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**Prepared Statement before the
Subcommittee on Legislative
Branch Appropriations,
Committee on Appropriations,
U.S. Senate**

*On the Appropriations Request
of the Government Printing Office
for Fiscal Year 2011*

138 Dirksen Senate Office Building

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2:30 PM



Chairman Nelson, Senator Murkowski, and Members of the Subcommittee on Legislative Branch Appropriations:

It is an honor to be here today to discuss the appropriations request of the Government Printing Office (GPO) for FY 2011.

Results of FY 2009

FY 2009 began with a flood of activity associated with completing the necessary printing, binding, and related work supporting the impending transition of Administrations. For the Presidential inauguration, GPO completed a broad variety of printed materials, which for the first time included the production of secure credentials for law enforcement personnel involved with the event.

We also issued the quadrennially popular *Plum Book*, known officially as *Policy and Supporting Positions*, which was printed on behalf of the Senate Committee on Homeland Security and Governmental Affairs. Following the inauguration, GPO printed the official portraits of President Obama and Vice President Biden for placement by the General Services Administration (GSA) in more than 7,000 Federal Government installations around the globe. Rounding out this effort, during the year GPO produced the *Congressional Directory* for the 111th Congress, issued by the Joint Committee on Printing, which includes a comprehensive directory to both the Senate and the House of Representatives as well as the officials of the incoming Administration.



Throughout the year, GPO worked to fulfill its pledge of support for President Obama's Open Government Initiative. In February, we launched our Federal Digital System (FDsys, at www.fdsys.gov), a world-class information management system developed to authenticate, preserve, and provide permanent public access to official Federal publications. We also offered a number of suggestions to the Administration to help implement the President's initiative, including providing public documents housed on FDsys in XML format to facilitate a greater range of user options. In partnership with the National Archives and Records Administration's Office of the Federal Register, we carried out this suggestion by offering the *Federal Register* in XML. By the year's end we were poised to follow up making the *Code of Federal Regulations* available in XML as well.

In addition to migrating the databases housed on *GPO Access* to FDsys, GPO also worked with staff from the Library of Congress, the Secretary of the Senate, and the Clerk of the House to develop a report on bulk data downloads of legislative information, and during the year we worked toward a plan for digitizing printed documents within the Federal depository library collection for online public access.

To fully support the commitment to environmental sustainability announced by the President and Congress, GPO is developing its future based on environmental sustainability. This means more than just going green: it means expanding our digital operations and making changes in paper, inks, equipment configurations, and energy sources so that we can support our customers in Congress, Federal agencies, and the public in a more efficient and environmentally responsible way.

During the year, with the help of funding provided to the GSA through the American Recovery and Reinvestment Act, we upgraded GPO's vehicle fleet with more fuel efficient and environmentally friendly vehicles. With the approval of the Joint Committee on Printing, we increased the postconsumer waste content of the newsprint we use to print the *Congressional Record* and the *Federal Register* from 40% to 100%. We also began an evaluation of how digital printing technologies can help us meet our production requirements in the 21st century.

GPO continued making progress in providing new options to meet the Government's secure credential needs. Along with the credentials supporting the Presidential inauguration, we designed, printed, encoded, personalized, and shipped more than 500,000 Trusted Traveler Program cards (NEXUS, SENTRI, and FAST) for the Department of Homeland Security's Customs and Border Protection, and developed additional cards to support the Western Hemisphere Travel Initiative, the Medicare program in Puerto Rico, and other Federal identification programs. Our smart card production operation is a rapidly growing segment of GPO's Secure and Intelligent Documents business unit, building on the expertise and capabilities we bring to our longstanding passport production operations.



Historically, the events dominating Congress and the Administration are reflected in the work produced by GPO, and 2009 was no exception. During the year, GPO recorded the debates and printed the legislation resulting in the American Recovery and Reinvestment Act, as well as the documents associated with consideration of health care reform in the House and the Senate and the various appropriations bills and other business before Congress. We also completed production of the main edition of the U.S. Code. GPO worked through the year to produce the documents required for the upcoming decennial census, and also produced thousands of traveler cards providing information on the H1N1 (swine flu) virus on behalf of the Centers for Disease Control.

To help the public find access to these and other documents, we created a new email alert system that attracted thousands of subscribers, and we upgraded GPO's online *Catalog of Government Publications* to help users find documents in nearby depository libraries. We also carried on a longstanding GPO responsibility by updating and issuing a new edition of the *GPO Style Manual*, a publication that has served as a guide to the form and style of Federal printing for more than century.

GPO's process improvement initiatives focused on obtaining certification under the International Organization for Standardization (ISO) 9001, a quality management system, and the implementation of 5S, a lean manufacturing program. ISO 9001 certification will ensure GPO's continued delivery of products and services that meet customer expectations, conserve agency resources, increase efficiency, reduce waste, and improve quality. The 5S program instills employee process ownership and communicates and maintains organization of workspaces.

