

Department of Homeland Security

U.S. Citizenship & Immigration Services

**FY 2010/2011 Immigration and Examinations Fee Account
Fee Review Supporting Documentation**



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EXECUTIVE SUMMARY

USCIS operations and services are primarily funded by immigration and naturalization benefit fees charged to applicants and petitioners. USCIS reviews fees periodically and proposes adjustments to fees to ensure recovery of costs necessary to meet national security, customer service, and service delivery goals.

In accordance with the principles and guidance of the Chief Financial Officers Act of 1990 (CFO Act of 1990) and the Office of Management and Budget's (OMB) Circular A-25, USCIS has completed a biennial fee review of the fees deposited into the Immigration Examination Fee Account (IEFA) for FY 2010/2011. Fees were last adjusted on July 30, 2007. This rule proposes adjustments to the fee schedule and clarifies eligibility for an individual waiver of the filing fee. This rule also proposes to adjust the premium processing fee.

President Obama launched a multi-year effort in his fiscal year (FY) 2010 Budget to reform immigration fees. The purpose of reforming immigration fees is to improve the transparency and precision of how fees are determined and to develop, as a matter of discretion, fees that reflect more closely actual costs of adjudication and assignable associated costs. The President's FY 2010 Budget requested appropriations from Congress to allow USCIS to remove the surcharge for refugee and asylum program costs and military naturalizations. Additional steps to reform immigration fees are in the President's FY 2011 Budget request and in this fee review.

While cost increases over this period are primarily inflation-related, anticipated immigration benefit request volumes have declined sharply. FY 2010/2011 volume is expected to decrease by 17% from FY 2008/2009 Fee Rule levels, from a total of 8,213,965 to 6,820,509. Actual fee revenue (excluding premium processing) for FY 2009 was \$345 million less than projected in the FY 2008/2009 Fee Rule.

The decrease in volumes will result in a projected average annual cost over revenue deficit of at least \$361 million in the IEFA if fees remain at current levels and more if immigration benefit request volume does not increase as anticipated. Given that USCIS funds approximately 95 percent of operating costs through IEFA revenue, the projected deficit poses a significant risk to operations in the absence of adjustments to fees.

The summary below outlines the core elements of a plan USCIS will implement to address current operational needs and the projected deficit:

- Appropriations for a portion of asylum, refugee and military naturalization surcharge costs. Appropriations for FY 2010 included \$55 million for these surcharges. The rule incorporates the \$55 million and assumes \$212 million for these purposes in FY 2011. The appropriation is intended to cover a portion of the estimated cost of processing immigration benefits for asylum, refugee, and military naturalization programs, along with programmatic support provided by Headquarters.
- Appropriations for the cost of the Systematic Alien Verification for Entitlements program and the Office of Citizenship in FY 2011. The rulemaking assumes that the cost of the

SAVE program and the Office of Citizenship will no longer be financed by fee revenue and will, instead, receive appropriated resources. If appropriations are not approved for these activities, fees will be adjusted to reflect costs for these programs.

- Adjust fees. A fee schedule change to recover the remaining funding needs outside of appropriations support. Fees will increase by a weighted average of 10 percent.
- Implement a new Immigrant Visa Fee. This fee will recover costs incurred to process immigrant visas granted by the Department of State. Currently, other USCIS applicants bear the cost of processing the immigrant visa workload. The proposed fee is \$165.

Other fee actions include:

- Establishing a New Fee and Form: EB-5 Regional Center Designation under the Immigrant Investor Pilot Program (I-924). This form covers an individual, a state or local governmental agency, a partnership or any other business entity requesting approval and designation to be a Regional Center under the Immigrant Investor Pilot Program. The proposed fee is \$6,230.
- Establishing a New Fee: Civil Surgeon Designation Registration Process. This fee covers the cost of the registration process for individuals requesting an initial designation as a civil surgeon. Civil surgeon designation is required for individuals wishing to conduct physical and mental examinations of those seeking admission into the United States or applying for adjustment of status, as prescribed under section 232(b) of the INA. The proposed fee is \$615.
- Adjust the Premium Processing Fee for Inflation. The rule would adjust the current premium processing fee by the Consumer Price Index (CPI) as authorized by the INA 286(u). The current statutory fee is \$1,000. The proposed fee is \$1,225.
- Eliminate Fee Exemptions for Biometric Services Provided Overseas. USCIS proposes to remove 8 CFR 103.2(e)(4)(ii), which exempts individuals residing overseas from paying a biometrics fee.

PURPOSE AND SUMMARY

This document provides background information and a detailed explanation of the results of the FY 2010/2011 IEFA Fee Review and related fee rulemaking. Consistent with section 205(a)(8) of the CFO Act, U.S. Citizenship and Immigration Services (USCIS) conducts a biennial fee review to evaluate anticipated costs and projected revenue and makes recommendations on revising immigration benefit request fees accordingly.

BACKGROUND

USCIS determines eligibility for immigration and citizenship benefits, promotes awareness and understanding of citizenship, and ensures the integrity of our immigration system. USCIS is the federal entity responsible for granting or denying immigration benefits to individuals seeking to enter, reside, or work in the United States. There are approximately 10,700 USCIS federal employees (this number includes temporary employees hired to address the FY 2007 surge). As one of the largest fee-funded agencies in the federal government, USCIS processes all immigrant and non-immigrant benefits, including:

- **Family-based requests** - facilitating the process for close relatives to immigrate, gain permanent residency, travel, and work;
- **Employment-based requests** - facilitating the process for current and prospective employees to immigrate or stay in the U.S. temporarily;
- **Asylum and refugee processing** - adjudicating requests for asylum and refugees status;
- **Naturalization** - approving citizenship of eligible persons who wish to become U.S. citizens;
- **Special status programs** - adjudicating eligibility for U.S. immigration status as a form of humanitarian aid to foreign nationals; and
- **Document issuance and renewal** - verifying eligibility and producing and issuing immigration documents.

In 1988, Congress established the Immigration Examinations Fee Account (IEFA). Fees collected from persons filing immigration benefit requests are deposited into the IEFA and are used to: 1) fund the full cost of processing applications and associated support benefits, 2) fund the cost of providing similar benefits to asylum and refugee applicants, and 3) fund the cost of providing similar benefits to others at no charge. Since 1989, fees deposited into the IEFA have been the primary source of funding for the processing of immigration and naturalization benefits.

On April 4, 1989, USCIS published a final rule in the Federal Register establishing the IEFA fee schedule for the first time since enactment of legislation authorizing use of fee revenues to fund immigration benefit processing activities. The rule instituted fees that “more nearly reflect the current cost of providing the benefits and services...” The changes were “necessary to place the financial burden of providing special services and benefits, which do not accrue to the public at large, on the recipients.”

On March 27, 1991, USCIS revised the IEFA fee schedule. Fees were increased by as much as 100 percent for several immigration benefits. USCIS stated several reasons for this increase, including:

- increased workloads, data and communications costs, and computer hardware costs;
- absorption of asylum and refugee processing costs, previously appropriated, into the IEFA;
- costs of an enhanced asylum review process;
- costs of fingerprint and name checks which the Federal Bureau of Investigation (FBI) began billing directly to USCIS; and
- costs of acquiring larger facilities and increased staffing to keep up with increased requests.

In 1994, USCIS revised the fee schedule again. In the proposed rule, USCIS explained that these increases were necessary to reflect “inflation since the last general fee increase in April 1991, the assignment of certain additional costs to the IEFA for services that support adjudications and naturalization functions, and the costs of investments to improve services to users.” While preparing the proposed rule which revised fees in 1994, USCIS recognized the need for improving its “management of the finances of the fee accounts and the development of fee schedules.”

The fee schedule was adjusted on October 13, 1998, as a result of a comprehensive cost study conducted in FY 1997 based on FY 1996 processes and the FY 1998 budget. A thorough review of the resources, activities, and costs of processing immigration benefits and biometric services funded through the IEFA was conducted by a team of USCIS personnel and contracted technical support. This review introduced activity-based costing as the methodology for determining costs associated with services for which fees are charged.

Following the last fee review (conducted in 2007 for the biennial period of FY 2008/2009), USCIS committed to reviewing the IEFA every two years consistent with the biennial review standard of the CFO Act and OMB Circular A-25. The FY 2008/2009 Fee Review followed nearly a decade without a comprehensive review of IEFA fees, and fees increased by a weighted average of 86 percent to recover base costs and additional costs for improving operations and service-wide performance needs. To review historical fees, see Appendix VIII.

For the FY 2010/2011 Fee Review, USCIS assessed the projected baseline operational costs, evaluated the need for program and policy changes, and estimated projected revenue. Overall, USCIS kept base costs at inflation and minimized program changes that would increase costs.

A major concern for this fee review is the projected level of revenue for the biennial period. Receipt volumes fell during FY 2008 after a surge of applicants applied in the summer of 2007. Receipts continued to decline throughout FY 2009 in concert with the decline of the national economy¹. By the end of FY 2009, revenue was down \$345 million or 14.8 percent below the

¹ The Congressional Budget Office, *The Budget and Economic Outlook: Fiscal Years 2009 to 2019*, <http://www.cbo.gov/ftpdocs/99xx/doc9957/01-07-Outlook.pdf>

FY 2008/2009 Fee Review projection. Projected FY 2010/2011 revenue is anticipated to be lower than the assumed levels of the FY 2008/2009 Fee Review.

RESULTS

The results of the FY 2010/2011 Fee Review indicate that even with budget cuts reflective of lower workload, current fee levels are not sufficient to recover the full cost of activities funded by the IEFA. Based on the current fees and projected fee-paying volume, \$2.056 billion in annual revenue is expected each year for the FY 2010/2011 biennial period (this does not include premium processing revenue which USCIS does not account for within the price structure). For the same period, the estimated average annual cost of processing immigration and naturalization benefit requests is \$2.417 billion, resulting in an average estimated deficit of \$361 million per year.

Several significant actions are being proposed as part of this rulemaking to address current operational needs and this resource deficit:

- Appropriations for a portion of asylum, refugee, and military naturalization surcharge costs. Appropriations for FY 2010 included \$55 million for these surcharges. The rule incorporates the \$55 million and assumes \$212 million for these purposes in FY 2011 (military naturalization funding in FY 2011 will come in the form of a reimbursement by the Department of Defense (DOD) appropriated funding, not direct appropriations as is the case in FY 2010). If the FY 2011 amount is approved, this will reduce the anticipated gap between costs and estimated revenue to an annual average of \$227 million over the FY 2010/2011 biennial period. The appropriation is intended to cover a portion of the estimated cost of processing immigration benefits for asylum, refugee, and military naturalization applicants, along with programmatic support provided by Headquarters.
- Appropriations for the cost of the Systematic Alien Verification for Entitlements program and the Office of Citizenship in FY 2011. The FY 2011 President's Budget proposes appropriated funding to cover the cost of the Systematic Alien Verification for Entitlements (SAVE) program, and the Office of Citizenship. The cost of these programs for FY 2011 is \$26.1 million. If this additional proposed appropriation is approved, the anticipated deficit between costs and revenue will decrease from \$277 million (after asylum and refugee appropriations and military naturalization reimbursements) to an annual average of \$214 million over the FY 2010/2011 biennial period.
- Adjust fees. Fee schedule changes will recover the remaining \$214 million estimated shortfall. Fees will increase by a weighted average of 10 percent. While USCIS is proposing a fee increase, lower volumes still result in a significantly reduced budget. The proposed price adjustments are necessary to ensure that fee revenue covers the cost of services, which is essential to ensuring timely service delivery.
- Implement a new Immigrant Visa Fee. This fee will recover costs incurred while processing immigrant visas granted by the Department of State. Currently, other USCIS applicants bear the cost of processing the immigrant visa workload. The proposed fee is \$165.

- Implement a New Fee and Form: EB-5 Regional Center Designation under the Immigrant Investor Pilot Program (I-924). This form covers an individual, a state or local governmental agency, a partnership or any other business entity requesting approval and designation to be a Regional Center under the Immigrant Investor Pilot Program. USCIS currently processes these requests without charging applicants. Other requests bear the cost of processing this workload. The proposed fee is \$6,230.
- Implement a New Fee: Civil Surgeon Registration. This process covers individuals requesting an initial designation as a civil surgeon. Civil surgeon designation is required for individuals wishing to conduct physical and mental examinations of those seeking admission into the United States or applying for adjustment of status, as prescribed under section 232(b) of the Immigration and Nationality Act. USCIS currently processes these requests without charging applicants. Other fee-paying customers bear the cost of processing this workload. The proposed fee is \$615.
- Adjust the Premium Processing Fee for Inflation. The rule would adjust the current premium processing fee by the percent increase in the Consumer Price Index (CPI) from June 2001 (the inception of the fee) to March 2010, as authorized by the Immigration and Nationality Act 286(u). The current statutory fee is \$1,000. The proposed fee is \$1,225.
- Eliminate Fee Exemptions for Biometric Services Provided Overseas. 8 CFR 103.2(e)(4)(ii) exempts overseas filers who require biometric services from paying the biometric service fee. USCIS proposes to eliminate this exemption in order to reduce the costs borne by other fee-paying filers for this service and to accurately reflect anticipated overseas biometric workload.

Options for addressing the estimated deficit involve reducing costs, obtaining appropriations support, adjusting fees, and achieving increased volumes. This rulemaking assumes a combination of all four options.

USCIS cannot rely on a substantial improvement in immigration benefit request volumes to sustain the present cost structure given the revenue forecast. On the other hand, relying solely on cost reductions would not be feasible without a substantial detriment to service. USCIS has implemented budget cuts covering a broad variety of programs and activities. More dramatic cost reductions could jeopardize efforts to sustain processing time performance in the near term and improve service quality for the future.

PROCESSING TIME GOALS

In tandem with the additional capacity and promised efficiency improvements in the FY 2008/2009 Fee Review and fee rulemaking, USCIS committed to reduce immigration benefit request processing times. Two performance goals were specified:

- Reduce processing times by the end of FY 2008 for four key request types:
 - Application to Register Permanent Residence or Adjust Status (I-485) from six months to four months;

- Application for Naturalization (N-400) from seven months to five months;
 - Application to Replace Permanent Resident Card (I-90) from six months to four months; and
 - Immigrant Petition for Alien Worker (I-140) from six months to four months.
- Achieve a 20 percent reduction in average request processing times by the end of FY 2009.

During the period between the 2007 Notice of Proposed Rulemaking and implementation of a Final Rule on July 30, 2007, USCIS received a substantial surge in immigration benefit requests. This surge more than doubled the number of naturalization requests received for the entire year. Naturalization requests are very labor-intensive and the additional surge had a significant impact on resources.

USCIS responded to the 2007 surge by rapidly adding capacity in 2008 in excess of the increases set forth in the rule. Despite completing 1.6 million more immigration benefit requests than received during FY 2008, USCIS could not meet processing time goals. As a result, all of the 2008 goals for key request types were moved forward to the end of FY 2009. No change was made to the existing 20 percent processing time reduction goal slated for the end of FY 2009.

USCIS was able to make substantial progress towards achieving processing goals over the FY 2008/2009 biennial period, including the following notable accomplishments:

- USCIS processed nearly 1.2 million naturalization requests in FY 2008, 56 percent more than 2007. As of March 2010, there were approximately 262,000 naturalizations cases pending – one of the lowest levels in the recent history of USCIS.
- A surge response plan implemented in FY 2008 enabled USCIS to meet nearly all FY 2008/2009 Fee Rule processing time goals by the end of FY 2009.
- USCIS and the FBI effectively eliminated the National Name Check Program (NNCP) backlog. NNCP now is able to complete 98 percent of name check requests submitted by USCIS within 30 days, and the remaining 2 percent within 90 days.
- Refugee admissions totaled 74,652 for FY 2009, a 25 percent increase over the FY 2008 admissions level. This includes the processing of 18,833 Iraqi refugees, up from 13,000 in FY 2008.
- USCIS is using System Qualified Adjudication (SQA) to electronically adjudicate some cases and determine those that require closer review. This helps staff focus attention on more complex cases including those where discrepancies have been found. USCIS uses SQA on about 5 percent of immigration benefit requests.
- A secure mail delivery process has been implemented whereby re-entry permits and refugee travel documents are delivered via the U.S. Postal Service Priority Mail. This allows for documents to be delivered in two to three days with delivery confirmation. The process is being expanded to other areas this year, including for the delivery of permanent resident cards and employment authorization documents.
- To improve intake operations and the control and timing of fee deposits, USCIS is transitioning to a new U.S. Department of the Treasury Lockbox provider and away from dispersed collection points. Two major forms – Form N-400 Application for Naturalization and Form I-90 Application to Replace Permanent Resident Card – have already transitioned. In addition, forms related to international adoptions that are filed

domestically have transitioned. This includes the I-800, I-800A, I-600 and I-600A. USCIS transitioned eight more request types in December 2009.

Processing Time Outlook

USCIS met or exceeded nearly all FY 2008/2009 Fee Rule processing time performance goals by the end of FY 2009. Processing time progress updates are posted to the USCIS website on a monthly basis. For the FY 2010/2011 period, USCIS intends to ensure that processing times do not fall below the 2008/2009 Fee Review goals. Wherever appropriate and feasible, USCIS aims to exceed target performance goals through existing staff levels, efficiency improvements, and systems modernization. There are no plans to hire additional staff and USCIS plans to reduce staff during the FY 2010/2011 biennial period based on current revenue trends and institutional focus on countering fee increases to the extent possible.

Performance Improvements

In the FY 2008/2009 fee rule, USCIS committed to a series of performance improvements and reduced processing time goals. For the FY 2010/2011 period, USCIS is identifying in this fee rule a new set of goals and performance improvements that are aimed at increasing accountability, providing better customer service, and increasing efficiency. These enhancements include:

- Expanding the use of Systems Qualified Adjudication to a Larger Share of USCIS's workload. USCIS expects all Form I-90, I-765, and I-821 re-registration applications will be supported by electronic adjudication by September 2011. In addition to improving the processing of these requests, this step will provide adjudicators with more time to focus on more complex applications.
- Begin Deployment of Transformed Processes and System. USCIS expects to deploy the initial increment of its transformation program by the end of FY 2011. As one of the Administration's High Priority Performance Goals,² USCIS has committed to ensuring that at least 25 percent of applications will be electronically filed and adjudicated using the new transformed integrated operating environment by FY 2012.
- Integration of Productivity Measures in Future Fee Review Methodology. Beginning with the next fee rule, USCIS will integrate productivity measures into the underlying methodology USCIS uses to conduct fee studies. This means that efficiency gains resulting from information technology investments and process improvements will be clearly identified, including the cost savings that occur due to these changes, ensuring that those savings are incorporated into new fee amounts.

FEE REVIEW PROCESS

USCIS receives funding from immigration benefit fees as well as appropriations. Appropriated funding for FY 2010 covered asylum and refugee funding (4th quarter contingency funding) and military naturalization surcharge costs (\$55 million); E-Verify (\$137 million); Immigrant Integration (\$11 million); REAL ID Act implementation (\$10 million); and data center

² See Memorandum for the Heads of Departments and Agencies, Planning for the President's Fiscal Year 2011 Budget and Performance Plans, from Peter R. Orszag, Director, Office of Management and Budget, June 11, 2009.

consolidation (\$11 million). Department of Homeland Security Appropriations Act, 2010, Public Law 111-83, title IV, 123 Stat. 2142, 2164 – 5 (Oct. 28, 2009) (DHS Appropriation Act 2010). Providing these limited funds against the backdrop of the broad immigration examinations fee statute – together forming the totality of funding available for USCIS operations – requires that all other costs relating to USCIS and adjudication operations are funded from fees.

Within USCIS, there are three fee accounts: the IEFA (which includes premium processing revenues that are set aside for infrastructure improvements by the Office of Transformation Coordination and for longer-term investments to strategically improve USCIS operations), the Fraud Prevention and Detection Account (immigration benefit fraud), and the H-1B Nonimmigrant Petitioner Account. The Fraud Prevention and Detection account and the H-1B Nonimmigrant Petitioner Account are both funded by statutorily-set fees. USCIS is unable to adjust these fees through this or any other rulemaking. Absent a legislative change, the preset fees charged for the activities that fund these accounts must remain the same. The focus of the fee review is the IEFA account, which comprised approximately 95 percent of total funding for USCIS in FY 2009, excluding premium processing revenue (which is dedicated to Office of Transformation and Coordination efforts). Details on the FY 2009 IEFA account can be found in Appendix II, Table 1.

The primary objective of this fee review is to ensure immigration benefit request fees provide sufficient funding to meet ongoing operating costs, including immediate national security, customer service, and adjudicative processing needs.

AUTHORITIES

The Immigration and Nationality Act (INA) authorizes the collection of fees at a level that ensures recovery of the full cost of providing adjudication and naturalization services, including administrative costs and services provided without charge to certain applicants (INA section 286(m), 8 U.S. Code 1356(m)). The full cost recovery principle contained within the INA is supplemented by three guiding authorities:

- Chief Financial Officers Act of 1990;
- OMB Circular A-25, Appendix A, Fees Assessed for Government Services, Revised (7/8/1993);
- Federal Accounting Standards Advisory Board (FASAB), Statement of Financial Accounting Standards No. 4: Managerial Cost Accounting Concepts and Standards for the Federal Government 36 (7/31/1995).

Chief Financial Officers Act of 1990

USCIS conforms to the requirements of the CFO Act of 1990, Public Law 101-576. The CFO Act requires each agency's Chief Financial Officer to review, on a biennial basis, the fees, royalties, rents, and other charges imposed by the agency for services and things of value it provides, and make recommendations on revising those charges to reflect the costs incurred by the agency to provide those services and things of value³.

³ 31 U.S.C. 902(a)(8)

OMB Circular Number A-25, “User Charges”

USCIS adheres to the principles contained in OMB Circular A-25 directing federal agencies to review fees for agency programs biennially and to charge the full cost of providing benefits when calculating fees that provide a special benefit to the recipient. OMB Circular A-25 defines “full cost” as “all direct and indirect costs to any part of the Federal Government providing a good, resource, or service.” These costs include, but are not limited to, an appropriate share of:

- Direct and indirect personnel costs, including salaries and fringe benefits such as medical insurance and retirement;
- Physical overhead, consulting, and other indirect costs, including material and supply costs, utilities, insurance, travel and rents or imputed rents on land, buildings, and equipment;
- Management and supervisory costs; and
- The costs of enforcement, collection, research, establishment of standards, and regulation.

In accordance with OMB Circular A-25, the IEFA fees are set to recover these costs. However, as in the FY 2008/2009 Fee Review, the FY 2010 and FY 2011 estimated costs for retirement, health and life insurance costs to be paid by the U.S. Office of Personnel Management for USCIS employees, and the Lockbox costs to be paid by the U.S. Department of Treasury are excluded from the proposed fee structure.

