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**Prepared Statement Before the
Committee on Appropriations,
U.S. House of Representatives**

*On the Appropriations Request
of the U.S. Government Printing
Office For Fiscal Year 2007*

2359 Rayburn House Office Building

Friday, March 10, 2006

10:00 a.m.



Mr. Chairman and Members of the Committee on Appropriations:

It is an honor to be here today to present the appropriations request of the U.S. Government Printing Office (GPO) for fiscal year (FY) 2007.

2005 Results

Since my appointment as Public Printer, we have been transforming GPO into a 21st century digital platform capable of addressing ongoing technological changes in how information is processed and disseminated.

Our goal is to provide Government information in the form and formats our customers want and need in this burgeoning digital era, and to ensure that the abiding mission of the GPO – *Keeping America Informed* – continues to be carried out for generations to come.

A primary order of business has been restoring and maintaining GPO's financial health. I am pleased to report that our efforts to modernize and prepare GPO for the future, with Congress's support, are generating measurable—and ever improving—returns to GPO's bottom line.

Net income from consolidated GPO operations for FY 2005 increased to \$6.1 million from \$1.3 million the previous year, reversing the pattern of losses from the last decade. We also recorded another reduction to our long-term liability for the Federal workers compensation program.

Our financial turnaround has also been aided significantly by efforts to right-size GPO's workforce through voluntary separation incentive programs supported by Congress. In 2003 and 2004 we reduced GPO's workforce by 542 positions, resulting in a savings in personnel compensation and benefits costs of about \$38 million annually.

During the first quarter of FY 2006, another incentive program, which was carried out under the authority originated by this Committee in the Consolidated Appropriations Act for FY 2005 (P.L. 108-447), resulted in a further reduction of 89 positions. Recurring annual savings from this recent program will be approximately \$8 million commencing October 1, 2006.

FY 2005 marked a turning point in our transformation efforts with the release early in the year of our *Strategic Vision for the 21st Century*, which was transmitted to Congress and distributed to GPO's stakeholders in both the public and private sectors.

This document provides a framework for how our transformation goals—development of a digital content system to anchor all future operations, reorganization of the agency into new product- and service-oriented business lines along with investment in the necessary technologies, adoption of management best practices agency-wide including retraining to provide needed skills, and relocation of the GPO to facilities that are sized and equipped to meet our future needs—will be carried out and funded. During the year we made significant progress in each of these directions.

The core of our future operations will revolve around a digital content system that we currently refer to as FDsys, for Future Digital System. FDsys is being designed to organize, manage, and output authenticated content for any use or purpose.

With the approval of this Committee and the Senate Subcommittee on Legislative Branch Appropriations for transferring the unexpended balances of prior year appropriations to GPO's revolving fund, we secured the majority of the funds we will need to bring FDsys into operation. In the development of this system, we are engaging key elements of our customer community in Congress, in Federal agencies, and in the library community, and we are working under the guidance of the Joint Committee on Printing.



We created a new business line for Security and Intelligent Documents in 2005 that consolidates our longstanding expertise in security documents and offers a broad range of consultative services to Congress and Federal agencies attempting to respond to new standards and statutory requirements in this area. An early product of the unit was the security printing requested by the Joint Congressional Committee on the Inauguration to support the first Presidential inaugural ceremonies since 9/11.

We also created a new Digital Media Services business line to provide essential retraining in digital production skills and eventually generate content from legacy documents for ingest to FDsys. We are developing an efficient and cost-effective approach to legacy digitization to be carried out by this new business line.

During 2005 we endowed other business lines with new capabilities. To improve plant production efficiency and broaden the range of product and service options for Congress and Federal agencies, we invested in a variety of new color and digital production technologies.

We augmented our expert printing procurement services by partnering with a nationwide firm to provide innovative new convenience duplicating and printing services to Federal agencies across the country. This contracting mechanism features provisions for capturing Federal documents electronically, which will significantly assist our efforts to broaden the availability of Federal information for public access and reduce the incidence of "fugitive documents." We also significantly increased the dollar limit on our popular simplified purchase agreements, expanding and simplifying the ability of Federal agencies to procure products and services directly from lists of pre-qualified vendors without first having to go through GPO.

Under the leadership of GPO's Superintendent of Documents, we engaged the depository library community in a dialog to define the future of the Federal Depository Library Program while continuing to move the Program toward a predominately electronic basis as required by Congress. The total number of titles we now make available on *GPO Access* (www.gpoaccess.gov) increased to more than 300,000, with an average of 37 million retrieved every month, and the dollars we now dedicate to distributing print publications to depository libraries has fallen by at least 50% over the past decade.

In our Sales of Publications Program, we developed a plan to partner with private sector sales and distribution providers who can expand Government publications sales offerings to the public, implementing a key recommendation of a management audit of GPO ordered by the House and Senate appropriations committees in P.L. 105-55. The plan would also return a portion of the revenues to GPO. Following consultation with our oversight committee we expect to issue a Request for Proposal for these services in the coming weeks.

We continued work on our Oracle enterprise system, which will replace a number of labor intensive accounting and inventory functions with IT solutions, reducing cost and speeding work throughput. Expanded employee training opportunities were also made available, ranging from new offerings on the shop floor to "transformational leadership" seminars for all supervisors and managers. Our Digital Conversion System will also provide new retraining opportunities.