I'm pleased to report that the audit of our financial reports and systems for FY 2009 conducted by KPMG LLP resulted in an "unqualified," or clean, opinion for GPO. We completed the year with a net income of \$1.2 million on total revenues of \$934.1 million, excluding Other Operating Expenses of \$4.1 million for an adjustment to GPO's long term workers' compensation liability and \$1.2 million for a capitalized software impairment loss.

The change in business from the previous year was attributable primarily to a reduction in overall passport production operations. The adjustment to workers' compensation liability and the capitalized impairment loss did not place GPO in an anti-deficiency position or require additional appropriations, and the state of GPO's finances remains sound, particularly as the result of increased new business opportunities in the secure and intelligent documents arena and continuing efficiencies achieved as a result of the sustained transformation GPO has undergone over the past decade.

GPO made substantial progress in 2009. By the end of the year, we began developing plans for the observance of our 150th anniversary, dating to the enactment of the congressional resolution of June 23, 1860, which established the Government Printing Office, and to March 4, 1861, the day we first opened for business. We look forward to celebrating a century and a half of accomplishment in the coming year.

FY 2011 Appropriations Request

For FY 2011, we are requesting a total of \$166,560,000, which will enable us to:

- meet projected requirements for GPO's congressional printing and binding operations during FY 2011 and recover the shortfall in this account accumulated in FY 2009 and projected for FY 2010;
- fund the operation of GPO's Superintendent of Documents programs and provide investment funds for necessary information dissemination projects;
- continue the development of FDsys and implement other improvements to GPO's information technology infrastructure, perform essential maintenance and repairs to our aging buildings, undertake necessary continuity of operations (COOP) initiatives, and provide funding for employee retraining and workforce development.



Congressional Printing and Binding

FY 2010 Approved	\$ 93,768,000
FY 2011 Request	\$ 96,652,000
Change	\$ 2,884,000

Change includes:

Price level changes	\$ 4,192,000
Volume changes	(\$ 2,844,000)
Elimination of shortfall	\$ 1,536,000

This appropriation pays for the printing and binding for Congress as authorized by Title 44, U.S.C., and related statutes. GPO produces the daily and permanent editions of the *Congressional Record*, bills, resolutions, amendments, hearings, committee reports, committee prints, documents, stationery, and a wide variety of other products, in both print and online formats, that are essential to the legislative process in Congress. GPO provides Congress with immediate, reliable service in a work environment under its direct control.

For FY 2011, we are requesting \$96,652,000 for this account, representing an increase of \$2,884,000 over the level approved for FY 2010.

Included in the increase is \$1,536,000 to fund the shortfall in this appropriation accumulated in FY 2009 and projected for FY 2010. The shortfall occurred primarily due to increased volume for bills, resolutions, amendments, and hearings over our original estimates.

The balance represents a combination of price level increases that are attributable primarily to existing wage contracts and projected cost increases for materials and supplies, as well as estimated volume changes in certain workload categories based on historical data for first session years.

GPO projects an overall volume decrease due to projected workload decreases for the daily *Congressional Record*, business calendars, document envelopes and franks, and hearings. These decreases are offset in part by projected increased volume for miscellaneous printing and services, which will include funding for content management services provided for congressional documents maintained on FDsys; committee prints; miscellaneous publications including the *Congressional Directory* for the 112th Congress; bills, resolutions, and amendments; committee reports; details to Congress including funding for details to House committees; documents; and the *Congressional Record Index*.

Salaries and Expenses of the Superintendent of Documents

FY 2010 Approved	\$ 40,911,000
FY 2011 Request	\$ 44,208,000
Change	\$ 3,297,000

Change includes:

Mandatory Requirements	\$ 1,452,000
Investment Requirements	\$ 1,845,000

Under the relevant provisions of Title 44, U.S.C., GPO carries out its mission to *Keep America Informed* through the information dissemination programs of the Superintendent of Documents. These programs include the distribution of publications to approximately 1,250 Federal depository libraries nationwide (averaging nearly 3 per congressional district), cataloging and indexing, distribution to recipients designated by law, and distribution to foreign libraries which provide the Library of Congress with copies of their official Government documents in exchange. In addition, GPO's Government documents Web site, *GPO Access*, and its successor, FDsys, provide free online access to nearly a quarter million titles, including the *Congressional Record*, the *Federal Register*, Supreme Court opinions, congressional bills and reports, and other publications, from both GPO's servers and links to servers in other Federal agencies.