Federal Accounting Standards Advisory Board

When developing fees for services, USCIS reviews, to the extent applicable, cost accounting concepts and standards recommended by FASAB. FASAB recommends accounting standards for the Federal Government. Their “Statement of Financial Accounting Standards Number 4, Managerial Cost Accounting Concepts and Standards for the Federal Government”, published in 1996, establishes standards for federal agencies to use in reporting the costs of their products, services, and activities. FASAB Standard Number 4 sets forth five standards as fundamental elements of managerial cost accounting:

- Accumulate and report costs of activities on a regular basis for management information purposes;
- Define responsibility segments and report the costs of each segment’s outputs;
- Report the full cost of outputs; full cost includes resources that directly or indirectly contribute to the output and supporting services within the entity and from other entities;
- Include inter-entity costs and other significant and material goods or services provided by other federal entities in full cost; and
- Use appropriate costing methodologies to accumulate and assign costs to output.

Standards 3 (Full Cost), 4 (Inter-entity Costs) and 5 (Cost Assignment Methods) are particularly important in this fee review. In an effort to better address the full cost requirements of Standards 3 and 4, USCIS has reviewed the work it performs in facilitating the processing of immigrant visas, the cost of the civil surgeon registration process, and immigrant investor programs. USCIS plays a vital role in processing immigrant visas and produces the final immigrant visa request. USCIS is formalizing the process for receiving civil surgeon designation, as well as the

standards for immigrant investors. USCIS also continues to improve its activity-based cost model and methodology in order to conform to Standard 5.

FEE REVIEW BASIS

There are several important reasons for conducting the FY 2010/2011 Fee Review, irrespective of the requirements of the CFO Act:

- The fee review process allows for a comprehensive review of USCIS policies, staffing, costs, revenue, and performance measures. USCIS can evaluate its performance and make informed decisions concerning program scaling, resource planning, and staffing decisions.
- The fee review allows the public and USCIS stakeholders to review anticipated costs and revenue as well as the impact of changes to fees.
- The biennial fee review process permits USCIS to account for the latest operational changes including efficiencies, changes in workload trends, and other factors. Future biennial fee reviews will be particularly important as expected business process and information technology improvements are implemented as part of business transformation efforts. The improved business processes are expected to improve customer service and efficiency. These investments should result in improved performance and lower costs.

FEE REVIEW DETAIL

The FY 2010/2011 Fee Review encompasses three core elements:

Cost Projections – The cost baseline is the estimated level of funding necessary to maintain an adequate level of operations and does not include program increases for new development, modernization, or acquisition. Proposed program increases are considered outside of the baseline. Cost projections are derived from the USCIS FY 2010 operating plan.

Revenue Status and Projections – Actual revenue collections for FY 2009 are used to derive projections for the two-year period of the fee review based on current and anticipated trends.

Cost and Revenue Differential – The difference between anticipated costs and revenue, assuming no changes in fees, is identified and analyzed.

COST BASELINE

The cost baseline is comprised of the resources (such as personnel and general expenses) necessary for each department to sustain operations. The baseline excludes new or expanded programs or significant policy changes. A detailed USCIS annual operating plan (AOP) is the starting point for baseline estimates, along with a review of payroll expenses.

In developing estimates of program needs for FY 2010/2011, USCIS used the FY 2010 AOP as the starting point. USCIS also reviewed payroll costs as of pay period 13 in order to develop payroll projections for FY 2010 and FY 2011. In response to revenue shortfalls in both FY 2008 and FY 2009, USCIS reduced baseline costs for FY 2010. Funding was reduced by \$111 million in such areas as staffing and correspondingly reduced introductory training programs, overtime,

and facilities improvement. These reductions were offset by necessary pay adjustments and increases to programs to maintain current services, particularly adjustments to programs that received one-time reductions during FY 2009. Examples of necessary adjustments include:

- Pay inflation (\$15.1 million in FY 2010 and \$16.5 million in FY 2011). The assumed government-wide pay inflation rate for FY 2010 and FY 2011 is 2 percent and 2.1 percent respectively.
- Within-grade step increases (\$15.4 million in FY 2010 and \$16 million in FY 2011). Rent increases. The increase in rent is attributable to several factors including the size of the facilities, the growth of the agency, the timing of facility projects, and the cost of construction. Many facility projects that are scheduled for completion in FY 2010 commenced in FY 2008. Additional space was acquired based on increased staffing levels (a direct result of the FY 2008/2009 Fee Rule enhancements). Outside of the acquisition of new facilities, annual rent costs increase due to higher operating costs (such as utilities) that USCIS must pay to the General Services Administration. Other rent increases occur as USCIS renegotiates expired leases. Rent is projected to increase by 9 percent in FY 2010 and 15 percent in FY 2011, as illustrated by Table 1. (\$15.1 million in FY 2010 and \$27.6 million in FY 2011).

Table 1 – IEFA Rent Costs

FY 2010/2011 IEFA Rent Costs Dollars in Thousands	
FY 2009 IEFA AOP Rent	\$167,168
Plus FY 2010 Rent Adjustments	\$15,097
Total FY 2010 IEFA Rent	\$182,265
Plus FY 2011 Rent Adjustments	\$27,597
Total FY 2011 IEFA Rent	\$209,862

USCIS has included one program increase of \$30 million in infrastructure funding to support the transformation of USCIS operations under a Transformation Program. Direct Transformation Program costs are currently funded through premium processing fees. Some supporting infrastructure upgrades outside of the Transformation Program are necessary to enable implementation such as upgrades to existing network, communication, and supporting systems.

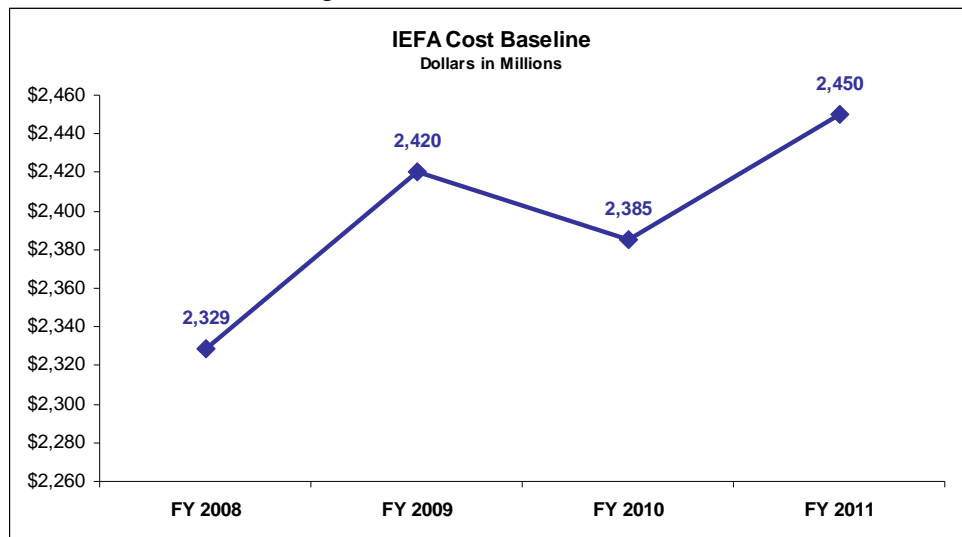
Table 2 summarizes adjustments to the FY 2009 cost baseline, as well as the cost increases and decreases to reach the FY 2010 and FY 2011 cost baselines. USCIS has minimized cost increases where possible. Overall, the IEFA cost baseline decreases by approximately 1.5 percent in FY 2010 and increases by 2.7 percent for FY 2011. For additional information, see Appendix II, Tables 2 and 3.

Table 2 – Baseline Adjustments

FY 2010/2011 IEFA Costs Dollars in Thousands	
FY 2009 Adjusted IEFA Budget	\$2,420,187
Plus: Pay Inflation and Promotions/Within Grade Increases	30,569
Plus: Net Additional Resource Requirements	45,097
Plus: FY 2010 AOP Spending Cuts	<u>-111,175</u>
Total FY 2010 IEFA Budget	<u>\$2,384,678</u>
Plus: Pay Inflation and Promotions/Within Grade Increases	37,548
Plus: Net Additional Resource Requirements	<u>27,330</u>
Total FY 2011 IEFA Budget	<u>\$2,449,556</u>

Including these adjustments, the estimated IEFA cost baseline is \$2.385 billion for FY 2010 and \$2.450 billion for FY 2011. The average cost baseline for the two years is \$2.417 billion. Figure 1 depicts changes in the cost baseline from the prior fee review period.

Figure 1 – IEFA Cost Baseline



Program Increase

To improve operational efficiency, enhance customer service, and increase national security, USCIS is centralizing and consolidating the electronic environments used for case processing and management and to standardize and improve business processes. A large portion of this effort is dedicated to developing and integrating information management systems. USCIS will migrate from a paper file-based, non-integrated systems environment to an electronic customer-focused, centralized case management environment for benefit processing. This will allow USCIS to streamline benefit processing, eliminate the capture and processing of redundant data, and reduce the number of and automate its forms. This process will be a phased multi-year initiative to restructure USCIS business processes and related information technology systems.

Direct transformation program costs are currently funded through premium processing fees. Some supporting infrastructure upgrades outside of the Transformation Program are necessary to enable implementation such as upgrades to existing network, communication, and supporting systems. USCIS is assuming a \$30 million program increase each year, for a total of \$60 million in additional costs over the fee review period.

REVENUE STATUS AND PROJECTIONS

During the period between the 2007 notice of proposed rulemaking and implementation of a final rule on July 30, 2007, USCIS received over 2.5 million immigration benefit requests, compared to 1.3 million received in the same period of FY 2006, as applicants attempted to file before the July 30, 2007 fee adjustment and in response to adjustments made by the Department of State (DOS) to its July Visa bulletin. This substantial surge created a delay in receipting, which led to increased revenue at the beginning of FY 2008. The surge more than doubled the number of naturalization applications received for the entire year – at the lower fee which the fee study had found insufficient to cover the costs of processing those applications. The increase in early filers meant that FY 2008 request levels were substantially below expectations. A decrease in immigration benefit requests began the last two quarters of FY 2008 and continued throughout FY 2009. IEFA revenue for FY 2008 was \$75 million below the estimated FY 2008 projection of \$2.329 billion, despite an estimated \$300 million of FY 2007 requests being receipted in FY 2008. IEFA revenue for FY 2009 was \$345 million below the \$2.329 projection.

Actual FY 2009 IEFA revenue includes the revenue associated with the Temporary Protected Status (TPS) registration. If estimated TPS revenue of \$120 million is factored out, the IEFA revenue was \$465 million below the FY 2008/2009 Fee Rule projections. In order to have a more reliable budget estimate upon which to base its fees, USCIS chose not to rely on temporary funding sources such as TPS that are subject to being discontinued annually. Due to its temporary nature, USCIS cannot build TPS cost and revenue into long-term plans. Fees are based on the TPS Program being discontinued, along with the associated fee revenue .

USCIS fee revenue collections can be impacted by many things, including the economy, debate in Congress over immigration legislation, and business cycles. A significant downward trend in employment benefit receipts in FY 2009 suggests that the primary cause of reduced receipts was the downturn in the economy. FY 2009 employment-based workload, adjustment of status and naturalization requests – all primary consumers of work hours and sources of revenue – were also significantly lower than FY 2007 receipts.

Given the downward revenue trend for FY 2008 and FY 2009, USCIS has formulated conservative volume and revenue projections. Overall, this fee review assumes that revenue will decline from an FY 2008/2009 Fee Rule projection of \$2.329 billion to \$2.056 billion, a decrease of approximately 12 percent. This is based on a workload volume reduction from the FY 2008/2009 projections (published in the Federal Register on July 30, 2007) of approximately 1.6 million benefits requests (including biometrics) and a fee-paying volume reduction of 827,689 (Appendix XII, Tables 18 and 19).

Revenue Methodology and Process

USCIS uses two types of volume data in the fee review. Workload volume is a projection of the total number of immigration benefits received in a fiscal year and is used to determine the amount of resources needed. Fee-paying volume is a projection of how many applicants will pay a fee for immigration benefits. Since USCIS may waive fees or allow an exemption for certain classes of applicants, fee-paying volume is used to determine projected revenue. Below is a detailed description of each volume type:

- **Workload Volume** is a primary cost driver for assigning processing activity costs to immigration benefits and biometric services in the USCIS activity-based cost model. Workload volume is projected by Service Centers, the National Benefit Center, and District Offices in order to assign costs where the work is performed, and thus where costs are realized.
- **Fee-paying Volume** is used to calculate immigration benefit and biometric service proposed fees. The fee-paying volume for each form is determined by dividing the actual fee revenues per request in FY 2008 by the FY 2008 fee. USCIS adjusts FY 2008 fee-paying volumes to reflect filing trends and anticipated changes in order to project FY 2010/2011 fee-paying volumes. Fee paying volume information can be found in Appendix XII.

USCIS projects workload volumes based on filing trends in FY 2009 and projected changes for FY 2010/2011. USCIS also utilizes time series model data from the last 15 years developed by the Department of Homeland Security's Office of Immigration Statistics (OIS) as well as the best available internal understanding of future developments. Given the size and scope of current economic conditions, historical data may not provide sufficient insight into the likelihood or timing of volume increases or decreases. Consequently, USCIS has taken a conservative approach to workload volume estimates for FY 2010/2011.

USCIS has an internal Volume Projection Committee (VPC) with membership across USCIS and DHS to review short- and long-term volume trends and assess OIS trend data. OIS' volume estimates by form type are primarily drawn from time series models. The time series models analyze historical receipts data in order to capture patterns (such as level, trend, and seasonality) or correlations in historical events. These patterns and correlations are then extrapolated into the future in order to derive projected receipts. All of the models capture the behavioral relationships and dependencies of receipts to past values. For example, the models factor in the correlation between the number of pending I-485 Application to Register Permanent Residence or Adjust Status and the projected number of receipts for the I-765 Application for Employment Authorization and the I-131 Application for Travel Document (Advance Parole). The VPC will continue its work to improve both the estimating process and the basis for specific estimates. Meeting notes from the VPC FY 2009 meetings can be found in Appendix XVI.

Appendix XII, Table 18, summarizes FY 2008/2009 workload volume and the projected workload volume for FY 2010/2011 based on trends and projected changes by immigration benefit request. The projected workload volume is used in the cost model to determine request costs. Appendix XII, Table 19, summarizes the FY 2008/2009 fee-paying volume and the projected fee-paying volume for FY 2010/2011 based on trends and projected changes by immigration benefit request. The projected fee-paying volume is used to determine immigration

and naturalization benefit and biometric service unit proposed fees. Appendix XII, Table 20, summarizes the key drivers considered when updating volume projections.

Cost and Revenue Differential

Table 3 summarizes the projected differential between costs and revenue.

Table 3 – IEFA Cost Baseline and Revenue Comparison

Baseline Cost and Revenue Comparison			
Dollars in Thousands			
	FY 2010	FY 2011	FY 2010/2011 AVERAGE
Revenue	\$2,056,213	\$2,056,213	\$2,056,213
Cost	\$2,384,678	\$2,449,556	\$2,417,117
\$ Delta	(\$328,465)	(\$393,343)	(\$360,904)

Historically and for the purpose of the fee review, USCIS has reported costs and revenue using an average over the biennial time period. In the table above, FY 2010 and 2011 costs and revenue are averaged to determine the projected fee rule revenue and cost amounts. Based on current immigration benefit and biometric service fees and projected volumes (see Appendix XII), fees are expected to generate \$2.056 billion in annual revenue in FY 2010 and FY 2011. For the same period, the average cost of processing those benefit requests is \$2.417 billion (see Appendix II Table 3). This results in an average annual deficit of \$361 million.

To help address the differential USCIS is re-evaluating the structure of fees; specifically USCIS will address the funding issues created by benefits that USCIS provides for free:

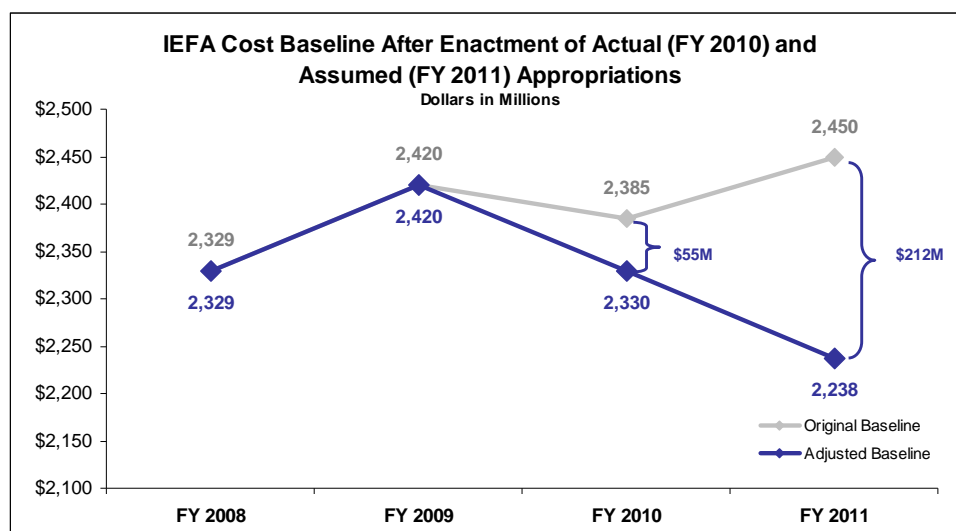
- **Refugee and Asylum Surcharge:** The President's FY 2010 Budget requested \$200 million to eliminate estimated asylum and refugee surcharges. See Office of Management and Budget, Budget of the United States Government, Fiscal Year 2010, at 510 – 1 (2009), at <http://www.gpoaccess.gov/usbudget/fy10/pdf/appendix/dhs.pdf>. Congress enacted \$50 million in FY 2010, contingent upon conforming rulemaking to adjust the surcharges accordingly (i.e., the \$50 million represents an annualized figure of \$200 million, but appropriated in the expectation that it will fund the final quarter of FY 2010 rather than the entire year). DHS Appropriation Act 2010, 123 Stat. at 2164 – 5.. Costs of refugee and asylum processing are currently borne by all fee-paying applicants as a surcharge applied to each fee-paying immigration benefit request. See 72 FR 29851, at 29859 (stating that all application and petition fees include a total of \$72 in “surcharges” to recover asylum and refugee costs, and fee waiver and exemption costs). While consistent with the Immigration and Nationality Act, this surcharge raises fees for those applying for other benefits. Estimated costs in these areas include:
 - The budgets of the Refugee and Asylum Divisions of the Refugee, Asylum, and International Operations (RAIO) Directorate, along with RAIO Headquarters;
 - Five percent of the International Operations (IO) division; this figure represents the portion of IO that completes Refugee work;
 - A proportionate share of overhead costs of USCIS; and
 - The cost of the Cuban-Haitian Entrant Program.

As previously noted, the \$50 million appropriation approved by Congress, only replaces a portion of the surcharge for FY 2010, representing one-quarter of the fiscal year. DHS Appropriation Act 2010, 123 Stat. at 2164 – 5. This fee review assumes that a \$207 million appropriation will replace the full costs for these activities in FY 2011. If Congress enacts the requested FY 2011 appropriations, surcharges for this category of costs will be eliminated. If the requested appropriation is not enacted, or a different amount is appropriated, the final rule will adjust the fee schedule accordingly.

- **Military Naturalizations:** Congress provided \$5 million in appropriated funding to cover the estimated cost of processing military naturalization requests. DHS Appropriation Act 2010, Pub. L. 111-83, 123 Stat. at 2164 – 5. Service members in any of the branches of the U.S. Military who meet certain requirements and qualifications may apply for naturalization and are exempt from paying the fee for the N-400, Application for Naturalization. INA Sec. 328(a)(4) (8 U.S.C. 1439(a)(4); INA Sec. 329(b)(4) (8 U.S.C. 1440(b)(4)). As recognized by Congress in providing this appropriation, these costs should no longer be borne by other fee-paying applicants, particularly as this number increases as DOD expands its recruitment efforts to certain aliens and other than lawful permanent residents. The estimated cost is based on a projected workload of 9,500 naturalizations multiplied by the current fee of \$595. The FY 2011 budget request assumes the DOD will reimburse USCIS for the cost of military naturalizations.

As depicted in Figure 2, relying on appropriated and reimbursable funds for refugee, asylum, and military naturalization would significantly reduce the cost baseline for the fee rule period. If FY 2011 appropriated funding levels for military naturalizations and refugee and asylum activities are less than anticipated, USCIS is prepared to adjust fees to reflect the additional costs.

Figure 2 – IEFA Cost Baseline after Assumed Appropriations for the Refugee and Asylum Surcharge and Military Naturalizations

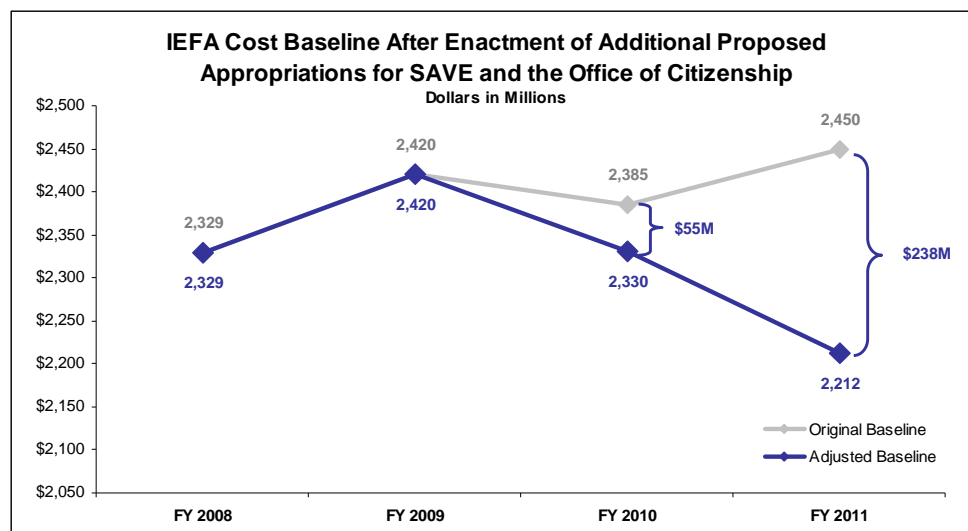


- Proposed FY 2011 Appropriations for Systematic Alien Verification for Entitlements (SAVE) Program and the Office of Citizenship. The rulemaking assumes that the cost of the SAVE program and the Office of Citizenship will no longer be financed by fee revenue and will, instead, receive appropriated resources. The baseline cost (without program increases) is approximately \$26.1 million in FY 2011. If appropriations are not approved for these activities, fees will be adjusted to reflect costs for the programs. See Appendix II, Tables 4 and 5 to compare the USCIS cost baseline under each scenario. See Appendix VI, Tables 10 and 11 to compare proposed fees under each scenario.

