$1,062)
Total, Pricing Decreases	-	-	(\$1,062)
Total Adjustments-to-Base	-	-	(\$866)
FY 2018 Current Services	38	36	\$19,787
Service Contract Savings	-	-	(\$273)
Total, Program Decreases	-	-	(\$273)
FY 2018 Request	38	36	\$19,514
FY 2017 TO FY 2018 Change	-	-	(\$1,139)

PPA Level III Description

The FFDO and Crew Training program was created by the Arming Pilots Against Terrorism Act of 2003 (P.L. 107-296), which authorizes the deputation of qualified airline pilots to act as Federal Law Enforcement Officers in order to defend the flight decks of aircraft against acts of criminal violence or air piracy. This voluntary program provides a combination of law enforcement training in firearms proficiency, self-defense tactics, authority, use-of-force, and decision-making in defense of both commercial and cargo aircraft.

Adjustments to Base Justification

- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$16 thousand to annualize the FY 2016 pay increase
 - Increase of \$0.1 million for the FY 2017 pay raise
 - Increase of \$27 thousand to annualize the FY 2017 pay increase
 - Increase of \$0.1 million for the FY 2018 pay raise
 - Decrease of \$1.1 million for program efficiencies (non-operational travel and supplies, and historical under-burn of resources)

**Federal Flight deck Officer and Crew Training – PPA Level III
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Federal Flight Deck Officer and Crew Training	38	36	\$5,053	\$140.36	38	36	\$5,053	\$140.36	38	36	\$5,269	\$146.36	-	-	\$216	\$6
Total	38	36	\$5,053	\$140.36	38	36	\$5,053	\$140.36	38	36	\$5,269	\$146.36	-	-	\$216	\$6
Discretionary - Appropriation	38	36	\$5,053	\$140.36	38	36	\$5,053	\$140.36	38	36	\$5,269	\$146.36	-	-	\$216	\$6

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request reflects no change to FTE over the FY 2017 Annualized CR levels.

PCB Change FY 2017-2018: The FY 2018 request includes an increase of \$0.2 million for payroll funds. This increase is due to pay inflation.

Average Cost Change FY 2017-2018: The average cost increases by \$6.00 per FTE in the FY 2018 request. This increase is due to pay inflation.

Federal Flight Deck Officer and Crew Training – PPA Level III
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$3,312	\$3,312	\$3,455	\$143
11.5 Other Personnel Compensation	\$368	\$368	\$383	\$15
12.1 Civilian Personnel Benefits	\$1,373	\$1,373	\$1,431	\$58
Total - Personnel Compensation and Benefits	\$5,053	\$5,053	\$5,269	\$216
Positions and FTE				
Positions - Civilian	38	38	38	-
FTE - Civilian	36	36	36	-

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	36	3,312	92.0	36	3,312	92.0	36	3,455	96.0	0	143	4.0
Other Costs		1,741			1,741			1,814			73	
Total – Pay Cost Drivers	36	5,053	140.4	36	5,053	140.4	36	5,269	146.36	0	216	6.0

**Federal Flight Deck Officer and Crew Training – PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Federal Flight Deck Officer and Crew Training	\$15,705	\$15,600	\$14,245	(\$1,355)
Total	\$15,705	\$15,600	\$14,245	(\$1,355)
Discretionary - Appropriation	\$15,705	\$15,600	\$14,245	(\$1,355)

The FY 2018 request includes a reduction of \$1.4 million in non-pay funding in the FFDO and Crew Training PPA. This reduction is from service contract savings and program efficiencies.

Federal Flight Deck Officer and Crew Training – PPA Level III
Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$87	\$86	\$63	(\$23)
22.0 Transportation of Things	\$46	\$46	\$46	-
23.2 Rental Payments to Others	\$435	\$432	\$402	(\$30)
25.1 Advisory and Assistance Services	\$13,185	\$13,097	\$12,176	(\$921)
25.2 Other Services from Non-Federal Sources	\$532	\$528	\$491	(\$37)
25.3 Other Goods and Services from Federal Sources	\$947	\$941	\$875	(\$66)
25.4 Operation and Maintenance of Facilities	\$83	\$82	\$76	(\$6)
26.0 Supplies and Materials	\$355	\$353	\$83	(\$270)
31.0 Equipment	\$35	\$35	\$33	(\$2)
Total - Non Pay Object Classes	\$15,705	\$15,600	\$14,245	(\$1,355)

**Federal Flight Deck Officer and Crew Training – PPA Level III
Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Training	\$12,851	\$12,851	\$11,841	(\$1,010)
Consumables	\$1,645	\$1,645	\$1,375	(\$270)
Other Costs	\$1,209	\$1,104	\$1,029	(\$75)
Total – Non Pay Cost Drivers	\$15,705	\$15,600	\$14,245	(\$1,355)

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Training

This cost driver supports funding for a combination of law enforcement training in firearms proficiency, self-defense tactics, authority, use of force, and decision making in defense of both commercial and cargo aircraft for volunteers. The FY 2018 request reflects a reduction of \$1.0 million in this cost driver related to travel and contract expenses.

FY 2018 Non Pay Cost Driver – Consumables

This cost driver supports funding for a variety of items, including ammunition, weapons parts, and operational supplies. The FY 2018 request reflects a decrease of \$270 thousand. This reduction is part of an enterprise-wide reduction across TSA to reduce supply costs and provide more efficient and effective support to frontline security operations.

FY 2018 Non Pay Cost Driver – Other Costs

This funds the other costs associated with the FFDO program to include equipment and support contracts. The FY 2018 request includes a \$75 thousand reductions associated with contract savings.

Aviation Regulation – PPA Level II

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Aviation Regulation	1,081	1,033	\$215,636	1,081	1,033	\$215,148	1,085	1,032	\$173,535	4	(1)	(\$41,613)
Total	1,081	1,033	\$215,636	1,081	1,033	\$215,148	1,085	1,032	\$173,535	4	(1)	(\$41,613)
Subtotal Discretionary - Appropriation	1,081	1,033	\$215,636	1,081	1,033	\$215,148	1,085	1,032	\$173,535	4	(1)	(\$41,613)

The FY 2018 request includes a decrease of \$41.6 million from the FY 2017 Annualized CR, which includes the elimination of the LEO Reimbursement Program; the proposed modified hiring freeze; service contract savings; and travel, supplies, and headquarter efficiencies. These changes reflect TSA’s focus on maintaining frontline security operations.

Aviation Regulation – PPA Level II Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	1,081	1,033	\$215,636
FY 2016 Revised Enacted	1,081	1,033	\$215,636
FY 2017 Annualized CR	1,081	1,033	\$215,148
FY 2018 Base Budget	1,081	1,033	\$215,148
Realignment from Aviation Regulation to Screener Training and Other	(1)	(1)	(\$193)
Realignment from Intelligence and TSOC to Aviation Regulation	1	1	\$211
Realignment from Secure Flight to Aviation Regulation	1	1	\$202
Realignment from Surface Programs to Aviation Regulation	3	3	-
Total Transfers	4	4	\$220
2017 Pay Increase	-	-	\$2,268
2018 Pay Increase	-	-	\$2,010
Annualization of FY 16 Pay Increase	-	-	\$437
Annualization of FY 17 Pay Increase	-	-	\$741
Other Adjustments-to-Base	-	-	\$706
Total, Pricing Increases	-	-	\$6,162
Total Adjustments-to-Base	4	4	\$6,382
FY 2018 Current Services	1,085	1,037	\$221,530
Eliminate LEO Reimbursable Program	-	-	(\$45,000)
Hiring Freeze and Payroll Efficiencies	-	(5)	(\$1,012)
Service Contract Savings	-	-	(\$130)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$1,853)
Total, Program Decreases	-	(5)	(\$47,995)
FY 2018 Request	1,085	1,032	\$173,535
FY 2017 TO FY 2018 Change	4	(1)	(\$41,613)

PPA Level II Description

The Aviation Regulation PPA is responsible for providing law enforcement and regulatory presence at airports to ensure compliance with required security measures and response to security incidents. It also provides an international component to foster consistency in worldwide security requirements and ensure compliance with TSA requirements and International Civil Aviation Organization baseline standards.

Adjustments to Base Justification

- Increase of \$0.2 million and 1 FTP/1 FTE for a realignment from the Secure Flight PPA to consolidate personnel and associated funding
- Increase of \$0.2 million and 1 FTP/1 FTE for a realignment from the Intelligence and TSOC PPA to consolidate personnel and associated funding
- Increase of 3 FTP/3 FTE for a realignment from the Surface Programs PPA as a technical correction to restore Compliance positions to the Aviation Regulation PPA from a VIPR transfer in FY 2015
- Decrease of \$0.2 million and 1 FTP/1 FTE for a realignment to the Screener Training and Other PPA to consolidate positions and funding
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$0.7 million for other adjustments to base (restore payroll funding)
 - Increase of \$0.4 million to annualize the FY 2016 pay increase
 - Increase of \$2.3 million for the FY 2017 pay raise
 - Increase of \$0.7 million to annualize the FY 2017 pay increase
 - Increase of \$2.0 million for the FY 2018 pay raise

**Aviation Regulation – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Aviation Regulation	1,081	1,033	\$143,942	\$138.4	1,081	1,033	\$143,942	\$138.4	1,085	1,032	\$145,270	\$139.81	4	(1)	\$1,328	\$1.41
Total	1,081	1,033	\$143,942	\$138.4	1,081	1,033	\$143,942	\$138.4	1,085	1,032	\$145,270	\$139.81	4	(1)	\$1,328	\$1.41
Discretionary - Appropriation	1,081	1,033	\$143,942	\$138.4	1,081	1,033	\$143,942	\$138.4	1,085	1,032	\$145,270	\$139.81	4	(1)	\$1,328	\$1.41

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request includes a decrease of 1 FTE to the Aviation Regulation PPA. This decrease is due to a net realignment of 4 FTE and a program reduction of 5 FTE associated with a modified hiring freeze and identified payroll efficiencies.

PCB Change FY 2017-2018: The FY 2018 request includes an increase of \$1.3 million in payroll funding. This increase is due to pay inflation.

Average Cost Change FY 2017-2018: The average cost increases by \$1.41 per FTE in the FY 2018 request. This increase is due to pay inflation.

Aviation Regulation – PPA Level II
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$106,236	\$106,236	\$107,217	\$981
11.3 Other than Full-Time Permanent	\$106	\$106	\$107	\$1
11.5 Other Personnel Compensation	\$1,888	\$1,888	\$1,905	\$17
11.8 Special Personal Services Payments	\$879	\$879	\$887	\$8
12.1 Civilian Personnel Benefits	\$34,735	\$34,735	\$35,055	\$320
13.0 Benefits for Former Personnel	\$98	\$98	\$99	\$1
Total - Personnel Compensation and Benefits	\$143,942	\$143,942	\$145,270	\$1,328
Positions and FTE				
Positions - Civilian	1,081	1,081	1,085	4
FTE - Civilian	1,033	1,033	1,032	(1)

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Domestic & International Inspectors	719	84,551	117.6	719	84,551	117.6	719	85,331	118.7	0	780	1.1
International Operations	141	27,803	197.2	141	27,803	197.2	141	28,060	199.0	0	257	1.8
Law Enforcement & Assessments	126	25,011	198.5	126	25,011	198.5	126	25,242	200.3	0	231	1.8
Other Costs	47	6,577	139.9	47	6,577	139.9	46	6,637	144.3	(1)	60	4.4
Total – Pay Cost Drivers	1,033	143,942	139.3	1,033	143,942	139.3	1,032	145,270	140.8	(1)	1,328	1.5

**Aviation Regulation – PPA Level II
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Aviation Regulation	\$71,694	\$71,206	\$28,265	(\$42,941)
Total	\$71,694	\$71,206	\$28,265	(\$42,941)
Discretionary - Appropriation	\$71,694	\$71,206	\$28,265	(\$42,941)

The FY 2018 request includes a decrease of \$42.9 million of non-pay funding in the Aviation Regulation PPA. This reduction is mainly caused by the proposed elimination of the LEO Reimbursement Program.

Aviation Regulation – PPA Level II
Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$3,472	\$3,408	\$2,283	(\$1,125)
22.0 Transportation of Things	\$58	\$57	\$57	-
23.1 Rental Payments to GSA	\$148	\$145	\$171	\$26
23.2 Rental Payments to Others	\$49	\$48	\$57	\$9
23.3 Communications, Utilities, and Misc. Charges	\$382	\$375	\$443	\$68
24.0 Printing and Reproduction	\$17	\$17	\$20	\$3
25.1 Advisory and Assistance Services	\$2,159	\$2,119	\$2,501	\$382
25.2 Other Services from Non-Federal Sources	\$8,647	\$8,489	\$10,020	\$1,531
25.3 Other Goods and Services from Federal Sources	\$6,521	\$6,401	\$7,555	\$1,154
25.4 Operation and Maintenance of Facilities	\$2	\$2	\$2	-
25.6 Medical Care	\$13	\$13	\$15	\$2
25.7 Operation and Maintenance of Equipment	\$94	\$92	\$109	\$17
25.8 Subsistence & Support of Persons	\$2,175	\$2,135	\$2,520	\$385
26.0 Supplies and Materials	\$2,757	\$2,706	\$2,478	(\$228)
41.0 Grants, Subsidies, and Contributions	\$45,170	\$45,170	-	(\$45,170)
42.0 Insurance Claims and Indemnities	\$30	\$29	\$34	\$5
Total - Non Pay Object Classes	\$71,694	\$71,206	\$28,265	(\$42,941)

The FY 2018 request includes reductions to travel, supplies and materials, and grants.

**Aviation Regulation – PPA Level II
Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President’s Budget	FY 2017 to FY 2018 Total Changes
LEO Reimbursement Program	\$45,170	\$45,170	\$0	(\$45,170)
International Operations	\$19,546	\$19,546	\$23,400	\$3,854
Inspections	\$4,383	\$4,383	\$3,527	(\$856)
Other Costs	\$2,595	\$2,107	\$1,338	(\$769)
Total – Non Pay Cost Drivers	\$71,694	\$71,206	\$28,265	(\$42,941)

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – LEO Reimbursement Program

In accordance with Aviation Transportation and Security Act (ATSA), TSA established OTAs with state and local law enforcement agencies to provide enhanced law enforcement services. These OTAs with state and local law enforcement agencies provided uniformed officers at passenger security checkpoints under the flexible response authorities granted to TSA. These agreements partially reimbursed airports throughout the United States to ensure a consistent law enforcement presence is always available to deter suspicious activity and respond quickly in the event of a breach of security at designated checkpoints. The FY 2018 request eliminates this program. Local law enforcement will still be required to maintain a maximum response time, but TSA will no longer provide offsetting costs to the local authorities.

FY 2018 Non Pay Cost Driver – International Operations

TSA promotes alignment and consistency between the security requirements of the U.S. and foreign governments and is responsible for all facets of the agency’s activities at foreign locations. The program’s primary statutory and regulatory responsibilities focus on identifying and mitigating security risks to transportation modes used extensively by U.S. citizens and foreign governments. When a new threat or vulnerability emerges, TSA must coordinate with both foreign governments and industry on the implementation of appropriate responses to mitigate the likelihood of a successful attack. TSA takes a leadership role as a permanent U.S. member in the regional and international organizations concerned with transportation security. The FY 2018 request includes an increase of \$3.9 million for this cost driver to properly align resources in this activity.

FY 2018 Non Pay Cost Driver – Inspections

This cost driver supports funding for the regulatory inspection program. This program is broad and involves the evaluation of the security integrity of U.S. airports and a combined total of over 1,500 domestic and international carriers that operate in the United States. These inspectors also conduct periodic inspections of over 7,500 Indirect Air Carriers operating in the United States. The FY 2018 request reflects a reduction of \$0.9 million for this activity. This funding reduction is in line with TSA's effort to make more efficient use of travel and supply costs to better serve the frontline security operations and associated workforce.

FY 2018 Non Pay Cost Driver – Other Costs – This funds the other costs associated with the Aviation Regulation PPA to include supplies. The FY 2018 request includes a \$769 thousand reduction of costs associated with supporting the LEO Reimbursement Program.

Air Cargo – PPA Level II

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Air Cargo	640	615	\$90,945	640	615	\$93,519	640	611	\$102,721	-	(4)	\$9,202
Total	640	615	\$90,945	640	615	\$93,519	640	611	\$102,721	-	(4)	\$9,202
Subtotal Discretionary - Appropriation	640	615	\$90,945	640	615	\$93,519	640	611	\$102,721	-	(4)	\$9,202

The FY 2018 request includes an increase of \$9.2 million and a decrease of 4 FTE from the FY 2017 Annualized CR, which includes identified savings in travel, supplies, and headquarters efficiencies; and the proposed modified hiring freeze. These changes reflect TSA’s focus on maintaining frontline security operations.

Air Cargo – PPA Level II
Summary of Budget Changes
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	640	615	\$93,659
Air Cargo to Screener PC&B	-	-	(\$2,714)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$2,714)
FY 2016 Revised Enacted	640	615	\$90,945
FY 2017 Annualized CR	640	615	\$93,519
FY 2018 Base Budget	640	615	\$93,519
Realignment from Air Cargo to Screener Training and Other	(5)	(5)	(\$1,035)
Transfer from PC&I - Air Cargo to O&S - Air Cargo	5	5	\$11,008
Total Transfers	-	-	\$9,973
2017 Pay Increase	-	-	\$1,160
2018 Pay Increase	-	-	\$1,042
Annualization of FY16 Pay Increase	-	-	\$255
Annualization of FY17 Pay Increase	-	-	\$384
Total, Pricing Increases	-	-	\$2,841
Other Adjustments-to-Base	-	-	(\$552)
Total, Pricing Decreases	-	-	(\$552)
Total Adjustments-to-Base	-	-	\$12,262
FY 2018 Current Services	640	615	\$105,781
Hiring Freeze and Payroll Efficiencies	-	(4)	(\$2,443)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$617)
Total, Program Decreases	-	(4)	(\$3,060)
FY 2018 Request	640	611	\$102,721
FY 2017 TO FY 2018 Change	-	(4)	\$9,202

PPA Level II Description

The Air Cargo PPA supports funding associated with the implementation of statutory requirements for ensuring the security of transportation systems and passengers when cargo is transported by air, as required by ATSA, including inspections and maintenance of a Qualified Products List of air cargo screening equipment for use by the air cargo industry.

Adjustments to Base Justification

- Increase of \$11.0 million and 5 FTP/5 FTE for a transfer from PC&I – Air Cargo to align with the CAS
- Decrease of \$1.0 million and 5 FTP/5 FTE for a realignment to the Screener Training and Other PPA to consolidate positions and funding
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$0.3 million to annualize the FY 2016 pay increase
 - Increase of \$1.2 million for the FY 2017 pay raise
 - Increase of \$0.4 million to annualize the FY 2017 pay increase
 - Increase of \$1.0 million for the FY 2018 pay raise
 - Decrease of \$0.6 million for other adjustments to base(reduction to non-operational travel and supplies)

**Air Cargo – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Air Cargo	640	615	\$72,957	\$118.62	640	615	\$72,957	\$118.62	640	611	\$73,334	\$120.01	-	(4)	\$377	\$1.39
Total	640	615	\$72,957	\$118.62	640	615	\$72,957	\$118.62	640	611	\$73,334	\$120.01	-	(4)	\$377	\$1.39
Discretionary - Appropriation	640	615	\$72,957	\$118.62	640	615	\$72,957	\$118.62	640	611	\$73,334	\$120.01	-	(4)	\$377	\$1.39

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request includes a decrease of 4 FTE in the Air Cargo PPA. This reduction in FTE is due to the proposed modified hiring freeze and identified payroll efficiencies.

PCB Change FY 2017-2018: The FY 2018 request includes an increase of \$0.4 million in payroll dollars over FY 2017 Annualized CR levels. This increase is due to pay inflation.

Average Cost Change FY 2017-2018: The average cost change per FTE increases \$1.39 in the FY 2018 request. This increase is due to pay inflation.

Air Cargo – PPA Level II
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$52,730	\$52,730	\$53,003	\$273
11.5 Other Personnel Compensation	\$3,369	\$3,369	\$3,387	\$18
12.1 Civilian Personnel Benefits	\$16,853	\$16,853	\$16,939	\$86
13.0 Benefits for Former Personnel	\$5	\$5	\$5	-
Total - Personnel Compensation and Benefits	\$72,957	\$72,957	\$73,334	\$377
Positions and FTE				
Positions - Civilian	640	640	640	-
FTE - Civilian	615	615	611	(4)

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Domestic & International Inspectors	552	62,938	114.0	552	62,938	114.0	552	65,389	118.5	0	2,451	4.5
Other Costs	63	10,019	159.0	63	10,019	159.0	59	7,945	134.7	(4)	(2,074)	(24.3)
Total – Pay Cost Drivers	615	72,957	118.6	615	72,957	118.6	611	73,334	120.0	(4)	(377)	1.4

**Air Cargo – PPA Level II
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Air Cargo	\$17,988	\$20,562	\$29,387	\$8,825
Total	\$17,988	\$20,562	\$29,387	\$8,825
Discretionary - Appropriation	\$17,988	\$20,562	\$29,387	\$8,825

The FY 2018 request includes an increase of \$8.8 million in non-pay funding in the Air Cargo PPA. This is due to the realignment of funding from PC&I, savings in travel and supplies, and deferral of system modernization.

**Air Cargo – PPA Level II
Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$2,441	\$3,118	\$2,765	(\$353)
23.1 Rental Payments to GSA	\$64	\$82	\$84	\$2
23.2 Rental Payments to Others	\$39	\$49	\$50	\$1
23.3 Communications, Utilities, and Misc. Charges	\$39	\$49	\$50	\$1
24.0 Printing and Reproduction	\$4	\$5	\$5	-
25.1 Advisory and Assistance Services	\$4,318	\$5,511	\$13,632	\$8,121
25.2 Other Services from Non-Federal Sources	\$1,279	\$1,633	\$1,998	\$365
25.3 Other Goods and Services from Federal Sources	\$138	\$176	\$181	\$5
25.6 Medical Care	\$54	\$69	\$71	\$2
25.7 Operation and Maintenance of Equipment	\$51	\$65	\$514	\$449
26.0 Supplies and Materials	\$485	\$619	\$605	(\$14)
31.0 Equipment	\$400	\$510	\$524	\$14
41.0 Grants, Subsidies, and Contributions	\$8,676	\$8,676	\$8,908	\$232
Total - Non Pay Object Classes	\$17,988	\$20,562	\$29,387	\$8,825

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Air Cargo System	\$14,340	\$14,340	\$13,040	(\$1,300)
Domestic & International Inspections	\$3,603	\$3,603	\$3,603	\$0
Air Cargo Testing	\$0	\$0	\$10,042	\$10,042
Other Costs	\$45	\$2,619	\$2,702	\$83
Total – Non Pay Cost Drivers	\$17,988	20,562	\$29,387	\$8,825

NARRATIVE EXPLANATION OF CHANGES**FY 2018 Non Pay Cost Driver – Air Cargo System**

This cost driver represents funding that is used to secure the air cargo supply chain including cargo, conveyances, and people. As required by the Implementing Recommendations of the 9/11 Commission Act of 2007, TSA implemented a system to ensure that 100 percent of all cargo on passenger aircraft is screened at a level commensurate with checked baggage. To meet this requirement, TSA employed two phases for screening air cargo: one phase for cargo departing U.S. airports, and the other phase for international inbound cargo. The FY 2018 request includes a \$1.3 million reduction, which will defer system modernization efforts within the Air Cargo Management Systems portfolio to provide new functionality and functionality enhancements to industry stakeholders.

FY 2018 Non Pay Cost Driver – Domestic & International Inspections

Air Cargo Inspectors and Air Cargo Inspections enforce statutory and regulatory requirements and provide guidance to industry on securing air cargo. These inspections ensure that air carriers (passenger and all-cargo) and indirect air carriers meet their operational responsibility by maintaining a TSA-approved security program, which must describe the security policies, procedures, and systems implemented to comply with TSA security requirements. TSA security requirements include measures related to the acceptance, handling, and inspection of cargo; training of employees in security and cargo inspection procedures; testing employee proficiency in cargo inspection; and access to cargo areas and aircraft. The FY 2018 request reflects no change in this cost driver from FY 2017 Annualized CR Levels.

FY 2018 Non Pay Cost Driver – Air Cargo Testing

Air Cargo Testing supports the qualification and evaluation of existing and emerging air cargo screening technologies and procedures to determine suitability, effectiveness, and feasibility for use in air cargo screening environments. TSA has authorized a suite of technologies and associated screening protocols from which screening entities may choose on the basis of their unique requirements and commodities. TSA publishes authorized screening equipment on the TSA Air Cargo Screening Technology List (ACSTL), which is published on a secure website accessible by the regulated parties, which industry references when making their procurement decisions. TSA does not procure or deploy equipment for the air cargo industry. Instead, industry is required to purchase, use, and maintain systems authorized by TSA and listed on the ACSTL. The increase in funding in this cost driver is due to the transfer of its funds from the PC&I Appropriation to align with the CAS.