Although the GPO is not subject to the Government Performance and Results Act (GPRA), we take the spirit and intent of its provisions seriously, particularly its emphasis on performance measurement. During the year we worked to design systems to provide quantitative measurement in evaluating the progress of our strategic and management initiatives, and in this request we are seeking funds to implement that system.



Progress toward our goal to relocate the GPO to new facilities moved ahead in FY 2005 with the delivery of a formal plan for this project by our expert real estate advisory consultant. The plan, along with draft legislative language to authorize the project, was submitted to our oversight and appropriations committees accompanied by legislative briefings. We also began work on a plan to establish an ancillary production site for passports and other essential Government documents, and will be consulting further with our oversight committee on this matter this year.

FY 2007 Request

Our FY 2007 appropriations request is designed to provide for:

- Continuation of our congressional printing and binding operations and information dissemination services at required levels;
- Essential investment in projects to continue the transformation of the Federal Depository Library Program to a predominately electronic basis, by improving the cataloging, preservation, authentication, and provision of public access to electronic Federal Government information; and
- Investment in information technology to improve the efficiency and effectiveness of GPO's operations, and completion of the program we have begun to retrain GPO's workforce to meet changing technology demands.



Congressional Printing and Binding For the Congressional Printing and Binding Appropriation, which covers printing and related services for Congress, we are requesting \$100,285,000. This is an increase of \$13,076,000 over the level provided for FY 2006. As you know, the funding level provided for this appropriation in FY 2006 is equal to FY 2005, minus the one percent rescission. The increase is required to cover mandatory pay and price level changes and projected changes in specific congressional printing categories based on historical data, and is partially offset by ongoing improvements in productivity. Mandatory items also include funding for the production of the 2006 Edition of the U.S. Code, which by law is required to be fully updated and issued every six years, as well as required support capabilities residing at the alternative computing facility. Our request also provides funding to begin investment in a new generation of publishing systems that will be capable of fully supporting Congress's current and future information product needs.

Salaries and Expenses Appropriation For the Salaries and Expenses Appropriation of the Superintendent of Documents, we are requesting \$43,000,000, an increase of \$9,996,000 over the level provided for FY 2006. This appropriation provides for the cataloging, indexing, and distribution of Government publications to Federal Depository and International Exchange libraries and other recipients designated by law.

The increase is necessary for mandatory pay and price level changes, increased information technology support costs, and distribution of the 2006 edition of the U.S. Code to depository libraries and other recipients as required by law. Equally as important, our request includes funding for essential investments to sustain our commitment to meeting the changing needs of the Federal Depository Library Program (FDLP) in the digital era. For FY 2005, 71% of all new titles made available to the FDLP were in online format only, while an additional 21% of new titles were in electronic and one or more tangible formats such as print or microfiche. Only 8% of new titles were made available in print only. In other words, 92% of new titles in the program were made available online, whether or not there were tangible equivalents.

As this data shows, the FDLP is now a predominately electronic program. The funding increase we are seeking will nurture and sustain the digital transformation of the FDLP, expanding the availability of the Program's resources nationwide while providing for essential improvements to ensure permanent access and authenticity. The projects we are proposing include digital conversion of GPO's pre-1976 cataloging records to expand the availability of our online catalog resource; targeted capital investment for authentication and other technologies supporting *GPO Access*; authentication and cataloging of Web-harvested documents; and essential training for depository librarians and other user support.

Our request is also designed to advance another key initiative of our strategic vision for the future. In cooperation with the Library of Congress and the National Archives and Records Administration (NARA), we are developing an agreement under which the three agencies will make a concerted effort to digitize and provide online public access to Federal documents reaching back to the Nation's earliest days. As a result of this effort, the comprehensive historical collection of Federal publications—reports, legislation, congressional proceedings, executive orders, Presidential papers, regulations, and more—will be available for search and retrieval at the push of a button from any library, classroom, office, or home.

As our society becomes increasingly electronic, the demand for access to Government information—including information that heretofore was available only in print—is growing. Several elements of both the public and private sectors have begun retrospective digitization projects to meet that demand and reduce costs to libraries. These efforts are commendable, but with their proliferation there is a growing need for an approach that will ensure standardization, comprehensiveness, and efficiency while preventing wasteful overlap and duplication of effort. I have met on this subject with the Librarian of Congress and the Archivist of the United States and we expect to conclude an agreement on this effort in the near future. While GPO will fund its role in this effort from available resources, our request for the Salaries and Expenses Appropriation for FY 2007 includes \$2 million to provide data tagging and related technical support for newly digitized content that is made available to the FDLP.

Revolving Fund For GPO's revolving fund, we are requesting an appropriation of \$8,231,000, an increase of \$6,251,000 over the level provided for FY 2006.

This will provide funds to acquire essential information technology infrastructure and systems development, including risk reduction and security enhancements, computer-aided manufacturing, replacement of our antiquated job-cost reporting system, implementation of a Government Performance and Results Act (GPRA) compliance system, and other measures. Our request will also be used to complete the training program we have initiated with FY 2006 funds to define GPO's workforce needs, assess the skills of current employees, identify the gaps, and design and deliver targeted, just-in-time training to close those gaps. A well-trained workforce and modernized information technology architecture are prerequisites to implementing our vision of GPO's digital future.

Mr. Chairman and Members of the Appropriations Committee, thank you for all the support you have shown for our efforts to transform GPO. With your support we can continue our record of achievement. We look forward to working with you in your review and consideration of our request.