The proposal follows initial steps taken within enacted FY 2010 appropriations for fee reform that moved some asylum, refugee, and military naturalization costs out of the fee structure. The purpose of fee reform is to improve the linkage between fees USCIS customers pay and the cost of programs and activities to provide immigration benefits. Because of fee exemptions for beneficiaries of asylum, refugee, and military naturalization, fee surcharges were added to other, unrelated customers. Additional fee reform in these areas moves these costs out of the USCIS fee structure.

As depicted in Figure 3 below, refraining from using fee funding for refugee, asylum, and military naturalization surcharges, along with SAVE and the Office of Citizenship, would significantly reduce the cost baseline for the fee rule period. The average weighted fee increase would decrease to 10%.

Figure 3 – IEFA Cost Baseline after Additional Proposed Appropriation for SAVE, and the Office of Citizenship



- Immigrant Visa Fee. USCIS proposes to establish a new fee for the immigrant visa. Immigrant visas are issued by the Department of State (DOS) in overseas consulates to foreign nationals seeking to reside permanently in the U.S. Although the visas are issued by DOS, USCIS must complete several activities prior to the issuance of a permanent resident card. USCIS must create a file, review the application, correspond with the applicant, and produce and issue a secure card upon approval. The \$355 DOS fee is

established using DOS's fee-setting methodology. 22 CFR 22.1. The DOS fee only recovers DOS costs, and the USCIS FY 2010/2011 Fee Review was performed without consideration of applicant fees paid to DOS. USCIS does not currently charge a fee. Other USCIS applicants bear the cost of processing this workload. Implementing this fee will require the DOS to collect the fee on behalf of USCIS. Although USCIS projects an annual volume of 430,000 requests, in anticipation of possible delays in implementation of a final rule, USCIS only accounts for revenue from 215,000 immigrant visas, with processing beginning in FY 2011. The proposed fee is \$165. This fee accurately reflects USCIS costs, while the DOS fee is based upon DOS processing costs. The additional revenue will reduce fee increases to other immigration benefit requests on the proposed IEFA fee schedule.

- Civil Surgeon and EB-5 Regional Center Fees. USCIS proposes to establish fees for processing civil surgeon designation and EB-5 regional center requests. USCIS currently provides these labor intensive services without charge to applicants. A fee for these services will ensure that other fee-paying applicants do not bear the cost of these activities.

SUMMARY BASIS FOR FEE ADJUSTMENTS

As previously noted, the IEFA cost baseline is increasing while anticipated volumes and revenue are expected to decrease. Appropriations offset some surcharges. Table 4 shows cost and revenue differential after appropriations for refugee, asylum, and military naturalizations.

Table 4 – IEFA Cost Baseline after Incorporating Refugee, Asylum, and Military Naturalization Actual (FY 2010) and Assumed (FY 2011) Appropriations

Baseline Cost and Revenue Comparison			
Dollars in Thousands			
	FY 2010	FY 2011	FY 2010/2011 AVERAGE
Revenue	\$2,056,213	\$2,056,213	\$2,056,213
Cost	\$2,329,678	\$2,237,556	\$2,283,617
\$ Delta	(\$273,465)	(\$181,343)	(\$227,404)

After removing costs paid by appropriations a significant differential between costs and revenue remains. Based on current fees and projected volumes (see Appendix XII), USCIS will receive \$2.056 billion in annual revenue in FY 2010 and FY 2011. This results in an average annual deficit of \$227 million. In the FY 2011 President's Budget, USCIS proposes additional appropriated funding to cover the costs of SAVE and the Office of Citizenship. This would reduce the average deficit by 6% to \$214 million annually, as depicted in Table 5. For detailed information on costs for this scenario over the biennial period, see Appendix II, Table 4.

Table 5 – IEFA Cost Baseline and Revenue Comparison after Additional Proposed
Appropriation for SAVE and the Office of Citizenship

Baseline Cost and Revenue Comparison			
Dollars in Thousands			
	FY 2010	FY 2011	FY 2010/2011 AVERAGE
Revenue	\$2,056,213	\$2,056,213	\$2,056,213
Cost	\$2,329,678	\$2,211,454	\$2,270,566
\$ Delta	(\$273,465)	(\$155,241)	(\$214,353)

Even with increased appropriated funding, a significant deficit exists. This differential must be addressed with increased revenue. Increased revenue will be derived from new fees, such as for immigrant visas, civil surgeon designation, and immigrant investor requests. Increased revenue will also be derived from a weighted average fee increase on existing requests. While some fees will be reduced due to lower processing costs, others will increase. The level of fee increase necessary to align costs and revenue is a weighted average of 10 percent *after* adjusting fees to account for appropriations for SAVE, the Office of Citizenship, refugee and asylum costs, and military naturalizations reimbursements from DOD. USCIS will adjust fees consistent with the details of this supporting documentation if proposed appropriations are not approved. For detailed information on costs without proposed appropriations, see Appendix II, Table 3.

PREMIUM PROCESSING FEE ADJUSTMENT BY THE CONSUMER PRICE INDEX

The INA gives those filing certain employment-based immigration benefit requests the option to choose premium processing. Section 286(u) of the INA, 8 U.S.C. 1356(u). The premium processing fee is in addition to the base filing fee. Premium processing guarantees that USCIS will process a request within 15 days. Id; 8 CFR 103.2(f) The INA provides that premium processing revenue shall be used to fund the cost of offering the service, as well as the cost of infrastructure improvements in adjudications and customer service processes. Id. In accordance with this requirement, USCIS segregates revenue from premium processing and dedicates it to the USCIS Transformation Program. The USCIS Transformation Program invests in long-term technology and business process reengineering to improve future service and processing for all USCIS products and services. The program is an extensive, multi-year effort that will comprehensively touch every aspect of USCIS business operations such as information collection, storage, and data sharing; customer service and support, adjudicated processes; staff roles and responsibilities; and information technology.

USCIS is committed to improving the efficiency and effectiveness of our immigration processing system and will dedicate the funds and management attention necessary to complete this task. Transforming our systems from paper to electronic is crucial to the success of improving immigration services and reforming the fee structure. The current business model and supporting systems cannot meet anticipated demand and unanticipated workload surges. Among many improvements, after the transformation initiative is completed, USCIS expects much greater utilization of the electronic submission of applications and supporting documentation. Customers will be able to establish on-line accounts, track activity on their cases, update

personal profiles, and will no longer need to resubmit duplicative biometric and biographic information when applying for future benefits.

In December 2000, Congress authorized the collection of a premium processing fee in the amount of \$1,000, and provided explicit authority to adjust the fee for inflation based on the Consumer Price Index (CPI)⁴. USCIS has not adjusted the fee since its inception in 2001. The Government Accountability Office (GAO) recently recommended that USCIS adjust fees by the CPI.⁵ USCIS proposes to adjust the premium processing fee by the percent increase in inflation since the fee's inception until the date of publication of a final rule; for illustrative purposes, the proposed rule uses the March 2010 CPI.

USCIS also proposes to revise 8 CFR 103.7(b) to specify that USCIS will use the CPI-U to calculate all future inflation-based fee adjustments and will publish a Notice in the Federal Register annually (if applicable) to adjust this fee. The CPI is issued by the Department of Labor's Bureau of Labor Statistics (BLS) and can found at http://www.bls.gov/cpi/cpi_dr.htm. USCIS uses the CPI for all urban consumers (CPI-U) because it is the primary CPI measure. The CPI-U covers approximately 87 percent of the total population, as compared to the CPI-W, which is limited to clerical workers and only covers 32 percent of the total population⁶.

The premium processing fee will be increased by the difference between the June 2001 CPI and the CPI at the time of a final rulemaking. In June 2001, the CPI-U was 178.0. In March 2010, the CPI-U was 217.631. The 22 percent increase to the CPI-U applied to the \$1,000 fee, results in a fee of \$1,223 (\$1,225 rounded to the nearest \$5). This increases the premium processing fee by \$225, from \$1,000 to \$1,225. USCIS notes that the fee could be different from this proposed amount, because the CPI-U, upon which the fee adjustment is based, varies monthly; however, the final fee rule will be based upon the same methodology. The \$1,225 is an example of the methodology based upon the most current CPI-U information. The final rule will establish an amount based upon the CPI as of the final rule publication date.

ACTIVITY-BASED COST MODEL

When conducting the fee review, USCIS reviews its recent cost history, operating environment, and current service levels to determine the appropriate method to assign costs to particular benefit requests. The methodology used in the review reflects a robust capability to calculate, analyze, and project costs and revenues.

METHODOLOGY FOR THE 2010/2011 FEE RULE

USCIS uses commercially available activity-based costing (ABC) software to create financial models used to calculate immigration benefit request and biometric service fees. Following the FY 2008/2009 Fee Review, USCIS identified several key methodology changes to improve the

⁴ Pub.L.No. 106-553, App. B, Title I, § 112, 114 Stat. 2762, 2762A-68 (Dec. 21, 2000).

⁵ See: "Federal User Fees, Additional Analysis and Timely Reviews Could Improve Immigration and Naturalization User Fee Design and USCIS Operations" (GAO-09-180), p. 34.

⁶ Consumer Price Index Overview. Bureau of Labor Statistics, Dec. 09, 2009.
<<http://www.bls.gov/cpi/cpiovrw.htm#item1>>

accuracy of the ABC model. Improvements were also suggested by the GAO following a review of the FY 2008/2009 Fee Review⁷. These changes include analyzing cost allocation methods to evaluate methods that may offer greater precision and fully documenting the rationale and any related analysis for using the assumptions and cost assignment methods selected.

The methodology improvements made for this review have been addressed and are discussed in the relevant sections below. USCIS continues to update and enhance these models with the most current information for fee setting and cost management purposes.

ACTIVITY-BASED COSTING

USCIS uses ABC to determine the full cost of immigration benefits and biometric services. This is the same methodology used in the FY 2008/2009 Fee Review and the basis for the current fee structure. ABC is a business management tool that assigns resource costs to operational activities and then to products and services. These assignments provide an accurate cost assessment of each work stream involved in producing the individual outputs of an agency or organization. ABC is a preferred cost accounting method endorsed by the FASAB and enables USCIS to conform to FASAB Standard 4.

For purposes of this review, USCIS costs (resources) are assigned to immigration benefit and biometric service processing activities (activities) and then to individual immigration benefit requests (cost objects). ABC integrates these three components using a two-step cost assignment process. The first step assigns USCIS resources to processing activities using resource cost drivers. The second step assigns USCIS activities to its cost objects using activity cost drivers. Resource drivers are determined by analyzing which resources perform each activity and to what degree. Activity drivers are determined by analyzing what portions of activity costs are associated with each cost object. Determining the proper cost assignment method is critical to producing accurate results. Figure 4 illustrates the cost assignment methodology used in ABC.

Figure 4 – Activity-Based Costing



Resources

The total resource base in the USCIS model is the FY 2010/2011 cost baseline as previously outlined, and assumes that USCIS will receive \$55 million in funding in FY 2010 and \$238 million in FY 2011 from appropriations and reimbursements to replace some surcharges. The resulting \$2,271 billion (see Table 5) is the average estimated cost of FY 2010 and FY 2011

⁷ See: "Immigration Application Fees: Costing Methodology Improvements Would Provide More Reliable Basis for Setting Fees", (GAO-09-70), p. 32

resources necessary to process immigration benefits and biometric services for which the USCIS charges a fee, as well as the cost of similar services provided at no charge. This represents the first stage of the ABC process.

The ABC model structure for FY 2010/2011 was designed to closely resemble the structure of the FY 2009 AOP. The AOP is the detailed budget execution plan USCIS establishes at the beginning of the fiscal year consistent with the Congressionally approved fiscal year appropriation and forecasted fee revenue. The model includes the same USCIS offices and individual line items associated with these offices. This structure not only provides a common format but also creates a means to project out-year budgets and potentially track commitments, obligations, and expenditures by the operating plan line item description in the model.

The ABC model structure for the FY 2008/2009 Fee Review was based on the FY 2007 AOP. Headquarters payroll and USCIS-wide non-payroll were very similar to the operating plan; however, payroll for field offices (Service Centers, District Offices, National Benefits Center, and the National Records Center) was broken down into subcategories similar to those used by Domestic Operations in their internal USCIS Staffing Allocation Model (SAM)⁸.

Resource Drivers and Resource Assignment

ABC methodology uses resource drivers to assign resources to activities. Using the resource base of \$2.271 billion, costs are assigned to activities using resource drivers. All resource costs are assigned to activities, so the total resources in the model equal the total cost of activities. This represents the second stage of the ABC process.

A commonly used resource driver in ABC is an organization's number of employees and the percentage of time they spend performing certain activities. The FY 2010/2011 ABC model uses this methodology to assign resources to activities. The model assigns resources to activities using authorized positions by funding stream (fund code) and Program, Project, and Activity (PPA) for each USCIS office. This driver is weighted by the percentage of on-board positions performing specific activities within each USCIS Office. These percentages are determined using a payroll position title analysis. The payroll position title analysis identifies the percentage of each office that is dedicated to the nine ABC activities (for more information see the section titled "Activities" below) by reviewing the titles and position descriptions of its workforce.

Other resource drivers in the FY 2010/2011 model include a direct driver and a rent driver that are similar to those used in the FY 2008/2009 model. The direct driver assigns specific resources directly to activities. For example, the contract issued for USCIS Application Support Centers (ASCs) only pertains to the capture biometrics activity. Therefore, the costs associated with this contract are assigned directly to the capture biometrics activity using a direct driver. The rent driver assigns estimated rent costs for each fiscal year to each USCIS office based on projected FY 2010 rent costs by location. Other overhead costs, such as the Office of Information Technology, service-level agreements, and the DHS working capital fund costs are distributed to each USCIS office on a prorated basis by authorized position.

⁸ The Staffing Allocation Model is a model used to calculate estimates of staffing types and levels necessary to undertake specific workload (e.g., applications and petitions) levels at target processing times.

The FY 2008/2009 model used total authorized positions as the primary resource driver. For Headquarters offices, this driver was weighted by the estimated percentage of time spent performing certain activities, based on operational knowledge of USCIS. For domestic field offices, total positions were weighted by the time spent performing certain activities, based on operational knowledge of the USCIS as well as time percentages determined using officer hour data from the USCIS Performance Analysis System (PAS)⁹.

The allocation methods in the FY 2008/2009 Fee Review, as well as the FY 2010/2011 Fee Review, are in line with the Federal Accounting Standards Advisory Board's Standard 4 on managerial cost accounting concepts. They fulfill the mandate to directly trace costs when feasible, and to either assign costs on a cause-and-effect basis or allocate them in a reasonable and consistent way.

Activities

In ABC, activities are the critical link between resources and cost objects. This represents the third stage of the ABC process. Projected operating costs (Resources) for FY 2010/2011 are spread to nine activities. They are:

- **Inform the Public**, involves receiving and responding to customer inquiries through telephone calls, written correspondence, or walk-in inquiries;
- **Capture Biometrics**, involves the electronic capture of biometric (fingerprint and photograph) information, background checks performed by the FBI, and use of the collected biometrics for verifying the identity of the applicants;
- **Intake**, involves mailroom operations, data capture and collection, file assembly, fee receipting, and file room operations;
- **Conduct Interagency Border Inspection System (IBIS) Checks**, involves the process of comparing information on applicants, petitioners, beneficiaries, derivatives, and household members who apply for an immigration benefit against various federal lookout systems;
- **Review Records**, involves searching and requesting files; creating temporary and/or permanent alien files; consolidating files; connecting returned evidence with immigration benefit request files; pulling, storing, and moving files upon request; auditing and updating systems on the location of files; and archiving inactive files;
- **Make Determination**, involves the tasks of adjudicating immigration benefit requests; making and recording adjudicative decisions; requesting and reviewing additional evidence; interviewing applicants; and consulting with supervisors or legal counsel, and researching applicable laws and decisions on non-routine adjudications;

⁹ The USCIS Performance Analysis System (PAS) is an online data entry and retrieval system used to track workload accomplishments and human resources expenditures.

- **Fraud Detection and Prevention**, involves activities performed by the Fraud Detection and National Security Office in detecting, combating, and deterring immigration benefit fraud, and addressing national security and intelligence concerns;
- **Issue Document**, involves the tasks of producing and distributing secure cards that identify the holder as an alien and also identifies his or her status or employment authorization;
- **Management and Oversight**, involves activities in all offices that provide broad, high-level leadership to meet the agency's goals.

Management and Oversight is a new activity designed to capture managerial activities at Headquarters and in the field. This activity provides a more specific depiction of the work performed by certain offices. All Headquarters offices are allocated to Management and Oversight in their entirety. Those offices are:

Table 6 – USCIS Headquarter Offices

USCIS Headquarters Offices
Executive Secretariat
Office of Administration
Office of the Chief Financial Officer
Office of Citizenship
Office of Communications
Office of Congressional Relations
Office of Emergency Preparedness and Coordination
Office of Equal Opportunity & Inclusion
Office of Human Capital, Training, and Management
Office of Policy & Strategy
Office of Privacy
Office of Security & Integrity
Office of the Chief Counsel
Office of the Deputy Director/Chief of Staff
Office of the Director
Office of Transformation Coordination ¹⁰
Office of Records

In January of 2010, USCIS underwent a realignment that created new offices and modified the parent-child relationship between others. For the purpose of this fee review, the previous

¹⁰ The only portion of the Office of Transformation Coordination that is treated as a Headquarters office is funding for staff (payroll, overtime, and awards) and related general expenses. Other programmatic costs are funded by premium processing revenue.

organizational chart, valid as of February 2009, was used. See Appendix I to compare and contrast the two organizational structures.

The payroll title analysis allowed USCIS to identify leadership positions in the field offices that should be allocated to the Management and Oversight activity.

Projected operating costs for FY 2008/2009 were spread to eight Activities (Inform the Public, Intake, Capture Biometrics, Conduct IBIS Check, Review Records, Fraud Detection and Prevention, Make Determination, and Issue Document). Management and Oversight was not a separate activity.

Activity Drivers and Activity Assignment

The fourth stage in the ABC process is driving activity costs to the immigration benefits (cost objects). Activity costs are primarily spread to immigration benefit requests based on the percentage of total projected volume, as similar time and effort are involved for each request. Unique activity drivers are used for two of the activities – Make Determination and Capture Biometrics. The Make Determination activity is spread to requests by a factor of average adjudication time and projected volume (i.e., projected adjudication hours) as these metrics pertain directly to the adjudication function and can vary significantly by request. The general premise is that the more time spent adjudicating a request, the higher the fee. Exceptions to this rule occur when volumes skew unit costs (e.g., high-volume applications tend to have lower unit costs since costs are allocated over a higher volume base) or additional activities are performed (e.g., some applications require the creation of secure cards). Capture Biometrics uses a direct activity driver to drive all of the costs associated with this activity to Biometric Services.

Activity costs are spread to immigration benefit requests by the locations where they are processed apart from the Intake activity. Intake is primarily performed at the Lockbox; however, some intake is performed in field offices. Due to varying costs at field locations, spreading intake costs by a percentage of total field office costs introduces inaccurate variability in intake costs by request. There is little variability in the intake process by request type and therefore, intake costs are spread using an average cost per request. Ultimately, nearly all immigration benefit request types will be received by Lockbox locations.

Data from PAS is used to determine projected adjudication hours, projected immigration benefit requests by location, and projected completions by location. Among other data points, PAS records volumes, average adjudication time for requests, and the number of completed requests by regional location. PAS also records information on record and file management and customer service. The various metrics provided by PAS data are outlined in Appendices IX, X, and XI.

Activity costs for the FY 2008/2009 Fee Review were spread by projected volume weighted by average adjudication time for the Make Determination Activity. All other activity costs were spread using an average activity cost per request.

Cost Objects

Cost objects are the immigration benefits for which USCIS charges a fee. Costs were derived for virtually every immigration benefit request that USCIS adjudicates including Asylum and

Refugee requests, Temporary Protected Status, premium processing, and H-1B nonimmigrant requests. As previously noted, Forms I-821 (Temporary Protected Status) and I-881 (NACARA – Application for Suspension of Deportation or Special Rule Cancellation of Removal) are temporary programs; USCIS does not rely on their revenue in the FY 2010/2011 Fee Review to support baseline operations (although their costs are analyzed). The IEFA cost of processing requests for which no revenue is recovered is redistributed to other requests in a prorated manner similar to the FY 2008/2009 Fee Review.

A separate fee for biometric services was also derived. The proposed rule continues to provide for a separate \$85 biometric fee in order to accommodate situations where it may be deemed necessary to extend biometric requirements to additional immigration benefit requests that do not already include that fee. Table 7 outlines the fees for immigration benefits that require biometric services assuming receipt of \$283 million in FY 2011 for refugee, asylum, military naturalization, SAVE and Office of Citizenship activities.

Table 7 – Fees for Immigration Benefits Requiring Biometric Services with Approved Appropriations for SAVE and the Office of Citizenship

Fees for Immigration Benefits Requiring Biometric Services			
	Proposed Fee	Proposed Biometric Fee	Total Proposed Fee
I-90 Application to Replace Permanent Resident Card	\$365	\$85	\$450
I-131 Application for Travel Document ¹¹	\$360	\$85	\$445
I-360 Petition for Amerasian, Widow(er), or Special Immigrant ¹²	\$405	\$85	\$490
I-485 Application to Register Permanent Residence or Adjust Status	\$985	\$85	\$1,070
I-600/600A, I-800/800A Orphan Petitions	\$720	\$85	\$805
I-687 Application for Status as a Temporary Resident	\$1,130	\$85	\$1,215
I-698 Application to Adjust Status from Temporary to Permanent Resident	\$1,020	\$85	\$1,105
I-751 Petition to Remove Conditions of Residence	\$505	\$85	\$590
I-817 Application for Family Unity Benefits	\$435	\$85	\$520
I-829 Petition by Entrepreneur to Remove Conditions	\$3,750	\$85	\$3,835
N-400 Application for Naturalization	\$595	\$85	\$680

Table 8 outlines the fees for immigration benefits that require biometric services if additional appropriated funding for SAVE and the Office of Citizenship is not approved.

¹¹ Applicants submitting a Form I-131, Travel Document - Advance Parole, are not required to pay the biometrics fee.

¹² Amerasian applicants are the only class of I-360 applicants required to pay for biometric services.