FY 2018 Non Pay Cost Driver – Other Costs

This funds the other costs associated with the Air Cargo PPA to include supplies. The FY 2018 request includes an \$83 thousand increase over the FY 2017 CR. .

Intelligence and TSOC – PPA Level II

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Intelligence and TSOC	420	385	\$77,986	420	385	\$77,798	429	404	\$79,790	9	19	\$1,992
Total	420	385	\$77,986	420	385	\$77,798	429	404	\$79,790	9	19	\$1,992
Subtotal Discretionary - Appropriation	420	385	\$77,986	420	385	\$77,798	429	404	\$79,790	9	19	\$1,992

The FY 2018 request includes an increase of \$2.0 million and 9 FTP/19 FTE over the FY 2017 Annualized CR, which includes the proposed modified hiring freeze; service contract savings; and travel, supplies, and headquarter efficiencies. These changes reflect TSA’s focus on maintaining frontline security operations.

Intelligence and TSOC – PPA Level II Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	420	385	\$77,986
FY 2016 Revised Enacted	420	385	\$77,986
FY 2017 Annualized CR	420	385	\$77,798
FY 2018 Base Budget	420	385	\$77,798
Technical Adjustment	(1)	-	-
Realignment from Airport Management to Intelligence and TSOC	6	6	\$876
Realignment from Federal Air Marshals to Intelligence and TSOC	5	5	\$533
Realignment from Intelligence and TSOC to Aviation Regulation	(1)	(1)	(\$211)
Transfer from TSA - Intelligence and TSOC to A&O	-	-	(\$43)
Total Transfers	10	10	\$1,155
2017 Pay Increase	-	-	\$797
2018 Pay Increase	-	-	\$765
Annualization of Field Intelligence Officers	-	9	\$2,000
Annualization of FY16 Pay Increase	-	-	\$157
Annualization of FY17 Pay Increase	-	-	\$283
Total, Pricing Increases	-	9	\$4,002
Program Efficiencies	-	-	(\$1,009)
Total, Pricing Decreases	-	-	(\$1,009)
Total Adjustments-to-Base	9	19	\$4,148
FY 2018 Current Services	429	404	\$81,946
Hiring Freeze and Payroll Efficiencies	-	-	(\$757)
Service Contract Savings	-	-	(\$1,295)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$104)
Total, Program Decreases	-	-	(\$2,156)
FY 2018 Request	429	404	\$79,790
FY 2017 TO FY 2018 Change	9	19	\$1,992

PPA Level II Description

TSA reviews, synthesizes, and analyzes transportation specific intelligence in addition to providing comprehensive and cogent analytic products. Intelligence is critical to RBS and the intelligence products generated provide the threat framework to prioritize security resources. TSA operates and maintains 24-hour/7-day intelligence capabilities at TSA Headquarters, Annapolis Junction Operation Center, Colorado Springs Operation Center and the TSOC. Through these centers, TSA disseminates warnings and notifications of credible and immediate threats and assists in coordinating domestic and international civil aviation and other modal security intelligence activities.

Adjustments to Base Justification

- Decrease of 1 FTP due to a technical adjustment
- Increase of \$0.9 million and 6 FTP/6 FTE for a realignment from the Airport Management PPA to consolidate the Airspace Waivers personnel and funding
- Increase of \$0.5 million and 5 FTP/5 FTE for a realignment from the Federal Air Marshals PPA to consolidate intelligence personnel and funding
- Decrease of \$0.2 million and 1 FTP/1 FTE for a realignment to the Aviation Regulation PPA to consolidate personnel and associated funding
- Decrease of \$43 thousand for a transfer to DHS for the Working Capital Fund
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$2.0 million and 9 FTE for an annualization of 9 Field Intelligence Officers
 - Increase of \$0.2 million to annualize the FY 2016 pay increase
 - Increase of \$0.8 million for the FY 2017 pay raise
 - Increase of \$0.3 million to annualize the FY 2017 pay increase
 - Increase of \$0.8 million for the FY 2018 pay raise
 - Decrease of \$1.0 million for program efficiencies (\$0.1 million for a reduction to non-operational travel and supplies, and \$1.0 million for reductions to Intermodal Visual Enhancement Workshop (IVIEW) and Mission Risk Knowledge (MRK) Center)

**Intelligence and TSOC – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Intelligence and TSOC	420	385	\$50,199	\$130.39	420	385	\$50,199	\$130.39	429	404	\$56,202	\$139.11	9	19	\$6,003	\$8.72
Total	420	385	\$50,199	\$130.39	420	385	\$50,199	\$130.39	429	404	\$56,202	\$139.11	9	19	\$6,003	\$8.72
Discretionary - Appropriation	420	385	\$50,199	\$130.39	420	385	\$50,199	\$130.39	429	404	\$56,202	\$139.11	9	19	\$6,003	\$8.72

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request includes an increase of 19 FTE. This increase is due to a net realignment of 10 FTE (decrease of 1 FTE as a technical adjustment, 6 FTE from the Airport Management PPA to consolidate the Airspace Waivers program, and 5 FTE from the FAMS PPA to consolidate Intelligence personnel) added to the Intelligence and TSOC PPA, as well as the annualization of 9 Field Intelligence Officers.

PCB Change FY 2017-2018: The FY 2018 request includes an increase of \$6.0 million in payroll funding. This increase is due to the annualization of FIOs, realignments into the Intelligence and TSOC PPA, and pay inflation.

Average Cost Change FY 2017-2018: The average cost change per FTE increased by \$8.72. This change is due to pay inflation.

Intelligence and TSOC – PPA Level II
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$37,582	\$37,582	\$42,076	\$4,494
11.3 Other than Full-Time Permanent	\$111	\$111	\$124	\$13
11.5 Other Personnel Compensation	\$1,491	\$1,491	\$1,670	\$179
12.1 Civilian Personnel Benefits	\$11,015	\$11,015	\$12,332	\$1,317
Total - Personnel Compensation and Benefits	\$50,199	\$50,199	\$56,202	\$6,003
Positions and FTE				
Positions - Civilian	420	420	429	9
FTE - Civilian	385	385	404	19

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel (non-FIOs)	316	30,839	97.6	316	30,706	97.2	326	34,151	104.8	10	3,445	7.6
Field Intelligence Officers Total Compensation	69	9,006	130.5	69	9,184	133.1	78	10,585	135.7	9	1,401	2.6
Other Costs	0	10,354		0	10,309		0	11,466		0	1,157	
Total – Pay Cost Drivers	385	50,199	130.4	385	50,199	130.4	404	56,202	139.1	19	6,003	8.7

A significant portion of this PPA funds Field Intelligence Officers (FIOs). In FY 2018, TSA is annualizing an increase of 9 FTE for the FIOs program. Other pay changes include personnel realignments and annualization of FY 2016 and FY 2017 pay increases.

**Intelligence and TSOC – PPA Level II
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Intelligence and TSOC	\$27,787	\$27,599	\$23,588	(\$4,011)
Total	\$27,787	\$27,599	\$23,588	(\$4,011)
Discretionary - Appropriation	\$27,787	\$27,599	\$23,588	(\$4,011)

The FY 2018 request includes a decrease of \$4.0 million to the Intelligence and TSOC PPA. This reduction is largely due to TSA’s proposed reduction to support service contracts and the reduction to IVIEW & MRK Center funding.

Intelligence and TSOC – PPA Level II
Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$1,135	\$1,127	\$1,051	(\$76)
22.0 Transportation of Things	\$31	\$31	\$31	-
23.1 Rental Payments to GSA	\$5,817	\$5,778	\$5,121	(\$657)
23.2 Rental Payments to Others	\$476	\$473	\$419	(\$54)
23.3 Communications, Utilities, and Misc. Charges	\$180	\$179	\$159	(\$20)
24.0 Printing and Reproduction	\$10	\$10	\$9	(\$1)
25.1 Advisory and Assistance Services	\$13,325	\$13,220	\$10,775	(\$2,445)
25.2 Other Services from Non-Federal Sources	\$1,772	\$1,760	\$1,560	(\$200)
25.3 Other Goods and Services from Federal Sources	\$2,640	\$2,636	\$2,281	(\$355)
25.4 Operation and Maintenance of Facilities	\$192	\$191	\$169	(\$22)
25.6 Medical Care	\$3	\$3	\$3	-
25.7 Operation and Maintenance of Equipment	\$24	\$24	\$21	(\$3)
26.0 Supplies and Materials	\$849	\$843	\$815	(\$28)
31.0 Equipment	\$851	\$845	\$749	(\$96)
32.0 Land and Structures	\$480	\$477	\$423	(\$54)
42.0 Insurance Claims and Indemnities	\$2	\$2	\$2	-
Total - Non Pay Object Classes	\$27,787	\$27,599	\$23,588	(\$4,011)

**Intelligence and TSOC – PPA Level II
Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President’s Budget	FY 2017 to FY 2018 Total Changes
TSOC	\$11,250	\$11,206	\$8,206	(\$3,000)
Intelligence	\$16,537	\$16,393	\$15,382	(\$1,011)
Total – Non Pay Cost Drivers	\$27,787	\$27,599	\$23,588	(\$4,011)

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – TSOC

The TSOC provides 24/7/365 coordination, communications, and collaboration of intelligence and domain awareness for all DHS transportation-related security activities worldwide. The TSOC correlates and fuses real-time intelligence and operational information, ensuring unity of action in the prevention of, and response to, terrorist-related incidents across transportation modes.

Consistent with the Implementing Recommendations of the 9/11 Commission Act (P.L. 110-53), the TSOC provides direct lines of communications for the immediate notification from the public. The TSOC is TSA’s primary interface to the DHS National Operations Center for all transportation security issues and events. Additionally, the TSOC ensures TSA is prepared for major incidents and disasters through the governance and management of TSA’s Critical Incident Management system; providing necessary training; and continual exercises to ensure incident management readiness. Funding for the TSOC also ensures TSA capability exists to operate from alternative facilities under the Continuity of Operations program.

The FY 2018 request includes a \$3.0 million reduction to this cost driver. \$2.4 million is realigned to payroll to properly account for personnel costs. The remaining \$0.6 million is reduced as part of TSA’s proposed reduction to support services contracts.

FY 2018 Non Pay Cost Driver – Intelligence

TSA intelligence products are regularly used by TSA senior leadership, FSDs, the FAMS, and the transportation industry. The FY 2018 request includes a proposed reduction of \$1.0 million in this cost driver, largely due to reductions in the IVIEW & MRK Center programs. This reduction will not have an impact on the frontline security operations of TSA.

Surface Programs – PPA Level II

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Surface Programs	813	761	\$110,798	813	761	\$110,702	520	477	\$86,316	(293)	(284)	(\$24,386)
Total	813	761	\$110,798	813	761	\$110,702	520	477	\$86,316	(293)	(284)	(\$24,386)
Subtotal Discretionary - Appropriation	813	761	\$110,798	813	761	\$110,702	520	477	\$86,316	(293)	(284)	(\$24,386)

The FY 2018 request includes a reduction of \$24.4 million from the FY 2017 Annualized CR, which includes a reduction to the VIPR program; The proposed modified hiring freeze; service contract savings; and travel, supplies, and headquarter efficiencies. These changes reflect TSA’s focus on maintaining frontline security operations.

Surface Programs – PPA Level II Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	813	761	\$110,798
FY 2016 Revised Enacted	813	761	\$110,798
FY 2017 Annualized CR	813	761	\$110,702
FY 2018 Base Budget	813	761	\$110,702
Technical Adjustment	-	5	-
Realignment from Mission Support to Surface Programs	3	3	\$382
Realignment from Surface Programs to Airport Management	(3)	(3)	(\$606)
Realignment from Surface Programs to Aviation Regulation	(3)	(3)	-
Realignment from Surface Programs to Screener Training and Other	(2)	(2)	(\$256)
Transfer from PC&I - Checked Baggage to O&S - Surface Programs	-	-	\$8,000
Total Transfers	(5)	(5)	\$7,520
2017 Pay Increase	-	-	\$1,525
2018 Pay Increase	-	-	\$1,396
Annualization of FY16 Pay Increase	-	-	\$359
Annualization of FY17 Pay Increase	-	-	\$514
Other Adjustments-to-Base	-	-	\$10,775
Total, Pricing Increases	-	-	\$14,569
Total Adjustments-to-Base	(5)	-	\$22,089
FY 2018 Current Services	808	761	\$132,791
Hiring Freeze and Payroll Efficiencies	-	(7)	(\$2,265)
Reduce VIPR Teams	(288)	(277)	(\$43,000)
Service Contract Savings	-	-	(\$505)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$705)
Total, Program Decreases	(288)	(284)	(\$46,475)
FY 2018 Request	520	477	\$86,316
FY 2017 TO FY 2018 Change	(293)	(284)	(\$24,386)

PPA Level II Description

The Surface Programs PPA supports funding to protect the surface transportation system and ensure the freedom of movement and the security of people and commerce. This mission is accomplished through a consortium of Federal, State, local, and private entities coordinated by TSA to optimize resources in with an RBS approach. In addition to sector and modal planning and coordination, TSA provides operational deterrence support through surface security inspectors and VIPR teams.

TSA provides other protective resources, including: training, screening and detection programs, voluntary guidelines and best practices, regulations, security and process standards, vulnerability and risk assessment teams, and subject matter expertise to the Federal Emergency Management Agency for surface transportation security grant programs. TSA's surface transportation responsibilities include coordination of government and industry activities to identify and address unacceptable risk associated with all security hazards affecting the Postal and Shipping Sector.

Adjustments to Base Justification

- Increase of 5 FTE for a technical correction
- Increase of \$8.0 million for a transfer from PC&I – Checked Baggage to align with the CAS
- Increase of \$0.4 million and 3 FTP/3 FTE for a realignment from the Mission Support PPA to consolidate the Insider Threat program
- Decrease of \$0.3 million and 2 FTP/2 FTE for a realignment to the Screener Training and other PPA to consolidate positions and funding
- Decrease of \$0.6 million and 3 FTP/3 FTE for a realignment to the Airport Management PPA to consolidate positions and funding
- Decrease of 3 FTP/3 FTE for a realignment to the Aviation Regulation PPA as a technical correction to restore Compliance positions to the Aviation Regulation PPA from a VIPR transfer in FY 2015
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$10.8 million for other adjustments to base (restoration of funding reduced in the FY 2016 Enacted budget)
 - Increase of \$0.4 million to annualize the FY 2016 pay increase
 - Increase of \$1.5 million for the FY 2017 pay raise
 - Increase of \$0.5 million to annualize the FY 2017 pay increase
 - Increase of \$1.4 million for the FY 2018 pay raise

**Surface Programs – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Surface Programs	813	761	\$96,803	\$127.2	813	761	\$96,803	\$127.2	520	477	\$60,523	\$126.88	(293)	(284)	(\$36,280)	(\$0.32)
Total	813	761	\$96,803	\$127.2	813	761	\$96,803	\$127.2	520	477	\$60,523	\$126.88	(293)	(284)	(\$36,280)	(\$0.32)
Discretionary - Appropriation	813	761	\$96,803	\$127.2	813	761	\$96,803	\$127.2	520	477	\$60,523	\$126.88	(293)	(284)	(\$36,280)	(\$0.32)

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The FY 2018 request includes a decrease of 284 FTE. This change is largely due to the proposed reduction to the VIPR program.

PCB Change FY 2017-2018: The FY 2018 request includes a reduction of \$36.3 million in payroll funding. This change is largely due to the proposed reduction to the VIPR program.

Average Cost Change FY 2017-2018: The average cost per FTE reduces by \$0.32 in the FY 2018 request. This change is due to the proposed VIPR program reduction.

Surface Programs – PPA Level II
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$75,377	\$75,377	\$47,128	(\$28,249)
11.3 Other than Full-Time Permanent	\$79	\$79	\$49	(\$30)
11.5 Other Personnel Compensation	\$604	\$604	\$377	(\$227)
12.1 Civilian Personnel Benefits	\$20,743	\$20,743	\$12,969	(\$7,774)
Total - Personnel Compensation and Benefits	\$96,803	\$96,803	\$60,523	(\$36,280)
Positions and FTE				
Positions - Civilian	813	813	520	(293)
FTE - Civilian	761	761	477	(284)

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
VIPR Teams	370	49,515	133.8	370	51,971	140.5	93	13,577	146.0	(277)	(38,394)	5.5
Domestic Inspectors	269	29,045	108.0	269	29,045	108.0	269	30,552	113.6	0	1,507	5.6
Cross Modal Surface Activities	117	17,696	151.2	117	15,240	130.3	115	16,031	139.4	(2)	791	9.1
Other Costs	5	547	109.4	5	547	109.4	0	0	0	(5)	(547)	
Total – Pay Cost Drivers	761	96,803	127.2	761	96,803	127.2	477	60,523	126.9	(284)	(36,280)	(0.3)

**Surface Programs – PPA Level II
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Surface Programs	\$13,995	\$13,899	\$25,793	\$11,894
Total	\$13,995	\$13,899	\$25,793	\$11,894
Discretionary - Appropriation	\$13,995	\$13,899	\$25,793	\$11,894

The FY 2018 request includes an increase of \$11.9 million in the Surface Programs PPA. This increase is largely due to the restoration of base funding cut in FY 2016, and the transfer of funding from PC&I.

**Surface Programs – PPA Level II
Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$1,256	\$1,247	\$1,071	(\$176)
23.1 Rental Payments to GSA	\$287	\$285	\$380	\$95
23.2 Rental Payments to Others	\$825	\$819	\$1,093	\$274
23.3 Communications, Utilities, and Misc. Charges	\$146	\$145	\$193	\$48
24.0 Printing and Reproduction	\$21	\$21	\$28	\$7
25.1 Advisory and Assistance Services	-	-	\$7,584	\$7,584
25.2 Other Services from Non-Federal Sources	\$10,917	\$10,843	\$14,885	\$4,042
25.3 Other Goods and Services from Federal Sources	\$111	\$110	\$147	\$37
26.0 Supplies and Materials	\$397	\$394	\$365	(\$29)
31.0 Equipment	\$35	\$35	\$47	\$12
Total - Non Pay Object Classes	\$13,995	\$13,899	\$25,793	\$11,894

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
VIPR Teams	\$340	\$6,129	\$1,523	(\$4,606)
Domestic Inspectors	\$3,430	\$2,269	\$6,661	\$4,392
Cross Modal Surface Activities	\$8,331	\$5,491	\$7,307	\$1,816
Intermodal Testing	\$0	\$0	\$8,000	\$8,000
Other Costs	\$1,894	\$0	\$2,302	\$2,302
Total – Non Pay Cost Drivers	\$13,995	\$13,899	\$25,793	\$11,894

NARRATIVE EXPLANATION OF CHANGES**FY 2018 Non Pay Cost Driver – VIPR Teams**

VIPR general expenses include travel, supplies, and vehicle costs. The proposed reduction to the VIPR Teams includes a \$4.6 million reduction to general expenses. With a reduction of 277 FTE, these costs will no longer be needed for the remaining 93 FTE.

FY 2018 Non Pay Cost Driver – Domestic Inspectors

TSA's surface inspections are conducted through a risk-based approach and provide coverage of key passenger rail and mass transit rail. The location and number of inspections is determined by transit ridership, proximity to Toxic Inhalation Hazard shipment locations, critical infrastructure ratings, and High Threat Urban Area ranking. The FY 2018 request includes a restoration of funding reduced in the FY 2016 appropriation. TSA continues to ensure inspections are operated safely and appropriately in the surface transportation environment.

FY 2018 Non Pay Cost Driver – Cross Modal Surface Activities

TSA, in accordance with the Aviation and Transportation Security Act (P.L. 107-71), is responsible for assessing security threats, vulnerabilities, and consequences in all surface transportation modes. TSA is charged with identifying needed security enhancements for surface transportation and related infrastructure, as well as developing security plans, and issuing and enforcing regulations to improve modal security. The FY 2018 request includes a \$2.4 million restoration of funding reduced in the FY 2016 appropriation for surface policy initiatives, and \$0.5 million reduction to travel and supplies in an effort to provide more efficient support to the frontline security operations.

FY 2018 Non Pay Cost Driver – Intermodal Testing

This cost driver provides funding to test system prototypes of screening equipment for surface/intermodal applications in an operational environment, in order to inform industry of recommended procurement. In FY 2017, this funding was located in the PC&I appropriation. It is transferred into O&S in the FY 2018 budget to align with the CAS. While there are some fixed costs in this program, the main driver of change is the type and number of testings and demonstrations.

FY 2018 Non Pay Cost Driver – Other Costs

This funds the other support costs associated with supporting the various Surface Programs. Other Costs in FY 2017 were \$0 because funding was reallocated to the VIPR program to restore base funding.

Vetting Programs – PPA Level II
Budget Comparison and Adjustments
Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Vetting Operations	133	122	\$74,939	133	122	\$74,542	133	122	\$60,215	-	-	(\$14,327)
TWIC Fee	43	42	\$67,788	43	42	\$82,267	46	45	\$64,449	3	3	(\$17,818)
Hazardous Materials Endorsement Fee	35	34	\$18,907	35	34	\$21,083	38	37	\$20,200	3	3	(\$883)
General Aviation at DCA Fee	5	5	\$501	5	5	\$400	5	5	\$560	-	-	\$160
Commercial Aviation and Airports Fee	-	-	\$11,689	-	-	\$6,500	-	-	\$8,000	-	-	\$1,500
Other Security Threat Assessments Fee	-	-	-	-	-	\$50	-	-	\$50	-	-	-
Air Cargo/Certified Cargo Screening Program Fee	11	11	\$4,711	11	11	\$3,500	11	11	\$5,200	-	-	\$1,700
TSA Precheck Fee	82	54	\$186,444	82	54	\$80,153	82	80	\$136,900	-	26	\$56,747
Alien Flight School Fee	24	24	\$4,880	24	24	\$5,200	15	15	\$5,200	(9)	(9)	-
Total	333	292	\$369,859	333	292	\$273,695	330	315	\$300,774	(3)	23	\$27,079
Subtotal Discretionary - Appropriation	133	122	\$74,939	133	122	\$74,542	133	122	\$60,215	-	-	(\$14,327)
Subtotal Discretionary - Fee	176	146	\$290,040	176	146	\$193,953	182	178	\$235,359	6	32	\$41,406
Subtotal Mandatory - Fee	24	24	\$4,880	24	24	\$5,200	15	15	\$5,200	(9)	(9)	-

The FY 2018 request includes an increase of \$27.1 million and 23 FTE to the Vetting Programs PPA, as well as a reduction of 3 FTP. This increase is largely due to fee adjustments based on changes in anticipated collections and technical corrections of FTE in the fee programs. Details are at the Level III PPAs.

Vetting Programs – PPA Level II
Summary of Budget Changes
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	333	292	\$274,092
Delta in Enacted Fee Estimate to Fee Actuals	-	-	\$95,767
FY 2016 Revised Enacted	333	292	\$369,859
FY 2017 Annualized CR	333	292	\$273,695
FY 2018 Base Budget	333	292	\$273,695
Technical Adjustment	(3)	23	-
Transfer from O&S - Vetting Programs to PC&I - Vetting Programs	-	-	(\$2,200)
Total Transfers	-	-	(\$2,200)
2017 Pay Increase	-	-	\$261
2018 Pay Increase	-	-	\$234
Annualization of FY16 Pay Increase	-	-	\$57
Annualization of FY17 Pay Increase	-	-	\$87
Enhanced Criminal Vetting for Aviation Workers	-	-	\$1,500
Fee Adjustment	-	-	\$41,406
Fingerprint Results Database	-	-	\$500
Other Adjustments-to-Base	-	-	\$2,767
RapBack Implementation	-	-	\$1,650
Total, Pricing Increases	-	-	\$48,462
PreCheck Expansion Non-Recur	-	-	(\$11,700)
Program Efficiencies	-	-	(\$5)
Watchlist Services Non-Recur	-	-	(\$1,420)
Total, Pricing Decreases	-	-	(\$13,125)
Total Adjustments-to-Base	(3)	23	\$33,137
FY 2018 Current Services	330	315	\$306,832
Hiring Freeze and Payroll Efficiencies	-	-	(\$128)
Service Contract Savings	-	-	(\$5,908)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$22)

Budget Formulation Activity	Positions	FTE	Amount
Total, Program Decreases	-	-	(\$6,058)
FY 2018 Request	330	315	\$300,774
FY 2017 TO FY 2018 Change	(3)	23	\$27,079

PPA Level II Description

The Vetting Programs PPA funds efforts to keep the Nation’s Transportation Network safe by requiring individuals requesting access to the Network to undergo a name-based Security Threat Assessment (STA) and/or an FBI fingerprint-based Criminal History Records Check (CHRC). This PPA includes several fee funded vetting programs as well as Other Vetting Programs funded through direct appropriations.