For FY 2011, we are requesting \$44,208,000 for this account, an increase of \$3,297,000 over the level approved for FY 2010. The increase is requested to cover mandatory pay and price level increases and continue improving public access to Government information in electronic formats.

Of the total increase, \$1,452,000 is for mandatory requirements, which include \$715,000 for pay and price level changes and \$737,000 for the level of overhead required to be distributed to Salaries and Expenses programs (the pay raise as submitted was calculated



at an increase of 1.6%; an adjustment of this increase to 1.4%, the amount included in the President's budget, would result in a decrease of \$26,000 from pay and price level changes).

The increase includes \$1,845,000 for continuing investment requirements. This includes \$2,000,000 for FDsys annual operating costs attributable to Superintendent of Documents programs, offset by a reduction of \$155,000 in the continued costs of specific projects supporting the Federal Depository Library Program and the Cataloging and Indexing program, including the modernization of legacy systems, expansion of cataloging and indexing services, establishment and utilization of outcomes-based performance measures for depository libraries, and funds supporting the digitization of historical print documents pending approval of a project for that purpose by the Joint Committee on Printing.

GPO has the authority—with the approval of the Committees on Appropriations—to transfer forward the unexpended balances of prior year appropriations to the revolving fund, provided the funding is used to carry out the purposes for which it was originally appropriated. At this date there is approximately \$1,500,000 remaining unexpended from the Salaries and Expenses Appropriation from FY 2005. These funds could be transferred forward to offset part of the new funding requested for this account for FY 2011.

Revolving Fund

FY 2010 Approved	\$ 12,782,000
FY 2011 Request	\$ 25,700,000
Change	\$ 12,918,000

Change includes:

Investments in information technology	(\$ 782,000)
Facilities maintenance and repair	\$ 6,250,000
Continuity of Operations (COOP)	\$ 4,200,000
Workforce Retraining	\$ 3,250,000

All GPO activities are financed through a business-like revolving fund. The fund is used to pay all of GPO's costs in performing congressional and agency printing, printing procurement, and distribution activities. It is reimbursed from payments from customer agencies, sales to the public, and transfers from the Congressional Printing and Binding Appropriation and the Salaries and Expenses Appropriation of the Superintendent of Documents. The basic purpose of the revolving fund is to provide temporary financing for GPO operations pending the collection of funds for work performed. Whenever GPO has significant investment projects that require additional working capital, we seek appropriations to the revolving fund to cover the cost of those projects.

For FY 2011, we are requesting \$25,700,000 for this account, to remain available until expended, to fund essential investments in information technology development, facilities maintenance and repair, COOP projects, and workforce retraining. This represents an increase of \$12,918,000 over the level of funding provided for FY 2010.



The request includes \$11,000,000 for information technology development. This is a decrease of \$782,000 from the amount of funding provided for this purpose for FY 2010. It includes \$6,000,000 to continue developing FDsys; \$2,000,000 for our Advanced Print Technology project, which is reviewing the potential for increasing the use of digital printing and automated workflow technologies to meet congressional and agency printing needs; \$1,500,000 to continue work with our project to replace GPO's aging automated composition system; and \$1,500,000 to continue replacing GPO's legacy business systems with an integrated network of Oracle systems.

We are requesting \$7,250,000 for facilities repair and related projects, an increase of \$6,250,000 over the amount provided for this purpose for FY 2010. It includes \$2,000,000 for continued elevator repairs; \$2,000,000 to initiate the process of relocating production operations from GPO's building 4 to the main GPO complex; \$2,000,000 to begin the systematic upgrade of GPO's electrical, plumbing, and structural infrastructure; \$1,000,000 for utility monitoring and controls to improve energy efficiency; and \$250,000 to design and install a public exhibit in support of the observance of GPO's 150th anniversary in March 2011 and to serve as continuing exhibit space.

We are requesting funding for COOP and workforce retraining projects for FY 2011, and have submitted the necessary language changes for this purpose. For COOP, we are requesting \$2,200,000 to locate and begin equipping a remote COOP operating and command center, pending approval by the Joint Committee on Printing, and \$2,000,000 for an onsite generator at GPO to supply power to the data center supporting production of congressional and agency requirements.

We are requesting \$3,250,000 for several workforce retraining and development programs, including \$1,000,000 for a Plant Operations Curriculum to build digital competencies; \$500,000 for supervisor development; \$500,000 for continuing education for basic skills development; \$500,000 for certification programs in finance and accounting; \$500,000 for a marketing curriculum; and \$250,000 for a technology integration program for training needs assessments and the provision of specialized training to operators and users of business support technology programs.

Chairman Nelson, Senator Murkowski, and Members of the Subcommittee, we look forward to working with you, and with your support we can continue GPO's record of achievement. This concludes my prepared statement, and I would be pleased to answer any questions the Subcommittee may have.