Table 8 – Fees for Immigration Benefits Requiring Biometric Services

Fees for Immigration Benefits Requiring Biometric Services if SAVE and Office of Citizenship Appropriations are Not Approved			
	Proposed Fee	Proposed Biometric Fee	Total Proposed Fee
I-90 Application to Replace Permanent Resident Card	\$365	\$85	\$450
I-131 Application for Travel Document	\$360	\$85	\$445
I-360 Petition for Amerasian, Widow(er), or Special Immigrant	\$405	\$85	\$485
I-485 Application to Register Permanent Residence or Adjust Status	\$1,000	\$85	\$1,085
I-600/600A, I-800/800A Orphan Petitions	\$725	\$85	\$810
I-687 Application for Status as a Temporary Resident	\$1,145	\$85	\$1,230
I-698 Application to Adjust Status from Temporary to Permanent Resident	\$1,035	\$85	\$1,120
I-751 Petition to Remove Conditions of Residence	\$510	\$85	\$595
I-817 Application for Family Unity Benefits	\$440	\$85	\$525
I-829 Petition by Entrepreneur to Remove Conditions	\$3,805	\$85	\$3,890
N-400 Application for Naturalization	\$595	\$85	\$680

Low Volume Reallocation

USCIS is using its fee setting discretion to adjust certain application and petition fees when the low volume that is projected leads to particularly high unit cost increases. The fees are adjusted to an increase equal to the weighted average percentage fee increase of all immigration benefit requests. The additional costs from these form types are then prorated to other immigration benefit requests. This is the same methodology used in the FY 2008/2009 Fee Rule. 72 FR at 4910. The requests requiring a low volume adjustment for the FY 2010/2011 Fee Rule are:

- Petition for Amerasian, Widow(er), or Special Immigrant (with respect to Form I-360 applicants who are not already exempt from paying the fee);
- Application for Waiver of Grounds of Inadmissibility (Form I-690);
- Application to File Declaration of Intention (Form N-300);
- Application to Preserve Residence for Naturalization Purposes (Form N-470);
- Orphan Petitions (Forms I-600/I-600A and I-800/I-800A);
- Notice of Appeal or Motion (Form I-290B);
- Request for Hearing on a Decision in Naturalization Proceedings (Form N-336); and
- Waiver Forms (Forms I-191, I-192, I-193, I-212, I-601, I-612).

These forms are adjusted because the combined effect of cost, revenue estimates, and methodology changes from the last fee rule would place an inordinate fee burden on these requests. For example, without the low volume fee reallocation for Form I-600, the fee for that form would be \$1,455. USCIS believes it would be contrary to the public interest to impose a fee of this size on an estimated 25,000 potential adoptive parents each year. Similar disparate effects occur for the other forms adjusted using a low volume reallocation. USCIS believes it is appropriate to limit the fee increase for these forms to the weighted average fee increase. Comments are welcome on maintaining fees for certain low volume requests at levels below

what they may be if the ABC model is strictly followed based on considerations of fairness and the public interest.

USCIS also proposes to provide special consideration to the fee for Form N-400, Application for Naturalization by limiting the fee to its current level of \$680 (\$595 current fee with the \$85 biometrics fee). USCIS received many comments on the FY 2008/2009 Fee Rule expressing concern that the N-400 fee had increased inordinately. 72 FR at 29856. Many of these commenters suggested that the fees were high enough to discourage eligible aliens from applying for naturalization and foregoing the benefits of citizenship.

USCIS has determined that the act of requesting and obtaining U.S. citizenship deserves special consideration given the unique nature of this benefit to the individual applicant, the significant public benefit to the nation, and the nation's proud tradition of welcoming new citizens. USCIS believes this action to retain the naturalization fee at the current level will reinforce these principles, allow more immigrants to fully participate in civic life, and is consistent with other efforts to promote citizenship and immigrant integration. For these reasons, and based on its experience in administering the naturalization program, USCIS proposes to retain the fee for naturalization at the current level over the FY 2010/2011 biennial period.

USCIS recognizes that limiting the fee at its current level would lead to the subsidization of naturalization by other fee-paying applicants as allowed by INA section 286(m), 8 U.S.C. 1356(m). Charging "other immigrants" who file an Application for Naturalization (Form N-400) less than full cost of adjudicating that petition, or spreading the costs of administration of USCIS more fully among non-naturalization applicants, may be fairly interpreted as providing the naturalization applicants with a part of that service "without charge."

KEY CHANGES IMPLEMENTED FOR THE 2010/2011 FEE REVIEW

This section describes the changes that USCIS made for the FY 2010/2011 Fee Review from the prior Fee Review, including methodology changes and new fees.

Elimination of Exemption from Biometric Fees for Overseas Applicants

USCIS proposes to remove the provision in current regulations that exempts individuals who require fingerprinting and who reside outside of the United States at the time of filing an immigration benefit request from the requirement to submit the service fee for fingerprinting with the application or petition for immigration benefits. See current 8 CFR 103.2(e)(4)(ii). USCIS expects to collect biometrics from an increasing number of overseas residents in order to comply with the Adam Walsh Child Protection and Safety Act of 2006, which restricts the ability of any U.S. citizen or lawful permanent resident alien who has been convicted of any "specified offense against a minor" to file certain family-based immigration petitions, unless USCIS determines that the petitioner poses no risk to the intended beneficiaries of the petition. Public Law 109-248, secs. 402(a) and (b), 120 Stat. 587, 622 (2006). USCIS believes that overseas residents can and should be required to pay fees commensurate with the services being provided. The cost of conducting biometrics overseas should not be borne by other applicants. USCIS proposes to eliminate this exemption and reserves the right to extend biometric collection requirements to other immigration benefit requests as necessary.

Appropriation for Refugee, Asylum, and Military Naturalization Benefits

Fee setting authority for IEFA provides that fees may be set at a level to fund the full cost of processing immigration benefits and the full cost of providing similar benefits to asylum and refugee applicants. In the FY 2008/2009 Fee Rule, USCIS attached a surcharge to every immigration benefit representing the cost of workload for asylum and refugee applicants as well as the cost of estimated fee waivers and exemptions. 72 FR 29859. Under the FY 2010/2011 proposed rule, USCIS will exclude the cost of refugee, asylum, and military naturalization workload from the ABC model. Appropriated funding for these purposes was requested and partially approved for FY 2010; additional appropriations were requested for FY 2011.

If the appropriated funding request for FY 2011 is not approved or approved at a reduced level, the model will be revised and the final fee structure will reflect the costs of these activities. In effect, USCIS will return to the FY 2008/2009 Fee Rule methodology used to calculate the asylum and refugee operations and fee waivers and exemptions surcharges. The total amount to be excluded from the model, based on the FY 2010 appropriation is \$55 million. The total amount to be excluded for FY 2011 under model assumptions is \$283 million.

International Operations Cost Allocation

International Operations (IO) is the face of USCIS overseas. IO officers process immigration benefits, facilitate the international adoption process, and serve the immediate family members of U.S. citizens residing abroad who may want to adjust their status. In the previous rule, IO's costs were part of the RAIO surcharge applied to all fee-paying immigration benefit requests.

For the FY 2010/2011 Fee Rule the portion of IO that processes refugee benefits will be included in the appropriation. The remaining costs are included in the IEFA cost baseline and recovered by fee revenue. The portion of IO that processes fee-paying requests will be funded using IEFA revenue. Projected FY 2010 and FY 2011 IO volume is outlined in Table 9.

Table 9 – International Operations' Workload Volume

International Operations Workload Volume	
Form Number	FY 2010/2011 Projected Volume
I-130	10,520
I-131	255
I-360	108
I-600/600A, I-800/800A	4,241
N-400	1,890
Waiver Forms	18,145
Total	35,159

Volumes shown in the table above have been included in the projected workload and fee-paying volumes for the FY 2010/2011 Fee Review. For more information, see Appendix XII.

Table 10 outlines the IO costs of \$47.3 million in FY 2010 and \$40.7 million in FY 2011 that are not funded by appropriations.

Table 10 – International Operations Exams Cost

International Operations (OVS) Exams Cost¹³		
	FY 2010	FY 2011
Payroll		
Full-Time Permanent	\$16,283,738	\$16,447,816
Overtime	\$ 10,450	\$ 10,450
Awards	\$ 153,787	\$ 153,787
Non-Payroll		
Capital Security Cost Sharing	\$ 3,836,797	\$ 3,836,797
General Expenses	\$14,807,684	\$14,647,143
Grants (CHEP)	\$ 4,908,678	\$ -
ICASS	\$ 7,266,803	\$ 5,639,921
	\$47,267,937	\$40,735,914

These costs will be distributed to IO volumes as outlined in Table 9. At the time of the FY 2010/2011 Fee Review, completion rate data for International Operations is not available, therefore costs are spread by volume levels (in contrast to domestic costs, which are spread by volumes weighted by completion rates). Utilizing IO workload volume in this manner ensures that the appropriate fee for the immigration benefits is collected.

Fee Waivers and Exemptions

DHS proposes to modify the regulatory language and clarify eligibility for an individual fee waiver in 8 CFR 103.7(c). Where appropriate in the IEFA fee structure, USCIS exempts certain classes of applicants and petitioners from paying fees, and certain applicants may be granted a fee waiver due to verifiable financial hardship. DHS proposes to modify 8 CFR 103.7(c) to list benefit requests for which applicants may request fee waivers.

USCIS also proposes to add a new 8 CFR 103.7(d) to provide USCIS with the discretion to approve and revoke exemptions from fees, or provide that the fee may be waived for a case or class of cases that is not otherwise provided in 8 CFR 103.7(c). To exercise this authority, the Director of USCIS must determine that such an exemption or waiver would be in the public interest and the exception is not inconsistent with other applicable law or regulation. USCIS proposes that this exception authority will be vested with the Director of USCIS and cannot be delegated to any other official other than his or her deputy. USCIS plans to issue internal guidance that will require requests for a Director's waiver to be sent to the USCIS District Office. The guidance will require the District Office and applicable program directorate to recommend approval, outline the reasons for the recommendation in their transmission of the waiver or exemption request to the Director, and certify that no other law or regulations are violated by granting the waiver or exemption.

In addition, USCIS proposes to remove the separate fee waiver provisions that relate to applications for temporary protected status (TPS). See 8 CFR 244.20. The applicant must show that he or she is unable to pay the prescribed fees to establish eligibility for a waiver of the fee for an application for TPS. Those requirements differ only slightly from the more general fee

¹³ Line items decreasing in FY 2011 remain fully funded through appropriations.

waiver eligibility in 8 CFR 103.7(c) and the redundant provisions have been the source of confusion. These proposed modifications ensure that waivers and exemptions are applied in a fair and consistent manner.

Commonwealth of the Northern Mariana Islands (CNMI)

The Consolidated Natural Resources Act (CNRA) of 2008, Public Law 110-229, enacted on May 8, 2008 extended the provisions of the INA to the Commonwealth of Northern Mariana Islands (CNMI). This legislation provided for a five-year transition period during which the INA would be implemented, established a guest worker program, provided for Protection Consultant services, and extended a visa waiver program for CNMI. USCIS has opened an Application Support Center in CNMI to meet the new workload requirements and provide biometric and interview services. In addition, USCIS has increased staffing at the California Service Center for the processing of immigration benefit requests from the CNMI that do not require face-to-face interviews. The estimated cost of this effort is \$1.5 million a year. This cost is included within base funding for IEFA programs. Applicants for immigration benefits in the CNMI pay the same fees as other applicants elsewhere, except as may specifically be provided by regulation.

Immigrant Visa Processing Fee

USCIS is proposing to collect a fee for processing immigrant visas. USCIS does not currently recover fees for the cost of processing visas issued overseas by DOS, although USCIS offices expend time and effort to process those visas. This practice is inconsistent with guidance in OMB Circular A-25 to recover the full cost of providing a service to the public. Historically, these costs were carried as overhead and spread across all fee-paying applicants. By not collecting a fee for this service while incurring significant associated costs, USCIS is placing additional burdens on all fee-paying applicants. The fee proposed in this rule for immigrant visas was calculated at the amount necessary to fully recover the costs to USCIS for processing these requests. This new fee will result in a smaller increase in the fees proposed for other benefit requests absent this action.

While USCIS does not adjudicate immigrant visas applications, USCIS resources are required to complete the processing of this benefit when an immigrant visa is granted by a DOS consular officer. An individual receiving a visa from a DOS consulate receives visa documentation and his or her photograph in a sealed application package. The individual takes the package with him or her for use at the U.S. port of entry. At the port of entry, a U.S. Customs and Border Protection (CBP) officer will inspect the individual and fill out remaining information and collect remaining application documentation. CBP forwards the immigrant visa package to USCIS for review and entry into USCIS data systems. If a deficiency is found, the visa case is referred to a USCIS District Office for resolution. Typical deficiencies include missing documentation, missing biometric information, unacceptable photographs, and mismatches of admission stamp information. Some of the deficiencies are resolved between USCIS and CBP.

When an immigrant visa is deemed complete and satisfactory, USCIS enters the data; scans photographs, signatures and fingerprints; and issues a permanent resident card. USCIS Service Centers often take inquiries from immigrants until the card is received in the mail. USCIS integrates visa documentation within a central alien file (A-File) and, if none exists, a new A-File is created and stored. The following activities apply directly to processing immigrant visas:

Intake - USCIS must receive immigrant visa packets from CBP, perform data entry, and create a file for each individual packet.

Review Records – USCIS must ensure that inter-agency forms that are essential to the immigrant visa process are received from the appropriate source and collated into one A-file. Each immigrant visa request becomes a record that must be stored, retrieved, and archived as needed.

Issue Document – Each approved immigrant visa applicant will receive a permanent resident card (green card) created by the USCIS Integrated Document Production office.

Inform the Public - USCIS receives and processes customer service inquiries from immigrant visa applicants related to their permanent resident status.

Management and Oversight - involves activities in all offices that provide broad high-level leadership to meet the agency's goals.

Table 11 outlines activity unit costs for the Immigrant Visa:

Table 11 – Immigrant Visa Fee Activity Cost per Unit

Immigrant Visa Fee Activity Costs Per Unit	
Activity	Cost
Intake	\$26
Review Records	\$28
Issue Document	\$18
Inform the Public	\$27
Management and Oversight	\$6
Total	\$165

Other fee-paying applicants bear the cost of processing immigrant visas, even though they receive no benefit. Establishing a fee for immigrant visas removes this cost burden and mitigates the impact of other fee increases. This fee remains the same even after approved appropriations for SAVE and the Office of Citizenship.

EB-5 Regional Center Designation Fee

USCIS is proposing an immigrant investor fee for individuals, state or local government agencies, partnerships, or any other business entity requesting approval and designation to be a regional center under the Immigrant Investor Pilot Program (Pilot Program). See Pub. L. No. 102-395, tit. VI, sec. 610, 106 Stat. 1874 (1992) (8 U.S.C. 1153 note). This program is distinct in certain ways from the basic EB-5 investor program. Foreign investors are encouraged to invest funds in an economic unit known as a “regional center.” A regional center is defined under 8 CFR 204.6(e) to mean any economic unit, public or private, engaged in the promotion of economic growth, improved regional productivity, job creation, and increased domestic capital investment. USCIS regulations establish eligibility criteria for a regional center and the related reporting requirements. 8 CFR 204.6(m)(3). In conjunction with the new fee, the regional

center reporting requirements are proposed to be clarified in this rule. The reporting requirements will make it clearer that the designation as a regional center is subject to maintenance of the eligibility requirements, and the provision of reports to USCIS showing continued compliance. Proposed 8 CFR 204.6(m)(6).

The FY 2010/2011 fee study found that USCIS expends a lot of effort to adjudicate a request for designation as an approved EB-5 regional center. These applicants do not pay fees to cover the costs incurred to carry out this program's activities. As a result, the costs of staff and resources necessary to carry out the regional center program have been paid from revenue derived from other applications. In addition to providing a vehicle for fee collection, the standardized "Application for Regional Center under the Immigrant Investor Pilot Program," (Form I-924); will clarify requirements for a regional center document; improve the quality of applications; better document eligibility for the Pilot Program; alleviate content inconsistencies among applicants' submissions; and support a more efficient process for adjudication of applications

Six of the nine ABC activities apply to processing the I-924. Costs from each of these activities are allocated to derive a fee of \$6,230 (rounded). Since the program's inception in 1993, applicants have paid no fees to cover costs associated with program activities. As a result, costs have been paid by fee-paying customers within the fee levels of unrelated applications.

Table 12 outlines activity unit costs for the EB-5 Regional Center Designation fee:

Table 12 – EB-5 Regional Center Designation Fee Activity Cost per Unit

EB-5 Regional Center Designation Fee Activity Costs Per Unit	
Activity	Cost
Intake	\$26
Review Records	\$28
Inform the Public	\$24
Management and Oversight	\$65
Fraud Prevention and Detection	\$24
Make Determination	\$6,063
Total	\$6,230

Intake - USCIS must receive requests from individuals or entities desiring to receive regional center designation, perform data entry, and create a file for each packet.

Review Records – USCIS must ensure that evidence essential to the adjudications process is received from the appropriate source and collated into one file. Each request becomes a record that must be stored, retrieved, and archived as needed.

Inform the Public - USCIS receives and processes customer service inquiries from applicants related to the status of their requests.

Fraud Prevention and Detection – The authenticity of each request must be analyzed in order to prevent immigration benefit fraud.

Make Determination – The request requires the submission of extensive documentation and statistical data concerning the geographical region the applicant’s center will affect. Applicants must also provide thorough business plans, analysis of the potential economic impact the center will have, and proof of immigration status for review by USCIS.

Management and Oversight - All requests processed by USCIS receive a portion of the cost of high-level leadership and non-adjudicative support from Headquarters offices.

USCIS estimates that it will receive an average of 132 applications for regional centers per year. Based on the experience USCIS has in administering the regional center and EB-5 investor program, and knowledge of the entities that file the typical application, this fee is affordable and reasonable. For example, a review of investment subscription agreements and limited partnership membership agreements provided in support of recently submitted proposals during the USCIS adjudication process indicates that multiple investors typically paid from \$25,000 to \$50,000 each for the opportunity to invest in a project, in addition to the minimum investment required by DHS regulations to be a EB-5 investor.¹⁴ Thus, regardless of the low annual volume estimate, no low volume reallocation of the costs of the EB-5 investor program is proposed.

Civil Surgeon Program

USCIS is proposing a new fee for individuals requesting designation as civil surgeons. Civil surgeons are physicians who are authorized to conduct medical examinations that are required of applicants for certain immigration benefits. The Civil Surgeon Program was created under section 232(b) of the INA. Civil surgeon designation is required for individuals wishing to conduct physical and mental examinations of those seeking admission into the United States or applying for adjustment of status.

In the future, the civil surgeon registration process will be standardized. USCIS will develop a standard designation process and form, maintain an accurate, regularly-updated list of civil surgeons, ensure that the program is self-funded, and improve communication between USCIS and civil surgeons. The proposed fee is \$615. Six of the nine ABC activities apply to the civil surgeon registration process. Table 13 outlines activity unit costs:

Table 13 – Civil Surgeon Fee Activity Cost per Unit

Civil Surgeon Fee Activity Costs Per Unit	
Activity	Cost
Intake	\$26
Review Records	\$61
Inform the Public	\$85
Management and Oversight	\$69
Fraud Prevention and Detection	\$24
Make Determination	\$350
Total	\$615

¹⁴ <http://www.uscis.gov/eb-5centers>.

Intake - USCIS must receive requests for designation from individuals or entities desiring to receive civil surgeon designation, perform data entry, and create a file.

Review Records – USCIS must ensure that evidence essential to the adjudications process is received from the appropriate source and collated into one file. Each request becomes a record that must be stored, retrieved, and archived as needed.

Inform the Public - USCIS receives and processes customer service inquiries from applicants related to the status of their registration.

Fraud Prevention and Detection – The authenticity of each request must be analyzed in order to prevent immigration benefit fraud.

Make Determination – Physicians applying for civil surgeon designation will be vetted for any adverse actions pending against them through the Healthcare Integrity and Protection Data Bank (HIPDB) to determine eligibility.

Management and Oversight - All requests processed by USCIS receive a portion of the cost of high-level leadership and non-adjudicative support from Headquarters offices.

Doctors who request a civil surgeon designation will add a payment of \$615 to the items that are currently required. Since the estimated number of civil surgeon designation requests is only 3,410 per year, the impact of this proposed fee on other fees is negligible. Even though they amount to only \$1.9 million per year, these costs should not be covered by other fee payers.

SPECIAL TOPICS

USCIS has made every effort to satisfy the recommendations made by GAO following the last comprehensive fee review in the “Federal User Fees, Additional Analysis and Timely Reviews Could Improve Immigration and Naturalization User Fee Design and USCIS Operations” (GAO-09-180) and “Immigration Application Fees: Costing Methodology Improvements Would Provide More Reliable Basis for Setting Fees”, (GAO-09-70). This section addresses the topics that are not discussed elsewhere in this document.

IEFA CARRYOVER PLAN AND PROJECTION

For federal entities such as USCIS that rely almost entirely on fee revenue it is important to maintain an amount of unused carryover funding each year. USCIS maintains a carryover balance within the IEFA for several important reasons. USCIS must ensure sufficient cash flow is available until revenue from the current year is received. A certain amount of revenue should be held to cover pending workload for which fees were received but work is not yet complete – i.e., deferred revenue. In the event that revenue drops below expectations, balances serve as a source to ensure continuity of operations until cost and/or fee adjustments can be made. These funds can also address increased spending needs tied to unanticipated workload surges.

Carryover balances ultimately serve to help manage operations effectively during fluctuations in the economy, legislative actions, and other events that lead to increases or decreases in workload

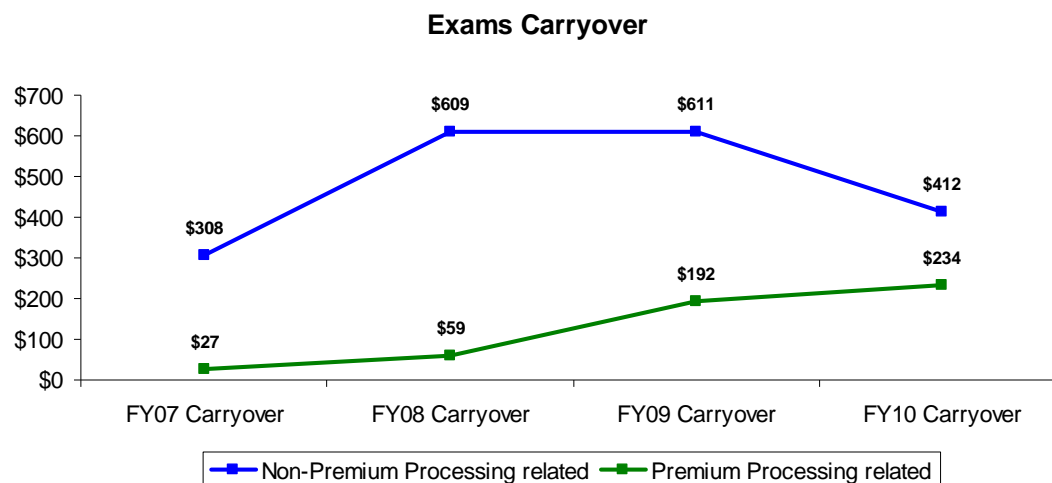
and revenue. The most recent example of this need was the 2007 summer surge in immigration benefit requests, and the subsequent downturn in new workload and fee revenue during 2008 and 2009. USCIS put an operating plan in place for FY 2010 to utilize approximately \$105 million in non-premium processing carryover balances.