Adjustments to Base Justification

See Level III PPAs for discussion.

**Vetting Programs – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Vetting Operations	133	122	\$16,472	\$135.02	133	122	\$16,472	\$135.02	133	122	\$16,983	\$139.2	-	-	\$511	\$4.18
TWIC Fee	43	42	\$5,930	\$141.19	43	42	\$5,930	\$141.19	46	45	\$5,696	\$126.58	3	3	(\$234)	(\$14.61)
Hazardous Materials Endorsement Fee	35	34	\$4,381	\$128.85	35	34	\$4,381	\$128.85	38	37	\$4,147	\$112.08	3	3	(\$234)	(\$16.77)
General Aviation at DCA Fee	5	5	\$236	\$47.2	5	5	\$236	\$47.2	5	5	\$236	\$47.2	-	-	-	-
Air Cargo/Certified Cargo Screening Program Fee	11	11	\$1,031	\$93.73	11	11	\$1,031	\$93.73	11	11	\$1,031	\$93.73	-	-	-	-
TSA Precheck Fee	82	54	\$7,472	\$138.37	82	54	\$7,472	\$138.37	82	80	\$11,069	\$138.36	-	26	\$3,597	(\$0.01)
Alien Flight School Fee	24	24	\$2,483	\$103.46	24	24	\$2,483	\$103.46	15	15	\$1,551	\$103.4	(9)	(9)	(\$932)	(\$0.06)
Total	333	292	\$38,005	\$130.15	333	292	\$38,005	\$130.15	330	315	\$40,713	\$129.25	(3)	23	\$2,708	(\$0.9)
Discretionary - Appropriation	133	122	\$16,472	\$135.02	133	122	\$16,472	\$135.02	133	122	\$16,983	\$139.2	-	-	\$511	\$4.18
Discretionary - Fee	176	146	\$19,050	\$130.48	176	146	\$19,050	\$130.48	182	178	\$22,179	\$124.6	6	32	\$3,129	(\$5.88)
Mandatory - Fee	24	24	\$2,483	\$103.46	24	24	\$2,483	\$103.46	15	15	\$1,551	\$103.4	(9)	(9)	(\$932)	(\$0.06)

Vetting Programs-PPA Level II
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$27,694	\$27,694	\$29,804	\$2,110
11.3 Other than Full-Time Permanent	\$514	\$514	\$371	(\$143)
11.5 Other Personnel Compensation	\$1,204	\$1,204	\$1,264	\$60
12.1 Civilian Personnel Benefits	\$8,593	\$8,593	\$9,274	\$681
Total - Personnel Compensation and Benefits	\$38,005	\$38,005	\$40,713	\$2,708
Positions and FTE				
Positions - Civilian	333	333	330	(3)
FTE - Civilian	292	292	315	23

See Level III PPAs for discussion.

**Vetting Programs – PPA Level II
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Vetting Operations	\$58,467	\$58,070	\$43,232	(\$14,838)
TWIC Fee	\$61,858	\$76,337	\$58,753	(\$17,584)
Hazardous Materials Endorsement Fee	\$14,526	\$16,702	\$16,053	(\$649)
General Aviation at DCA Fee	\$265	\$164	\$324	\$160
Commercial Aviation and Airports Fee	\$11,689	\$6,500	\$8,000	\$1,500
Other Security Threat Assessments Fee	-	\$50	\$50	-
Air Cargo/Certified Cargo Screening Program Fee	\$3,680	\$2,469	\$4,169	\$1,700
TSA Precheck Fee	\$178,972	\$72,681	\$125,831	\$53,150
Alien Flight School Fee	\$2,397	\$2,717	\$3,649	\$932
Total	\$331,854	\$235,690	\$260,061	\$24,371
Discretionary - Appropriation	\$58,467	\$58,070	\$43,232	(\$14,838)
Discretionary - Fee	\$270,990	\$174,903	\$213,180	\$38,277
Mandatory - Fee	\$2,397	\$2,717	\$3,649	\$932

Vetting Programs – PPA Level II
Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$606	\$454	\$625	\$171
22.0 Transportation of Things	\$30	\$30	\$22	(\$8)
23.2 Rental Payments to Others	\$2,256	\$1,961	\$2,118	\$157
23.3 Communications, Utilities, and Misc. Charges	\$2,732	\$1,256	\$1,973	\$717
24.0 Printing and Reproduction	\$3,297	\$1,610	\$2,465	\$855
25.1 Advisory and Assistance Services	\$268,681	\$179,378	\$208,866	\$29,488
25.2 Other Services from Non-Federal Sources	\$18,105	\$13,871	\$12,993	(\$878)
25.3 Other Goods and Services from Federal Sources	\$19,550	\$22,286	\$18,259	(\$4,027)
25.4 Operation and Maintenance of Facilities	\$348	\$253	\$292	\$39
25.7 Operation and Maintenance of Equipment	\$2,407	\$2,077	\$1,944	(\$133)
26.0 Supplies and Materials	\$265	\$226	\$241	\$15
31.0 Equipment	\$13,577	\$12,288	\$10,263	(\$2,025)
Total - Non Pay Object Classes	\$331,854	\$235,690	\$260,061	\$24,371

See Level III PPAs for discussion.

Vetting Operations – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Vetting Operations	133	122	\$74,939	133	122	\$74,542	133	122	\$60,215	-	-	(\$14,327)
Total	133	122	\$74,939	133	122	\$74,542	133	122	\$60,215	-	-	(\$14,327)
Subtotal Discretionary - Appropriation	133	122	\$74,939	133	122	\$74,542	133	122	\$60,215	-	-	(\$14,327)

The FY 2018 request includes a reduction of \$14.3 million from the FY 2017 Annualized CR, which includes payroll efficiencies service contract savings; and travel, supplies, and headquarter efficiencies. These changes reflect TSA’s focus on maintaining frontline security operations.

Vetting Operations – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	133	122	\$74,939
FY 2016 Revised Enacted	133	122	\$74,939
FY 2017 Annualized CR	133	122	\$74,542
FY 2018 Base Budget	133	122	\$74,542
Transfer from O&S - Vetting Programs to PC&I - Vetting Programs	-	-	(\$2,200)
Total Transfers	-	-	(\$2,200)
2017 Pay Increase	-	-	\$261
2018 Pay Increase	-	-	\$234
Annualization of FY16 Pay Increase	-	-	\$57
Annualization of FY17 Pay Increase	-	-	\$87
Enhanced Criminal Vetting for Aviation Workers	-	-	\$1,500
Fingerprint Results Database	-	-	\$500
Other Adjustments-to-Base	-	-	\$2,767
RapBack Implementation	-	-	\$1,650
Total, Pricing Increases	-	-	\$7,056
PreCheck Expansion Non-Recur	-	-	(\$11,700)
Program Efficiencies	-	-	(\$5)
Watchlist Services Non-Recur	-	-	(\$1,420)
Total, Pricing Decreases	-	-	(\$13,125)
Total Adjustments-to-Base	-	-	(\$8,269)
FY 2018 Current Services	133	122	\$66,273
Hiring Freeze and Payroll Efficiencies	-	-	(\$128)
Service Contract Savings	-	-	(\$5,908)
Travel, Supplies, and Headquarter Efficiencies	-	-	(\$22)
Total, Program Decreases	-	-	(\$6,058)
FY 2018 Request	133	122	\$60,215
FY 2017 TO FY 2018 Change	-	-	(\$14,327)

PPA Level III Description

The numerous small vetting programs included in the Vetting Operations Level III PPA are in an operational and maintenance mode and will continue to vet the various populations each fiscal year using a name-based STA. Some of these populations also require FBI fingerprint-based CHRCs, which are funded with fee revenue.

These programs consist of the following populations:

- The Aviation Workers Program (including Security Identification Display Area workers and other badge holders), covers individuals requiring credentials at U.S. federalized domestic airports (450,000 workers require a name-based STA, and if applicable a fingerprint-based FBI CHRC annually);
- The Crew Vetting program covers flight crewmembers on passenger and cargo flights into, out of, or over the continental United States (14.2 million crewmembers require a name-based STA annually);

Adjustments to Base Justification

- Decrease of \$2.2 million for a transfer to the PC&I – Vetting Programs to support the development of the Technology Infrastructure Modernization (TIM) program
- Pricing Increases and Decreases described above in the Justification of Pricing Changes:
 - Increase of \$0.22 million for the FY 2018 pay increase
 - Increase of \$0.1 million for the annualizaion of the FY 2017 pay increase
 - Increase of \$0.3 million for the FY 2017 pay increase
 - Increase of \$0.1 million for the annualization of the FY 2016 pay increase
 - Increase of \$1.5 million for enhanced criminal vetting for aviation workers
 - Increase of \$0.5 million for the Fingerprint Results Database
 - Increase of \$2.8 million for other adjustments to base (supporting growth in vetted populations)
 - Increase of \$1.65 million to support implementation of the FBI Rap Back service
 - A decrease of \$11.7 million for the non-recur of the TSA Pre✓ expansion efforts
 - A decrease of \$1.4 million for the non-recur of Watchlist Services

**Vetting Operations – PPA Level III
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Vetting Operations	133	122	\$16,472	\$135.02	133	122	\$16,472	\$135.02	133	122	\$16,983	\$139.2	-	-	\$511	\$4.18
Total	133	122	\$16,472	\$135.02	133	122	\$16,472	\$135.02	133	122	\$16,983	\$139.2	-	-	\$511	\$4.18
Discretionary - Appropriation	133	122	\$16,472	\$135.02	133	122	\$16,472	\$135.02	133	122	\$16,983	\$139.2	-	-	\$511	\$4.18

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: No changes

PCB Change FY 2017-2018: The FY 2018 request includes an increase of \$0.5 million in payroll funding. This increase is due to pay inflation.

Average Cost Change FY 2017-2018: The average cost per FTE increases by \$4.18 in FY 2018. This increase is due to pay inflation

Vetting Operations – PPA Level III
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$12,148	\$12,148	\$12,525	\$377
11.3 Other than Full-Time Permanent	\$120	\$120	\$124	\$4
11.5 Other Personnel Compensation	\$588	\$588	\$606	\$18
12.1 Civilian Personnel Benefits	\$3,616	\$3,616	\$3,728	\$112
Total - Personnel Compensation and Benefits	\$16,472	\$16,472	\$16,983	\$511
Positions and FTE				
Positions - Civilian	133	133	133	-
FTE - Civilian	122	122	122	-

The FY 2018 request includes an increase of \$511 thousand. This increase is due to pay inflation.

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	122	12,148	99.6	122	12,148	99.6	122	12,525	102.7	0	377	3.1
Other Costs	0	4,324	0	0	4,324	0	0	4,458	0	0	134	0
Total – Pay Cost Drivers	122	16,472	135.0	122	16,472	135.0	122	16,983	139.2	0	511	4.2

**Vetting Operations – PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Vetting Operations	\$58,467	\$58,070	\$43,232	(\$14,838)
Total	\$58,467	\$58,070	\$43,232	(\$14,838)
Discretionary - Appropriation	\$58,467	\$58,070	\$43,232	(\$14,838)

The FY 2018 request reflects a reduction of \$14.8 million in non-pay funding. This includes a transfer of \$2.2 million to PC&I for TIM development..

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$189	\$188	\$178	(\$10)
22.0 Transportation of Things	\$30	\$30	\$22	(\$8)
23.2 Rental Payments to Others	\$1,000	\$993	\$993	-
23.3 Communications, Utilities, and Misc. Charges	\$100	\$99	\$74	(\$25)
25.1 Advisory and Assistance Services	\$37,364	\$37,110	\$27,323	(\$9,787)
25.2 Other Services from Non-Federal Sources	\$8,096	\$8,041	\$5,986	(\$2,055)
25.4 Operation and Maintenance of Facilities	\$100	\$99	\$74	(\$25)
25.7 Operation and Maintenance of Equipment	\$1,200	\$1,192	\$887	(\$305)
26.0 Supplies and Materials	\$100	\$99	\$87	(\$12)
31.0 Equipment	\$10,288	\$10,219	\$7,608	(\$2,611)
Total - Non Pay Object Classes	\$58,467	\$58,070	\$43,232	(\$14,838)

The FY 2018 request includes a decrease of \$14.8 million. This change is primarily driven by the non-recur of the one-year Watchlist Services funding and the reduction in service contracts.

Vetting Operations – PPA Level III
Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Advisory and Assistance Services	\$37,364	\$37,110	\$27,323	(\$9,787)
Equipment Purchase and Maintenance	\$11,488	\$11,411	\$8,495	(\$2,916)
Other Services from Non-Federal sources	\$8,096	\$8,041	\$5,986	(\$2,055)
Other Costs	\$1,519	\$1,508	\$1,428	(\$80)
Total – Non Pay Cost Drivers	\$58,467	\$58,070	\$43,232	(\$14,838)

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Advisory and Assistance Services

This partially funds the various service contracts that maintain the various vetting systems and provide management support for development of systems. The changes from FY 2017 levels are due to a transfer to the PC&I appropriation for TIM development, increases for enhanced vetting, decreases for non-recurring program increases from previous years, and decreases due to service contract savings.

FY 2018 Non Pay Cost Driver – Equipment Purchase and Maintenance

This partially funds the purchase and maintenance of vetting equipment. The changes from FY 2017 levels are due to service contract savings.

FY 2018 Non Pay Cost Driver – Other Services from Non-Federal sources

This partially funds other contracts that maintain the various vetting systems and provide management support for development of systems. The changes from FY 2017 levels are due a net decrease for service contract savings.

FY 2018 Non Pay Cost Driver – Other Costs

This funds other costs associated with vetting individuals. The decrease from FY 2017 levels is due to travel and supply efficiencies as well as service contract savings.

TWIC Fee – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
TWIC Fee	43	42	\$67,788	43	42	\$82,267	46	45	\$64,449	3	3	(\$17,818)
Total	43	42	\$67,788	43	42	\$82,267	46	45	\$64,449	3	3	(\$17,818)
Subtotal Discretionary - Fee	43	42	\$67,788	43	42	\$82,267	46	45	\$64,449	3	3	(\$17,818)

The FY 2018 request projects a net decrease of \$17.8 million in fee collections. The request also includes an increase of 3 FTP/3 FTE. Of this amount, \$3.9 million will be used for operations and maintenance of TIM.

TWIC Fee – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	43	42	\$82,267
Delta in Enacted Fee Estimate to Fee Actuals	-	-	(\$14,479)
FY 2016 Revised Enacted	43	42	\$67,788
FY 2017 Annualized CR	43	42	\$82,267
FY 2018 Base Budget	43	42	\$82,267
Technical Adjustment	3	3	-
Fee Adjustment	-	-	(\$17,818)
Total, Pricing Decreases	-	-	(\$17,818)
Total Adjustments-to-Base	3	3	(\$17,818)
FY 2018 Current Services	46	45	\$64,449
FY 2018 Request	46	45	\$64,449
FY 2017 TO FY 2018 Change	3	3	(\$17,818)

PPA Level III Description

In FY 2018, TSA estimates it will collect \$64.4 million in fees for the TWIC program, which represents a \$17.8 million decrease below the FY 2017 Annualized CR level.

The TWIC fee program provides a tamper-resistant biometric credential to maritime workers requiring unescorted access to secure areas of port facilities and vessels that are regulated under the Maritime Transportation Security Act. The program provides a common, consistent biometric credential at over 2,800 facilities and on over 10,000 vessels. Prior to issuing a TWIC, the program ensures the identity of each TWIC holder has been verified, a satisfactory security background check has been completed on that identity, and each credential issued is positively linked to the rightful holder through the use of biometric technology (using standards published by the National Institute of Standards Technology).

Workers needing a TWIC can enroll during a single visit in any one of the 392 enrollment centers located throughout the nation. Also through the use of Trusted Agents and mobile units, some vendors/companies can enroll their own workers.

Adjustments to Base Justification

- Decrease of \$17.8 million in reduced estimated fee collections
- Increase of 3 FTP/3 FTE due to technical correction

**TWIC Fee – PPA Level III
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
TWIC Fee	43	42	\$5,930	\$141.19	43	42	\$5,930	\$141.19	46	45	\$5,696	\$126.58	3	3	(\$234)	(\$14.61)
Total	43	42	\$5,930	\$141.19	43	42	\$5,930	\$141.19	46	45	\$5,696	\$126.58	3	3	(\$234)	(\$14.61)
Discretionary - Fee	43	42	\$5,930	\$141.19	43	42	\$5,930	\$141.19	46	45	\$5,696	\$126.58	3	3	(\$234)	(\$14.61)

NARRATIVE EXPLANATION OF CHANGES

The FY 2018 request includes an increase of 3 positions and FTE due to a technical correction.

FTE Change FY 2017-2018: Increase of 3 FTEs due to a technical correction.

PCB Change FY 2017-2018: Decrease of \$0.2 million due to a realignment of payroll funding to general expenses to properly cost FTE.

Average Cost Change FY 2017-2018: Decrease of \$14.61 due to a realignment of payroll funding to general expenses to properly cost FTE.

TWIC Fee – PPA Level III
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$4,406	\$4,406	\$4,232	(\$174)
11.5 Other Personnel Compensation	\$205	\$205	\$197	(\$8)
12.1 Civilian Personnel Benefits	\$1,319	\$1,319	\$1,267	(\$52)
Total - Personnel Compensation and Benefits	\$5,930	\$5,930	\$5,696	(\$234)
Positions and FTE				
Positions - Civilian	43	43	46	3
FTE - Civilian	42	42	45	3

The FY 2018 request includes an increase of 3 FTE and a decrease of \$0.2 million due to technical adjustments.

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	42	4,406	104.9	42	4,406	104.9	45	4,232	94.0	3	(174)	(10.9)
Other Costs	0	1,524	0	0	1,524	0	0	1,464	0	0	(60)	0
Total Pay Cost Drivers	42	5,930	144.2	42	5,930	144.2	45	5,696	126.6	3	(234)	(17.6)

**TWIC Fee– PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
TWIC Fee	\$61,858	\$76,337	\$58,753	(\$17,584)
Total	\$61,858	\$76,337	\$58,753	(\$17,584)
Discretionary - Fee	\$61,858	\$76,337	\$58,753	(\$17,584)

The FY 2018 request includes a decrease of \$17.6 million due to decrease in the number TWIC enrollees.

**TWIC Fee – PPA Level III
Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$31	\$38	\$35	(\$3)
23.2 Rental Payments to Others	\$310	\$383	\$295	(\$88)
25.1 Advisory and Assistance Services	\$43,748	\$53,988	\$41,545	(\$12,443)
25.2 Other Services from Non-Federal Sources	\$316	\$390	\$300	(\$90)
25.3 Other Goods and Services from Federal Sources	\$16,620	\$20,510	\$15,786	(\$4,724)
25.4 Operation and Maintenance of Facilities	\$1	\$1	\$1	-
25.7 Operation and Maintenance of Equipment	\$230	\$284	\$219	(\$65)
26.0 Supplies and Materials	\$41	\$51	\$39	(\$12)
31.0 Equipment	\$561	\$692	\$533	(\$159)
Total - Non Pay Object Classes	\$61,858	\$76,337	\$58,753	(\$17,584)

TSA anticipates decreased fee collections in FY 2018. This decrease is a result of the five-year renewal cycle for the majority of TWIC credential holders.

TWIC Fee – PPA Level III
Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Advisory and Assistance Services	\$43,748	\$53,988	\$41,545	(\$12,443)
Other Goods and Services from Federal Sources	\$46,620	\$20,510	\$15,786	(\$4,724)
Other Costs	\$1,490	\$1,839	\$1,422	(\$417)
Total – Non Pay Cost Drivers	\$61,858	\$76,337	\$58,753	(\$17,584)

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Advisory and Assistance Services

This pays for the TWIC share of the operations and maintenance of the TIM system and the program management of the TWIC program. Decrease in FY 2018 are due to an anticipated decrease in vetting associated with a decrease in TWIC applications.

FY 2018 Non Pay Cost Driver – Other Goods and Services from Federal Sources

This primarily pays for costs associated with the FBI performing a Criminal History Records Check. Decreases in FY 2018 are due to an anticipated decrease in vetting associated with a decrease in TWIC applications.

FY 2018 Non Pay Cost Driver – Other Costs

These are the other costs associated with vetting the TWIC population. Decreases in FY 2018 are due to an anticipated decreased vetting associated with a decrease in TWIC applications.

Hazardous Materials Endorsement Fee – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Hazardous Materials Endorsement Fee	35	34	\$18,907	35	34	\$21,083	38	37	\$20,200	3	3	(\$883)
Total	35	34	\$18,907	35	34	\$21,083	38	37	\$20,200	3	3	(\$883)
Subtotal Discretionary - Fee	35	34	\$18,907	35	34	\$21,083	38	37	\$20,200	3	3	(\$883)

The FY 2018 request projects a decrease of \$0.9 million in fee collections. The request also includes an increase of 3 FTP/3 FTE.

Hazardous Materials Endorsement Fee – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	35	34	\$21,083
Delta in Enacted Fee Estimate to Fee Actuals	-	-	(\$2,176)
FY 2016 Revised Enacted	35	34	\$18,907
FY 2017 Annualized CR	35	34	\$21,083
FY 2018 Base Budget	35	34	\$21,083
Technical Adjustment	3	3	-
Fee Adjustment	-	-	(\$883)
Total, Pricing Decreases	-	-	(\$883)
Total Adjustments-to-Base	3	3	(\$883)
FY 2018 Current Services	38	37	\$20,200
FY 2018 Request	38	37	\$20,200
FY 2017 TO FY 2018 Change	3	3	(\$883)

PPA Level III Description

In FY 2018, TSA estimates it will collect \$20.2 million in fees for the Hazardous Materials Endorsement Threat Assessment Program (HTAP) to vet and adjudicate workers seeking a HTAP credential. The HTAP was established to protect against threats to transportation posed by terrorists, dangerous criminals, and illegal aliens that may attempt to transport hazardous materials in commerce. As of April 2017, nine States collect the required biographic information and biometric data through their individually established and maintained programs. The remaining 41 states and the District of Columbia have elected to utilize the TSA-contracted agent. Additionally, drivers registered in a state serviced by the TSA Agent may be fingerprinted in any other state serviced by the TSA Agent.

Adjustments to Base Justification

- Decrease of \$0.9 million in reduced estimated fee collections
- Increase of 3 FTP/3 FTE due to a technical adjustment

**Hazardous Materials Endorsement Fee – PPA Level III
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Hazardous Materials Endorsement Fee	35	34	\$4,381	\$128.85	35	34	\$4,381	\$128.85	38	37	\$4,147	\$112.08	3	3	(\$234)	(\$16.77)
Total	35	34	\$4,381	\$128.85	35	34	\$4,381	\$128.85	38	37	\$4,147	\$112.08	3	3	(\$234)	(\$16.77)
Discretionary - Fee	35	34	\$4,381	\$128.85	35	34	\$4,381	\$128.85	38	37	\$4,147	\$112.08	3	3	(\$234)	(\$16.77)

NARRATIVE EXPLANATION OF CHANGES

The FY 2018 request includes an increase of three positions and three FTE due to a technical correction.

FTE Change FY 2017-2018: Increase of 3 FTEs due to a technical correction.

PCB Change FY 2017-2018: Decrease of \$0.2 million due to a realignment of payroll funding to general expenses to properly cost FTE.

Average Cost Change FY 2017-2018: Decrease of \$16.77 due to technical correction of FTEs and a realignment of payroll funding to general expenses to properly cost FTE.

Hazardous Materials Endorsement Fee – PPA Level III

Pay by Object Class

Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$3,302	\$3,302	\$3,125	(\$177)
11.5 Other Personnel Compensation	\$83	\$83	\$79	(\$4)
12.1 Civilian Personnel Benefits	\$996	\$996	\$943	(\$53)
Total - Personnel Compensation and Benefits	\$4,381	\$4,381	\$4,147	(\$234)
Positions and FTE				
Positions - Civilian	35	35	38	3
FTE - Civilian	34	34	37	3

The FY 2018 request includes an increase of three FTE and a decrease of \$0.2 million due to technical adjustment.