USCIS is continuing to develop an analytical methodology for determining an optimal level of carryover for any year given cash flow, deferred revenue, and reserve fund considerations. Table 14 and Figure 5 depict recent historical balances, and the projected future levels given the cost and revenue assumptions of the fee review covering FY 2010/2011:

Table 14 – Start-of-Year (SOY) IEFA Carryover Balances

Start-of-Year IEFA Carryover Balances					
Dollars in Millions					
	Actual			Projected	
	2008	2009	2010	2011	2012
Non-Premium Fee Balances	609	\$611	\$412	\$307	\$307
Premium Processing Fee Balances	\$59	\$192	\$234	\$19	\$0
Total Balances:	\$668	\$803	\$646	\$326	\$307

Figure 5 – Historical Start-of-Year (SOY) IEFA Carryover Balances



USCIS will continue to dedicate revenue derived from premium processing fees to the USCIS Transformation program and related transformational activities. This includes revenue derived from the proposed increased premium processing fee. Premium fee balances are not available for general USCIS operations and are therefore not pertinent to an overall balance target.

Projected carryover levels for FY2010-2012 are dependent, to a great extent, on the actual levels of fee revenue received. Revenue levels for FY 2009 have declined below expectations in part because of the current economic conditions. This fee review assumes that revenue will not decline further than current estimates for FY 2009, and will in fact begin to recover during FY 2010/2011. However, USCIS does not have a reliable method to predict either the timing of

economic recovery or subsequent increases in immigration benefit request volume.

At projected levels for FY 2010/2011, USCIS believes that it will have sufficient carryover funding to meet operational needs until new revenue is received for the start of each fiscal year. For the purposes of assessing this goal, USCIS considered historical percentages of obligations for the first quarter of each fiscal year since FY 2004, developed an average over all years, and used that average to estimate first quarter obligations for FY 2010/2011. The obligation levels were then compared against an estimate of new revenue received in the first quarter based on historical averages. As Table 15 depicts, new revenue and estimated balances are sufficient to cover estimated operational costs for both years of the fee review period.

Table 15 – First Quarter (Q1) Assessment of Projected Spending vs. Available Fees

Projected Spending vs. Available Fees (Non-Premium)		
Dollars in Millions		
	2010	2011
Carryover Balance	\$412	\$307
Estimated New Revenue	\$416	\$548
Total Available Resources:	\$828	\$855
Estimated Q1 Obligations	\$666	\$666
Available Resources Over Obligations	\$162	\$189

A first quarter assessment is just one consideration of several when determining carryover balance needs. USCIS will work to develop more robust methodologies for future fee reviews.

STATUTORY FEES

USCIS has four fees set by statute: premium processing, Temporary Protected Status (TPS), H-1B, and H&L Fraud. Two of the fees – H&L Fraud and H-1B – do not directly affect the IEFA, as they are collected in their own, separate accounts. While TPS is collected in the IEFA, the program is considered temporary. As previously noted, USCIS does not assume the TPS program will continue for fee review purposes. Premium processing is also collected in the IEFA, and, as previously noted, it is USCIS policy that premium processing revenue is dedicated to funding the USCIS Transformation program.

USCIS assesses statutory fees as part of the fee review process to fully inform USCIS and DHS leadership, as well as Congress and other government agencies, of related program costs. USCIS is currently developing the capability to capture program costs associated with statutorily-set fees into the ABC model.

Premium Processing Cost and Revenue

Premium processing service guarantees USCIS will process an immigration benefit request within fifteen calendar days of receiving a Form I-907, Request for Premium Processing Service (8 CFR 103.2(f)). Premium processing revenue shall be used to fund the cost of offering the service, but current USCIS policy limits its use to the Transformation Program to improve business processes and information technology related to adjudications, reporting, and customer service generally covering all immigration benefit types.

As a part of this fee review, USCIS proposes to use the Consumer Price Index to calculate an inflation-based premium processing fee adjustment. All revenue will continue to be used for the Transformation Program. USCIS is working on analysis of premium processing costs and how such costs relate to the cost of regular processing.

H-1B Cost and Revenue

The H-1B Visa Reform Act of 2004 requires employers who participate in the H-1B program to pay an additional \$1,500 (or \$750 for those petitioners who employ less than 25 full-time equivalent employees), in addition to the base-processing fee to file Form I-129, Petition for a Nonimmigrant Worker. USCIS receives five percent of these funds, as well as the entire base processing fee. The remaining revenue is shared between the Department of Labor and the National Science Foundation. H-1B costs are less than one percent of the total USCIS budget.

With improvements from the updated ABC model, USCIS has the ability to provide a more comprehensive review of the costs associated with the H-1B. This review is expected to be undertaken during FY 2011.

H & L Fraud Cost and Revenue

The L-1 Visa Reform Act of 2004 (later amended by Public Law 109-13, Section 403) requires petitioners to pay \$500 toward this purpose for a beneficiary's initial grant of H-1B, H-2B, or L nonimmigrant classification, as well as if they are changing a beneficiary's employer within these classifications; petitioners would also pay \$150 for H-2B benefit in addition to the base-processing fee for a Petition for a Nonimmigrant Worker (Form I-129). USCIS receives one-third of these fees. Remaining revenue is shared between Department of Labor and Department of State. Funding is used for activities related to preventing and detecting fraud of immigration benefit requests as stipulated in the law.

USCIS has improved its ability to review costs associated with the L-1, H-1B and H-2B visas due to improvements in the model. A more comprehensive review is expected to be undertaken during FY 2011.

IMPUTED BENEFITS COST ESTIMATE – CIRCULAR A-25 COMPLIANCE

OMB Circular A-25 establishes federal policy regarding fees assessed for government services and for sale or use of government services. Among other things, the Circular establishes general policy that user fees should recover the full cost to the Federal Government including direct and indirect personnel costs. However, Circular A-25 provides exceptions for excluding certain costs including costs that represent an unduly large part of the fee. Requests for an exception must be submitted to the Director of the OMB for approval.

As in the FY 2008/2009 Fee Review, USCIS is excluding the estimated cost for FY 2010 and FY 2011 of retirement, health and life insurance costs to be paid by OPM for USCIS employees from the proposed fee structure. This cost is estimated to be approximately \$60.5 million in FY 2010 and \$60.7 million FY 2011. The OPM cost estimate is based on the guidance provided in OPM's Letter # 08-304, Fiscal Year 2008 Factors for Calculating Imputed Costs.

The USCIS' Lockbox costs have been included in the fee review. However, the Department of the Treasury's Financial Management Service Lockbox costs have been excluded for the same reason as costs incurred by OPM. The Lockbox costs to be paid by Treasury are estimated to be \$57 million in FY 2010 and \$48.2 million in FY 2011. The Treasury cost estimate is based on the April 2009 estimates for FY 2010/2011 Lockbox costs.

USCIS believes that given the significant price structure increase in the FY 2008/2009 Fee Rule in addition to the price increase requested for the current rule, adding another nearly \$226.4 million in costs for the biennial period would make the fee structure overly burdensome to USCIS customers.

These exclusions, as described within this documentation material, constitute an expressed exception approval by OMB from general policy of Circular A-25. This documentation, as well as the proposed rule and the assumptions of the rule, were reviewed and cleared by OMB.

FASAB STANDARDS COMPLIANCE JUSTIFICATION

The costing methodology section of FASAB Standards No. 4¹⁵ states that cost assignments should be performed using the following methods listed in the order of preference:

- (a) Directly tracing costs wherever feasible and economically practicable,
- (b) Assigning costs on a cause-and-effect basis, or
- (c) Allocating costs on a reasonable and consistent basis.

USCIS uses ABC to assign resources to outputs (immigration benefit requests). Inherent in ABC methodology, costs are assigned using cause-and-effect. According to FASAB Standards No. 4, "an activity is considered a linkage between the cause and the effect". Most immigration benefit requests require that multiple activities be performed to be fully processed. The costs associated with these requests are spread by cause-and-effect. Deviations from this method of assignment include the direct assignment of resources devoted solely to one output (Biometric services, I-290B, I-485) discussed below and overhead items spread by allocation. Details of these assignments are provided below.

In performing this review, USCIS adheres to FASAB Standards No. 4 by assigning costs as follows:

Direct Trace

Approximately \$159 million, or 7%, of the \$2.271 billion in resources can be directly traced to outputs. The \$159 million is comprised of the following costs:

- \$135 million associated with biometric services
 - \$77 million Application Support Center (ASC) contract focused on collecting biometric data
 - \$56 million FBI Fingerprint/Name Check contract

¹⁵ Federal Accounting Standards Advisory Board (FASAB), Statement of Financial Accounting Standards No. 4: Managerial Cost Accounting Concepts and Standards for the Federal Government 36 (7/31/1995)

- \$1 million Field Operations Fingerprint Support
 - \$600 thousand OIT Fingerprint Tracking System
- \$15 million associated with the I-290B Notice of Appeal or Motion
 - Entire Office of Administrative Appeals cost baseline
- \$9 million associated with the I-485 Application to Register Permanent Residence or Adjust Status
 - Additional Green Card Stock used for I-485 card production

Cause-and-Effect

Approximately \$1.448 billion, or 64%, of the \$2.271 billion in resources is assigned using a cause-and-effect relationship to outputs. Resources from each USCIS office are assigned to the nine processing activities based on the percentage of authorized positions performing the activity or activities. The activity costs are then distributed to outputs by a prorated share of immigration benefit request volume or immigration benefit request volume weighted by adjudication processing time.

Reasonable and Consistent Allocation

Approximately \$664 million, or 29%, of the \$2.271 billion in resources is assigned using a reasonable and consistent allocation. The \$664 million is comprised of \$182 million in service wide and overhead costs and \$278 million in OIT costs allocated by FTE, and \$204 million in rent and Federal Protective Services (FPS) costs allocated by actual rent percentages from FY 2008. These costs include the following:

- \$32 million for the DHS Working Capital Fund
- \$60 million in Service Level Agreements
- \$228 million in Headquarters Overheads (including \$189 million for rent and \$15 million for FPS)
- \$45 million in Field Overheads
- \$21 million in Additional Operational Requirements
- \$278 million for OIT

APPENDIX

Appendix I - USCIS Offices

Core Business

The Domestic Operations Directorate (DOMO) ensures that citizenship and immigration information and decisions on immigration benefits are provided to domestic customers in a timely, accurate, consistent, courteous, and professional manner. DOMO manages 13,000 government and contract employees in 200 offices and manages the processing and adjudication of more than 7 million immigration benefit requests per year, while providing services to over 16 million customers via the USCIS call centers and over 2 million customers through information counters across the country. DOMO consists of five divisions: the Office of Field Operations, Service Center Operations, Information and Customer Service, Operations Planning Division, and the Policy and Regulation Management Division.

Field Operations (OFO) manages four regional offices, 26 districts composed of 90 field and support offices, 136 Application Support Centers, and the National Benefits Center. These national field offices interview applicants for lawful permanent residence status and citizenship and process all Resident Services requests.

Service Center Operations (SCOPS) manages four service centers that process immigration benefit requests that do not require face-to-face contact. SCOPS performs approximately 70 percent of all adjudication and file preparation for benefit requests.

Information Customer Service (ICS) coordinates and manages the USCIS Telephone Centers; plans, develops, and coordinates information and customer service functions throughout the Domestic Operations spectrum; and serves as the customer service liaison within USCIS. ICS carries out its customer service mission through three primary operational branches: The Customer Assistance Office, the Call Center Enterprise, and Content Management Operations.

Operations Planning Division (OPD) provides program guidance and support to DOMO to ensure the effective adjudication of immigration benefits and works to manage the receipt of quality assurance reviews from the domestic field offices. Their primary responsibilities include monitoring the Staffing Analysis Model that is utilized to identify staffing levels required to support day-to-day operations, along with managing the monthly Integrated Multi-Annual Performance System, which produces reports that are used by field personnel to actively assign work products to ensure the achievement of performance goals.

Policy and Regulation Management Division (PRM) coordinates and manages development of policy and regulations affecting domestic operations components in coordination with service center and field operations divisions. PRM consults with all affected components on cross-cutting issues and coordinates with representatives from the Office of Policy and Strategy, Office of Chief Counsel, and the Office of the

Executive Secretariat to ensure compliance with good guidance and rulemaking practices and procedures.

Another key office within DOMO is Integrated Document Production (IDP). IDP manages the day-to-day operations of three separate card production facilities, personalizes and issues all secure USCIS identity cards, and coordinates with the Departments of Transportation and State in administering secure documents and card programs including laser visas, travel permits, border crossing cards, and refugee travel documents.

The National Security and Records Verification Directorate (NSRV) is responsible for strengthening the effectiveness of USCIS' national security efforts; enhancing the integrity of our country's legal immigration system by deterring, detecting, and pursuing immigration related fraud; and combating unauthorized employment in the workplace. NSRV is also modernizing recordkeeping and records verification processes so that it may quickly provide accurate immigration-related information to partners and stakeholders who have a legitimate interest in that information. NSRV is composed of three divisions, one center, and one special office: the Fraud Detection and National Security Division, the Records Division, the Verification Division, the National Records Center, and the Information Technology Program Executive Office.

The Fraud Detection and National Security Division (FDNS) enhances the integrity of the legal immigration system by identifying threats to national security and public safety, detecting and combating immigration benefit fraud, and removing other systemic vulnerabilities. FDNS specializes in detecting and combating immigration benefit fraud, identifying threats to national security and public safety, and coordinating with law enforcement and intelligence communities on national security and public safety matters.

The Records Division is the caretaker of the country's immigration records, commonly known as alien files or "A-files," which document individuals' journeys from their original entries into the United States to naturalization. These records are the sole source of information used during the immigration adjudication process. A-files are also a critical source of information for many federal agencies performing immigration-related work, as well as for genealogical research.

The National Records Center (NRC) provides customers with timely access to information from A-files and subsidiary data systems. NRC operations include records, information liaison, case resolution, and Freedom of Information Act processing.

The Verification Division is responsible for two programs, E-Verify and the Systematic Alien Verification for Entitlements (SAVE) program, that enable government agencies to verify the immigration status of benefit-seeking applicants and allow participating employers to verify that their new employees are authorized to work in the United States.

- **E-Verify** is a web-based system that electronically verifies the employment eligibility of newly hired employees. While USCIS administers E-Verify, it is a partnership between DHS and the Social Security Administration. The program began in 1997.

- **SAVE** is an intergovernmental information-sharing initiative designed to aid eligibility workers in determining a non-citizen applicant's immigrant status by providing immigration status information and ensuring that only entitled non-citizen applicants receive federal, state, or local public benefits and licenses.

The Refugee, Asylum, and International Operations Directorate (RAIO) is responsible for overseeing, planning, and implementing policies and activities related to asylum and refugee issues as well as immigration services overseas. RAIO's mission is to extend protection, citizenship, and other immigration benefits to eligible individuals, detect fraud and protect national security, and advance USCIS strategic priorities in the international arena. RAIO's primary focus is to ensure that the right benefit is provided to the right applicant while providing protection to refugees, both inside and outside of the United States, in accordance with USCIS' laws and international obligations. RAIO liaises with U.S. and foreign governments, international organizations, civil society, and private entities worldwide. RAIO consists of three divisions: the International Operations Division, the Asylum Division, and the Refugee Affairs Division.

The Refugee Affairs Division (RAD) provides resettlement opportunities to refugees in accordance with the laws of the United States and international obligations. RAD works in close cooperation with governmental, nongovernmental, and international organizations, including the Bureau of Population, Refugees, and Migration at the Department of State and the U.N. High Commissioner for Refugees, in order to support the annual refugee admissions ceiling determined by the President each fiscal year, while ensuring the overall integrity of the U.S. Refugee Admissions program. To achieve its mission, RAD deploys specially-trained Refugee Corps officers around the globe to interview refugee applicants and make refugee status determinations.

The Asylum Division implements asylum laws with respect to asylum seekers who are already in the United States in a way that is fair, timely, and consistent with international humanitarian principles and our domestic tradition of providing refuge for the persecuted. The Asylum Division manages three main programs: adjudication of affirmative asylum requests, adjudication of requests for suspension of deportation or cancellation of removal under Section 203 of the Nicaraguan Adjustment and Central American Relief Act (NACARA), and credible fear screenings for those in expedited removal. Asylum Officers conduct reasonable fear of persecution or torture screenings and travel overseas to interview and process refugees for the Refugee Affairs Division.

The International Operations Division (IO) is the face of USCIS overseas. IO plays a critical role in extending immigration benefits to eligible individuals, exercising vigilance in matters of fraud detection and national security, and sustaining effective intergovernmental liaisons. IO officers provide immigration benefits, travel documents, and immigration information services; naturalize men and women of the U.S. military stationed throughout the world; unite prospective adoptive parents with disadvantaged children; and enable U.S. citizens residing abroad to petition for their immediate family members to become lawful permanent residents of the United States. IO officers provide

technical expertise on immigration-related matters for U.S. government components overseas, including the Department of State and the Department of Defense.

Functional Offices

Administration

The Office of Administration provides the essential administrative services, policy, and guidance to support USCIS operations and their customers. The office manages three functional lines of business which strengthen the infrastructure necessary to achieve USCIS' mission: (1) real property and lease acquisition, (2) procurement and contract administration, and (3) asset management. Its mission is accomplished through the Facilities Management Division and the Asset Management and Contract Support Division in Headquarters, as well as the Field Support Center in Burlington, VT. The Headquarters office is responsible for planning, programming, budgeting, and policy decisions, whereas the Field Support Center is responsible for executing the programs and policies developed by Headquarters.

The **Facilities Management Division** manages an annual rent budget of approximately \$203 million and an investment budget of over \$11 million for planning and managing space. The **Asset Management and Contract Support Division** provides guidance and assistance to USCIS offices regarding all aspects of personal property management and has accountability of property valued at almost \$108 million. It also offers guidance and assistance with acquisition document preparation. The **Field Support Center** gives direct support to USCIS field locations, including project management and execution for lease acquisition, and a full range of asset management support. It also provides management and oversight for the acquisition of goods and services. It is responsible for almost \$800 million in annual acquisitions and the administration of approximately \$5 billion in existing contracts.

Administrative Appeals

The Administrative Appeals Office (AAO) has jurisdiction over appeals of decisions on most immigration benefit requests that are processed by USCIS worldwide. The administrative appeals process allows a customer to attempt to overturn an adverse decision after USCIS denies a request. The appeals process also allows USCIS to correct erroneous denials before those decisions are challenged in federal court. There are numerous types of requests within the AAO's jurisdiction, including employment-based immigration requests, various waivers, legalization, and temporary protected status applications. The AAO produces appellate decisions that provide fair and legally supportable resolutions of requests for immigration benefits. These decisions provide guidance to petitioners, applicants, practitioners, and government officials in the correct interpretation of immigration law, regulations, and policy.

Chief Counsel

The Office of the Chief Counsel (OCC) was established in accordance with Section 451 of the Homeland Security Act of 2002 to provide specialized legal advice, opinions, determinations, regulations, and any other assistance to the USCIS Director and to represent USCIS in visa petition appeals before the Executive Office for Immigration Review. OCC's areas of responsibility include providing legal education and training to USCIS staff, and advising USCIS

and Department of Homeland Security (DHS) staff on legislative, regulatory, and national security issues.

Chief Financial Officer

The Office of the Chief Financial Officer (OCFO) serves as the principal advisor to the Director and executive leadership in all areas of budget, financial management, internal controls, and collections. The OCFO strives to acquire the necessary resources to meet mission responsibilities and effectively manage and control costs to ensure resources are strategically deployed to front-line mission responsibilities. The OCFO is an integral partner in USCIS' mission to improve the administration of benefits and immigration services for applicants by exclusively focusing on obtaining and protecting the resources that support immigration and citizenship services. The OCFO manages the annual budget and ensures sound financial reporting to the Congress, the Office of Management and Budget, U.S. Department of the Treasury, U.S. Department of Homeland Security, and the public.

Citizenship

The mission of the Office of Citizenship (OoC) is to provide tools and resources to foster immigrant integration. OoC promotes education and training on the rights and responsibilities of citizenship, provides federal leadership on civic integration issues, and celebrates the meaning of citizenship for immigrants and citizens.

Communications

The Office of Communications (OCOMM) coordinates external and internal communications for USCIS. The office has five divisions: Media Relations, Community Relations, New Media, Internal Communications, and Strategic Communications. The office is responsible for communicating changes in laws, regulations, processes, and procedures affecting more than 18,000 employees and millions of customers.

Congressional Relations

The main responsibility of the Office of Congressional Relations (OCR) is to advise the USCIS Director and senior management on legislative and operational matters of interest to Members of Congress. OCR serves as the primary point of contact for members of Congress and their staffs, handling inquiries on immigration policy, individual cases, and USCIS operations. OCR coordinates closely with the Office of Legislative Affairs at the Department of Homeland Security (DHS) to ensure that USCIS issues and concerns are represented in DHS legislative strategies. OCR is responsible for ensuring that USCIS has a uniform congressional relations strategy that is consistent with USCIS core values. OCR implements the National Congressional Strategic Plan for more than 100 USCIS congressional liaisons nationwide.

Emergency Management and Safety

The Office of Emergency Management and Safety (OEMS) is charged with "Creating a Culture of Preparedness" at USCIS. OEMS provides the oversight, training, and management of the USCIS Emergency Preparedness, Continuity of Operations (COOP), Continuity of Government (COG), and Occupational Safety and Health programs. OEMS controls and maintains the USCIS Alternate (continuity) Site and Emergency Management training facility, where USCIS

HQ components and offices carry out their respective Mission Essential Functions during emergencies or continuity evolutions.

Equal Opportunity and Inclusion

The Office of Equal Opportunity and Inclusion (OEOI) was created in August 2007 to help USCIS ensure that equal employment opportunities are afforded to USCIS employees and job applicants. OEOI works to identify barriers to equal opportunity in all phases of employment, assists with recruiting diverse job candidates, and manages the Equal Employment Opportunity (EEO) complaints process. In addition, OEOI oversees the Anti-Harassment Program, Disability Accommodation Program, Special Emphasis Programs, and EEO Training Program. Nearly 42 percent of USCIS employees are minorities and 60 percent are female. One of USCIS' goals is to maintain a diverse workforce.