Pay Cost Drivers

Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	34	3,302	97.1	34	3,302	97.1	37	3,125	84.5	3	(177)	(12.6)
Other Costs	0	1,079	0	0	1,079	0	0	1,022	0	0	(57)	0
Total – Pay Cost Drivers	34	4,381	128.9	34	4,381	128.9	37	4,147	112.1	3	(234)	(16.8)

**Hazardous Materials Endorsement Fee – PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Hazardous Materials Endorsement Fee	\$14,526	\$16,702	\$16,053	(\$649)
Total	\$14,526	\$16,702	\$16,053	(\$649)
Discretionary - Fee	\$14,526	\$16,702	\$16,053	(\$649)

The FY 2018 request reflects a \$0.6 million decrease due to vetting a smaller number of applicants.

Hazardous Materials Endorsement Fee – PPA Level III Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$11	\$13	\$12	(\$1)
23.2 Rental Payments to Others	\$183	\$210	\$202	(\$8)
23.3 Communications, Utilities, and Misc. Charges	\$118	\$136	\$131	(\$5)
24.0 Printing and Reproduction	\$364	\$419	\$403	(\$16)
25.1 Advisory and Assistance Services	\$12,635	\$14,528	\$13,963	(\$565)
25.2 Other Services from Non-Federal Sources	\$144	\$165	\$159	(\$6)
25.3 Other Goods and Services from Federal Sources	\$643	\$739	\$710	(\$29)
25.4 Operation and Maintenance of Facilities	\$48	\$55	\$53	(\$2)
25.7 Operation and Maintenance of Equipment	\$204	\$235	\$226	(\$9)
26.0 Supplies and Materials	\$23	\$26	\$25	(\$1)
31.0 Equipment	\$153	\$176	\$169	(\$7)
Total - Non Pay Object Classes	\$14,526	\$16,702	\$16,053	(\$649)

The FY 2018 request includes \$16.1 million for non-pay funding from fee collections. The change reflects a reallocation of \$0.6 million decrease due to vetting a smaller number of applicants.

Hazardous Materials Endorsement Fee – PPA Level III
Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Advisory and Assistance Services	\$12,635	\$14,528	\$13,963	(\$565)
Other Goods and Services from Federal Sources	\$643	\$739	\$710	(\$29)
Other Costs	\$1,248	\$1,435	\$1,380	(\$55)
Total – Non Pay Cost Drivers	\$14,526	\$16,702	\$16,053	(\$649)

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Advisory and Assistance Services

This pays for the Operations and Maintenance of the HTAP systems as well as the program management of the HTAP. Decreases in FY 2018 reflect a reduction based on vetting an anticipated smaller number of applicants.

FY 2018 Non Pay Cost Driver – Other Goods and Services from Federal Sources

This primarily pays for costs associated with the FBI performing a Criminal History Records Check. Decreases in FY 2018 reflect vetting an anticipated smaller number of applicants.

FY 2018 Non Pay Cost Driver – Other Costs

These are the other costs associated with vetting the HTAP population. Decreases in FY 2018 reflect vetting an anticipated smaller number of applicants.

General Aviation at DCA Fee – PPA Level III
Budget Comparison and Adjustments
Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
General Aviation at DCA Fee	5	5	\$501	5	5	\$400	5	5	\$560	-	-	\$160
Total	5	5	\$501	5	5	\$400	5	5	\$560	-	-	\$160
Subtotal Discretionary - Fee	5	5	\$501	5	5	\$400	5	5	\$560	-	-	\$160

The FY 2018 request projects an increase of \$0.2 million in fee collections.

**General Aviation at DCA Fee – PPA Level III
Summary of Budget Changes**

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	5	5	\$400
Delta in Enacted Fee Estimate to Fee Actuals	-	-	\$101
FY 2016 Revised Enacted	5	5	\$501
FY 2017 Annualized CR	5	5	\$400
FY 2018 Base Budget	5	5	\$400
Fee Adjustment	-	-	\$160
Total, Pricing Increases	-	-	\$160
Total Adjustments-to-Base	-	-	\$160
FY 2018 Current Services	5	5	\$560
FY 2018 Request	5	5	\$560
FY 2017 TO FY 2018 Change	-	-	\$160

PPA Level III Description

This fee supports name-based Security Threat Assessments used to screen flight crewmembers and passengers on noncommercial aircraft (non-cargo) flying between Ronald Reagan Washington National Airport (DCA) and 28 domestic gateway airports.

Adjustments to Base Justification

- Increase of \$0.2 million in increased estimated fee collections.

**General Aviation at DCA Fee – PPA Level III
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
General Aviation at DCA Fee	5	5	\$236	\$47.2	5	5	\$236	\$47.2	5	5	\$236	\$47.2	-	-	-	-
Total	5	5	\$236	\$47.2	5	5	\$236	\$47.2	5	5	\$236	\$47.2	-	-	-	-
Discretionary - Fee	5	5	\$236	\$47.2	5	5	\$236	\$47.2	5	5	\$236	\$47.2	-	-	-	-

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: No change

PCB Change FY 2017-2018: No change

Average Cost Change FY 2017-2018: No change

General Aviation at DCA Fee – PPA Level III

Pay by Object Class

Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$150	\$150	\$150	-
11.3 Other than Full-Time Permanent	\$3	\$3	\$3	-
11.5 Other Personnel Compensation	\$28	\$28	\$28	-
12.1 Civilian Personnel Benefits	\$55	\$55	\$55	-
Total - Personnel Compensation and Benefits	\$236	\$236	\$236	-
Positions and FTE				
Positions - Civilian	5	5	5	-
FTE - Civilian	5	5	5	-

Pay Cost Drivers

Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	5	236	47.2	5	236	47.2	5	236	47.2	-	-	-
Total – Pay Cost Drivers	5	236	47.2	5	236	47.2	5	236	47.2	0	0	0

Individual employees from DCA do not charge directly to this fee account. Approximately five FTE throughout perform screening duties for this program. TSA makes journal vouchers of employee pay for \$236 thousand dollars as a representational charge for the work being performed.

**General Aviation at DCA Fee – PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
General Aviation at DCA Fee	\$265	\$164	\$324	\$160
Total	\$265	\$164	\$324	\$160
Discretionary - Fee	\$265	\$164	\$324	\$160

The FY 2018 request includes \$0.3 million for non-pay. This is an increase of \$0.2 million over the FY 2017 Annualized CR.

**General Aviation at DCA Fee – PPA Level III
Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$223	\$138	\$273	\$135
25.3 Other Goods and Services from Federal Sources	\$10	\$6	\$12	\$6
26.0 Supplies and Materials	\$32	\$20	\$39	\$19
Total - Non Pay Object Classes	\$265	\$164	\$324	\$160

TSA is projecting an increase of \$0.2 million in collections above FY 2017 levels.

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Travel and Transportation of Persons	\$223	\$138	\$273	\$135
Other Goods and Services from Federal Sources	\$10	\$6	\$12	\$6
Supplies and Materials	\$32	\$20	\$39	\$19
Total – Non Pay Cost Drivers	\$265	\$164	\$324	\$160

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Travel and Transportation of Persons

Covers administrative travel to administer the program. The FY 2018 request includes an increase of \$0.1 million for this activity.

FY 2018 Non Pay Cost Driver – Other Goods and Services from Federal Sources

Covers costs of vetting crewmembers and passengers on non-commercial aircraft through other federal agencies. The FY 2018 request includes a slight increase from FY 2017 levels.

FY 2018 Non Pay Cost Driver – Supplies and Materials

Covers the cost of supplies necessary to vet crewmembers and passengers on non-commercial aircraft through other federal agencies. The FY 2018 request includes a slight increase from FY 2017 levels.

Commercial Aviation and Airports Fee – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Commercial Aviation and Airports Fee	-	-	\$11,689	-	-	\$6,500	-	-	\$8,000	-	-	\$1,500
Total	-	-	\$11,689	-	-	\$6,500	-	-	\$8,000	-	-	\$1,500
Subtotal Discretionary - Fee	-	-	\$11,689	-	-	\$6,500	-	-	\$8,000	-	-	\$1,500

The FY 2018 request projects an increase of \$1.5 million in fee collections.

Commercial Aviation and Airports Fee – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$6,500
Delta in Enacted Fee Estimate to Fee Actuals	-	-	\$5,189
FY 2016 Revised Enacted	-	-	\$11,689
FY 2017 Annualized CR	-	-	\$6,500
FY 2018 Base Budget	-	-	\$6,500
Fee Adjustment	-	-	\$1,500
Total, Pricing Increases	-	-	\$1,500
Total Adjustments-to-Base	-	-	\$1,500
FY 2018 Current Services	-	-	\$8,000
FY 2018 Request	-	-	\$8,000
FY 2017 TO FY 2018 Change	-	-	\$1,500

PPA Level III Description

This fee program covers the fingerprint-based FBI CHRC for those individuals who apply for, or are issued, personnel identification credentials at U.S. domestic airports.

Prior to receiving any identification credentials, aviation workers must undergo a successful name-based STA, which is currently funded through appropriated funds. The program also processes FBI CHRCs for the General Aviation population. Airport and aircraft operators are provided a choice of service providers from among three TSA Designated Aviation Channelers.

As of April 2017, the total current badged Aviation Worker population is approximately 2.9 million.

Adjustments to Base Justification

- Increase of \$1.5 million in increased estimated fee collections

**Commercial Aviation and Airports Fee – PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Commercial Aviation and Airports Fee	\$11,689	\$6,500	\$8,000	\$1,500
Total	\$11,689	\$6,500	\$8,000	\$1,500
Discretionary - Fee	\$11,689	\$6,500	\$8,000	\$1,500

The FY 2018 request includes \$8.0 million for non-pay. This is an increase of \$1.5 million over the FY 2017 Annualized CR.

**Commercial Aviation and Airports Fee – PPA Level III
Non Pay by Object Class**

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
25.1 Advisory and Assistance Services	\$2,449	\$1,362	\$1,676	\$314
25.2 Other Services from Non-Federal Sources	\$9,240	\$5,138	\$6,324	\$1,186
Total - Non Pay Object Classes	\$11,689	\$6,500	\$8,000	\$1,500

The FY 2018 request includes an increase of \$1.5 million over FY 17 levels due to an anticipated increase in the number of individuals requesting airport badges.

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
FBI Fingerprint based Criminal History Records Check	\$11,689	\$6,500	\$8,000	\$1,500
Total Non Pay Cost Drivers	\$11,689	\$6,500	\$8,000	\$1,500

NARRATIVE EXPLANATION OF CHANGES

- **FY 2018 Non Pay Cost Driver – FBI Fingerprint based Criminal History Records Check** – TSA passes all fees collected to the FBI to perform a Criminal History Records Check. This is dependent on the number of applications. TSA anticipates the number of applications to increase in FY 2018.

Other Security Threat Assessments Fee – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Other Security Threat Assessments Fee	-	-	-	-	-	\$50	-	-	\$50	-	-	-
Total	-	-	-	-	-	\$50	-	-	\$50	-	-	-
Subtotal Discretionary - Fee	-	-	-	-	-	\$50	-	-	\$50	-	-	-

The FY 2018 request projects no change in fee collections.

Other Security Threat Assessments Fee – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$50
Delta in Enacted Fee Estimate to Fee Actuals	-	-	(\$50)
FY 2016 Revised Enacted	-	-	-
FY 2017 Annualized CR	-	-	\$50
FY 2018 Base Budget	-	-	\$50
FY 2018 Current Services	-	-	\$50
FY 2018 Request	-	-	\$50
FY 2017 TO FY 2018 Change	-	-	-

PPA Level III Description

The Other Security Threat Assessment (OSTA) fees supports the costs for a fingerprint-based FBI CHRC for the programs listed below. Populations under these programs also undergo a name-based STA, which is funded through appropriated dollars.

- The Standard Security Program covers crewmembers operating flights for aircraft with a maximum certified takeoff weight of 12,500 pounds or more.
- The Private Charter Standard Security Program covers private charter flight crewmembers operating aircraft with a maximum certified takeoff weight of 100,309 pounds or more, or a passenger-seating configuration of 61 or more, or whose passengers are enplaned from or deplaned into a sterile area.
- The Maryland Three program covers pilots who operate aircraft and apply for privileges to fly to or from Potomac Airport, Washington Executive/Hyde Field, or College Park Airport.
- The Air Space Waivers program covers domestic and international flight crew members and passengers requiring access to certain operational areas of DCA or access to Washington, D.C. flight restricted zones, major sporting events, Disney theme parks, flight training, and special events.
- The Sensitive Security Information (SSI) fee covers those individuals who require access to SSI.

Adjustments to Base Justification

There are no adjustments to base for this PPA.

**Other Security Threat Assessments Fee – PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Other Security Threat Assessments Fee	-	\$50	\$50	-
Total	-	\$50	\$50	-
Discretionary - Fee	-	\$50	\$50	-

The FY 2018 request includes \$0.1 million for non-pay. This is the same as the FY 2017 Annualized CR.

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
25.1 Advisory and Assistance Services	-	\$50	\$50	-
Total - Non Pay Object Classes	-	\$50	\$50	-

All collections pay for services.

**Other Security Threat Assessments Fee – PPA Level III
Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President’s Budget	FY 2017 to FY 2018 Total Changes
FBI Fingerprint based Criminal History Records Check	\$0	\$50	\$50	\$0
Total – Non Pay Cost Drivers	\$0	\$50	\$50	\$0

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – FBI Fingerprint based Criminal History Records Check – TSA passes all fees collected to the FBI to perform a Criminal History Records Check. This is dependent upon the number of applicants in each of the programs included in this fee. TSA does not anticipate any changes to the number of applicants in FY 2018.

Air Cargo/Certified Cargo Screening Program Fee – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Air Cargo/Certified Cargo Screening Program Fee	11	11	\$4,711	11	11	\$3,500	11	11	\$5,200	-	-	\$1,700
Total	11	11	\$4,711	11	11	\$3,500	11	11	\$5,200	-	-	\$1,700
Subtotal Discretionary - Fee	11	11	\$4,711	11	11	\$3,500	11	11	\$5,200	-	-	\$1,700

The FY 2018 request projects an increase of \$1.7 million dollars in fee collections.

Air Cargo/Certified Cargo Screening Program Fee – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	11	11	\$3,500
Delta in Enacted Fee Estimate to Fee Actuals	-	-	\$1,211
FY 2016 Revised Enacted	11	11	\$4,711
FY 2017 Annualized CR	11	11	\$3,500
FY 2018 Base Budget	11	11	\$3,500
Fee Adjustment	-	-	\$1,700
Total, Pricing Increases	-	-	\$1,700
Total Adjustments-to-Base	-	-	\$1,700
FY 2018 Current Services	11	11	\$5,200
FY 2018 Request	11	11	\$5,200
FY 2017 TO FY 2018 Change	-	-	\$1,700

PPA Level III Description

The Air Cargo program fee collections supports STAs of air cargo workers in the air cargo supply chain, including individuals authorized to screen cargo at designated cargo screening facilities. The program vets approximately 90,000 air cargo workers per year.

Adjustments to Base Justification

- Increase of \$1.7 million in increased estimated fee collections

**Air Cargo/Certified Cargo Screening Program Fee – PPA Level III
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Air Cargo/Certified Cargo Screening Program Fee	11	11	\$1,031	\$93.73	11	11	\$1,031	\$93.73	11	11	\$1,031	\$93.73	-	-	-	-
Total	11	11	\$1,031	\$93.73	11	11	\$1,031	\$93.73	11	11	\$1,031	\$93.73	-	-	-	-
Discretionary - Fee	11	11	\$1,031	\$93.73	11	11	\$1,031	\$93.73	11	11	\$1,031	\$93.73	-	-	-	-

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: No change.

PCB Change FY 2017-2018: No change.

Average Cost Change FY 2017-2018: No change.

Air Cargo/Certified Cargo Screening Program Fee-PPA Level III
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$755	\$755	\$755	-
11.5 Other Personnel Compensation	\$32	\$32	\$32	-
12.1 Civilian Personnel Benefits	\$244	\$244	\$244	-
Total - Personnel Compensation and Benefits	\$1,031	\$1,031	\$1,031	-
Positions and FTE				
Positions - Civilian	11	11	11	-
FTE - Civilian	11	11	11	-

The FY 2018 request includes \$0.8 million for payroll and \$0.3 million in other compensation for 11 FTE.

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	11	755	68.6	11	755	68.6	11	755	68.6	0	0	0
Total – Pay Cost Drivers	11	1,031	93.7	11	1,031	93.7	11	1,031	93.7	0	0	0

**Air Cargo/Certified Cargo Screening Programs Fee – PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Air Cargo/Certified Cargo Screening Program Fee	\$3,680	\$2,469	\$4,169	\$1,700
Total	\$3,680	\$2,469	\$4,169	\$1,700
Discretionary - Fee	\$3,680	\$2,469	\$4,169	\$1,700

The FY 2018 request includes \$4.2 million for non-pay. This is an increase of \$1.7 million over the FY 2017 Annualized CR.

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$35	\$24	\$41	\$17
23.2 Rental Payments to Others	\$197	\$132	\$223	\$91
25.1 Advisory and Assistance Services	\$2,479	\$1,663	\$2,808	\$1,145
25.3 Other Goods and Services from Federal Sources	\$319	\$214	\$361	\$147
25.4 Operation and Maintenance of Facilities	\$52	\$35	\$59	\$24
25.7 Operation and Maintenance of Equipment	\$142	\$95	\$160	\$65
26.0 Supplies and Materials	\$6	\$4	\$7	\$3
31.0 Equipment	\$450	\$302	\$510	\$208
Total - Non Pay Object Classes	\$3,680	\$2,469	\$4,169	\$1,700

TSA is requesting an increase of \$1.7 million in FY 2018 due to an anticipated increase in the number of air cargo workers requiring STAs.

Air Cargo/Certified Cargo Screening Programs Fee – PPA Level III
Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Advisory and Assistance Services	\$2,479	\$1,663	\$2,808	\$1,145
Purchase and Maintenance of Equipment	\$592	\$397	\$670	\$273
Other Goods and Services from Federal Sources	\$319	\$214	\$361	\$147
Other Costs	\$290	\$195	\$330	\$135
Total – Non Pay Cost Drivers	\$3,680	\$2,469	\$4,169	\$1,700

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Advisory and Assistance Services – Funds program management and maintenance of systems used to conduct STAs of Air Cargo workers. TSA anticipates and increase in the number of applicants in FY 2018.

FY 2018 Non Pay Cost Driver – Purchase and Maintenance of Equipment – Funds the purchase and maintenance of equipment required to conduct STAs of Air Cargo workers. TSA anticipates and increase in the number of applicants in FY 2018.

FY 2018 Non Pay Cost Driver – Other Goods and Services from Federal Sources – Funds the purchase of goods and services from federal sources required to conduct STAs of Air Cargo workers. TSA anticipates and increase in the number of applicants in FY 2018.

FY 2018 Non Pay Cost Driver – Other Costs – Funds other program costs association with conducting STAs of Air Cargo workers. TSA anticipates and increase in the number of applicants in FY 2018.

TSA Precheck Fee – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
TSA Precheck Fee	82	54	\$186,444	82	54	\$80,153	82	80	\$136,900	-	26	\$56,747
Total	82	54	\$186,444	82	54	\$80,153	82	80	\$136,900	-	26	\$56,747
Subtotal Discretionary - Fee	82	54	\$186,444	82	54	\$80,153	82	80	\$136,900	-	26	\$56,747

The FY 2018 request projects an increase of \$56.7 million in fee collections. The request also includes an increase of 26 FTE.

TSA Precheck Fee – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	82	54	\$80,153
Delta in Enacted Fee Estimate to Fee Actuals	-	-	\$106,291
FY 2016 Revised Enacted	82	54	\$186,444
FY 2017 Annualized CR	82	54	\$80,153
FY 2018 Base Budget	82	54	\$80,153
Technical Adjustment	-	26	-
Fee Adjustment	-	-	\$56,747
Total, Pricing Increases	-	-	\$56,747
Total Adjustments-to-Base	-	26	\$56,747
FY 2018 Current Services	82	80	\$136,900
FY 2018 Request	82	80	\$136,900
FY 2017 TO FY 2018 Change	-	26	\$56,747

PPA Level III Description

The TSA Pre[✓]® Application Program is a prescreening initiative that conducts risk assessments on passengers who voluntarily participate prior to their arrival at the airport checkpoint. If TSA determines an individual is a low risk traveler, that individual may be able to receive expedited screening.

Under this program, travelers may be eligible for expedited security screening for air travel through TSA Pre[✓]® lanes, if they: (1) voluntarily submit requested biometric and biographic information to TSA; (2) pay the \$85 non-refundable program fee covering TSA's costs for conducting the security threat assessment and adjudicating the application (includes \$10 for an FBI Criminal History Records Check); and (3) successfully undergo a security threat assessment to confirm they do not pose a threat to transportation or national security.

As of April 19, 2017, 392 enrollment centers are available at Universal Enrollment Services and at airports. Currently there are 4,708,903 approved individuals enrolled in the program.

Adjustments to Base Justification

- Increase of 26 FTE due to a technical adjustment
- Increase of \$56.7 million in increased estimated fee collections

**TSA Precheck Fee – PPA Level III
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
TSA Precheck Fee	82	54	\$7,472	\$138.37	82	54	\$7,472	\$138.37	82	80	\$11,069	\$138.36	-	26	\$3,597	(\$0.01)
Total	82	54	\$7,472	\$138.37	82	54	\$7,472	\$138.37	82	80	\$11,069	\$138.36	-	26	\$3,597	(\$0.01)
Discretionary - Fee	82	54	\$7,472	\$138.37	82	54	\$7,472	\$138.37	82	80	\$11,069	\$138.36	-	26	\$3,597	(\$0.01)

NARRATIVE EXPLANATION OF CHANGES

The FY 2018 request includes 80 FTE and \$11.1 million. The increase from FY 2017 includes a technical correction of 26 FTE and inflationary changes.

FTE Change FY 2017-2018: The FY 2018 request includes a technical adjustment (increase) of 26 FTEs.

PCB Change FY 2017-2018: Personnel compensation and benefits increases by \$3,597 thousand to cover the FTE technical adjustment and inflationary changes.

Average Cost Change FY 2017-2018: No change.

TSA Precheck Fee – PPA Level III
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$5,469	\$5,469	\$8,102	\$2,633
11.5 Other Personnel Compensation	\$181	\$181	\$268	\$87
12.1 Civilian Personnel Benefits	\$1,822	\$1,822	\$2,699	\$877
Total - Personnel Compensation and Benefits	\$7,472	\$7,472	\$11,069	\$3,597
Positions and FTE				
Positions - Civilian	82	82	82	-
FTE - Civilian	54	54	80	26

The FY 2018 request includes 80 FTE and \$11.1 million. This increase corresponds to a technical correction of 26 FTE and inflationary changes to accurately reflect the growth of the program.

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	54	5,469	101.3	54	5,469	101.3	80	8,102	101.3	26	2,633	0
Other Costs	0	2,003	0	0	2,003	0	0	2,967	0	0	964	0
Total – Pay Cost Drivers	54	7,472	138.4	54	7,472	138.4	80	11,069	138.7	26	3,597	0.3

**TSA Precheck Fee – PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
TSA Precheck Fee	\$178,972	\$72,681	\$125,831	\$53,150
Total	\$178,972	\$72,681	\$125,831	\$53,150
Discretionary - Fee	\$178,972	\$72,681	\$125,831	\$53,150

The FY 2018 request includes \$125.9 million in non-pay category for TSA Precheck Fees. This increase of \$53.2 million over the FY 2017 Annualized CR to accurately reflect the program's growth. .

TSA Precheck Fee – PPA Level III
Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$110	\$45	\$78	\$33
23.2 Rental Payments to Others	\$547	\$222	\$384	\$162
23.3 Communications, Utilities, and Misc. Charges	\$2,514	\$1,021	\$1,768	\$747
24.0 Printing and Reproduction	\$2,933	\$1,191	\$2,062	\$871
25.1 Advisory and Assistance Services	\$167,755	\$68,126	\$118,018	\$49,892
25.2 Other Services from Non-Federal Sources	\$293	\$119	\$206	\$87
25.3 Other Goods and Services from Federal Sources	\$1,928	\$783	\$1,356	\$573
25.4 Operation and Maintenance of Facilities	\$143	\$58	\$100	\$42
25.7 Operation and Maintenance of Equipment	\$611	\$248	\$429	\$181
26.0 Supplies and Materials	\$62	\$25	\$43	\$18
31.0 Equipment	\$2,076	\$843	\$1,387	\$544
Total - Non Pay Object Classes	\$178,972	\$72,681	\$125,831	\$53,150

TSA has been heavily promoting this important program leading to significant increases in the number of applicants, resulting in changes in fee collections.

**TSA Precheck Fee – PPA Level III
Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Advisory and Assistance Services	\$167,755	\$68,126	\$118,018	\$49,892
Other Goods and Services from Federal Sources	\$1,928	\$783	\$1,356	\$573
Other Costs	\$9,289	\$3,772	\$6,457	\$2,685
Total Non Pay Cost Drivers	\$178,972	\$72,681	\$125,831	\$53,150

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Advisory and Assistance Services – Funding supports operations and maintenance of systems used for the vetting of TSA Pre✓[®] Applicants as well as the program management of the program. FY 2018 changes are due to increased vetting costs associated with the anticipated increase in applications for the program.

FY 2018 Non Pay Cost Driver – Other Goods and Services from Federal Sources – Funding supports costs associated with the FBI performing a Criminal History Records Check. FY 2018 changes are due to increased vetting costs associated with the anticipated increase in applications for the program.

FY 2018 Non Pay Cost Driver – Other Costs – Costs in this category are associated with vetting TSA Pre✓[®] Applicants. FY 2018 changes are due to increased vetting costs associated with the anticipated increase in applications for the program.

Alien Flight School Fee – PPA Level III

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Alien Flight School Fee	24	24	\$4,880	24	24	\$5,200	15	15	\$5,200	(9)	(9)	-
Total	24	24	\$4,880	24	24	\$5,200	15	15	\$5,200	(9)	(9)	-
Subtotal Mandatory - Fee	24	24	\$4,880	24	24	\$5,200	15	15	\$5,200	(9)	(9)	-

The FY 2018 request projects no change in fee collections. However, there is a decrease of 9 FTP/9 FTE due to a technical adjustment.

Alien Flight School Fee – PPA Level III Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	24	24	\$5,200
Delta in Enacted Fee Estimate to Fee Actuals	-	-	(\$320)
FY 2016 Revised Enacted	24	24	\$4,880
FY 2017 Annualized CR	24	24	\$5,200
FY 2018 Base Budget	24	24	\$5,200
Technical Adjustment	(9)	(9)	-
Total Adjustments-to-Base	(9)	(9)	-
FY 2018 Current Services	15	15	\$5,200
FY 2018 Request	15	15	\$5,200
FY 2017 TO FY 2018 Change	(9)	(9)	-

PPA Level III Description

The Alien Flight School Program (AFSP) is a fee that allows TSA to conduct terrorist, immigration and criminal-background checks on all foreign students applying for flight training in the United States or abroad at FAA-certified flight training locations. Applicants are subject to a STA consisting of a CHRC through the FBI, a Treasury Enforcement Communication System check through U.S. Customs and Border Protection for immigration status, and a Terrorist Screening Database check. Those applicants identified as a threat to aviation or national security under this program will be denied training.

AFSP currently collects a fee of \$130 per basic applicant. AFSP collects a fee of \$70 per recurrent applicant. AFSP processes approximately 50,000 applications per year.

Adjustments to Base Justification

- Decrease of 9 FTP/9 FTE due to a technical adjustment (previous requests incorrectly added additional FTE that were not needed or requested by the program)

**Alien Flight School Fee – PPA Level III
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Alien Flight School Fee	24	24	\$2,483	\$103.46	24	24	\$2,483	\$103.46	15	15	\$1,551	\$103.4	(9)	(9)	(\$932)	(\$0.06)
Total	24	24	\$2,483	\$103.46	24	24	\$2,483	\$103.46	15	15	\$1,551	\$103.4	(9)	(9)	(\$932)	(\$0.06)
Mandatory - Fee	24	24	\$2,483	\$103.46	24	24	\$2,483	\$103.46	15	15	\$1,551	\$103.4	(9)	(9)	(\$932)	(\$0.06)

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: FTEs are reduced by nine due to a technical correction.

PCB Change FY 2017-2018: TSA is reducing PC&B by \$932 thousand in FY 2018 to reflect actual pay required for the 15 FTE the program requires.

Average Cost Change FY 2017-2018: None. Average cost for FTE remains constant in FY 2018.

Alien Flight School Fee – PPA Level III

Pay by Object Class

Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$1,464	\$1,464	\$915	(\$549)
11.3 Other than Full-Time Permanent	\$391	\$391	\$244	(\$147)
11.5 Other Personnel Compensation	\$87	\$87	\$54	(\$33)
12.1 Civilian Personnel Benefits	\$541	\$541	\$338	(\$203)
Total - Personnel Compensation and Benefits	\$2,483	\$2,483	\$1,551	(\$932)
Positions and FTE				
Positions - Civilian	24	24	15	(9)
FTE - Civilian	24	24	15	(9)

The FY 2018 request includes a technical adjustment (decrease) of nine positions and nine FTEs.

Pay Cost Drivers

Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Payroll for Full-Time Personnel	24	1,464	61.0	24	1,464	61.0	15	915	61.0	(9)	(549)	0
Other Costs	0	1,019	0	0	1,019	0	0	636	0	0	(383)	0
Total – Pay Cost Drivers	24	2,483	103.5	24	2,483	103.5	15	1,551	103.5	(9)	(932)	0

**Alien Flight School Fee – PPA Level III
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Alien Flight School Fee	\$2,397	\$2,717	\$3,649	\$932
Total	\$2,397	\$2,717	\$3,649	\$932
Mandatory - Fee	\$2,397	\$2,717	\$3,649	\$932

TSA is requesting \$3.6 million for non-pay costs in FY 2018. This is an increase of \$0.9 million above FY 2017 levels, reflecting the technical adjustment removing 9 FTE and re-balancing fee revenues accordingly.

Alien Flight School Fee – PPA Level III

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$7	\$8	\$8	-
23.2 Rental Payments to Others	\$19	\$21	\$21	-
25.1 Advisory and Assistance Services	\$2,251	\$2,551	\$3,483	\$932
25.2 Other Services from Non-Federal Sources	\$16	\$18	\$18	-
25.3 Other Goods and Services from Federal Sources	\$30	\$34	\$34	-
25.4 Operation and Maintenance of Facilities	\$4	\$5	\$5	-
25.7 Operation and Maintenance of Equipment	\$20	\$23	\$23	-
26.0 Supplies and Materials	\$1	\$1	\$1	-
31.0 Equipment	\$49	\$56	\$56	-
Total - Non Pay Object Classes	\$2,397	\$2,717	\$3,649	\$932

Due to a technical adjustment, TSA is increasing non-pay by \$932 thousand in FY 2018. This increase is applied to Advisory and Assistance Services to support vetting of Alien Flight Students.

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Advisory and Assistance Services	\$2,251	\$2,551	\$3,483	\$932
Other Goods and Services from Federal Sources	\$30	\$34	\$34	\$0
Other Costs	\$116	\$132	\$132	\$0
Total – Non Pay Cost Drivers	\$2,397	\$2,717	\$3,649	\$932

NARRATIVE EXPLANATION OF CHANGES

FY 2018 Non Pay Cost Driver – Advisory and Assistance Services – Funding for the operations and maintenance of systems used for the vetting of AFSP Applicants as well as the management of the program. TSA is anticipating an increase of \$932 thousand in Advisory and Assistance services to address increasing costs of vetting alien flight students as well as increased system costs.

FY 2018 Non Pay Cost Driver – Other Goods and Services from Federal Sources – Funding primarily supports costs associated with the FBI performing a Criminal History Records Check. TSA does not anticipate any change to the number of applicants in FY 2018.

FY 2018 Non Pay Cost Driver – Other Costs – Funding for other costs associated with vetting AFSP Applicants. TSA does not anticipate any change to the number of applicants in FY 2018.

Department of Homeland Security
Transportation Security Administration
Procurement, Construction, and Improvements



Fiscal Year 2018
Congressional Justification

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**Procurement, Construction, and Improvements
Budget Comparison and Adjustments**

Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Aviation Screening Infrastructure	183	172	\$442,095	183	172	\$434,245	-	-	\$287,023	(183)	(172)	(\$147,222)
Infrastructure for Other Operations	5	5	\$20,164	5	5	\$15,099	-	-	\$16,291	(5)	(5)	\$1,192
Total	188	177	\$462,259	188	177	\$449,344	-	-	\$303,314	(188)	(177)	(\$146,030)
Subtotal Discretionary - Appropriation	188	177	\$212,259	188	177	\$199,344	-	-	\$53,314	(188)	(177)	(\$146,030)
Subtotal Mandatory - Appropriation	-	-	\$250,000	-	-	\$250,000	-	-	\$250,000	-	-	-

Overview

The Procurement, Construction, and Improvements (PC&I) Appropriation provides funds, above certain threshold amounts, necessary for the manufacture, purchase, or enhancement of one or more assets (which hereinafter also refers to end items) prior to sustainment. Activities funded by the PC&I appropriation are typically categorized as one of the following:

- A. Procurement – the obtaining of one or more end items through purchase, transfer, exchange, or other means. The configuration of an end item required to meet the asset's intended use is part of procurement.
- B. Construction – the erection, installation, or assembly of something (i.e., new facilities, improvements, vessels, and aircrafts); the addition, expansion, extension, alteration, conversion, or replacement of an existing facility; or the relocation of a facility from one installation to another.
- C. Improvement – the act or process of obtaining an increase in capability and/or capacity.

PC&I funding within TSA provides the necessary operations and mission support for the following PPAs:

- **Aviation Screening Infrastructure:** This PPA funds major acquisitions that support activities related to TSA’s passenger and baggage screening functions. FY 2018 funding includes the following:
 - A transfer of 183 FTP, 172 FTE and \$145.8 million to the Operations and Support (O&S) appropriation to more accurately align with the Common Appropriations Structure (CAS).

- \$277.2 million for the procurement of Explosives Detection Systems (EDS) and Explosives Trace Detection (ETD) units.
- \$8.9 million for continued development of the Security Technology Integrated Program (STIP).
- **Infrastructure for Other Operations:** This PPA funds major acquisitions that support activities related to other TSA functions to include surface transportation vetting and screening and air cargo screening. FY 2018 funding includes the following:
 - A transfer of 5 FTP, 5 FTE and \$11.0 million to the O&S appropriation to align with the new appropriations structure.
 - \$16.3 million for continued development of the Technology Infrastructure Modernization (TIM) program.

Procurement, Construction, and Improvements

Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$449,724		
Transfers & Reprogrammings	\$12,535		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$462,259	\$449,344	\$303,314
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$527,198	\$332,045	\$278,440
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	(\$250)	\$250
Supplementals	-	-	-
Total Budget Authority	\$989,457	\$781,139	\$582,004
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$989,457	\$781,139	\$582,004
Obligations (Actual/Projections/Estimates)	\$669,636	\$502,699	\$347,839
Personnel: Positons and FTE			
Enacted/Request Positions	188	188	-
Enacted/Request FTE	177	177	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	188	188	-
FTE (Actual/Estimates/Projections)	177	177	-

Procurement, Construction, and Improvements

Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	188	177	\$449,724
Deploy Advanced Imaging Technology (AIT) Units to Smaller Airports	-	-	\$7,501
O&S - Mission Support to PC&I - Vetting Programs	-	-	\$5,034
Total Above Threshold Reprogrammings/Transfers	-	-	\$12,535
FY 2016 Revised Enacted	188	177	\$462,259
FY 2017 Annualized CR	188	177	\$449,344
FY 2018 Base Budget	188	177	\$156,782
Transfer from PC&I - Air Cargo to O&S - Air Cargo	(5)	(5)	(\$11,008)
Transfer from PC&I - Checked Baggage to O&S - Screening Technology Maintenance	(123)	(115)	(\$35,310)
Transfer from PC&I - Checked Baggage to O&S - Surface Programs	-	-	(\$8,000)
Transfer from PC&I - Checkpoint Support to O&S - Screening Technology Maintenance	(60)	(57)	(\$102,464)
Total Transfers	(188)	(177)	(\$156,782)
Total Adjustments-to-Base	(188)	(177)	(\$156,782)
Acquisition and Installation of Explosive Detection Systems	-	-	\$277,223
CT Purchase and Installation	-	-	\$900
STIP Contracts Supporting Checked Baggage Operations	-	-	\$5,781
STIP Contracts Supporting Checkpoint Operations	-	-	\$3,119
TIM - 2 Additional Agile Development Teams	-	-	\$10,000
TIM Development	-	-	\$4,091
TIM Development - Transfer in from O&S	-	-	\$2,200
Total Investment Elements	-	-	\$303,314
FY 2018 Request	-	-	\$303,314
FY 2017 TO FY 2018 Change	(188)	(177)	(\$146,030)

**Procurement, Construction, and Improvements
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Aviation Screening Infrastructure	183	172	\$26,111	\$151.81	183	172	\$26,111	\$151.81	-	-	-	-	(183)	(172)	(\$26,111)	(\$151.81)
Infrastructure for Other Operations	5	5	\$805	\$161	5	5	\$805	\$161	-	-	-	-	(5)	(5)	(\$805)	(\$161)
Total	188	177	\$26,916	\$152.07	188	177	\$26,916	\$152.07	-	-	-	-	(188)	(177)	(\$26,916)	(\$152.07)
Discretionary - Appropriation	188	177	\$26,916	\$152.07	188	177	\$26,916	\$152.07	-	-	-	-	(188)	(177)	(\$26,916)	(\$152.07)

All Personnel Compensation and Benefits (PC&B) funding is transferred to the O&S appropriation in the Screening Technology Maintenance and Air Cargo Level II PPAs to align with the CAS.

Procurement, Construction, and Improvements

Pay by Object Class

Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$20,393	\$20,393	-	(\$20,393)
11.5 Other Personnel Compensation	\$470	\$470	-	(\$470)
12.1 Civilian Personnel Benefits	\$6,053	\$6,053	-	(\$6,053)
Total - Personnel Compensation and Benefits	\$26,916	\$26,916	-	(\$26,916)
Positions and FTE				
Positions - Civilian	188	188	-	(188)
FTE - Civilian	177	177	-	(177)

All PC&B funding is transferred to the O&S appropriation to align with the CAS.

**Procurement, Construction, and Improvements
Non Pay Budget Exhibits**

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$4,079	\$4,211	\$261	(\$3,950)
23.1 Rental Payments to GSA	\$71	\$71	-	(\$71)
23.2 Rental Payments to Others	\$590	\$649	\$130	(\$519)
23.3 Communications, Utilities, and Misc. Charges	\$182	\$198	\$38	(\$160)
24.0 Printing and Reproduction	\$4	\$4	-	(\$4)
25.1 Advisory and Assistance Services	\$349,117	\$341,922	\$241,583	(\$100,339)
25.2 Other Services from Non-Federal Sources	\$1,701	\$1,729	\$53	(\$1,676)
25.3 Other Goods and Services from Federal Sources	\$6,027	\$6,809	\$2,580	(\$4,229)
25.4 Operation and Maintenance of Facilities	\$1,588	\$1,715	\$352	(\$1,363)
25.6 Medical Care	\$60	\$60	-	(\$60)
25.7 Operation and Maintenance of Equipment	\$885	\$1,007	\$458	(\$549)
25.8 Subsistence & Support of Persons	\$386	\$443	\$213	(\$230)
26.0 Supplies and Materials	\$666	\$677	\$15	(\$662)
31.0 Equipment	\$69,987	\$62,933	\$57,631	(\$5,302)
Total - Non Pay Object Classes	\$435,343	\$422,428	\$303,314	(\$119,114)

**Procurement, Construction, and Improvements
Capital Investments Exhibits**

Capital Investments
Dollars in Thousands

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Passenger Screening Program	N024-000005612	1	Procurement	Non-IT	Yes	\$104,899	\$97,398	\$900
Security Technology Integrated Program	024-000005624	2	Procurement	IT	Yes	\$10,802	\$10,802	\$8,900
Checkpoint Support End Items	-	-	-	-	-	\$5,153	\$4,936	-
Electronic Baggage Screening Program	N024-000005611	1	Procurement	Non-IT	Yes	\$47,480	\$47,480	\$27,223
Checkpoint Support - OSC TSIF Information System - Investment	024-000005696	3	Procurement	IT	No	\$38	\$38	-
Checked Baggage End Items	-	-	-	-	-	\$23,586	\$23,454	-
Checked Baggage - OSC TSIF Information System - Investment	024-000005696	3	Procurement	IT	No	\$137	\$137	-
Air Cargo End Items	-	-	-	-	-	\$11,030	\$11,008	-
Technology Infrastructure Modernization Program	0224-000005664	2	Procurement	IT	Yes	\$9,134	\$4,091	\$16,291

Aviation Screening Infrastructure – PPA

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Checkpoint Support	60	57	\$114,699	60	57	\$106,981	-	-	\$4,019	(60)	(57)	(\$102,962)
Checked Baggage	123	115	\$77,396	123	115	\$77,264	-	-	\$33,004	(123)	(115)	(\$44,260)
Aviation Security Capital Fund (mandatory)	-	-	\$250,000	-	-	\$250,000	-	-	\$250,000	-	-	-
Total	183	172	\$442,095	183	172	\$434,245	-	-	\$287,023	(183)	(172)	(\$147,222)
Subtotal Discretionary - Appropriation	183	172	\$192,095	183	172	\$184,245	-	-	\$37,023	(183)	(172)	(\$147,222)
Subtotal Mandatory - Appropriation	-	-	\$250,000	-	-	\$250,000	-	-	\$250,000	-	-	-

The Aviation Screening Infrastructure PPA funds major acquisitions that support activities related to TSA’s passenger and baggage screening functions. This PPA is further allocated into the following Level II PPAs:

- Checkpoint Support: This Level II PPA funds major acquisitions that support activities related to the screening of passengers and their carry-on luggage at checkpoints in airports around the Nation. .
- Checked Baggage: This Level II PPA funds major acquisitions that support activities related to TSA’s baggage screening functions in airports around the Nation.
- Aviation Security Capital Fund (ASCF): This mandatory account is sourced from the aviation passenger security fee and funds the purchase and installation of Explosives Detection Systems at airports across the United States. This funding is combined with appropriated funding under the Level II Checked Baggage PPA in the Electronic Baggage Screening Program (EBSP).

Aviation Screening Infrastructure – PPA

Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$434,594		
Transfers & Reprogrammings	\$7,501		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$442,095	\$434,245	\$287,023
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$502,750	\$321,250	\$274,940
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	(\$250)	\$250
Supplementals	-	-	-
Total Budget Authority	\$944,845	\$755,245	\$562,213
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$944,845	\$755,245	\$562,213
Obligations (Actual/Projections/Estimates)	\$635,466	\$480,305	\$329,548
Personnel: Positons and FTE			
Enacted/Request Positions	183	183	-
Enacted/Request FTE	172	172	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	183	183	-
FTE (Actual/Estimates/Projections)	172	172	-

Aviation Screening Infrastructure – PPA

Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	183	172	\$434,594
Deploy Advanced Imaging Technology (AIT) Units to Smaller Airports	-	-	\$7,501
Total Above Threshold Reprogrammings/Transfers	-	-	\$7,501
FY 2016 Revised Enacted	183	172	\$442,095
FY 2017 Annualized CR	183	172	\$434,245
FY 2018 Base Budget	183	172	\$145,774
Transfer from PC&I - Checked Baggage to O&S - Screening Technology Maintenance	(123)	(115)	(\$35,310)
Transfer from PC&I - Checked Baggage to O&S - Surface Programs	-	-	(\$8,000)
Transfer from PC&I - Checkpoint Support to O&S - Screening Technology Maintenance	(60)	(57)	(\$102,464)
Total Transfers	(183)	(172)	(\$145,774)
Total Adjustments-to-Base	(183)	(172)	(\$145,774)
Acquisition and Installation of Explosive Detection Systems	-	-	\$277,223
CT Purchase and Installation	-	-	\$900
STIP Contracts Supporting Checked Baggage Operations	-	-	\$5,781
STIP Contracts Supporting Checkpoint Operations	-	-	\$3,119
Total Investment Elements	-	-	\$287,023
FY 2018 Request	-	-	\$287,023
FY 2017 TO FY 2018 Change	(183)	(172)	(\$147,222)

**Aviation Screening Infrastructure-PPA
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Checkpoint Support	60	57	\$8,140	\$142.81	60	57	\$8,140	\$142.81	-	-	-	-	(60)	(57)	(\$8,140)	(\$142.81)
Checked Baggage	123	115	\$17,971	\$156.27	123	115	\$17,971	\$156.27	-	-	-	-	(123)	(115)	(\$17,971)	(\$156.27)
Total	183	172	\$26,111	\$151.81	183	172	\$26,111	\$151.81	-	-	-	-	(183)	(172)	(\$26,111)	(\$151.81)
Discretionary - Appropriation	183	172	\$26,111	\$151.81	183	172	\$26,111	\$151.81	-	-	-	-	(183)	(172)	(\$26,111)	(\$151.81)

NARRATIVE EXPLANATION OF CHANGES

All PC&B funding is transferred to the O&S appropriation to align with the CAS.

Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$19,882	\$19,882	-	(\$19,882)
11.5 Other Personnel Compensation	\$439	\$439	-	(\$439)
12.1 Civilian Personnel Benefits	\$5,790	\$5,790	-	(\$5,790)
Total - Personnel Compensation and Benefits	\$26,111	\$26,111	-	(\$26,111)
Positions and FTE				
Positions - Civilian	183	183	-	(183)
FTE - Civilian	172	172	-	(172)

**Aviation Screening Infrastructure-PPA
Non Pay Budget Exhibits**

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$1,398	\$1,537	\$261	(\$1,276)
23.2 Rental Payments to Others	\$547	\$606	\$130	(\$476)
23.3 Communications, Utilities, and Misc. Charges	\$139	\$155	\$38	(\$117)
25.1 Advisory and Assistance Services	\$335,243	\$333,101	\$225,292	(\$107,809)
25.2 Other Services from Non-Federal Sources	\$296	\$327	\$53	(\$274)
25.3 Other Goods and Services from Federal Sources	\$5,876	\$6,658	\$2,580	(\$4,078)
25.4 Operation and Maintenance of Facilities	\$1,588	\$1,715	\$352	(\$1,363)
25.7 Operation and Maintenance of Equipment	\$829	\$951	\$458	(\$493)
25.8 Subsistence & Support of Persons	\$386	\$443	\$213	(\$230)
26.0 Supplies and Materials	\$134	\$146	\$15	(\$131)
31.0 Equipment	\$69,548	\$62,495	\$57,631	(\$4,864)
Total - Non Pay Object Classes	\$415,984	\$408,134	\$287,023	(\$121,111)

**Aviation Screening Infrastructure – PPA
Capital Investments Exhibits**

Capital Investments
Dollars in Thousands

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Electronic Baggage Screening Program	N024-000005611	1	Procurement	Non-IT	Yes	\$47,480	\$47,480	\$27,223
Passenger Screening Program	N024-000005612	1	Procurement	Non-IT	Yes	\$104,899	\$97,398	\$900
Security Technology Integrated Program	024-000005624	2	Procurement	IT	Yes	\$10,802	\$10,802	\$8,900
Checkpoint Support End Items	-	-	-	-	-	\$5,153	\$4,936	-
Checkpoint Support - OSC TSIF Information System - Investment	024-000005696	3	Procurement	IT	No	\$38	\$38	-
Checked Baggage End Items	-	-	-	-	-	\$23,586	\$23,454	-
Checked Baggage - OSC TSIF Information System - Investment	024-000005696	3	Procurement	IT	No	\$137	\$137	-

Checkpoint Support – PPA Level II
Budget Comparison and Adjustments

Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Passenger Screening Program	55	52	\$104,899	55	52	\$97,398	-	-	\$900	(55)	(52)	(\$96,498)
Security Technology Integrated Program	4	4	\$4,609	4	4	\$4,609	-	-	\$3,119	(4)	(4)	(\$1,490)
Checkpoint Support End Items	1	1	\$5,153	1	1	\$4,936	-	-	-	(1)	(1)	(\$4,936)
Checkpoint Support - OSC TSIF Information System - Investment	-	-	\$38	-	-	\$38	-	-	-	-	-	(\$38)
Total	60	57	\$114,699	60	57	\$106,981	-	-	\$4,019	(60)	(57)	(\$102,962)
Subtotal Discretionary - Appropriation	60	57	\$114,699	60	57	\$106,981	-	-	\$4,019	(60)	(57)	(\$102,962)

This Level II PPA funds major acquisitions that support activities related to the screening of passengers and their carry-on luggage at checkpoints in airports around the Nation. Checkpoint Support is comprised of the following Investments/Activities:

- Passenger Screening Program (PSP)
- STIP in support of checkpoint operations
- Checkpoint Support End Items
- OSC TSIF Information System (OTIS) in support of checkpoint operations

To align with the new appropriation structure, 57 FTE and \$103.4 million is transferred to the O&S Appropriation. This PPA includes \$3.1 million to support STIP contracts supporting checkpoint operations.