Executive Secretariat

The office of the Executive Secretariat (Exec Sec) was established in 2006 within the Office of the USCIS Chief of Staff. Its main purpose is to ensure that internal and external executive correspondence and communications are efficient, purposeful, coordinated, and controlled. Working closely with its counterparts throughout the Department of Homeland Security, Exec Sec coordinates the correct and timely production and transmission of official materials, and advocates for the USCIS position in the Department-wide clearance process.

Human Capital and Training

The Office of the Chief Human Capital and Training (HCT) provides strategic human capital and training direction, services, and oversight. HCT administers an integrated program of recruitment, hiring, training, leadership development, and employee services and benefits that provide and support the people who carry out the USCIS mission.

Information Technology

The Office of Information Technology (OIT) provides information technology (IT) leadership, technical expertise, and the strategic vision necessary to enable USCIS to deliver effective, efficient, and secure immigration services. OIT leads USCIS in the design, development, delivery, and deployment of IT services and solutions that transform the immigration system.

Policy and Strategy

The Office of Policy and Strategy (OPS) was established pursuant to the Homeland Security Act of 2000. The mission of the office underwent significant change in FY 2008 as the office gained responsibility for regulatory development and coordination of USCIS regulations. OPS works with USCIS employees to ensure that USCIS rules and policies align with both USCIS and DHS strategic priorities and goals; conducts research and evaluations in support of policy development and decision making; coordinates and conducts analyses on issues that affect immigration policy; advises on long-term planning initiatives; and shapes the USCIS strategic message.

Privacy

The USCIS Office of Privacy was established on July 9, 2008. The office's central responsibilities include developing USCIS privacy policy; ensuring adherence to applicable

privacy mandates in coordination with USCIS program offices and the DHS Privacy Office; implementing training for employees and contractors on privacy laws, regulations, and policy; and providing advice and technical assistance in the development of privacy-related documentation.

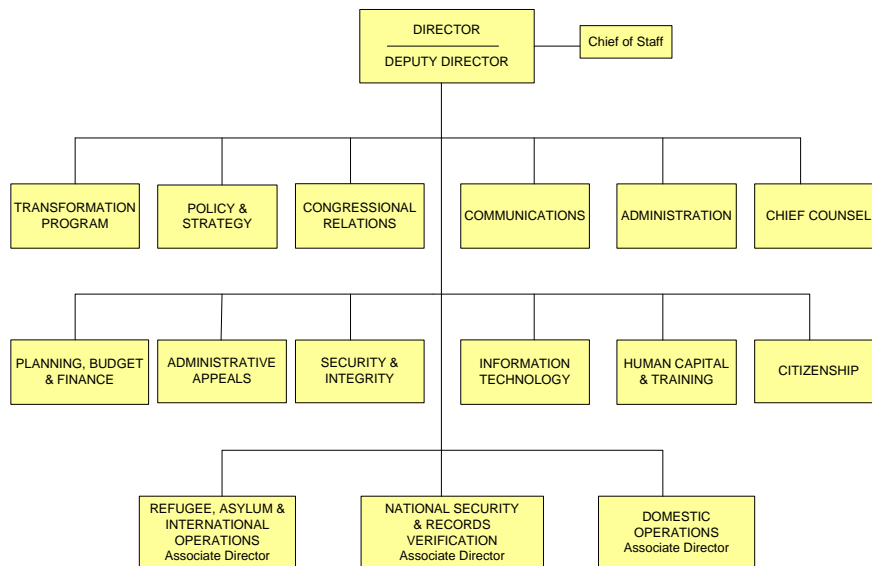
Security and Integrity

The USCIS Office of Security and Integrity (OSI) safeguards USCIS information and assets by providing guidance, training, and tools to supervisors, employees, and contractors; supplying professional full-time security and investigative personnel in field locations; and promoting integrity through internal reviews and the investigation of breaches in employee conduct and continual assessment of the effectiveness of management controls. With the establishment of the Office of Security and Integrity in March of 2007, USCIS has a robust and professional organizational element dedicated to promoting and enforcing security, internal integrity, and professional responsibility with the ability to carry out its significant role in safeguarding America's promise. OSI oversees the USCIS Command Center, special security programs, physical security, personnel security (i.e., background investigations), protection of classified and other sensitive information, internal investigations of employee misconduct, and internal audits.

Transformation

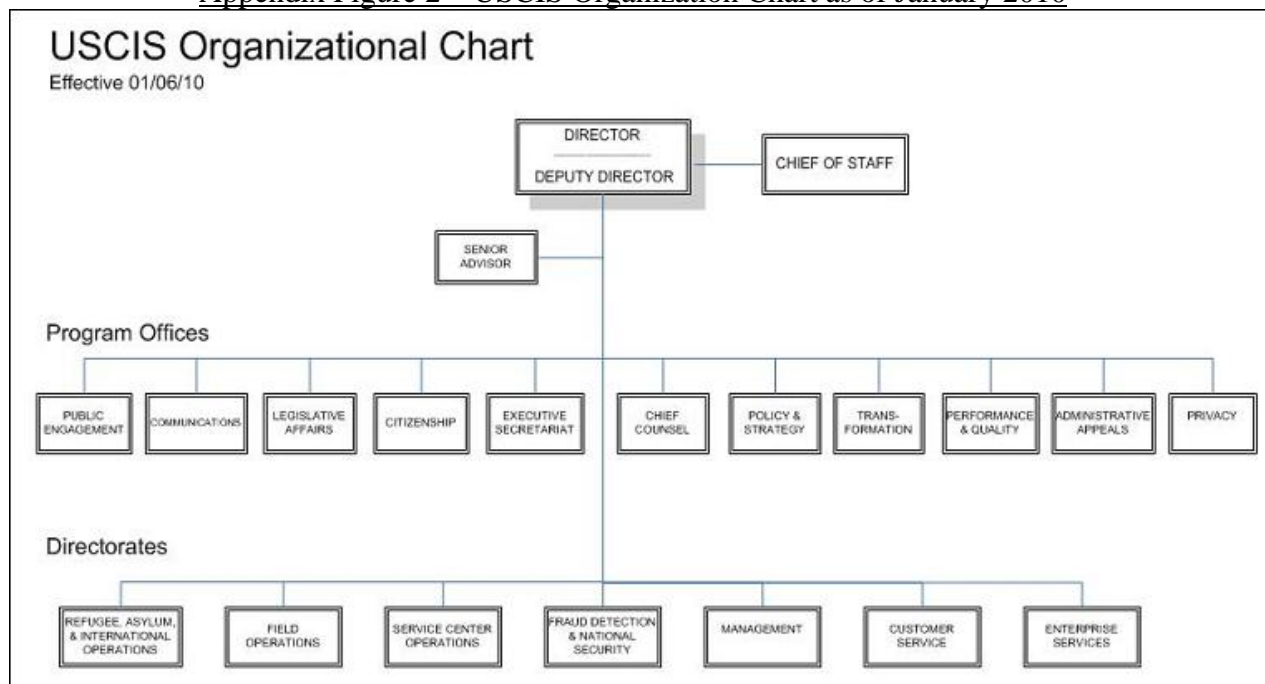
Within USCIS the current adjudications process is paper intensive and form-centric, making it difficult for USCIS to efficiently process benefits, combat identity and other types of benefit fraud, and provide other government agencies with the information required to quickly identify criminals and possible terrorists. USCIS envisions a transformed business process based on a person-centric model and accounts, enabling customers and their representatives to become account holders who engage in electronic transactions with USCIS. To provide a centralized management structure to oversee this transformation, the USCIS Director created the USCIS Office of Transformation Coordination (OTC) in October 2008. OTC is responsible for leading, managing, and facilitating the comprehensive transformation of the business processes, tools, and technologies associated with the adjudication of these benefits in a manner that will enhance national security, promote operational excellence, and provide superior customer service so the benefits of immigration can be realized.

Appendix Figure 1 – USCIS Organization Chart as of February 2009



In January 2010, USCIS underwent a re-organization. The previous organization structure is used for this fee review. The updated organization chart below is for informational purposes:

Appendix Figure 2 – USCIS Organization Chart as of January 2010



Appendix II - USCIS Funding and Account Structure

USCIS resources are approximately 98 percent fee generated. As per the FY 2009 enacted budget, USCIS possesses four accounts, and fee revenue is deposited into one of three fee accounts:

- 1) Salaries and Expenses (appropriated)
- 2) H-1B Nonimmigrant Petitioner Account (fees)
- 3) Fraud Prevention and Detection Account (fees)
- 4) Immigration Examinations Fee Account (fees)

Salaries and Expenses

The Salaries and Expenses account encompasses the USCIS' discretionary funding, which primarily supports operation of the E-Verify program. E-Verify is an automated, voluntary system that allows U.S. employers to electronically verify name, date of birth, and social security number, along with immigration information for non-citizens, against federal databases to ensure the employment eligibility of both citizen and non-citizen new hires. The account provides funds to USCIS aimed specifically at the development of an information sharing and verification hub that will allow States to verify data against federal and state databases, as well as improve state-to-state information sharing.

The account also funds resources to support the operations of the Cuban-Haitian Entrant Program (CHEP), as well as the Moscow Refugee and Humanitarian Parole programs. These programs transferred into USCIS from ICE in FY 2007, and the Congress provided appropriations to help pay for this cost starting in FY 2008. Beginning in FY 2010, funding for these resources will be transferred to the IEFA account.

H-1B Nonimmigrant Petitioner Account (H-1B)

H-1B fees are set by statute as a result of the H-1B Visa Reform Act of 2004, which requires employers who participate in the H-1B program to pay an additional \$1,500 (or \$750 for those petitioners who employ less than 25 full-time equivalent employees) in addition to the base-processing fee to file a Petition for a Nonimmigrant Worker (Form I-129). Revenue from the H-1B fee is shared among USCIS, the Department of Labor (DOL), and the National Science Foundation. USCIS receives 5 percent of these funds, as well as the entire base-processing fee.

Fraud Prevention & Detection Account

The H-1B, H-2B, and L fraud fees are set by statute. Funding generated by the fee is used specifically for activities related to preventing and detecting fraud of immigration benefit request stipulated in the L-1 Visa Reform Act of 2004, and later amended by Public Law 109-13, Section 403. This law requires petitioners who are seeking a beneficiary's initial grant of H-1B, H-2B, or L nonimmigrant classification or those petitioners seeking to change a beneficiary's employer within those classifications to pay \$500 and those seeking H-2B benefits to pay \$150 in addition to the base-processing fee to file a Petition for a Nonimmigrant Worker (Form I-129). Revenue from fraud fees is shared among USCIS, Department of State, and DOL. USCIS receives one-third of these funds, as well as the entire base-processing fee.

Immigration Examinations Fee Account

The Immigration Examinations Fee Account (IEFA) is the primary program funding source for USCIS, comprising approximately 95 percent of the total USCIS budget in FY 2009. Fees collected from the filing of immigration benefit requests are deposited into the IEFA and used to fund the cost of processing requests and associated support benefits, the cost of providing similar benefits to asylum and refugee applicants, and the cost of providing similar benefits to other immigrants whose fees were waived.

Certain IEFA fees are set by statute:

- The filing fee for Temporary Protected Status (Form I-821) is limited to \$50¹⁶.
- Premium processing service is available for certain kinds of employment-based forms. The premium processing fee is \$1,000. USCIS proposes to adjust it based on the CPI-U at the time of the final rulemaking.

As in the FY 2008/2009 Fee Rule, USCIS does not assume the TPS Program for re-registrants of certain nationalities will continue for budgeting purposes.

Premium Processing

The premium-processing fee is the only fee deposited into the IEFA account that is set at a specific level by statute. It must be paid in addition to any normal fee that may be applicable (currently only I-129s and I-140s are offered premium services). Premium processing service guarantees USCIS will process an immigration benefit request within fifteen calendar days of receiving a Form I-907, Request for Premium Processing Service (8 CFR 103.2(f)). Under the law, the use of premium-processing revenue is limited to funding infrastructure improvements in the adjudication and customer-service process, as well as funding the cost of offering premium processing service. In the FY 2008/2009 Fee Rule, USCIS established a policy that all premium-processing revenue would be used for its Transformation Program, a multi-year effort to modernize USCIS business processes and information technology systems.

¹⁶ Section 244(c)(1)(B) of the INA, 8 U.S.C. 1254a(c)(1)(b)

Appendix Table 1 – Summary of FY 2009 IEFA Account

**Department of Homeland Security
U.S. Citizenship and Immigration Services (USCIS)
Immigration and Examination Fee Account (IEFA)
Summary of FY 2009 Budget Estimates By Appropriation and PPA
(Dollars in Thousands)**

Program, Project, and Activity	Enacted
Adjudication Services	
Pay and Benefits	\$ 817,325
Operating Expenses	
District Operations	\$ 550,380
Service Center Operations	\$ 307,084
Asylum, Refugee, and International Operations	\$ 91,338
Records Operations	\$ 102,690
Subtotal	\$ 1,868,817
Information and Customer Services	
Pay and Benefits	\$ 78,935
Operating Expenses	
National Customer Service Center	\$ 53,563
Information and Customer Services	\$ 17,013
Subtotal	\$ 149,511
Administration	
Pay and Benefits	\$ 90,299
Operating Expenses	\$ 285,835
Subtotal	\$ 376,134
Business Transformation	\$ 252,058
SAVE	\$ 18,818
TOTALS	\$ 2,665,338

Appendix Table 2 – FY 2010 Adjusted IEFA Base

FY 2010 IEFA Base Costs	
Dollars in Thousands	
FY 2009 Adjusted IEFA Payroll	873,372
Plus: Pay/Non-Pay Inflation and Promotions/Within Grade Increases	
FY 2009 Pay Raises	36,693
Grade and Step Adjustments	15,239
<i>Total Inflation, Promotions, and Grade Increases</i>	<i>51,932</i>
Plus: Awards and Overtime	
Awards	9,410
Overtime	27,690
<i>Total Awards and Overtime</i>	<i>37,100</i>
Plus: Vacancy Elimination	92,405
<i>Total Adjusted Pay</i>	<i>1,054,809</i>
FY 2010 AOP General Expenses	1,511,069
Less Transformation Costs	(139,000)
Less Contingency Adjustments	(73)
Less: Program Decreases	
Freedom of Information Act Backlog Reduction	(5,729)
Human Capital Basic Training Reductions	(489)
Growth Management and Oversight Unit Reduction	(400)
<i>Total Program Decreases</i>	<u><i>(6,618)</i></u>
<i>Total Adjusted General Expenses</i>	<i>1,365,377</i>
Total FY 2010 Adjusted Base	<u><u>2,420,187</u></u>

Appendix Table 3 – FY 2010/2011 IEFA Costs without Appropriated Funding

FY 2010/2011 IEFA Costs Without Appropriation Dollars in Thousands	
FY 2010 Adjusted IEFA Base	\$2,420,187
Plus: Pay/Non-Pay Inflation and Promotions/Within Grade Increases	30,569
FY 2010 Pay Raises	15,103
Grade and Step Adjustments	15,466
<i>Total Inflation, Promotions, and Grade Increases</i>	<i>30,569</i>
Plus: Net Additional Resource Requirements	
Office of Information Technology	30,000
Rent	15,097
<i>Total Net Additional Resource Requirements</i>	<i>45,097</i>
Plus: Program Adjustments and Decreases	
10% AOP Reduction	(59,544)
Additional GE Reductions	(81,516)
Corrections and Additions	62,239
Cost Savings - Conversion of Customs and Border Protection Positions	(7,433)
90% Reduction to Overtime Pay	(24,921)
<i>Total Program Adjustments and Decreases</i>	<u><i>(111,175)</i></u>
Total FY 2010 IEFA Budget	\$2,384,678
Plus: Pay/Non-Pay Inflation and Promotions/Within Grade Increases	37,548
FY 2011 Pay Raises	16,499
Grade and Step Adjustments	16,020
Prior Year Annualization of Pay	5,029
<i>Total Inflation, Promotions, and Grade Increases</i>	<i>37,548</i>
Plus: Net Additional Resource Requirements - Rent	27,597
Plus: Program Adjustments and Decreases	
Cost Savings - Conversion of Customs and Border Protection Positions	(267)
<i>Total Program Adjustments and Decreases</i>	<u><i>(267)</i></u>
Total FY 2011 IEFA Budget	<u>\$2,449,556</u>
Calculate Average Cost for the FY 2010/2011 Biennial Period	
Total FY 2010 IEFA Budget	\$2,384,678
Total FY 2011 IEFA Budget	\$2,449,556
Average Cost for the FY 2010/2011 Biennial Period	\$2,417,117

Appendix Table 4 – FY 2010/2011 IEFA Costs Assuming Non-Fee Support for Asylum, Refugee, Military Naturalizations, SAVE and the Office of Citizenship

FY 2010/2011 IEFA Costs With Appropriation for RAIO, SAVE, and Citizenship Dollars in Thousands	
FY 2010 Adjusted IEFA Base	\$2,420,187
Plus: Pay and Non-Pay Inflation and Promotions/Within Grade Increases	30,569
FY 2010 Pay Raises	15,103
Grade and Step Adjustments	15,466
<i>Total Promotions and Grade Increases</i>	<i>30,569</i>
Plus: Net Additional Resource Requirements	
Office of Information Technology	30,000
Rent	15,097
<i>Total Net Additional Resource Requirements</i>	<i>45,097</i>
Plus: Program Adjustments and Decreases	
FY 2010 Appropriated Funding	(55,000)
10% AOP Reduction	(59,544)
Additional GE Reductions	(81,516)
Corrections and Additions	62,239
Cost Savings - Conversion of Customs and Border Protection Positions	(7,433)
90% Reduction to Overtime Pay	(24,921)
<i>Total Program Adjustments and Decreases</i>	<i><u>(166,175)</u></i>
Total FY 2010 IEFA Budget	\$2,329,678
Plus: Pay/Non-Pay Inflation and Promotions/Within Grade Increases	37,548
FY 2011 Pay Raises	16,499
Grade and Step Adjustments	16,020
Prior Year Annualization of Pay	5,029
<i>Total Promotions and Grade Increases</i>	<i>37,548</i>
Plus: Net Additional Resource Requirements - Rent	27,597
Plus: Program Adjustments and Decreases	
Cost Savings - Conversion of Customs and Border Protection Positions	(267)
Restore FY 2010 Appropriation	55,000
Anticipated FY 2011 Appropriation	(238,102)
<i>Total Program Adjustments and Decreases</i>	<i><u>(183,369)</u></i>
Total FY 2011 IEFA Budget	<u>\$2,211,454</u>
Calculate Average Cost for the FY 2010/2011 Biennial Period	
Total FY 2010 IEFA Budget	\$2,329,678
Total FY 2011 IEFA Budget	\$2,211,454
Average Cost for the FY 2010/2011 Biennial Period	\$2,270,566

Appendix Table 5 – FY 2010/2011 IEFA Costs Assuming Non-Fee Support for Asylum, Refugee, and Military Naturalizations

FY 2010/2011 IEFA Costs With Appropriation for RAIO in FY 2011 Dollars in Thousands	
FY 2010 Adjusted IEFA Base	\$2,420,187
Plus: Pay and Non-Pay Inflation and Promotions/Within Grade Increases	30,569
FY 2010 Pay Raises	15,103
Grade and Step Adjustments	15,466
<i>Total Promotions and Grade Increases</i>	<i>30,569</i>
Plus: Net Additional Resource Requirements	
Office of Information Technology	30,000
Rent	15,097
<i>Total Net Additional Resource Requirements</i>	<i>45,097</i>
Plus: Program Adjustments and Decreases	
FY 2010 Appropriated Funding	(55,000)
10% AOP Reduction	(59,544)
Additional GE Reductions	(81,516)
Corrections and Additions	62,239
Cost Savings - Conversion of Customs and Border Protection Positions	(7,433)
90% Reduction to Overtime Pay	(24,921)
<i>Total Program Adjustments and Decreases</i>	<i><u>(166,175)</u></i>
Total FY 2010 IEFA Budget	\$2,329,678
Plus: Pay/Non-Pay Inflation and Promotions/Within Grade Increases	37,548
FY 2011 Pay Raises	16,499
Grade and Step Adjustments	16,020
Prior Year Annualization of Pay	5,029
<i>Total Promotions and Grade Increases</i>	<i>37,548</i>
Plus: Net Additional Resource Requirements - Rent	27,597
Plus: Program Adjustments and Decreases	
Cost Savings - Conversion of Customs and Border Protection Positions	(267)
Restore FY 2010 Appropriation	55,000
Anticipated FY 2011 Appropriation	(212,000)
<i>Total Program Adjustments and Decreases</i>	<i><u>(157,267)</u></i>
Total FY 2011 IEFA Budget	<u>\$2,237,556</u>
Calculate Average Cost for the FY 2010/2011 Biennial Period	
Total FY 2010 IEFA Budget	\$2,329,678
Total FY 2011 IEFA Budget	\$2,237,556
Average Cost for the FY 2010/2011 Biennial Period	\$2,283,617

Appendix III - USCIS Activity-Based Costing Terminology

The various terms used throughout this report to discuss ABC are defined as follows:

- **Resource** - An economic element applied or used in the performance of activities (e.g. labor, equipment, supplies, and facilities). Resources include direct and indirect resource/costs; typically the term “indirect” includes overhead items. USCIS resources for the FY 2010/2011 Fee Review are outlined in the FY 2010 and FY 2011 cost baselines.
- **Resource Driver** - A measure of the amount of resources consumed by an activity (e.g., amount of time spent on an activity, number of transactions processed).
- **Activity** - The work performed within an organization (e.g., accepting requests, entering data, updating records, and adjudicating requests).
- **Activity Driver** - A measure of the frequency and intensity of the demands for activities by cost objects. For the FY 2010/2011 Fee Review, activity drivers are the number of requests (volume) weighted by processing time of the various immigration adjudication and naturalization activities each request consumes. Activity drivers are used when activity costs cannot be directly assigned to cost objects.
- **Cost Object** - The primary output of an activity or series of activities for which a separate cost measurement is desired. A cost object may be a product, service, information, or project. For the purposes of the FY 2010/2011 Fee Review, the cost objects are the various immigration benefit requests and biometric services for which USCIS charges a fee.

Appendix IV - Costs by Activity

Appendix Table 6 – Summary of FY 2010/2011 IEFA Account Costs by Activity with Appropriations for SAVE and Office of Citizenship

IEFA Costs by Activity Dollars in Thousands			
	FY 2010	FY 2011	FY 2010/2011
Management and Oversight	\$315,939	\$301,912	\$308,058
Inform the Public	\$205,997	\$199,735	\$202,557
Intake	\$114,987	\$114,634	\$114,746
Capture Biometrics	\$167,696	\$167,782	\$167,484
Conduct IBIS Check	\$81,392	\$74,672	\$78,248
Review Records	\$226,413	\$224,592	\$224,642
Fraud Detection and Prevention	\$102,955	\$101,934	\$101,815
Make Determination	\$1,071,270	\$983,220	\$1,030,038
Issue Document	\$43,029	\$42,972	\$42,977
Total IEFA Costs	\$2,329,678	\$2,211,454	\$2,270,566

Appendix Table 7 – Summary of FY 2010/2011 IEFA Account Costs by Activity without SAVE and Office of Citizenship Appropriations

IEFA Costs by Activity Dollars in Thousands			
	FY 2010	FY 2011	FY 2010/2011
Management and Oversight	\$315,939	\$307,715	\$311,986
Inform the Public	\$205,997	\$203,291	\$203,421
Intake	\$114,987	\$114,827	\$114,831
Capture Biometrics	\$167,696	\$168,542	\$167,691
Conduct IBIS Check	\$81,392	\$76,272	\$78,712
Review Records	\$226,413	\$226,427	\$225,510
Fraud Detection and Prevention	\$102,955	\$101,842	\$102,332
Make Determination	\$1,071,270	\$1,004,330	\$1,036,140
Issue Document	\$43,029	\$34,310	\$42,995
Total IEFA Costs	\$2,329,678	\$2,237,556	\$2,283,617

Appendix V - Total Revenue per Immigration Benefit

Appendix Table 8 – Total Revenue per Immigration Benefit with SAVE and Office of Citizenship Appropriations

Total Revenue per Immigration Benefit Dollars in Thousands	
Immigration Benefit	Total Revenue
I-90 Application to Replace Permanent Resident Card	\$190,306
I-102 Application for Replacement/Initial Nonimmigrant Arrival-Departure Document	\$5,644
I-129 Petition for a Nonimmigrant Worker	\$128,974
I-129F Petition for Alien Fiance(e)	\$13,525
I-130 Petition for Alien Relative	\$289,953
I-131 Application for Travel Document	\$69,206
I-140 Immigrant Petition for Alien Worker	\$43,467
I-290B Notice of Appeal or Motion	\$18,051
I-360 Petition for Amerasian, Widow(er), or Special Immigrant	\$2,802
I-485 Application to Register Permanent Residence or Adjust Status	\$473,700
I-526 Immigrant Petition by Alien Entrepreneur	\$2,013
I-539 Application to Extend/Change Nonimmigrant Status	\$56,496
I-600/600A, I-800/800A Orphan Petitions	\$11,664
I-687 Application for Status as a Temporary Resident	\$49
I-690 Application for Waiver of Grounds of Inadmissibility	\$15
I-694 Notice of Appeal of Decision	\$38
I-698 Application to Adjust Status From Temporary to Permanent Resident	\$617
I-751 Petition to Remove the Conditions of Residence	\$89,585
I-765 Application for Employment Authorization	\$195,322
I-817 Application for Family Unity Benefits	\$766
I-824 Application for Action on an Approved Application or Petition	\$8,506
I-829 Petition by Entrepreneur to Remove Conditions	\$959
Civil Surgeon Designation Registration	\$711
I-924 Application for Regional Center Under the Immigrant Investor Pilot Program	\$822
N-300 Application to File Declaration of Intention	\$11
N-336 Request for Hearing on a Decision in Naturalization Proceedings	\$2,693
N-400 Application for Naturalization	\$407,212
N-470 Application to Preserve Residence for Naturalization Purposes	\$203
N-565 Application for Replacement Naturalization/Citizenship Document	\$8,583
N-600/N-600K Applications for Certificate of Citizenship	\$27,114
Waiver Forms (I-191, I-192, I-193, I-212, I-601, I-612)	\$18,396
Immigrant Visa	\$35,431
Biometric Services	\$167,732
Grand Total	\$2,270,566

Appendix Table 9 – Total Revenue per Immigration Benefit without SAVE and Office of
Citizenship Appropriations

Total Revenue per Immigration Benefit Dollars in Thousands	
Immigration Benefit	Total Revenue
I-90 Application to Replace Permanent Resident Card	\$189,505
I-102 Application for Replacement/Initial Nonimmigrant Arrival-Departure Document	\$5,713
I-129 Petition for a Nonimmigrant Worker	\$130,290
I-129F Petition for Alien Fiance(e)	\$13,643
I-130 Petition for Alien Relative	\$292,958
I-131 Application for Travel Document	\$69,364
I-140 Immigrant Petition for Alien Worker	\$44,031
I-290B Notice of Appeal or Motion	\$18,163
I-360 Petition for Amerasian, Widow(er), or Special Immigrant	\$2,819
I-485 Application to Register Permanent Residence or Adjust Status	\$479,339
I-526 Immigrant Petition by Alien Entrepreneur	\$2,042
I-539 Application to Extend/Change Nonimmigrant Status	\$57,040
I-600/600A, I-800/800A Orphan Petitions	\$11,736
I-687 Application for Status as a Temporary Resident	\$49
I-690 Application for Waiver of Grounds of Inadmissibility	\$15
I-694 Notice of Appeal of Decision	\$39
I-698 Application to Adjust Status From Temporary to Permanent Resident	\$625
I-751 Petition to Remove the Conditions of Residence	\$90,286
I-765 Application for Employment Authorization	\$195,994
I-817 Application for Family Unity Benefits	\$772
I-824 Application for Action on an Approved Application or Petition	\$8,615
I-829 Petition by Entrepreneur to Remove Conditions	\$973
Civil Surgeon Designation Registration	\$719
I-924 Application for Regional Center Under the Immigrant Investor Pilot Program	\$834
N-300 Application to File Declaration of Intention	\$11
N-336 Request for Hearing on a Decision in Naturalization Proceedings	\$2,710
N-400 Application for Naturalization	\$407,212
N-470 Application to Preserve Residence for Naturalization Purposes	\$205
N-565 Application for Replacement Naturalization/Citizenship Document	\$8,779
N-600/N-600K Applications for Certificate of Citizenship	\$27,609
Waiver Forms (I-191, I-192, I-193, I-212, I-601, I-612)	\$18,510
Immigrant Visa	\$34,892
Biometric Services	\$168,122
Grand Total	\$2,283,617

Appendix VI - Costs by Unit

Appendix Table 10 – Costs by Unit (Fees) with SAVE and Office of Citizenship Appropriations

Fees by Immigration Benefit		
Immigration Benefit	Current Fees	Proposed Fees
I-90 Application to Replace Permanent Resident Card	\$290	\$365
I-102 Application for Replacement/Initial Nonimmigrant Arrival-Departure Document	\$320	\$330
I-129 Petition for a Nonimmigrant Worker	\$320	\$325
I-129F Petition for Alien Fiance(e)	\$455	\$340
I-130 Petition for Alien Relative	\$355	\$420
I-131 Application for Travel Document	\$305	\$360
I-140 Immigrant Petition for Alien Worker	\$475	\$580
I-290B Notice of Appeal or Motion	\$585	\$630
I-360 Petition for Amerasian, Widow(er), or Special Immigrant	\$375	\$405
I-485 Application to Register Permanent Residence or Adjust Status	\$930	\$985
I-526 Immigrant Petition by Alien Entrepreneur	\$1,435	\$1,500
I-539 Application to Extend/Change Nonimmigrant Status	\$300	\$290
I-600/600A, I-800/800A Orphan Petitions	\$670	\$720
I-687 Application for Status as a Temporary Resident	\$710	\$1,130
I-690 Application for Waiver of Grounds of Inadmissibility	\$185	\$200
I-694 Notice of Appeal of Decision	\$545	\$755
I-698 Application to Adjust Status From Temporary to Permanent Resident	\$1,370	\$1,020
I-751 Petition to Remove the Conditions of Residence	\$465	\$505
I-765 Application for Employment Authorization	\$340	\$380
I-817 Application for Family Unity Benefits	\$440	\$435
I-824 Application for Action on an Approved Application or Petition	\$340	\$405
I-829 Petition by Entrepreneur to Remove Conditions	\$2,850	\$3,750
Civil Surgeon Designation Registration	\$0	\$615
I-924 Application for Regional Center Under the Immigrant Investor Pilot Program	\$0	\$6,230
N-300 Application to File Declaration of Intention	\$235	\$250
N-336 Request for Hearing on a Decision in Naturalization Proceedings	\$605	\$650
N-400 Application for Naturalization	\$595	\$595
N-470 Application to Preserve Residence for Naturalization Purposes	\$305	\$330
N-565 Application for Replacement Naturalization/Citizenship Document	\$380	\$345
N-600/N-600K Applications for Certificate of Citizenship	\$460	\$600
Waiver Forms (I-191, I-192, I-193, I-212, I-601, I-612)	\$545	\$585
Immigrant Visas	\$0	\$165
Biometric Services	\$80	\$85

Appendix Table 11 – Costs by Unit (Fees) without SAVE and Office of Citizenship
Appropriations

Fees by Immigration Benefit		
Immigration Benefit	Current Fees	Proposed Fees
I-90 Application to Replace Permanent Resident Card	\$290	\$365
I-102 Application for Replacement/Initial Nonimmigrant Arrival-Departure Document	\$320	\$335
I-129 Petition for a Nonimmigrant Worker	\$320	\$330
I-129F Petition for Alien Fiance(e)	\$455	\$340
I-130 Petition for Alien Relative	\$355	\$425
I-131 Application for Travel Document	\$305	\$360
I-140 Immigrant Petition for Alien Worker	\$475	\$585
I-290B Notice of Appeal or Motion	\$585	\$630
I-360 Petition for Amerasian, Widow(er), or Special Immigrant	\$375	\$405
I-485 Application to Register Permanent Residence or Adjust Status	\$930	\$1,000
I-526 Immigrant Petition by Alien Entrepreneur	\$1,435	\$1,520
I-539 Application to Extend/Change Nonimmigrant Status	\$300	\$295
I-600/600A, I-800/800A Orphan Petitions	\$670	\$725
I-687 Application for Status as a Temporary Resident	\$710	\$1,145
I-690 Application for Waiver of Grounds of Inadmissibility	\$185	\$200
I-694 Notice of Appeal of Decision	\$545	\$780
I-698 Application to Adjust Status From Temporary to Permanent Resident	\$1,370	\$1,035
I-751 Petition to Remove the Conditions of Residence	\$465	\$510
I-765 Application for Employment Authorization	\$340	\$385
I-817 Application for Family Unity Benefits	\$440	\$440
I-824 Application for Action on an Approved Application or Petition	\$340	\$410
I-829 Petition by Entrepreneur to Remove Conditions	\$2,850	\$3,805
Civil Surgeon Designation Registration	\$0	\$620
I-924 Application for Regional Center Under the Immigrant Investor Pilot Program	\$0	\$6,320
N-300 Application to File Declaration of Intention	\$235	\$255
N-336 Request for Hearing on a Decision in Naturalization Proceedings	\$605	\$655
N-400 Application for Naturalization	\$595	\$595
N-470 Application to Preserve Residence for Naturalization Purposes	\$305	\$330
N-565 Application for Replacement Naturalization/Citizenship Document	\$380	\$355
N-600/N-600K Applications for Certificate of Citizenship	\$460	\$610
Waiver Forms (I-191, I-192, I-193, I-212, I-601, I-612)	\$545	\$590
Immigrant Visas	\$0	\$160
Biometric Services	\$80	\$85

Appendix VII - Activity Unit Costs

Appendix Table 12 – Activity Unit Costs by Immigration Benefit

Activity Unit Costs by Immigration Benefit									
Immigration Benefit	Management and Oversight	Inform the Public	Intake	Capture Biometrics	Conduct IBIS Check	Review Records	Fraud Detection and Prevention	Make Determination	Issue Document
I-90	71	50	26	0	16	83	25	73	20
I-102	68	32	26	0	13	43	24	123	0
I-129	67	28	26	0	11	36	24	132	0
I-129F	90	34	26	0	10	45	33	102	0
I-130	69	43	26	0	17	42	24	199	0
I-131	90	41	26	0	15	63	32	67	26
I-140	67	30	26	0	13	38	24	382	0
I-290B	34	21	26	0	32	23	10	483	0
I-360	26	13	26	0	6	15	9	310	0
I-485	76	64	26	0	24	58	26	689	21
I-526	70	30	26	0	10	34	25	1304	0
I-539	67	26	26	0	11	39	24	97	0
I-600/600A, I-800/800A	52	48	26	0	29	41	17	507	0
I-687	77	67	26	0	24	75	27	833	0
I-690	11	7	26	0	2	13	4	136	0
I-694	68	36	26	0	11	73	24	516	0
I-698	81	75	26	0	27	78	28	682	23
I-751	70	37	26	0	15	42	25	269	20
I-765	94	42	26	0	16	75	34	65	27
I-817	67	30	26	0	12	42	24	214	19
I-824	68	34	26	0	14	43	24	196	0
I-829	116	51	26	0	22	65	42	3395	33
Civil Surgeon Registration	69	85	26	0	0	61	24	349	0
I-924	65	24	26	0	0	28	24	6062	0
N-300	19	21	26	0	8	17	6	153	0
N-336	58	65	26	0	24	51	19	407	0
N-400	67	75	26	0	28	58	21	320	0
N-470	27	31	26	0	11	24	9	202	0
N-565	84	37	26	0	13	42	29	114	0
N-600/600K	75	84	26	0	31	65	24	295	0
Waiver Forms	39	16	26	0	32	15	10	447	0
Immigrant Visa	66	27	26	0	0	28	0	0	18
Biometric Services	-	-	-	86	-	-	-	-	-

Appendix Table 13 – Activity Unit Costs by Immigration Benefit without Appropriations for
SAVE and Office of Citizenship

Activity Unit Costs by Immigration Benefit									
Immigration Benefit	Management and Oversight	Inform the Public	Intake	Capture Biometrics	Conduct IBIS Check	Review Records	Fraud Detection and Prevention	Make Determination	Issue Document
I-90	72	51	26	0	17	83	25	72	19
I-102	69	32	26	0	13	44	25	126	0
I-129	68	29	26	0	11	37	24	135	0
I-129F	90	34	26	0	10	45	33	102	0
I-130	69	44	26	0	17	42	24	202	0
I-131	90	41	26	0	15	63	32	68	24
I-140	67	30	26	0	13	38	24	386	0
I-290B	34	21	26	0	32	23	10	483	0
I-360	26	13	26	0	6	15	9	310	0
I-485	76	65	26	0	24	59	27	703	19
I-526	70	31	26	0	10	35	25	1324	0
I-539	68	26	26	0	11	39	25	99	0
I-600/600A, I-800/800A	52	48	26	0	29	41	16	512	0
I-687	78	68	26	0	24	76	27	846	0
I-690	11	7	26	0	2	13	4	138	0
I-694	68	36	26	0	12	74	24	540	0
I-698	81	76	26	0	27	79	28	696	21
I-751	70	37	26	0	16	43	25	274	18
I-765	96	43	26	0	16	76	34	68	25
I-817	68	30	26	0	13	43	24	219	18
I-824	68	34	26	0	14	43	24	200	0
I-829	116	52	26	0	22	66	42	3451	30
Civil Surgeon Registration	69	86	26	0	0	61	24	353	0
I-924	65	24	26	0	0	29	24	6151	0
N-300	20	22	26	0	8	17	6	156	0
N-336	61	66	26	0	24	51	19	408	0
N-400	69	74	26	0	27	58	21	319	0
N-470	28	31	26	0	11	24	9	201	0
N-565	90	38	26	0	13	42	29	117	0
N-600/600K	80	85	26	0	31	66	24	299	0
Waiver Forms	39	17	26	0	32	15	11	451	0
Immigrant Visa	65	27	26	0	0	27	0	0	14
Biometric Services	-	-	-	86	-	-	-	-	-

Appendix VIII - Fee History

Appendix Table 14 - Fee History

USCIS - Immigration Benefit Application Fee History Form and Description	Prior to IEFA		FY	FY	FY	Oct	Feb	April	Sept/Oct	July 30,
	FY 85	FY 86	1989	1991	1994	1998	2002	2004	2005	2007- Present
I-90 Application to Replace Permanent Resident Card	\$15		\$35	\$70	\$75	\$110	\$130	\$185	\$190	\$290
I-102 Application for Replacement/Initial Nonimmigrant Arrival/Departure Record	\$15		\$35	\$50	\$65	\$85	\$100	\$155	\$160	\$320
I-129 Petition for a Nonimmigrant worker	\$35		\$50	\$70	\$75	\$110	\$130	\$185	\$190	\$320
I-129F Petition for Alien Fiance(e)	\$35		\$40	\$75	\$75	\$95	\$110	\$165	\$170	\$455
I-130 Petition for Alien Relative	\$35		\$40	\$75	\$80	\$110	\$130	\$185	\$190	\$355
I-131 Application for Travel Document	\$15		\$45	\$65	\$70	\$95	\$110	\$165	\$170	\$305
I-140 Immigrant Petition for Alien Worker	\$50	\$35	\$50	\$70	\$75	\$115	\$135	\$190	\$195	\$475
I-191 Application for Permission to Return to an Unrelinquished Domicile	\$50		\$50	\$90	\$90	\$170	\$195	\$250	\$265	\$545
I-192 Application for Advance Permission to Enter as a Nonimmigrant	\$35		\$35	\$85	\$90	\$170	\$195	\$250	\$265	\$545
I-193 Application for Waiver of Passport and/or Visa	\$15		\$50	\$90	\$95	\$170	\$195	\$250	\$265	\$545
I-212 Application to Reapply for Admission into the U.S. After Deportation or Removal	\$35		\$45	\$90	\$95	\$170	\$195	\$250	\$265	\$545
I-290B Appeal for any decision other than BIA	\$50		\$110						\$385	\$585
Motion to reopen or reconsider decision other than BIA	\$50		\$110						\$385	
I-360 Petition for Amerasian, Widow(er), or Special Immigrant						\$110	\$130	\$185	\$190	\$375
I-485 Application to Register Permanent Status or Adjust Status	\$50		\$60	\$120	\$130	\$220	\$255	\$315	\$325	\$930
I-526 Immigrant Petition by Alien Entrepreneur				\$140	\$155	\$350	\$400	\$465	\$480	\$1,435
I-539 Application to Extend/Change Nonimmigrant Status	\$15		\$35	\$70	\$75	\$120	\$140	\$195	\$200	\$300
I-600 Petition to classify orphan as an immediate relative	\$50		\$75	\$140	\$155	\$405	\$460	\$525	\$545	\$670
I-600A Application for Advance Processing or Orphan Petition	\$50		\$100	\$140	\$155	\$405	\$460	\$525	\$545	\$670
I-601 Application for Waiver of Grounds of Inadmissibility	\$35		\$45	\$90	\$95	\$170	\$195	\$250	\$265	\$545
I-612 Application for Waiver of Foreign Residence Requirement	\$50			\$90	\$95	\$170	\$195	\$250	\$265	\$545
I-687 For Filing Application for Status as a Temporary Resident				\$185	\$185	\$185	\$185	\$240	\$255	\$710
I-690 Application for Waiver of Excludability							\$35	\$90	\$95	\$185
I-694 Notice of Appeal of Decision	\$50						\$50	\$105	\$110	\$545
I-695 Application for Replacement Employment Authorization or Temporary Residence Card				\$15	\$15	\$15	\$15	\$65	\$65	
I-698 Application to Adjust Status From Temporary to Permanent Resident	\$120						\$120	\$175	\$180	\$1,410
I-751 Petition to Remove the Conditions on Residence			\$35	\$65	\$80	\$125	\$145	\$200	\$205	\$465
I-765 Application for Employment Authorization			\$35	\$60	\$70	\$100	\$120	\$175	\$180	\$340
I-800 Petition to Classify Convention Adoptee as an Immediate Relative (began 2/20/08)										no fee if based on approved I-880A, not \$670
I-800A Application for Determination of Suitability to Adopt a Child from a Convention Country (began 2/20/08)										\$670
I-817 Application for Family Unity Benefits				\$75	\$80	\$120	\$140	\$195	\$200	\$440
I-821 Application for Temporary Protected Status	\$50						\$50		\$50	\$50
I-824 Application for Action on Approved Application or Petition				\$30	\$30	\$120	\$140	\$195	\$200	\$340
I-829 Petition by Entrepreneur to Remove Conditions					\$90	\$345	\$395	\$455	\$475	\$2,850
I-881 NACARA - Suspension of Deportation or Application Special Rule							\$215	\$275	\$285	\$285
I-905 Application for Authorization to Issue Certification for Health Care Workers									\$230	\$230
I-914 Application for T Nonimmigrant Status							\$200	\$255	\$270	\$0
I-918 Application for U Nonimmigrant Status										
N-300 Application to File Declaration of Intention	\$15		\$50			\$50	\$60	\$115	\$120	\$235
N-336 Request for Hearing on a Decision in Naturalization Procedures						\$170	\$195	\$250	\$265	\$605
N-400 Application for Naturalization	\$35		\$60	\$90	\$95	\$225	\$260	\$320	\$330	\$595
N-470 Application to Preserve Residence for Naturalization Purposes	\$15		\$55			\$80	\$95	\$150	\$155	\$305
N-565 Application for Replacement Naturalization Citizenship Document	\$15		\$50	\$50	\$65	\$135	\$155	\$210	\$220	\$380
N-600 Application for Certification of Citizenship	\$35		\$60	\$90	\$100	\$160	\$185	\$240	\$255	\$460
N-600K Application for Citizenship and Issuance of Certificate under Section 322				\$90	\$100	\$160	\$185	\$240	\$255	\$460
G-1041, Genealogy Index Search Request (Aug. 2008)										\$20
G-1041A, Genealogy Records Request (Aug. 2008)										\$35
Biometrics Fee						\$25	\$50	\$70	\$70	\$80
Premium Processing I-907							\$1,000	\$1,000	\$1,000	\$1,000

Appendix IX – Completion Rates

USCIS uses completion rates, reflective of Immigration Services Officer (ISO) hours per completion, to identify the adjudicative time required to complete specific form types. The rate for each form type represents an average, as some cases within certain form types are more complex than others. Completion rates reflect what is termed “touch time,” or the time an ISO is actually handling or touching the case. It is not reflective of “queue time,” or time spent waiting, for example, for additional information or supervisory approval. Nor does it reflect the total time applicants and petitioners can expect to wait for a decision on their case once it is received by USCIS.

All ISOs are required to report completion rate information. In addition to using this data in determining fees, completion rates are a key factor in determining field office staffing allocations and matching resources and workload; the type and amount of workload dictates the resource requirements. For this reason, data reported are carefully scrutinized by field and regional office management officials, and by the Production Management Branch (PMB) at the Headquarters level to ensure data accuracy. When the data are found to be inconsistent with other offices, or with prior reported data, PMB contacts the reporting office and makes any necessary adjustments. USCIS has confidence in the data, given the consistency of reporting it has witnessed over the last few years. The continual availability of the information makes it easier for USCIS to update cost information more frequently for fee review and cost management purposes.