Checkpoint Support – PPA Level II

Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$107,198		
Transfers & Reprogrammings	\$7,501		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$114,699	\$106,981	\$4,019
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$106,816	\$53,333	\$28,505
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$221,515	\$160,314	\$32,524
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$221,515	\$160,314	\$32,524
Obligations (Actual/Projections/Estimates)	\$172,286	\$131,809	\$31,524
Personnel: Positions and FTE			
Enacted/Request Positions	60	60	-
Enacted/Request FTE	57	57	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	60	60	-
FTE (Actual/Estimates/Projections)	57	57	-

Checkpoint Support – PPA Level II

Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	60	57	\$107,198
Deploy Advanced Imaging Technology (AIT) Units to Smaller Airports	-	-	\$7,501
Total Above Threshold Reprogrammings/Transfers	-	-	\$7,501
FY 2016 Revised Enacted	60	57	\$114,699
FY 2017 Annualized CR	60	57	\$106,981
FY 2018 Base Budget	60	57	\$102,464
Transfer from PC&I - Checkpoint Support to O&S - Screening Technology Maintenance	(60)	(57)	(\$102,464)
Total Transfers	(60)	(57)	(\$102,464)
Total Adjustments-to-Base	(60)	(57)	(\$102,464)
CT Purchase and Installation	-	-	\$900
STIP Contracts Supporting Checkpoint Operations	-	-	\$3,119
Total Investment Elements	-	-	\$4,019
FY 2018 Request	-	-	\$4,019
FY 2017 TO FY 2018 Change	(60)	(57)	(\$102,962)

Checkpoint Support – PPA Level II
Personnel Compensation and Benefits

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Passenger Screening Program	55	52	\$7,375	\$141.83	55	52	\$7,375	\$141.83	-	-	-	-	(55)	(52)	(\$7,375)	(\$141.83)
Security Technology Integrated Program	4	4	\$612	\$153	4	4	\$612	\$153	-	-	-	-	(4)	(4)	(\$612)	(\$153)
Checkpoint Support End Items	1	1	\$153	\$153	1	1	\$153	\$153	-	-	-	-	(1)	(1)	(\$153)	(\$153)
Total	60	57	\$8,140	\$142.81	60	57	\$8,140	\$142.81	-	-	-	-	(60)	(57)	(\$8,140)	(\$142.81)
Discretionary - Appropriation	60	57	\$8,140	\$142.81	60	57	\$8,140	\$142.81	-	-	-	-	(60)	(57)	(\$8,140)	(\$142.81)

NARRATIVE EXPLANATION OF CHANGES

All PC&B funding is transferred to the O&S appropriation to align with the CAS.

Checkpoint Support – PPA Level II

Pay by Object Class

Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$6,318	\$6,318	-	(\$6,318)
11.5 Other Personnel Compensation	\$82	\$82	-	(\$82)
12.1 Civilian Personnel Benefits	\$1,740	\$1,740	-	(\$1,740)
Total - Personnel Compensation and Benefits	\$8,140	\$8,140	-	(\$8,140)
Positions and FTE				
Positions - Civilian	60	60	-	(60)
FTE - Civilian	57	57	-	(57)

Checkpoint Support – PPA Level II
Non Pay Budget Exhibits

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$985	\$1,063	\$33	(\$1,030)
23.2 Rental Payments to Others	\$331	\$357	\$11	(\$346)
23.3 Communications, Utilities, and Misc. Charges	\$74	\$80	\$2	(\$78)
25.1 Advisory and Assistance Services	\$89,548	\$88,517	\$2,968	(\$85,549)
25.2 Other Services from Non-Federal Sources	\$213	\$231	\$7	(\$224)
25.3 Other Goods and Services from Federal Sources	\$1,280	\$1,382	\$42	(\$1,340)
25.4 Operation and Maintenance of Facilities	\$1,588	\$1,715	\$352	(\$1,363)
26.0 Supplies and Materials	\$114	\$123	\$4	(\$119)
31.0 Equipment	\$12,426	\$5,373	\$600	(\$4,773)
Total - Non Pay Object Classes	\$106,559	\$98,841	\$4,019	(\$94,822)

Checkpoint Support – PPA Level II

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Passenger Screening Program	\$97,524	\$90,036	\$900	(\$89,136)
STIP Planning	\$362	\$370	\$370	\$0
STIP Acquisitions	\$3,635	\$3,607	\$2,749	(\$858)
Screening Technology, Other (Checkpoint Support)	\$5,000	\$4,790	\$0	(\$4,790)
OTIS	\$38	\$38	\$0	(\$38)
Total – Non Pay Cost Drivers	\$106,559	\$98,841	\$4,019	(\$94,822)

NARRATIVE EXPLANATION OF CHANGES

- FY 2018 Non-Pay Cost Driver – Passenger Screening Program.** TSA procures and installs checkpoint transportation security equipment (TSE) to support Risk Based Screening (RBS) requirements, to recapitalize the aging screening equipment fleet, and to add detection capabilities and improve performance. TSA is in the process of reevaluating checkpoint screening technology requirements based on latest operational needs and threats. Technology purchase and installation requirements vary year to year based on testing schedules, airport site readiness, and operational requirements. Most Checkpoint TSE purchases using PSP funding fall below the \$250,000 per end unit PC&I threshold, therefore most of its funding is transferred to the O&S appropriation in FY 2018. \$900 thousand will remain in PC&I for the purchase and installation of Computed Tomography (CT) equipment.
- FY 2018 Non-Pay Cost Driver – Security Technology Integrated Program Planning.** STIP is a TSA data information technology (IT) program that connects all TSE to a single network, enabling the two-way exchange of information. While actual development contracts vary year-to-year based on what equipment is being integrated, planning and program management costs remain level.
- FY 2018 Non-Pay Cost Driver – Security Technology Integrated Program Acquisitions.** STIP purchases vary year to year based on testing schedules, airport site readiness, and operational requirements. STIP will reduce/eliminate lower-priority contracts in FY 2018.

- **FY 2018 Non-Pay Cost Driver – Screening Technology, Other (Checkpoint Support).** This is a catch-all category for the various non-TSE equipment purchases and system upgrades that support the screening of passengers at the Nation’s airports that are not included in one of the other cost drivers. These purchases are not tracked as an investment. Purchases vary year to year based on testing schedules, airport site readiness, and operational requirements. Purchases fall below the PC&I threshold, therefore its funding is transferred to the O&S appropriation in FY 2018.
- **FY 2018 Non-Pay Cost Driver – OSC TSIF Information System.** OTIS is being developed to provide services to the TSA Systems Integration Facility (TSIF) Test and Evaluation organization. OTIS is comprised of the network infrastructure providing connectivity between the various test areas in the TSIF, the Checked Baggage Screening System (CBSS) and the TSIF Test and Evaluation Monitoring Network (TEMNet). Purchases vary year to year based on testing schedules, airport site readiness, and operational requirements. OTIS purchases fall below the PC&I threshold, therefore its funding is transferred to the O&S appropriation in FY 2018.

Checkpoint Support – PPA Level II
Capital Investments Exhibits

Capital Investments
Dollars in Thousands

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Passenger Screening Program	N024-000005612	1	Procurement	Non-IT	Yes	\$104,899	\$97,398	\$900
Security Technology Integrated Program	024-000005624	2	Procurement	IT	Yes	\$4,609	\$4,609	\$3,119
Checkpoint Support End Items	-	-	-	-	-	\$5,153	\$4,936	-
Checkpoint Support - OSC TSIF Information System - Investment	024-000005696	3	Procurement	IT	No	\$38	\$38	-

Passenger Screening Program (PSP) – Investment

Capital Investments Exhibits

Procurement/Acquisition Programs

Passenger Screening Program

Procurement, Construction, and Improvements Funding

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Passenger Screening Program	N024-000005612	1	Procurement	Non-IT	Yes	\$104,899	\$97,398	\$900

Investment Description

The Passenger Screening Program (PSP) identifies, develops, tests, procures, deploys, and sustains equipment to detect threats concealed on people and in their carry-on items as they enter the airport terminal sterile area through the passenger screening checkpoints. PSP is composed of three capability areas: People Screening, Carry-on Baggage Screening, and Layered Security. While increasing security effectiveness, PSP also balances other operational considerations such as maximizing checkpoint efficiency; mitigating privacy and dignity concerns; maintaining operational affordability; reducing security risk; and addressing deployment, maintenance, and other equipment life cycle issues. PSP is evaluating the next generation of detection systems to enhance current capabilities. PSP addresses a capability gap by creating a security system that is an optimized, integrated, and layered mix of networked systems that address known and emerging threats and vulnerabilities, and supports risk-based security initiatives. PSP develops requirements for the checkpoint of the future.

Justification

To comply with current PC&I funding thresholds, PSP funding for items below the threshold is transferred to the O&S appropriation in the FY 2018 budget. \$900 thousand will remain in PC&I for the purchase and installation of Computed Tomography (CT) units. To increase security effectiveness. TSA is requesting funds for the testing, procuring, and deploying of screening equipment and technologies. The FY 2018 budget includes funding to test, procure, and deploy checkpoint capabilities to enhance threat detection and security effectiveness at approximately 2,200 passenger checkpoint lanes in our Nation’s airports. Current and planned checkpoint screening technologies include:

- *Advanced Imaging Technology (AIT)*: Screens passengers for metallic and non-metallic threats, including weapons, explosives, and other objects concealed under layers of clothing;
- *Next-Generation Advanced Technology X-Ray (AT)*: Next-generation X-ray systems with advanced visual detection capabilities that use multi-view capabilities or automated explosives detection capabilities;
- *Automated Screening Lanes (ASL)*: Offer several features designed to improve the screening of travelers by automating many of the functions previously conducted manually, which allows travelers to move more swiftly and efficiently through the checkpoint.
- *Boarding Pass Scanners (BPS)*: Confirm passenger vetting status by automating the scanning of passenger boarding passes;
- *Bottled Liquids Scanners (BLS)*: Screen bottles to determine if they contain prohibited liquids;
- *Chemical Analysis Device (CAD)*: Used to determine, characterize, and quantify chemical components of screened items.
- *Computed Tomography Systems (CT)*: Scans carry-on baggage to generate 3-dimensional images of contents. Automates much of the screening process.
- *Credential Authentication Technology (CAT)*: Digitally validate the passengers' credential with near-real time vetting status updates from Secure Flight;
- *Enhanced Metal Detectors (EMD)*: Screen persons for metallic weapons such as guns or knives; and,
- *Explosives Trace Detectors (ETD)*: Test for explosive residue on selected passengers and carry-on items.

FY 2016 Key Milestone Events (Prior Year)

- Deployed 55 AT units that were procured in the previous year, which supported operational requirements and improved operational efficiency.
- Awarded a contract for Smiths AT Tier II algorithm operational testing and deployment. This investment provided TSA with an overall enhanced capability of finding threats and mitigating the risk to the traveling public. The algorithm was designed to increase the TSO's ability to find prohibited items and ensure greater consistency of applying resolution protocols.
- Completed test and evaluation of the AIT Tier III algorithm.

FY 2017 Planned Key Milestone Events (Year of Execution)

- Award a contract for Rapiscan AT Tier II algorithm operational testing and deployment. This investment will provide TSA with an overall enhanced capability of finding threats and mitigating the risk to the traveling public. The algorithm is designed to increase the TSO's ability to find prohibited items and ensure greater consistency of applying resolution protocols.
- Deploy the 157 AIT units that were procured in the previous year, which will support operational requirements and improve efficiency.

- Award a contract to AT vendors to perform an analysis and evaluation of the algorithm in support of the investigation of Threat X and Threat Y. The results will be used to determine an acceptable probability of detection and false alarm rate and their impact on the level of performance needed to maintain normal checkpoint screening operations.

FY 2018 Planned Key Milestone Events (Budget Year)

- Complete CAT Qualification Testing & Evaluation, and begin Initial Operational Test & Evaluation
- Transition PSP technology capabilities to individual acquisition programs.
- Upgrade existing ETD systems with new detection standards.
- Complete AIT-2 Targeted Threat Algorithm deployment. The algorithm update will improve threat detection for certain threats.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations and Support		\$86,790	\$86,616	\$174,348
Procurement, Construction, and Improvements		\$89,897	\$97,398	\$900
Research and Development		\$2,500	\$2,495	\$17,695
Project Funding	\$2,608,873	\$171,812	\$186,509	\$192,943
Obligations	\$2,476,647	\$222,036	\$122,705	
Expenditures	\$2,266,088	\$186,535	\$76,513	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSTS0715TWE202	General Dynamics	Order Dependent	05/2016	05/2016	12/2019	No	\$600,000
HSTS0715DTWE203	Lockheed Martin	Order Dependent	01/2015	01/2015	12/2019	No	\$600,00
HSTS0715DTWE204	Northrop Grumman	Order Dependent	01/2015	01/2015	12/2019	No	\$600,000

Significant Changes to Investment since Prior Year Enacted

Passenger Screening Program changes include:

- Contract savings from reducing/eliminating lower priority services contracts (\$16.4 million).
 - Reduces/eliminates certain SME support
 - Reduces acceptance testing
 - Reduces program management, engineering, and logistics support
- Increase for additional AIT machine purchase (\$2.5 million).
- Increase for AT algorithm development (\$5 million).
- Increase to fund the Innovation Task Force (ITF) in the R&D appropriation (\$15.2 million).

Investment Schedule

Description	Design Work		Project Work	
	Initiated	Completed	Initiated	Completed
FY 2016				
Phase XI AIT Deployment			Q3:2015	Q1: 2016
Phase XII AIT Deployment			Q3:2015	Q2: 2016
FY 2017				
Phase XII AIT Deployment			Q3: 2016	Q2: 2017
Phase XIV AIT Deployment			Q2:2017	Q4: 2017
Carry-on Baggage Screening Project Portfolio			Q4: 2011	Q4: 2017
Layered Screening Project Portfolio			Q4: 2009	Q4: 2017
People Screening Project Portfolio			Q4: 2011	Q3: 2017
FY 2018				
CAT Testing & Evaluation			Q1: 2018	Q4: 2018
Upgrade ETDs with new detection standards			Q2: 2018	Q3: 2018
Finish AIT algorithm deployment			Q1: 2018	Q3: 2018
Break PSP investment into individual equipment programs			Q3: 2018	Ongoing

Severable Items

Element/Item	Prior Years	FY 2016	FY 2017	FY 2018
Advanced Imaging Technology (AIT)	846	160	1	
Advanced Technology X-ray (AT)	2,199	14		
Automated Screening Lane (ASL)	2			
Boarding Pass Scanner (BPS)	2,300	250		
Bottle Liquids Scanner (BLS)	1,638			
Chemical Analysis Device (CAD)	511			
Computed Tomography (CT)				2
Credential Authentication Technology (CAT)	17		30	
Enhanced Metal Detectors (EMD)	1,376			
Explosives Trace Detection (ETD)	3,055	1353	2	

In the above table, “Prior Years” refers to all TSE acquired through the PSP before FY 2016 that are still in operation. Prior years does not include other TSE that has been acquired as part of the PSP has been decommissioned and is no longer in use.

To mitigate emergent and evolving threats to the aviation security sector, such as the recent threat involving laptop computers, TSA is aggressively pursuing enhanced screening efforts to include acquiring cutting-edge technology capabilities such as Computed Tomography (CT). CT systems offer a better platform than deployed legacy Advanced Technology X-ray systems and can be upgraded to potentially meet the full range detection standards. It is anticipated that CT systems will enhance screening for carry-on baggage and improve overall checkpoint security effectiveness. In FY 2018, TSA plans to purchase two Computed Tomography (CT) units for development and testing purposes. Pending results of testing, TSA plans initial CT deployment to checkpoints in FY 2020.

Security Technology Integrated Program (STIP) – Investment

Capital Investments Exhibits

Procurement/Acquisition Programs

Security Technology Integrated Program

Procurement, Construction, and Improvements Funding

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Security Technology Integrated Program	024-000005624	2	Procurement	IT	Yes	\$4,609	\$4,609	\$3,119

Investment Description

STIP is a TSA data IT program that connects all TSE to a single network, enabling two-way exchange of information. STIP provides a dynamic, adaptable communications infrastructure that facilitates the transfer of information to and from TSE. STIP enables centralized management and monitoring of the TSE fleet and provides the ability to respond to the rapidly changing threat environment in a more agile manner, resulting in improvements in efficiency and effectiveness of screening operations and threat detection. Without a networked system, TSA lacks the ability to dynamically adapt technology to evolving threats. In the Checkpoint Support Level II PPA, STIP will meet information collection, retrieval, and dissemination requirements of the PSP and address potential areas of improvement within operations and maintenance for TSE.

Justification

TSA requests \$8.9 million in PC&I funding (\$3.1 million in the Checkpoint Support Level II PPA and \$5.8 million in the Checked Baggage Level II PPA), in FY 2018 for the following activities:

- System build-out, including development and deployment of software application suites, algorithms, and upgrades that enable fielded TSE to communicate with the STIP Enterprise Manager.
- Development of the Service Management Application that automates current TSE configuration management processes.
- Develop capabilities to mitigate emerging IT security threats for the whole screening equipment enterprise.

FY 2016 Key Milestone Events (Prior Year)

- Issued task order to develop and release a universal Personal Identity Verification card access solution for all types of TSE, including CAT.

- Issued a task order to develop a prototype Biometric Authentication Technology device with the backend network capability to make passenger biometrics available to designated TSE in near real-time, which will enhance risk-based security.
- Procured additional CISCO Identity Services Engine licenses and next generation firewall. This will support the reengineering of the back-end STIP network architecture into discrete and logically isolated segmentation to enhance cybersecurity to the overall TSA network.

FY 2017 Planned Key Milestone Events (Year of Execution)

- Achieve DHS Acquisition approval to re-baseline STIP.
- Award DOMAIN contract, to meet the following milestones:
- Transition STIP physical testing environments to the cloud, which will result in higher reliability, availability, and performance while also reducing the need for direct technical maintenance and dedicated federal resources.
- Remediate cybersecurity vulnerabilities across different types of fielded TSE.
- Develop an analytics platform that integrates operational and business data sources, creating a comprehensive security overview that will drive quicker decision making for operators.

FY 2018 Planned Key Milestone Events (Budget Year)

- Deploy STIP end-to-end connectivity at Dulles International Airport as proof of concept to validate cybersecurity remediation solutions and cloud connectivity on a single TSE.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations and Support		\$4,298	\$4,289	\$5,693
Procurement, Construction, and Improvements		\$10,802	\$10,802	\$8,900
Research and Development		\$0	\$0	\$0
Project Funding	\$158,000	\$15,100	\$15,091	\$14,593
Obligations	\$177,744	\$13,590	\$2,487	
Expenditures	\$152,050	\$20,828	\$5,957	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSTS0415JCT2530	General Dynamics	FFP	09/2015	09/2015	06/2017	No	\$10,384
HSTS0414JCT8513	Deloitte Consulting	FFP	05/2014	05/2014	05/2017	No	\$10,177
HSTS0416JCT2503	General Dynamics	FFP	01/2016	01/2016	09/2017	No	\$5,764

Significant Changes to Investment since Prior Year Enacted

TSA determined that networked TSE introduced unacceptable cybersecurity risk into TSA's primary IT conduit (TSANet), especially in light of the enhanced cybersecurity requirements imposed across the government following the Office of Personnel Management breach. Consequently, all networked TSE were disconnected and any future TSE network connectivity was indefinitely postponed until a cybersecurity remediation solution could be put into place. DHS Under Secretary for Management (USM) issued the Strengthening DHS Cyber Defenses Memorandum providing this guidance.

For TSE to be reconnected to STIP, it must satisfy three specific needs. First, it must be able to protect the backend infrastructure; in other words, secure the larger TSANet from malware and cyberattacks originating from TSE. Second, it must ensure that the TSE endpoints themselves fully meet the nine cybersecurity requirements without affecting the regular mission operations of the machines. And third, it must include a data and analysis integration platform that is able to consume various different types of business and sensor data and construct a coherent security narrative that can be acted upon in real time by the local TSE operators. Additionally, the solution must meet all the relevant aforementioned governance requirements as well.

In Q3 2017, TSA will issue a Request for Quote (RFQ) to address the aforementioned three needs to enable STIP re-connectivity and enhance TSA's mission readiness and operational efficiency. The initial phase of the STIP re-connectivity effort will be executed within 12 months of the contract award.

Additionally, lower priority STIP service contracts are reduced by \$0.5 million in FY18. TSA has identified several contracts that do not directly support frontline operations. By reducing or eliminating these contracts, TSA achieves savings without immediately impacting security provided by frontline operations.

STIP personnel costs are transferred to the O&S appropriation to align with the CAS policy.

Investment Schedule

Description	Design Work		Project Work	
	Initiated	Completed	Initiated	Completed
FY 2016				
Develop a universal PIV card access solution for TSE			Q1: 2016	Q3: 2016
Develop prototype BAT device to make passenger biometrics available in near real-time			Q2: 2016	Q4: 2016
Procure CISCO Identity Services Engine licenses and next generation firewall			Q3: 2016	Q4: 2016
FY 2017				
Re-baseline STIP			Q2: 2017	Q3: 2017
Transition STIP testing environments to the cloud			Q2: 2017	Q4: 2017
Remediate cybersecurity vulnerabilities			Q1: 2017	Ongoing
Develop analytics platform			Q2: 2017	Q4: 2017
FY 2018				
Deploy STIP end-to-end connectivity at IAD as proof of concept			Q1: 2017	Q3: 2018

*Checked Baggage – PPA Level II***Budget Comparison and Adjustments****Comparison of Budget Authority and Request***Dollars in Thousands*

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Electronic Baggage Screening Program	112	104	\$47,480	112	104	\$47,480	-	-	\$27,223	(112)	(104)	(\$20,257)
Security Technology Integrated Program	3	3	\$6,193	3	3	\$6,193	-	-	\$5,781	(3)	(3)	(\$412)
Checked Baggage End Items	7	7	\$23,586	7	7	\$23,454	-	-	-	(7)	(7)	(\$23,454)
Checked Baggage - OSC TSIF Information System - Investment	1	1	\$137	1	1	\$137	-	-	-	(1)	(1)	(\$137)
Total	123	115	\$77,396	123	115	\$77,264	-	-	\$33,004	(123)	(115)	(\$44,260)
Subtotal Discretionary - Appropriation	123	115	\$77,396	123	115	\$77,264	-	-	\$33,004	(123)	(115)	(\$44,260)

This Level II PPA funds major acquisitions that support activities related to TSA's baggage screening functions in airports around the Nation. Checked Baggage is comprised of the following Investments/Activities

- EBSP
- STIP in support of checked baggage screening operations
- Checked Baggage End Items
- OTIS in support of checked baggage screening operations

To align with the new appropriation structure, 115 FTE and \$43.3 million is transferred to the O&S and R&D appropriations. This PPA includes \$33.0 million to support EBSP and STIP contracts supporting checkpoint operations.

Checked Baggage – PPA Level II

Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$77,396		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$77,396	\$77,264	\$33,004
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$30,684	\$19,502	\$8,270
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$108,080	\$96,766	\$41,274
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$108,080	\$96,766	\$41,274
Obligations (Actual/Projections/Estimates)	\$96,345	\$88,496	\$38,024
Personnel: Positions and FTE			
Enacted/Request Positions	123	123	-
Enacted/Request FTE	115	115	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	123	123	-
FTE (Actual/Estimates/Projections)	115	115	-

Checked Baggage – PPA Level II

Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	123	115	\$77,396
FY 2016 Revised Enacted	123	115	\$77,396
FY 2017 Annualized CR	123	115	\$77,264
FY 2018 Base Budget	123	115	\$43,310
Transfer from PC&I - Checked Baggage to O&S - Screening Technology Maintenance	(123)	(115)	(\$35,310)
Transfer from PC&I - Checked Baggage to O&S - Surface Programs	-	-	(\$8,000)
Total Transfers	(123)	(115)	(\$43,310)
Total Adjustments-to-Base	(123)	(115)	(\$43,310)
Acquisition and Installation of Explosive Detection Systems	-	-	\$27,223
STIP Contracts Supporting Checked Baggage Operations	-	-	\$5,781
Total Investment Elements	-	-	\$33,004
FY 2018 Request	-	-	\$33,004
FY 2017 TO FY 2018 Change	(123)	(115)	(\$44,260)

**Checked Baggage – PPA Level II
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Electronic Baggage Screening Program	112	104	\$16,338	\$157.1	112	104	\$16,338	\$157.1	-	-	-	-	(112)	(104)	(\$16,338)	(\$157.1)
Security Technology Integrated Program	3	3	\$465	\$155	3	3	\$465	\$155	-	-	-	-	(3)	(3)	(\$465)	(\$155)
Checked Baggage End Items	7	7	\$1,086	\$155.14	7	7	\$1,086	\$155.14	-	-	-	-	(7)	(7)	(\$1,086)	(\$155.14)
Checked Baggage - OSC TSIF Information System - Investment	1	1	\$82	\$82	1	1	\$82	\$82	-	-	-	-	(1)	(1)	(\$82)	(\$82)
Total	123	115	\$17,971	\$156.27	123	115	\$17,971	\$156.27	-	-	-	-	(123)	(115)	(\$17,971)	(\$156.27)
Discretionary - Appropriation	123	115	\$17,971	\$156.27	123	115	\$17,971	\$156.27	-	-	-	-	(123)	(115)	(\$17,971)	(\$156.27)

NARRATIVE EXPLANATION OF CHANGES

All PC&B funding is transferred to the O&S appropriation to align with the CAS.

Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$13,564	\$13,564	-	(\$13,564)
11.5 Other Personnel Compensation	\$357	\$357	-	(\$357)
12.1 Civilian Personnel Benefits	\$4,050	\$4,050	-	(\$4,050)
Total - Personnel Compensation and Benefits	\$17,971	\$17,971	-	(\$17,971)
Positions and FTE				
Positions - Civilian	123	123	-	(123)
FTE - Civilian	115	115	-	(115)

Checked Baggage – PPA Level II
Non Pay Budget Exhibits

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$413	\$474	\$228	(\$246)
23.2 Rental Payments to Others	\$216	\$249	\$119	(\$130)
23.3 Communications, Utilities, and Misc. Charges	\$65	\$75	\$36	(\$39)
25.1 Advisory and Assistance Services	\$52,095	\$50,984	\$28,724	(\$22,260)
25.2 Other Services from Non-Federal Sources	\$83	\$96	\$46	(\$50)
25.3 Other Goods and Services from Federal Sources	\$4,596	\$5,276	\$2,538	(\$2,738)
25.7 Operation and Maintenance of Equipment	\$829	\$951	\$458	(\$493)
25.8 Subsistence & Support of Persons	\$386	\$443	\$213	(\$230)
26.0 Supplies and Materials	\$20	\$23	\$11	(\$12)
31.0 Equipment	\$722	\$722	\$631	(\$91)
Total - Non Pay Object Classes	\$59,425	\$59,293	\$33,004	(\$26,289)

Checked Baggage – PPA Level II

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Checked Baggage Tech. Purchase and Installation	\$87,670	\$101,212	\$101,010	(\$202)
Baggage Facility Modifications	\$101,671	\$86,878	\$86,704	(\$174)
Screening Technology Capability Upgrades	\$58,958	\$54,113	\$48,743	(\$5,370)
Screening Technology Test and Evaluation	\$32,843	\$45,257	\$40,766	(\$4,491)
Other	\$28,283	\$21,833	\$5,781	(\$16,052)
Total – Non Pay Cost Drivers	\$309,425	\$309,293	\$283,004	(\$26,289)

NARRATIVE EXPLANATION OF CHANGES

*Non-pay drivers include an additional \$250 million funding in each fiscal year from the Aviation Security Capital Fund.

- **FY 2018 Non-Pay Cost Driver – Checked Baggage Technology Purchase and Installation:** TSA procures and installs checked baggage TSE to support RBS, to respond to emerging threats, and to recapitalize TSE as it reaches the limits of its useful life. The specific recapitalization needs for checked baggage screening devices are continually being assessed. Airport projects are often multi-year efforts resulting in the purchase of equipment one fiscal year, but deployment of it in the next to align with an airport's project schedule and screening needs. For inline Checked Baggage Inspection Systems (CBIS), TSE are deployed for installation when new modification projects are either completed or near completion. Technology purchase and installation requirements vary year to year based on testing schedules, airport site readiness, and operational requirements. As earlier agreements with airports for the design and construction of inline CBIS near completion, TSA must procure and install the equipment in order to finish these projects. Small decreases in FY 2018 funding are due to reductions of lower-priority services contracts.
- **FY 2018 Non-Pay Cost Driver – Baggage Facility Modifications:** TSA enters into Other Transactional Agreements (OTAs) with airports and airport authorities to provide sufficient funds for baggage handling facility modifications necessary for the security equipment that is to be purchased and installed into inline CBIS. The OTAs are executed using a two-year planning and obligation cycle – in the first year an OTA is entered into for the design of the CBIS, and the second year an OTA is

entered into for facility modification and construction. The number of facility modification projects and projected funding levels varies each year depending on airport readiness as well as TSA's priority list. Small decreases in FY 2018 funding are due to reductions of lower-priority services contracts.

- **FY 2018 Non-Pay Cost Driver – Screening Technology Capability Upgrades:** TSA continues to focus on a broad range of assessment and engineering activities to increase threat detection capabilities and prolong the life of existing equipment. New capabilities include the ability to detect an expanded set of threat materials with higher detection probabilities, lower false alarm rates, faster throughput rates, and at lower life cycle costs, resulting in less impact to airport operations and the traveling public. FY 2018 funding will be used for patches and upgrades to system software and hardware, operating system upgrades, technical risk assessments, system certification and accreditation assessments and security compliance assessments. The costs for capability upgrades vary each year depending on the status of testing activities and the types of equipment and upgrades that are required, as well as evolving threats and operational requirements. TSA is reducing lower priority service contracts in FY 2018.
- **FY 2018 Non-Pay Cost Driver – Screening Technology Test and Evaluation:** TSA test and evaluate checked baggage technologies to validate a system's conformance with technical specifications, to verify that TSE is capable of meeting functional requirements without negatively impacting the operations of an actual airport, and to validate that the equipment satisfies the Agency's operational requirements. Costs for this activity vary based on the number of systems undergoing testing.
- **FY 2018 Non-Pay Cost Driver – Other:** This includes funding for Checked Baggage End Items, STIP, and OTIS. Further details can be found in in the Capital Investment Exhibits. However, most of this funding does not meet CAS funding threshold limits and is transferred to the O&S appropriation.

**Checked Baggage – PPA Level II
Capital Investments Exhibits**

Capital Investments
Dollars in Thousands

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Electronic Baggage Screening Program	N024-000005611	1	Procurement	Non-IT	Yes	\$47,480	\$47,480	\$27,223
Security Technology Integrated Program	024-000005624	2	Procurement	IT	Yes	\$6,193	\$6,193	\$5,781
Checked Baggage End Items	-	-	-	-	-	\$23,586	\$23,454	-
Checked Baggage - OSC TSIF Information System - Investment	024-000005696	3	Procurement	IT	No	\$137	\$137	-

Electronic Baggage Screening Program (EBSP) – Investment

Capital Investments Exhibits

Procurement/Acquisition Programs

Electronic Baggage Screening Program

Procurement, Construction, and Improvements Funding

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Electronic Baggage Screening Program	N024-000005611	1	Procurement	Non-IT	Yes	\$47,480	\$47,480	\$27,223

Investment Description

The EBSP supports the TSA mission to screen 100% of checked baggage across all Federalized airports to minimize the risk of injury or death to persons, or damage or loss of property due to terrorist or criminal activity. The EBSP automates processes to detect and prevent the introduction of explosives materials, weapons, and other dangerous articles into commercial aircraft. The EBSP manages the full life cycle of acquisition activities including establishing requirements for a screening system and testing, procuring, and deploying the equipment.

Funding for the EBSP includes appropriated discretionary funding, and \$250 million in mandatory funding from the Aviation Security Capital Fund.

Key objectives are:

- increasing threat detection capability;
- improving checked baggage screening efficiency;
- replacing EDS and ETD units; and
- utilizing competitive procurement contracts for new, viable technologies.

In the Homeland Security Appropriations Act for 2015, TSA was directed to prioritize funding for explosives detection systems based on risk, the airport’s current reliance on other screening solutions, lobby congestion resulting in increased security concerns, high injury rates, airport readiness, and increased cost effectiveness. Based on this direction, TSA funds the EBSP using the following funding priorities in priority order:

1. *Program operations and management*: All costs to manage the program.
2. *Equipment to ensure 100% screening compliance*: Procure and deploy equipment to maintain 100% screening compliance.
3. *Critical operational projects*: Fund unforeseen and urgent projects to quickly remedy unacceptable safety issues or security vulnerabilities.
4. *Fulfillment of existing obligations*: Fund projects with executed Letters of Intent (LOI) or Other Transactional Agreements (OTA) to include purchasing and installing equipment for these projects.
5. *Threat detection capability development*: Develop threat detection algorithms.
6. *Recapitalization or upgrade of equipment due for useful life replacement*:
 - Replace or upgrade aging machines that have reached the end of useful life,
 - Deploy new threat detection algorithms and Risk Based Security (RBS) capabilities, and
 - Upgrade network equipment in support of capability enhancements.
7. *System-Level Capability and Operational Efficiencies (SLCOE)*: Develop and deploy EDS system improvements to increase equipment lifespan, create efficiencies, and decrease alarm rates.
8. *Airport-Level Capability and Operational Efficiencies (ALCOE)*:
 - Install new in-line systems,
 - Implement Checked Baggage Inspection Systems (CBIS) improvements to facilitate Planning Guidelines and Design Standards (PGDS) compliance, and
 - Implement CBIS infrastructure enhancements to enable RBS capabilities.
9. *Reimbursement of systems completed without a TSA funding agreement*: Reimburse airport operators who had a reasonable expectation of reimbursement for costs incurred while developing and/or deploying in-line systems in the absence of an LOI or OTA funding agreement with TSA.

Funding for the last two priorities is limited.

Justification

To maintain and improve security effectiveness, TSA is requesting \$277.2 million (\$250 million in the ASCF and \$27.2 million in the Checked Baggage Level II PPA) for PC&I funding. Requested funding will allow TSA to test, procure, and deploy checked baggage screening technologies and equipment with the latest threat detection capabilities to approximately 440 airports nationwide; and air cargo screening technologies for 300 domestic and foreign air carriers, 4,000 Cargo Indirect Air Carriers, and over 1,000 Certified Cargo Screening Facilities. The ASCF is specifically used for acquisition and installation of checked baggage screening equipment and airport infrastructure modifications.

Specific activities include:

- TSE qualification (developmental and operational testing);
- Procurement, deployment, and installation of new and enhanced screening technologies and detection capabilities;
- Airport design and facility modification efforts to enable the deployment of new and enhanced screening capabilities;
- Engineering initiatives to enhance detection capabilities, as well as automate equipment, and better integrate screening technology into airports; and
- Strengthening the cybersecurity posture of screening equipment.

FY 2016 Key Milestone Events (Prior Year)

- Awarded OTAs for new in-line CBIS at Charleston International Airport, El Paso International Airport, Albert J. Ellis Airport, Tri-Cities Airport, St. Pete-Clearwater International Airport, Savannah/Hilton Head International Airport, Sitka Rocky Gutierrez Airport, Baltimore Washington International Thurgood Marshall Airport, Fairbanks International Airport, Kona International Airport, Louis Armstrong New Orleans International Airport, and Salt Lake International Airport.
- Awarded OTAs for recapitalizing EDS Fairbanks International Airport and Chicago O’Hare Airport.
- Purchased 71 EDS and installed 60 EDS units at 17 airports.
- Awarded contracts to develop cybersecurity upgrades and deployed them at 5 sites.
- Tested enhanced capabilities for homemade explosives (HME) detection.
- Developed an EBSP Strategic Roadmap covering the capabilities that will be pursued by key EBSP stakeholders from FY 2017 – FY 2030.
- Developed EBSP’s first “Reimbursement Review and Validation Plan for In-Line Baggage Screening Systems” and delivered it to Congress.
- Executed 3rd Party Testing for two EDS within the qualification testing process.
- Proactively engaged industry stakeholders (airport authorities, executives, consultants, and manufacturers) to improve the communication, management and execution of EBSP activities.

FY 2017 Planned Key Milestone Events (Year of Execution)

- Continue implementation and deployment of necessary cybersecurity measures including operating system remediation and network upgrades.
- Recapitalize ETD machines to ensure an increasingly effective baggage screening posture.
- Conduct operational testing of enhanced capabilities for HME detection.

- Initiate replacement of Morpho Detection CTX-5500, 9000, and 9400 EDS equipment.
- Implement EDS Capability Procurement II (EDS-CP2) to procure capability enhancements for current EDS fleet.
- Award OTAs for EDS recapitalization at Indianapolis International Airport, San Diego International Airport, Cherry Capital Airport, Chicago O’Hare International Airport, Burbank Bob Hope Airport, and Philadelphia International Airport.

FY 2018 Planned Key Milestone Events (Budget year)

- Continue implementation and deployment of necessary cybersecurity measures including network upgrades.
- Continue recapitalization of ETD and Morpho Detection CTX-5500, 9000, and 9400 EDS equipment.
- Attain Initial Operating Capability for HME detection.
- Continue testing and deploying enhanced capabilities for explosives detection
- Award OTAs for EDS recapitalization at up to 25 airports. TSA is still in the planning process and full list of airports is still being developed.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations and Support		\$193,719	\$193,332	\$194,901
Procurement, Construction, and Improvements (Discretionary)		\$47,480	\$47,480	\$27,223
Procurement, Construction, and Improvements (Mandatory)		\$250,000	\$250,000	\$250,000
Research and Development		\$2,500	\$2,495	\$2,495
				\$474,619
Project Funding	\$11,365,398	\$493,699	\$493,307	
Obligations	\$11,075,089	\$486,502	\$30,090	
Expenditures	\$8,275,738	\$416,757	\$80,089	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSTS0412DCT1200	L-3 Communications Corporation	Variable Quantity	08/2012	08/2012	08/2017	No	\$549,636
HSTS0412DCT1173	Morpho Detection Inc.	Variable Quantity	08/2012	08/2012	08/2017	No	\$528,225
HSTS0415DCT4056	Leidos	IDIQ; Order Dependent (IDV only)	07/2015	01/2017	03/2018	No	\$450,000

Significant Changes to Investment since Prior Year Enacted

Personnel costs and funding for lower cost end items are transferred to the O&S appropriation to align with the CAS.

Lower priority contracts are reduced by \$17.6 million.

- o Reduces/eliminates certain SME support
- o Reduces acceptance testing
- o Reduces program management, engineering, and logistics support

Investment Schedule

Description	Design Work		Project Work	
	Initiated	Completed	Initiated	Completed
FY 2016				
Awarded OTAs for new in-line CBIS at 12 airports			Q2: 2016	Q3: 2016
Awarded OTAs to recapitalize EDS at FAI and ORD			Q3: 2016	Q3: 2016
Purchased 71 EDS/Installed 60 EDS at 17 airports			Q2: 2016	Q4: 2016
Awarded contracts to deploy cybersecurity upgrades at five sites			Q3: 2016	Q4: 2016
Executed 3 rd Party testing for EDS qualification			Q2: 2016	Q3: 2016
FY 2017				
Continue deploying cybersecurity upgrades			Q1: 2017	Q4: 2017
Recapitalize ETD machines			Q2: 2017	Q4: 2017
Conduct Operational Testing for detecting homemade explosives			Q3: 2017	Q4: 2017
Start replacement of various EDS units			Q2: 2017	Ongoing
Award the EDS Capability II (EDS-CP2) to enhance EDS inventory			Q3: 2017	Q3: 2017

Description	Design Work		Project Work	
	Initiated	Completed	Initiated	Completed
Award OTAs for EDS recapitalization at 6 airports			Q3: 2017	Q4: 2017
FY 2018				
Continue deploying cybersecurity upgrades			Q1: 2018	Q4: 2018
Continue replacing EDS units			Q1: 2018	Q3: 2018
Attain Initial Operating Capability for homemade explosive detection			Q2: 2018	Q2: 2018
Award OTAs for EDS recapitalization at up to 25 airports			Q2: 2018	Q4: 2018

Severable Items

Element/Item	Prior Years	FY 2016	FY 2017	FY 2018
Explosives Trace Detection System	2638	0	1898	10
Reduced-Size Explosives Detection System	671	25	62	22
Medium-Speed Explosives Detection System	1017	37	72	87

In the above table, “Prior Years” refers to all TSE acquired through the EBSP before FY 2016 that is still in operation. It does not include other TSE that has been acquired as part of the EBSP has been decommissioned and is no longer in use. Planned FY 2017 procurements will be made with funding from the FY 2017 CR and carryover funding from the FY 2016 appropriation.

In FY 2018, TSA will purchase ETD and EDS units to certify, qualify, and implement improved algorithms on in-service ETD and EDS units as well as to replace older systems. Updated algorithms will more reliably detect homemade explosive formulations in checked baggage while also reducing false alarm rates. Test units also serve to study and integrate new technologies into existing systems to ensure operational effectiveness and suitability prior to full system production and deployment.

Infrastructure for Other Operations – PPA

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Air Cargo	5	5	\$11,030	5	5	\$11,008	-	-	-	(5)	(5)	(\$11,008)
Vetting Programs	-	-	\$9,134	-	-	\$4,091	-	-	\$16,291	-	-	\$12,200
Total	5	5	\$20,164	5	5	\$15,099	-	-	\$16,291	(5)	(5)	\$1,192
Subtotal Discretionary - Appropriation	5	5	\$20,164	5	5	\$15,099	-	-	\$16,291	(5)	(5)	\$1,192

The Infrastructure for Other Operations PPA funds major acquisitions that support activities related to TSA’s other vetting and screening functions. In FY 2018, this PPA includes the Vetting Programs Level II PPA, which funds major acquisitions that support activities related to TSA’s vetting operations. This Level II PPA includes the TIM program.

Infrastructure for Other Operations – PPA

Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$15,130		
Transfers & Reprogrammings	\$5,034		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$20,164	\$15,099	\$16,291
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$24,448	\$10,795	\$3,500
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$44,612	\$25,894	\$19,791
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$44,612	\$25,894	\$19,791
Obligations (Actual/Projections/Estimates)	\$34,170	\$22,394	\$18,291
Personnel: Positions and FTE			
Enacted/Request Positions	5	5	-
Enacted/Request FTE	5	5	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	5	5	-
FTE (Actual/Estimates/Projections)	5	5	-

Infrastructure for Other Operations – PPA

Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	5	5	\$15,130
O&S - Mission Support to PC&I - Vetting Programs	-	-	\$5,034
Total Above Threshold Reprogrammings/Transfers	-	-	\$5,034
FY 2016 Revised Enacted	5	5	\$20,164
FY 2017 Annualized CR	5	5	\$15,099
FY 2018 Base Budget	5	5	\$11,008
Transfer from PC&I - Air Cargo to O&S - Air Cargo	(5)	(5)	(\$11,008)
Total Transfers	(5)	(5)	(\$11,008)
Total Adjustments-to-Base	(5)	(5)	(\$11,008)
TIM - 2 Additional Agile Development Teams	-	-	\$10,000
TIM Development	-	-	\$4,091
TIM Development - Transfer in from O&S	-	-	\$2,200
Total Investment Elements	-	-	\$16,291
FY 2018 Request	-	-	\$16,291
FY 2017 TO FY 2018 Change	(5)	(5)	\$1,192

**Infrastructure for Other Operations – PPA
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Air Cargo	5	5	\$805	\$161	5	5	\$805	\$161	-	-	-	-	(5)	(5)	(\$805)	(\$161)
Total	5	5	\$805	\$161	5	5	\$805	\$161	-	-	-	-	(5)	(5)	(\$805)	(\$161)
Discretionary - Appropriation	5	5	\$805	\$161	5	5	\$805	\$161	-	-	-	-	(5)	(5)	(\$805)	(\$161)

NARRATIVE EXPLANATION OF CHANGES

All PC&B funding is transferred to the O&S appropriation to align with the CAS.

Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$511	\$511	-	(\$511)
11.5 Other Personnel Compensation	\$31	\$31	-	(\$31)
12.1 Civilian Personnel Benefits	\$263	\$263	-	(\$263)
Total - Personnel Compensation and Benefits	\$805	\$805	-	(\$805)
Positions and FTE				
Positions - Civilian	5	5	-	(5)
FTE - Civilian	5	5	-	(5)

**Infrastructure for Other Operations – PPA
Non Pay Budget Exhibits**

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$2,681	\$2,674	-	(\$2,674)
23.1 Rental Payments to GSA	\$71	\$71	-	(\$71)
23.2 Rental Payments to Others	\$43	\$43	-	(\$43)
23.3 Communications, Utilities, and Misc. Charges	\$43	\$43	-	(\$43)
24.0 Printing and Reproduction	\$4	\$4	-	(\$4)
25.1 Advisory and Assistance Services	\$13,874	\$8,821	\$16,291	\$7,470
25.2 Other Services from Non-Federal Sources	\$1,405	\$1,402	-	(\$1,402)
25.3 Other Goods and Services from Federal Sources	\$151	\$151	-	(\$151)
25.6 Medical Care	\$60	\$60	-	(\$60)
25.7 Operation and Maintenance of Equipment	\$56	\$56	-	(\$56)
26.0 Supplies and Materials	\$532	\$531	-	(\$531)
31.0 Equipment	\$439	\$438	-	(\$438)
Total - Non Pay Object Classes	\$19,359	\$14,294	\$16,291	\$1,997

**Infrastructure for Other Operations – PPA
Capital Investments Exhibits**

Capital Investments
Dollars in Thousands

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Air Cargo End Items	-	-	-	-	-	\$11,030	\$11,008	-
Technology Infrastructure Modernization Program	0224-000005664	2	Procurement	IT	Yes	\$9,134	\$4,091	\$16,291

*Air Cargo – PPA Level II***Budget Comparison and Adjustments****Comparison of Budget Authority and Request***Dollars in Thousands*

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Air Cargo End Items	5	5	\$11,030	5	5	\$11,008	-	-	-	(5)	(5)	(\$11,008)
Total	5	5	\$11,030	5	5	\$11,008	-	-	-	(5)	(5)	(\$11,008)
Subtotal Discretionary - Appropriation	5	5	\$11,030	5	5	\$11,008	-	-	-	(5)	(5)	(\$11,008)

To align with the new appropriation structure, all funding in this PPA is realigned to the O&S appropriation.

Air Cargo – PPA Level II

Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$11,030		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$11,030	\$11,008	-
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$8,085	\$4,412	\$2,000
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$19,115	\$15,420	\$2,000
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$19,115	\$15,420	\$2,000
Obligations (Actual/Projections/Estimates)	\$15,052	\$13,420	\$2,000
Personnel: Positions and FTE			
Enacted/Request Positions	5	5	-
Enacted/Request FTE	5	5	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	5	5	-
FTE (Actual/Estimates/Projections)	5	5	-

Air Cargo – PPA Level II
Summary of Budget Changes
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	5	5	\$11,030
FY 2016 Revised Enacted	5	5	\$11,030
FY 2017 Annualized CR	5	5	\$11,008
FY 2018 Base Budget	5	5	\$11,008
Transfer from PC&I - Air Cargo to O&S - Air Cargo	(5)	(5)	(\$11,008)
Total Transfers	(5)	(5)	(\$11,008)
Total Adjustments-to-Base	(5)	(5)	(\$11,008)
FY 2018 Request	-	-	-
FY 2017 TO FY 2018 Change	(5)	(5)	(\$11,008)

Air Cargo – PPA Level II
Personnel Compensation and Benefits

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Air Cargo End Items	5	5	\$805	\$161	5	5	\$805	\$161	-	-	-	-	(5)	(5)	(\$805)	(\$161)
Total	5	5	\$805	\$161	5	5	\$805	\$161	-	-	-	-	(5)	(5)	(\$805)	(\$161)
Discretionary - Appropriation	5	5	\$805	\$161	5	5	\$805	\$161	-	-	-	-	(5)	(5)	(\$805)	(\$161)

NARRATIVE EXPLANATION OF CHANGES

All PC&B funding is transferred to the O&S appropriation to align with the CAS.

Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$511	\$511	-	(\$511)
11.5 Other Personnel Compensation	\$31	\$31	-	(\$31)
12.1 Civilian Personnel Benefits	\$263	\$263	-	(\$263)
Total - Personnel Compensation and Benefits	\$805	\$805	-	(\$805)
Positions and FTE				
Positions - Civilian	5	5	-	(5)
FTE - Civilian	5	5	-	(5)

Air Cargo – PPA Level II
Non Pay Budget Exhibits

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$2,681	\$2,674	-	(\$2,674)
23.1 Rental Payments to GSA	\$71	\$71	-	(\$71)
23.2 Rental Payments to Others	\$43	\$43	-	(\$43)
23.3 Communications, Utilities, and Misc. Charges	\$43	\$43	-	(\$43)
24.0 Printing and Reproduction	\$4	\$4	-	(\$4)
25.1 Advisory and Assistance Services	\$4,740	\$4,730	-	(\$4,730)
25.2 Other Services from Non-Federal Sources	\$1,405	\$1,402	-	(\$1,402)
25.3 Other Goods and Services from Federal Sources	\$151	\$151	-	(\$151)
25.6 Medical Care	\$60	\$60	-	(\$60)
25.7 Operation and Maintenance of Equipment	\$56	\$56	-	(\$56)
26.0 Supplies and Materials	\$532	\$531	-	(\$531)
31.0 Equipment	\$439	\$438	-	(\$438)
Total - Non Pay Object Classes	\$10,225	\$10,203	-	(\$10,203)

Air Cargo – PPA Level II

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Air Cargo Screening and Quality Testing	\$4,952	\$4,952	\$0	(\$4,952)
Industry Data Analysis	\$2,718	\$2,718	\$0	(\$2,718)
Professional Engineering and Logistics Services	\$2,126	\$2,126	\$0	(\$2,126)
Other	\$429	\$407	\$0	(\$407)
Total – Non Pay Cost Drivers	\$10,225	\$10,203	\$0	(\$10,203)

NARRATIVE EXPLANATION OF CHANGES

- **FY 2018 Non- Pay Cost Driver-Air Cargo Screening and Quality Testing** – This testing is used to determine system suitability and effectiveness of equipment for screening air cargo and mail. Once found suitable, TSA approves its use by industry. This activity supports the testing of equipment to certify its use by the air cargo industry and not for government purchase – as such, it is transferred to the O&S appropriation.
- **FY 2018 Non- Pay Cost Driver- Industry Data Analysis** – TSA reviews and analyzes industry testing data to identify technologies for further testing and development. This activity supports the testing of equipment to certify its use by the air cargo industry and not for government purchase – as such, it is transferred to the O&S appropriation.
- **FY 2018 Non- Pay Cost Driver- Professional Engineering and Logistics Services** – TSA utilizes these services to oversee and plan efforts to qualify and evaluate existing and emerging air cargo screening technologies and procedures and maintain a list of authorized equipment maintained by TSA. This activity supports the testing of equipment to certify its use by the air cargo industry and not for government purchase – as such, it is transferred to the O&S appropriation.
- **FY 2018 Non- Pay Cost Driver- Other** – This activity supports the testing of equipment to certify its use by the air cargo industry and not for government purchase – as such, it is transferred to the O&S appropriation.

Vetting Programs – PPA Level II

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Technology Infrastructure Modernization Program	-	-	\$9,134	-	-	\$4,091	-	-	\$16,291	-	-	\$12,200
Total	-	-	\$9,134	-	-	\$4,091	-	-	\$16,291	-	-	\$12,200
Subtotal Discretionary - Appropriation	-	-	\$9,134	-	-	\$4,091	-	-	\$16,291	-	-	\$12,200

This Level II PPA funds major acquisitions that support TSA’s activities related to the vetting of transportation workers, passengers, and other individuals that come into contact with the nation’s transportation network.

This PPA includes \$16.3 million for the development of the TIM program.

Vetting Programs – PPA Level II

Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$4,100		
Transfers & Reprogrammings	\$5,034		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$9,134	\$4,091	\$16,291
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$16,363	\$6,383	\$1,500
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$25,497	\$10,474	\$17,791
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$25,497	\$10,474	\$17,791
Obligations (Actual/Projections/Estimates)	\$19,118	\$8,974	\$16,291
Personnel: Positions and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

Vetting Programs – PPA Level II

Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$4,100
O&S - Mission Support to PC&I - Vetting Programs	-	-	\$5,034
Total Above Threshold Reprogrammings/Transfers	-	-	\$5,034
FY 2016 Revised Enacted	-	-	\$9,134
FY 2017 Annualized CR	-	-	\$4,091
FY 2018 Base Budget	-	-	-
TIM - 2 Additional Agile Development Teams	-	-	\$10,000
TIM Development	-	-	\$4,091
TIM Development - Transfer in from O&S	-	-	\$2,200
Total Investment Elements	-	-	\$16,291
FY 2018 Request	-	-	\$16,291
FY 2017 TO FY 2018 Change	-	-	\$12,200

Vetting Programs – PPA Level II
Non Pay Budget Exhibits

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
25.1 Advisory and Assistance Services	\$9,134	\$4,091	\$16,291	\$12,200
Total - Non Pay Object Classes	\$9,134	\$4,091	\$16,291	\$12,200

Non Pay Cost Drivers
Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Agile Program Management	\$0	\$1,338	\$1,365	\$27
Agile Teams	\$0	\$2,753	\$14,926	\$12,173
Establishing Hosting Environment	\$7,434	\$0	\$0	\$0
Other	\$1,700	\$0	\$0	\$0
Total – Non Pay Cost Drivers	\$9,134	\$4,091	\$16,291	\$12,200

NARRATIVE EXPLANATION OF CHANGES

- **FY 2018 Non- Pay Cost Driver- Agile Program Management:** Provides management of the Agile program effort. FY18 has a slight increase to account for increased agile development teams.
- **FY 2018 Non- Pay Cost Driver- Agile Teams:** TSA is now using Agile teams to develop TIM. FY18 increases the number of teams by two, which will move Final Operating Capacity (FOC) from Q4 FY 2021 to Q4 FY 2019.
- **FY 2018 Non- Pay Cost Driver- Establishing Hosting Environment:** Before TSA could transition to Agile development, a hosting environment needed to be established. This was completed in FY16. These costs do not recur in FY17 or FY18.

- **FY 2018 Non- Pay Cost Driver- Other:** This category includes the other costs incurred in FY16 to prepare for Agile development.

**Vetting Programs – PPA Level II
Capital Investments Exhibits**

Capital Investments
Dollars in Thousands

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Technology Infrastructure Modernization Program	0224-000005664	2	Procurement	IT	Yes	\$9,134	\$4,091	\$16,291

Technology Infrastructure Modernization (TIM) Program – Investment

Capital Investments Exhibits

Procurement/Acquisition Programs

Technology Infrastructure Modernization

Procurement, Construction, and Improvements Funding

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Technology Infrastructure Modernization Program	0224-000005664	2	Procurement	IT	Yes	\$9,134	\$4,091	\$16,291

Investment Description

The TIM Program replaces legacy vetting systems with a consolidated person-centric system. This eliminates exploitable gaps, improves enrollment and threat assessment methodologies, and enables TSA to vet and provide credentials to more transportation populations. The TIM System provides an integrated, end-to-end solution to manage identities, credentials, and assessment results for millions of transportation workers, providing more accurate and timely identification of terrorist threats. TIM provides a service oriented architecture framework, mission services, and service capabilities.

Justification

TSA’s request for FY 2018 is \$16.3 million in PC&I. This funding provides a total of four Agile Development teams, which will develop various elements of TIM in parallel to reach FOC in the 4th Quarter of FY 2019.

FY 2016 Key Milestone Events (Prior Year)

- Obtained DHS ADE 2A/2B approval of the re-baseline strategy for the program.
- Resolved all issues discovered during the initial Operational Test and Evaluation including errors surrounding the TIM system redress functionality, reports creation, case management, and system performance issues.
- Piloted the new Agile scrum methodology for software development.

FY 2017 Planned Key Milestone Events (Year of Execution)

- Complete Follow-on Operational Test and Evaluation and provide the System Evaluation Report and Letter of Assessment.

- Implement the re-baseline strategy, to include following the Scaled Agile Framework.
- Migrate each of the TIM system environments (Prod, Pre-Prod, Dev, Test) from the Shared Services environment in DC1 to enclaves in CSOC and DC1. These data centers provide primary and backup environments for the TIM system.

FY 2018 Planned Key Milestone Events (Budget year)

- Fully implement TIM Portfolio Component Security Threat Assessment Management (STAM).
- Complete transition of the TIM System populations to leverage IDENT for biometric transactions.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations and Support		\$37,838	\$35,414	\$38,330
Procurement, Construction, and Improvements		\$4,100	\$4,091	\$16,261
Research and Development		\$0	\$0	\$0
Project Funding	\$282,799	\$41,938	\$39,505	\$54,591
Obligations	\$270,593	\$39,818	\$8,234	
Expenditures	\$233,211	\$43,781	\$23,641	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSTS02-16-J-OIA261	Accenture	FFP	09/2016	10/2016	07/2017	No	\$22,599
HSTS02-16-J-OIA053	CSRA	FFP	12/2015	01/2016	06/2017	No	\$11,232
HSTS02-16-J-OIA119	Mitre	CPFF	06/2016	06/2016	06/2017	No	\$3,655

Significant Changes to Investment since Prior Year Enacted

This investment is increased by an additional \$10.0 million to continue capitalizing toward full operating capability (FOC) by Q4 of FY19. Funding provides an additional two Agile development teams to bring the total to four teams, thus allowing the program to develop multiple elements of TIM in parallel and allowing legacy vetting systems to transition sooner than originally planned. As a result of this investment, FOC is moved up by two years.

Investment Schedule

Description	Design Work		Project Work	
	Initiated	Completed	Initiated	Completed
FY 2016				
Piloted Agile development for last 3 releases to address OT issues	FY16 – Q3	FY16 – Q4	FY16 – Q3	FY16 – Q4
FY 2017				
Phase 1: NCIC/SAVE Response Scoring	March 2017	March 2017	March 2017	June 2017
Phase 2: Enrollment & STA Status Validation	March 2017	March 2017	March 2017	August 2017
Phase 3: Onboarding Pre-check with SIE Lite Case	May 2017	May 2017	May 2017	October 2017
FY 2018				
Phase 4: Onboarding HME with SIE Lite Case	October 2017	October 2017	October 2017	December 2017

Department of Homeland Security
Transportation Security Administration
Research and Development



Fiscal Year 2018
Congressional Justification

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Research and Development

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Research and Development	-	-	\$5,000	-	-	\$4,990	-	-	\$20,190	-	-	\$15,200
Total	-	-	\$5,000	-	-	\$4,990	-	-	\$20,190	-	-	\$15,200
Subtotal Discretionary - Appropriation	-	-	\$5,000	-	-	\$4,990	-	-	\$20,190	-	-	\$15,200

Overview

Research and Development (R&D) funds necessary technology demonstration, prototype testing, and system development in support of the Transportation Security Administration’s (TSA’s) passenger, baggage, and intermodal screening functions. The FY18 R&D budget includes new funding for the Innovation Task Force (ITF). This request also includes funding to support the Open Threat Assessment Platform (OTAP) program.

TSA’s efforts within the R&D appropriation usually involve inter-agency agreements with established research organizations, such as the DHS Science and Technology Directorate (S&T), the Department of Energy (DOE), the Naval Sea Systems Command (NAVSEA), and other federally funded research and development centers (FFRDCs). With the inclusion of the ITF, TSA will be working directly with industry to test and demonstrate the newest security technologies for transportation infrastructure.

**Research and Development
Budget Authority and Obligations**
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$5,000		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$5,000	\$4,990	\$20,190
Carryover and/or Recoveries (Actual/Estimates/Projections)	-	\$243	\$1,500
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$5,000	\$5,233	\$21,690
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$5,000	\$5,233	\$21,690
Obligations (Actual/Projections/Estimates)	\$4,757	\$3,733	\$19,690
Personnel: Positons and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE Including Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

**Research and Development
Summary of Budget Changes**

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$5,000
FY 2016 Revised Enacted	-	-	\$5,000
FY 2017 Annualized CR	-	-	\$4,990
FY 2018 Base Budget	-	-	\$4,990
FY 2018 Current Services	-	-	\$4,990
Innovation Task Force	-	-	\$15,200
Total, Program Increases	-	-	\$15,200
FY 2018 Request	-	-	\$20,190
FY 2017 TO FY 2018 Change	-	-	\$15,200

**Research and Development
Justification of Program Changes**
Dollars in Thousands

Program Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Program Change 1 - Innovation Task Force	-	-	\$15,200
Total Program Changes	-	-	\$15,200

Program Change

Innovation Task Force (ITF)

Description

The FY 2018 request includes an increase of \$15.2M for additional technology demonstrations at select airports.

Justification

TSA established the ITF to demonstrate emerging capabilities and foster innovation in aviation security to address the threat landscape, improve the passenger screening experience, and contribute to the delivery of the next-generation curb-to-gate screening experience. The ITF engages industry in pursuit of future solutions, provides a structured opportunity to demonstrate new capabilities, and allows TSA to better achieve its mission to deter the evolving global threats to aviation security.

DHS and TSA must develop and acquire technology that provides the right capabilities on time and on budget in order to carry out the Department’s missions efficiently and effectively. The ITF will help TSA to close capability gaps and draw on the results of pilots and field assessments in order to identify areas where there may be weaknesses in current technological screening capabilities. In addition, the ITF will help to ensure that technologies developed meet the operational needs of DHS and TSA, and that they are sufficiently mature to assure successful transition to the acquisition process.

This program change will formally establish a funding base for the ITF, and will allow TSA to enter into memorandums of agreement with two to three airports as participating ITF sites. The funding will be used for engineering, system integration, construction, human factors contracts, and program support. Additionally, funding will support data collection and assessments at the first site, to be used to develop requirements for other applicable airports across the Nation.

This funding will grow the ITF into a continuous collaboration effort among TSA, manufacturers, and airports that demonstrates emerging technological, automated, ergonomic, environmental, and aesthetic improvements to checkpoint and checked baggage areas.

The collaboration between the ITF and industry partners will result in “curb to gate” security solutions, which are a necessary part of a “system of systems” airport security architecture needed to fully address the threat landscape. ITF funding will enable improvements to aviation security screening, including enhanced material discrimination, increased probability of detection, lower probability of false alarms, designs that reduce human error, and improved passenger experiences.

The ITF will not replace TSA’s current equipment testing and procurement efforts. All technologies will still be required to undergo the test and evaluation process in order to be considered for procurement and deployment to the field. When this process is completed, approved Checkpoint and Checked Baggage Inspection Systems will be field tested in a pilot fashion, limiting the amount of risk incurred during development.

By using acquisition tools, such as targeted Broad Agency Announcements, Small Business Innovative Research, and Requests for Information, TSA will work with industry to bring their innovative solutions to select ITF sites and to integrate them into daily operations. TSA may look to third party integrators and designers as part of this process. Additionally, TSA is pursuing the use of bailment agreements for security screening technologies that would be utilized in an ITF site. For all ITF sites and technologies, TSA will provide administrative oversight, test and evaluation, technical and operational expertise, and systems integration services.

With established base funding, TSA expects to operate two to three ITF sites each year, selected based on location, stream of commerce, infrastructure and space availability, and airport and airline interest in a public-private partnership. Airports may be selected for long or short-term initiatives. Currently, TSA is planning sites at Hartsfield-Jackson Atlanta International Airport, Denver International Airport, and John F. Kennedy International Airport.

Funding for this initiative ensures TSA is able to be nimble and adaptive to evolving threats through the maturation of innovative technological and operational solutions.

Performance

TSA expects that the findings from the ITF will help develop and deploy next generation screening solutions to assist screeners in deterring and detecting threats to the Aviation Transportation System. Specifically, the ITF findings will impact:

- *Security Effectiveness* – notable improvement over currently deployed Transportation Security Equipment (TSE) capabilities and upgraded response time.
- *Operational Efficiency* – improvements in the areas of throughput and reduction in task complexity for Transportation Security Officers.
- *Industry Vitality* – improved vitality due to increased competition, including small businesses, in the passenger and checked baggage screening domain.
- *Cost Measures* – Potential overall cost reduction and reduced acquisition timeline.
- *Passenger Satisfaction* – increased passenger satisfaction could be achieved through reduced divestiture and secondary screening, as well as improved overall experience (e.g., automation, efficiency, and aesthetics).

**Research and Development
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Research and Development	\$5,000	\$4,990	\$20,190	\$15,200
Total	\$5,000	\$4,990	\$20,190	\$15,200
Discretionary - Appropriation	\$5,000	\$4,990	\$20,190	\$15,200

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
25.5 Research and Development Contracts	\$5,000	\$4,990	\$20,190	\$15,200
Total - Non Pay Object Classes	\$5,000	\$4,990	\$20,190	\$15,200

Research and Development Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Equipment Testing/Demonstration	\$0	\$0	\$9,540	\$9,540
Algorithm Testing/Demonstration	\$3,000	\$2,990	\$6,650	\$3,660
Testing Hardware/Software	\$500	\$500	\$1,000	\$500
Program Management/Other Fixed Costs	\$1,500	\$1,500	\$3,000	\$1,500
Total – Non Pay Cost Drivers	\$5,000	\$4,990	\$20,190	\$15,200

NARRATIVE EXPLANATION OF CHANGES

- **FY 2018 Non-Pay Cost Driver – Equipment Testing/Demonstration:** TSA works closely with equipment manufactures and airports to demonstrate emerging improvements in checkpoint and checked baggage screening at various ITF locations. . . Equipment testing and demonstration changes from \$0 to \$9.5 million for testing associated with the establishment of the ITF. Planned activities in FY 2018 include deploying and testing Automated Screening Lanes (ASL), testing Computed Tomography (CT) units, and testing an Automated Wait Time System.
- **FY 2018 Non-Pay Cost Driver – Algorithm Testing/Demonstration:** TSA works closely with equipment manufactures and airports to demonstrate emerging improvements in the algorithms used for checkpoint and checked baggage screening at various ITF locations. TSA also uses its Open Threat Assessment Platform (OTAP) System Architecture to allow vendors to provide solutions for equipment for other vendors. Algorithm Testing and demonstration changes from \$3 million to \$6.7 million in FY 2018. After establishing the OTAP simulator prototype in FY2017, TSA will begin testing algorithms in FY 2018 and OTAP costs will remain at FY 2017 levels. Incorporating algorithm testing into the ITF will begin in FY 2018 and this testing accounts for the increase in the cost driver. Planned activities in FY 2018 include current initiatives include testing matrix and remote screening, integrating CT units into OTAP for algorithm development and incorporating future E-Gate capability into new checkpoint design.
- **FY 2018 Non-Pay Cost Driver – Testing Hardware/Software:** In order to test equipment and algorithms at TSA’s various ITF locations as well as using OTAP, TSA needs to purchase hardware and software to perform testing as well as to evaluate results. Purchase of testing hardware and software changes from \$500 thousand to \$1 million in FY 2018 to support additional testing equipment purchases for the ITF.

- **FY 2018 Non-Pay Cost Driver – Program Management/Other Fixed Costs:** TSA has some fixed costs for both the ITF and OTAP. Activities under this cost driver include contracts to maintain threat databases and to develop and update testing protocols. Costs increase in FY 2018 by \$1.5 million based on the addition of the ITF within the R&D appropriation and the costs associated with developing testing protocols for ITF projects.

Research and Development

Technology Readiness Level Exhibit

Project Description:

Innovation Task Force: ITF is a collaboration among TSA, manufacturers, and airports to demonstrate emerging technological, automated, ergonomic, environmental, or aesthetic improvements for checkpoint and checked baggage areas. ITF will provide a mechanism to work with industry to provide more flexible, mature, and standardized “curb to gate” security solutions and techniques that meet the “system of systems” architecture needs for the future of airport security screening and fully address the threat landscape. The ITF is TRL level 6.

FY 2016 Key Milestone Events (Prior Year)

- Established ITF facilities to begin collaboration among TSA, equipment manufacturers, and airports to demonstrate emerging technology for checkpoint and checked baggage areas.

FY 2017 Planned Key Milestone Events (Year of Execution)

- Complete operational assessments of Automated Screening Lanes (ASL) and checkpoint configuration operations and staffing models at Atlanta Hartsfield Jackson International Airport (ATL), Newark Liberty International Airport (EWR), Chicago O’Hare International Airport (ORD), and Los Angeles International Airport (LAX).
- Deploy multiple ASLs at ATL, EWR, ORD, and LAX. As of April 2017, TSA had deployed 51 ASLs at these airports.
- Complete Computed Tomography for the checkpoint and biometric authentication proofs of concept.
- Issue solicitation to receive additional solution concepts from industry for demonstration.
- Continue efforts in biometric bag drop demonstrations, public area security demonstrations, and employee screening initiatives.

FY 2018 Planned Key Milestone Events (Budget year)

- Establish ITF facilities at ATL, Denver International Airport (DEN), and John F. Kennedy International Airport (JFK).
- Work with industry to advertise capability and start ITF projects.

Delayed Milestones

- N/A

Overall Project Funding

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Project Funding	\$0	\$0	\$0	\$0	\$15,200
Obligations	\$0	\$0	\$0		

Project Schedule

Research & Development Description	Planned Start Date	Planned Completion
FY 2016		
Establish first ITF facilities	Q4 2016	Ongoing
FY 2017		
Establish additional ITF facilities	Q2 2017	Q3 2017
Deploy additional ASLs	Q2 2017	Q4 2017
Complete CT and biometric authentication proofs of concept	Q2 2017	Q4 2017
Issue solicitations for FY18 projects	Q2 2017	Q3 2017
Ongoing: Bag drop, public area security and employ screening demos	Q2 2017	Ongoing
FY 2018		
Establish additional ITF facilities	Q1 2018	Q3 2018
ITF Projects identified in FY 2017	Q2 2018	Q4 2018

Type of Research

Technology Demonstration: System prototypes in a relevant environment.

Technology Readiness Level

TRL Level 6 – System Prototypes in Relevant Environment

The ITF is at TRL-6 designation because equipment provided by manufacturers for ITF demonstrations are pre-production prototypes for demonstration purposes. The ITF provides the manufacturers an opportunity to identify any issues prior to submitting the equipment for formal testing.

The ITF environment consists of actual screening lanes in various U.S. airports – however, these lanes are not in operation at the time of testing. As such, they provide manufacturers a relevant demonstration environment.

Transition Plans

N/A. This research does not lead to the purchase of TSA equipment.

Research and Development

Technology Readiness Level Exhibit

Project Description:

OTAP System Architecture – Prototype open architecture system that includes the hardware and software necessary to make data, images, and user-interfaces accessible at each step of the checkpoint and baggage screening process. These accessible components will allow transportation security vendors to provide innovative solutions, such as sensors or algorithms, for equipment made by other vendors. OTAP will enable standard interfaces to be established, meaning different vendors' TSE will be able to communicate with each other – such as passing scan data from one vendor's x-ray to another vendor's threat-detection algorithm.

FY 2016 Key Milestone Events (Prior Year)

- Develop initial “alpha” Open-Platform Software Library (OPSL), the middleware that will implement the accessible interface protocols in an Application Program Interface.
- Implement OPSL on prototype TSE, providing compliant cyber-secure software for implementing major TSE functions and passing data between TSE subcomponents.
- Verify OPSL is capable of being implemented on future TSE.
- Develop components that are compliant with OPSL interface specifications.
- Develop database for organizing and labeling features of data from security screening sensors.
- Identify best-practices for the development of a future graphical user interface (GUI) module.
- Initiate development of GUI module.

FY 2017 Planned Key Milestone Events (Year of Execution)

- Create a baseline x-ray scanning system with an open architecture and validate that basic system software and APIs are capable of undergoing field testing.
- Finish development of OPSL-compliant prototype GUI.
- Develop system simulator for faster testing of prototype threat-detection algorithms.
- Begin integrating next-generation hardware and software components into an initial prototype.

FY 2018 Planned Key Milestone Events (Budget year)

- Complete hardware and software integration.
- Begin projects identified in FY 2017.

Delayed Milestones

- None.

Overall Project Funding

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Project Funding	\$0	\$0	\$5,000	\$4,990	\$4,990
Obligations			\$4,757	\$0	

Project Schedule

Research & Development Description	Planned Start Date	Planned Completion
FY 2016		
OPSL Development	Q1 2016	Q1 2016
Implement OPSL Software	Q1 2016	Q1 2016
Develop OPSL compliant components	Q2 2016	Q3 2016
Develop database for labeling data from sensors	Q3 2016	Q4 2016
Initiate development of GUI	A4 2016	N/A
FY 2017		
Create baseline x-ray scanning system for open architecture	Q1 2017	Q2 2017
Finish OPSL-Compliant GUI	Q1 2017	Q2 2017
Develop system simulator	Q2 2017	Q4 2017
Begin HW/SW integration	Q3 2017	NA
FY 2018		
Complete HW/SW Integration	Q1 2018	Q2 2018
Begin projects identified in FY 2017	Q2 2018	Q4 2018

Type of Research

Technology Demonstration: System prototypes in a relevant environment.

Technology Readiness Level

TRL Level 6 – System Prototypes in Relevant Environment

OTAP provides vendors a relevant environment for testing of algorithms.

OTAP will enable standard interfaces to be established, meaning different vendors' TSE will be able to communicate with each other. Approved vendors will have access to threat article and bag X-ray scan databases and the opportunity to develop and apply prototype algorithms to TSA's open hardware platform.

TSA tests these algorithm prototypes in environments such as the Transportation Security Integrated Facility, which provide controlled platforms nearly identical to what screeners would use at checkpoints and baggage screening areas in an airport. This helps vendors provide innovative solutions, such as a sensors or algorithm, for equipment that is manufactured by other vendors.

Transition Plans

N/A. This research does not directly lead to the purchase of TSA equipment.