Completion rates, reflected in terms of hours per completion, are summarized in Appendix Table 7 by immigration benefit request. Completion rates are calculated using data for the 12-month period of May 2008 through April 2009. While more recent rates are available, USCIS believes that the rates utilized for the rule best reflect actual work times. More recent rates that have not had sufficient review and analysis and may reflect near-term trends and work fluctuations that could skew model outcomes.

Completion rates for the following immigration benefits are not utilized, due to the special nature of their processing, or because there is no fee for the request:

- Form N-644 (Application for Posthumous Citizenship); Form I-730 (Refugee/Asylee Relative Petition); Form I-914 (Application for T Nonimmigrant Status); and Form I-918 (Petition for U Nonimmigrant Status) are not identified here since applicants for these form types are exempt from paying a fee.
- Biometric Services (processed by the Application Support Centers) are not included for each request type because specific costs can be directly assigned to these services. Factors of volume and completion rates are not necessary to assign processing costs to this product.
- Form I-821 (Application for Temporary Protected Status) and Form I-881 (Application for Suspension of Deportation or Special Rule Cancellation of Removal), are not included because these programs are temporary and USCIS does not want to assume their revenue streams will continue.
- The activities associated with processing immigrant visa packages do not include adjudicative hours and costs are driven by volume only.

Appendix Table 15 – Completion Rates by Location and Immigration Benefit (Adjudicative Work Hours)

Completion Rates by Location and Immigration Benefit¹⁷				
Immigration Benefit	Service Centers	National Benefits Center	District Offices	Service -Wide
I-90 Application to Replace Permanent Resident Card ¹⁸	0.22	0.22	0.22	0.22
I-102 Application for Replacement/Initial Nonimmigrant Arrival-Departure Document	0.32	0.66	0.87	0.36
I-129 Petition for a Nonimmigrant Worker	0.51	N/A	0.15	0.51
I-129F Petition for Alien Fiance(e)	0.40	1.06	1.71	0.41
I-130 Petition for Alien Relative	0.44	0.82	1.14	0.62
I-131 Application for Travel Document	0.15	0.13	0.61	0.16
I-140 Immigrant Petition for Alien Worker	1.13	N/A	2.25	1.13
I-290B Notice of Appeal or Motion ¹⁹	0.75	1.18	1.87	1.11
I-360 Petition for Amerasian, Widow(er), or Special Immigrant	2.48	N/A	1.42	2.39
I-485 Application to Register Permanent Residence or Adjust Status	1.01	3.66	1.49	1.27
I-526 Immigrant Petition by Alien Entrepreneur	5.03	N/A	5.33	5.03
I-539 Application to Extend/Change Nonimmigrant Status	0.35	0.32	1.52	0.35
I-600/600A, I-800/800A Orphan Petitions	N/A	4.78	1.45	1.81
I-687 Application for Status as a Temporary Resident	2.04	0.34	3.27	2.20
I-690 Application for Waiver of Grounds of Inadmissibility	1.40	2.99	1.70	2.59
I-694 Notice of Appeal of Decision	0.97	1.83	1.84	1.60
I-698 Application to Adjust Status From Temporary to Permanent Resident	1.96	0.69	2.13	1.77
I-751 Petition to Remove the Conditions of Residence	0.63	N/A	1.96	0.77
I-765 Application for Employment Authorization	0.13	0.16	0.49	0.14
I-817 Application for Family Unity Benefits	0.63	0.67	1.59	0.64
I-824 Application for Action on an Approved Application or Petition	0.53	0.95	0.99	0.58
I-829 Petition by Entrepreneur to Remove Conditions	5.90	N/A	7.20	5.98
Civil Surgeon Designation Registration	N/A	1.12	N/A	1.12
I-924 Application for Regional Center Under the Immigrant Investor Pilot Program	37.33	N/A	N/A	37.33
N-300 Application to File Declaration of Intention	N/A	N/A	1.84	1.84
N-336 Request for Hearing on a Decision in Naturalization Proceedings	N/A	N/A	1.60	1.60
N-400 Application for Naturalization	9.07	3.58	1.05	1.08
N-470 Application to Preserve Residence for Naturalization Purposes	30.80	N/A	1.54	1.75
N-565 Application for Replacement Naturalization/Citizenship Document	0.33	N/A	0.96	0.36
N-600/N-600K Applications for Certificate of Citizenship	0.88	N/A	0.90	0.90
Waiver Forms (I-191, I-192, I-193, I-212, I-601, I-612)	0.67	0.71	2.11	1.42

¹⁷ Completion rates are calculated using data for the 12-month period of May 2008 through April 2009.

¹⁸ Due to substantial changes in the business processes used to adjudicate the I-90, the completion rate is the 3-year service-wide average from May 2006 through April 2009.

¹⁹ Data for the I-290B was not collected until October 2008; the data represents the 7-month period of October 2008 through April 2009.

Appendix X – Immigration Benefit Intake Locations

USCIS uses historical PAS data on request intake by location, along with information on upcoming operational enhancements, to project what requests will be received by the various offices in the field, along with the Lockbox. This data is used in the activity-based cost model to more accurately allocate costs for intake activities.

Appendix Table 16 – Immigration Benefit Intake by Location

USCIS Projected Application Intake by Location										
Application/Petition	Northeast Region	Southeast Region	Central Region	Western Region	California Service Center	Nebraska Service Center	Texas Service Center	Vermont Service Center	National Benefits Center	Lockbox
I-90	N	N	N	N	N	N	N	N	N	Y
I-102	N	N	N	N	N	N	N	N	N	Y
I-129	Y	N	N	N	Y	N	N	Y	N	N
I-129F	N	N	N	N	N	N	N	N	N	Y
I-130	N	N	N	N	N	N	N	N	N	Y
I-131	N	N	N	N	N	N	N	N	N	Y
I-140	N	N	N	N	N	N	N	N	N	Y
Waiver Forms (I-191, I-192, I-193, I-212, I-601, I-612)	N	N	N	N	N	N	N	N	N	Y
I-290B	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-360	N	N	N	N	N	N	N	N	N	Y
I-485	N	N	N	N	N	N	N	N	N	Y
I-526	N	N	N	N	N	N	N	N	N	Y
I-539	N	N	N	N	N	N	N	N	N	Y
I-600/600A, I-800/800A	N	N	N	N	N	N	N	N	N	Y
I-687	N	N	N	N	N	N	N	N	N	Y
I-690	N	N	N	N	N	N	N	N	N	Y
I-694	N	N	N	N	N	N	N	N	N	Y
I-698	N	N	N	N	N	N	N	N	N	Y
I-751	Y	Y	Y	Y	Y	N	Y	Y	N	N
I-765	N	N	N	N	N	N	N	N	N	Y
I-817	N	N	N	N	N	N	N	N	N	Y
I-824	N	N	N	N	N	N	N	N	N	Y
I-829	N	N	N	N	Y	Y	Y	Y	N	N
Civil Surgeon Registration	N	N	N	N	N	N	N	N	N	Y
I-924	N	N	N	N	Y	N	N	N	N	N
N-300	Y	Y	Y	Y	N	N	N	N	N	N
N-336	Y	Y	Y	Y	N	N	N	N	N	N
N-400	N	N	N	N	N	N	N	N	N	Y
N-470	Y	Y	Y	Y	N	N	N	N	N	N
N-565	Y	Y	Y	Y	N	Y	Y	N	N	N
N-600/600K	Y	Y	Y	Y	N	Y	N	Y	N	N
Immigrant Visas	N	N	N	N	Y	N	Y	N	N	N

Appendix XI – Immigration Benefit Completion Locations

USCIS uses historical PAS data on request completions by location to project what requests will be completed by the various offices in the field. This data is used in the activity-based cost model to more accurately allocate costs for adjudicative activities.

Appendix Table 17 – Immigration Benefit Completions by Location

USCIS Projected Completion Locations by Application									
Application/Petition	Northeast Region	Southeast Region	Central Region	Western Region	California Service Center	Nebraska Service Center	Texas Service Center	Vermont Service Center	National Benefits Center
I-90	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-102	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-129	Y	Y	N	Y	Y	Y	Y	Y	N
I-129F	Y	Y	Y	Y	Y	N	N	Y	Y
I-130	Y	Y	Y	Y	Y	N	Y	Y	Y
I-131	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-140	Y	Y	Y	Y	Y	Y	Y	Y	N
Waiver Forms (I-191, I-192, I-193, I-212, I-601, I-612)	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-290B	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-360	Y	Y	Y	Y	Y	Y	Y	Y	N
I-485	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-526	Y	Y	N	Y	Y	N	Y	Y	N
I-539	Y	Y	Y	Y	Y	Y	N	Y	Y
I-600/600A, I-800/800A	Y	Y	Y	Y	N	N	N	N	Y
I-687	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-690	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-694	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-698	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-751	Y	Y	Y	Y	Y	Y	Y	Y	N
I-765	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-817	Y	Y	N	Y	Y	Y	Y	Y	Y
I-824	Y	Y	Y	Y	Y	Y	Y	Y	Y
I-829	N	N	N	N	Y	Y	Y	Y	N
Civil Surgeon Registration	N	N	N	N	N	N	N	N	Y
I-924	N	N	N	N	Y	N	N	N	N
N-300	Y	Y	Y	Y	N	N	N	N	N
N-336	Y	Y	Y	Y	N	N	N	N	N
N-400	Y	Y	Y	Y	Y	Y	Y	Y	Y
N-470	Y	Y	Y	Y	N	Y	Y	Y	N
N-565	Y	Y	Y	Y	Y	Y	Y	N	N
N-600/600K	Y	Y	Y	Y	Y	N	N	Y	N
Immigrant Visas	N	N	N	N	Y	N	Y	N	N

Appendix XII - Volumes

USCIS uses projected workload volumes to project costs, while projected fee-paying volumes determine projected revenue. Both workload and fee-paying volumes have decreased significantly from the FY 2008/2009 Fee Rule projected levels. USCIS has taken steps to reduce costs; however, the significant decrease in fee-paying volumes is hard to overcome without fee increases. The tables below outline the decreases from the FY 2008/2009 Fee Rule Estimates.

Appendix Table 18 – Workload Volume Comparison

Workload Volume Comparison			
Form Number	FY 2008/2009 Fee Rule Workload Receipts	FY 2010/2011 Projected Workload Receipts	Delta
I-90	552,025	540,000	(12,025)
I-102	24,035	17,165	(6,870)
I-129	400,000	395,000	(5,000)
I-129F	66,177	54,000	(12,177)
I-130	743,823	690,520	(53,303)
I-131	139,000	256,255	117,255
I-140	135,000	75,000	(60,000)
I-290B	47,645	28,734	(18,911)
I-360	16,000	17,669	1,669
I-485	613,400	526,000	(87,400)
I-526	600	1,399	799
I-539	220,000	195,000	(25,000)
I-600/600A, I-800/800A	29,601	25,241	(4,360)
I-687	500	48	(452)
I-690	3,293	74	(3,219)
I-694	3,696	50	(3,646)
I-698	494	704	210
I-751	143,000	183,000	40,000
I-765	983,000	720,000	(263,000)
I-817	5,762	1,750	(4,012)
I-824	40,785	20,961	(19,824)
I-829	88	441	353
Civil Surgeon Registration	N/A	1,160	N/A
I-924	N/A	132	N/A
N-300	100	45	(55)
N-336	14,000	4,145	(9,855)
N-400	734,716	693,890	(40,826)
N-470	669	621	(48)
N-565	32,000	29,298	(2,702)
N-600/600K	64,711	45,347	(19,364)
Waiver Forms	45,459	31,432	(14,027)
Immigrant Visa	N/A	215,000	N/A
Total	5,059,635	4,770,081	(505,790)
Biometrics	3,154,330	2,048,177	(1,106,153)
Grand Totals	8,213,965	6,818,258	(1,611,943)

Appendix Table 19 – Fee-Paying Volume Comparison

Fee-Paying Volume Comparison			
Form Number	FY 2008/2009 Fee Rule Fee Paying Receipts	FY 2010/2011 Projected Fee Paying Receipts	Delta
I-90	510,405	518,400	7,995
I-102	22,382	17,165	(5,217)
I-129	399,757	395,000	(4,757)
I-129F	44,731	39,960	(4,771)
I-130	740,552	690,520	(50,032)
I-131	132,168	192,255	60,087
I-140	129,743	75,000	(54,743)
I-290B	47,645	28,734	(18,911)
I-360	4,772	6,957	2,185
I-485	555,010	480,000	(75,010)
I-526	600	1,343	743
I-539	215,629	195,000	(20,629)
I-600/600A, I- 800/800A	29,260	16,211	(13,049)
I-687	500	43	(457)
I-690	3,293	74	(3,219)
I-694	3,696	50	(3,646)
I-698	331	605	274
I-751	130,169	177,510	47,341
I-765	859,543	511,200	(348,343)
I-817	5,762	1,750	(4,012)
I-824	40,231	20,961	(19,270)
I-829	45	256	211
Civil Surgeon Registration	N/A	1,160	N/A
I-924	N/A	132	N/A
N-300	92	45	(47)
N-336	13,948	4,145	(9,803)
N-400	710,461	684,390	(26,071)
N-470	669	621	(48)
N-565	30,741	24,903	(5,838)
N-600/600K	64,711	45,347	(19,364)
Waiver Forms	45,459	31,432	(14,027)
Immigrant Visa	N/A	215,000	N/A
Total	4,742,357	4,376,169	(582,428)
Biometrics	2,195,812	1,950,603	(245,209)
Grand Totals	6,938,169	6,326,772	(827,637)

Appendix Table 20 – Comparison of Workload Volumes from Prior and Current Fee Review

Comparison of Workload Volume Estimates from Prior and Current Fee Review				
Application/Petition	2008/2009 Workload Volume	2010/2011 Workload Volume	Delta	Basis for Estimate
I-90 Application to Replace Permanent Resident Card	552,025	540,000	(12,025)	Current volume trends indicate volumes lower than the estimates for the prior biennial period. This may be due to a combination of current economic conditions, increased naturalizations, and elective deferral of card replacement. Given a high level of uncertainty in these areas, USCIS has chosen a conservative estimate.
I-102 Application for Replacement/Initial Nonimmigrant Arrival-Departure Document	24,035	17,165	(6,870)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
I-129 Petition for a Nonimmigrant Worker	400,000	395,000	(5,000)	The estimate assumes that volume will remain at the levels projected in the 2008/2009 Fee Rule. Volumes will depend, to a great extent, on economic recovery during the current biennial period and historical demand for employment-based petitions.
I-129F Petition for Alien Fiance(e)	66,177	54,000	(12,177)	The estimate reflects a projection that is based on historical volumes and current volume trends in FY 2009.
I-130 Petition for Alien Relative	743,823	690,520	(53,303)	The estimate reflects a projection that is based on historical volumes and current volume trends in FY 2009.
I-131 Application for Travel Document	139,000	256,255	117,255	Actual receipts for FY 2008 (390,000) were substantially above prior biennial period assumptions. However, immigrant travel is expected to be low during the FY 2010-2011 period given current trends and the gradual pace of economic recovery. The estimate consequently reflects a decline from the FY 2008 actual level.
I-140 Immigrant Petition for Alien Worker	135,000	75,000	(60,000)	Current volumes are running substantially below historical levels. This trend is likely due to current economic conditions. This estimate, while below the assumed level of the prior biennial period, assumes a modest level of recovery over the course of the FY 2010-2011 biennial period.
I-290B Notice of Appeal or Motion	47,645	28,734	(18,911)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
I-360 Petition for Amerasian, Widow(er), or Special Immigrant	16,000	17,669	1,669	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
I-485 Application to Register Permanent Residence or Adjust Status	613,400	526,000	(87,400)	Actual receipts for FY 2008 (510,000) were substantially below prior biennial period assumptions. Given historical volumes combined with uncertainty in the likely future trend in this category, it is prudent to maintain an estimate roughly at the level of FY 2008 actual volumes.
I-526 Immigrant Petition by Alien Entrepreneur	600	1,399	799	Estimate reflects anticipated growth for this category.
I-539 Application to Extend/Change Nonimmigrant Status	220,000	195,000	(25,000)	The estimate reflects a projection that is based on historical volumes. It is anticipated that the biennial period generally follow the actual volume level for FY 2008 (191,000).
I-600/600A, I-800/800A Orphan Petitions	29,601	25,241	(4,360)	Estimate reflects a reduction based on the current volume trend for FY 2009.
I-687 Application for Status as a Temporary Resident	500	48	(452)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
I-690 Application for Waiver of Grounds of Inadmissibility	3,293	74	(3,219)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
I-694 Notice of Appeal of Decision	3,696	50	(3,646)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.

Comparison of Workload Volume Estimates from Prior and Current Fee Review Continued

Application/Petition	2008/2009 Workload Volume	2010/2011 Workload Volume	Delta	Basis for Estimate
I-698 Application to Adjust Status From Temporary to Permanent Resident	494	704	210	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
I-751 Petition to Remove the Conditions of Residence	143,000	183,000	40,000	Estimate is tied to a highly accurate historical model from the DHS Office of Immigration Statistics.
I-765 Application for Employment Authorization	983,000	720,000	(263,000)	Actual receipts for FY 2008 (834,000) were substantially below prior biennial period assumptions. A significant level of uncertainty exists with respect to the likely future trend in this category. Estimate is based on historical data and current volume trends.
I-817 Application for Family Unity Benefits	5,762	1,750	(4,012)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
I-824 Application for Action on an Approved Application or Petition	40,785	20,961	(19,824)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
I-829 Petition by Entrepreneur to Remove Conditions	88	441	353	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
N-300 Application to File Declaration of Intention	100	45	(55)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
N-336 Request for Hearing on a Decision in Naturalization Proceedings	14,000	4,145	(9,855)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
N-400 Application for Naturalization	734,716	693,890	(40,826)	An FY 2007 surge in receipts within this category may have led to a reduced volume level in FY 2008 (518,000). Volumes are recovering gradually in FY 2009 and should continue to recover during the FY 2010-2011 biennial period. The estimate reflects a modest recovery of volume and is below 2008/2009 projected levels.
N-470 Application to Preserve Residence for Naturalization Purposes	669	621	(48)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
N-565 Application for Replacement Naturalization/Citizenship Document	32,000	29,298	(2,702)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
N-600/N-600K Applications for Certificate of Citizenship	64,711	45,347	(19,364)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
Waiver Forms (I-191, I-192, I-193, I-212, I-601, I-612)	45,459	31,432	(14,027)	The estimate reflects a 12-month actual trend in current volume annualized each year for the biennial fee review period.
Biometric Services	3,154,330	2,048,177	(1,106,153)	The estimate is tied to the projected volumes of applications and petitions that require biometric services.

Appendix XIII – Authorized IEFA Positions by USCIS Office

Appendix Table 21 – Authorized IEFA Positions by Office

USCIS Authorized IEFA Positions by Office	
Office of the Director	9
Office of the Chief Counsel	153
Office of the Deputy Director/Chief of Staff	5
Office of Privacy	4
Office of Transformation Coordination	84
Office of Emergency Preparedness and Coordination	9
Office of Administrative Appeals	88
Office of Administration	102
Office of the Chief Financial Officer	107
Office of Human Capital, Training, and Career Development	150
Office of Information and Technology	242
Office of the Executive Secretariat	11
Office of Equal Opportunity and Inclusion	11
Office of Security and Integrity	186
Office of Policy and Strategy	34
Office of Congressional Relations	17
Office of Communications	58
Office of Citizenship	17
RAIO Directorate	28
Refugee Division	118
Asylum Division	584
International Operations	123
National Security and Records Verification Directorate	18
SAVE Program	171
Fraud Detection and National Security	477
Records Division	339
Domestic Operations Directorate	6
Operations Planning Division	36
Regulation and Product Management Division	11
Office of Field Operations	48
National Benefits Center	347
Northeast Region	1,328
Southeast Region	789
Western Region	1,128
Central Region	951
Headquarters Service Center Operations	59
Vermont Service Center	676
Nebraska Service Center	566
Texas Service Center	439
California Service Center	584
Enterprise Services Division	17
Headquarters Information and Customer Services Division	71
Eastern Call Center	72
Western Call Center	61
Total USCIS Authorized Positions	10,334

Appendix XIV - Budget and Revenue History

Appendix Table 22 – Budget and Revenue History

FY 2004 - 2009 Immigration Examinations Fee Account						
<i>(Dollars in Millions)</i>						
	2004	2005	2006	2007	2008	2009
Budget Authority	\$1,279	\$1,509	\$1,640	\$1,758	\$2,325	\$2,338
Revenue	\$1,315	\$1,503	\$1,641	\$2,073	\$2,415	\$2,120

Appendix XV - Status of FY 2008/2009 Fee Rule Enhancements

The table below provides a status summary of all fee-rule initiatives by program as of January 2010. Out of 43 initiatives, 35 are complete. Additional information on each initiative can be found on the following pages.

Appendix Table 23 – FY 2008/2009 Fee Rule Enhancements Status as of January 2010

PROGRAM	COMPLETION DATE
Office of Administration	
Lease Acquisition & Rent	May 2011
Procurement	COMPLETE
Office of Chief Counsel	
Attorneys & Support	COMPLETE
Office of Chief Information Officer	
Baseline Automation Support Infrastructure for Citizenship Services (BASICS)	April 2013
Computer-Linked Application Information Management System 3 Program Optimization (CLAIMS 3 Program Optimization (C3PO))	June 2011
Citizens and Immigration Services Centralized Operational Repository (e-CISCOR)	March 2011
IT Portfolio	December 2010
Office of Citizenship	
Learn About the United States	COMPLETE
New Citizen's Almanac	COMPLETE
Office of the Chief Financial Officer	
Performance Analytics	COMPLETE
Budget	COMPLETE
Internal Controls	COMPLETE
Competitive Sourcing Reviews	COMPLETE
Service Level Agreements (SLAs)	COMPLETE
Financial Management Service Level Agreements	COMPLETE
Office of Policy and Strategy	
Policy Consultation	COMPLETE
Research and Evaluation	COMPLETE
Administrative Appeals Office	
Management Support Contract	COMPLETE
Domestic Operations	
Second Full-Service Production Facility	POSTPONED
Adjudication Officers & Support	COMPLETE
Enhanced Delivery of Secure Documents	TBD
Integrated Document Production	COMPLETE
FBI Background Checks	COMPLETE

PROGRAM cont'd	COMPLETION DATE cont'd
National Security & Records Verification	
Fraud Prevention and Detection	COMPLETE
Administrative Site Program	COMPLETE
Fraud Detection and National Security (FDNS) Data Systems	June 2011
Freedom of Information Act (FOIA)	COMPLETE
National Archives and Records Administration (NARA) Transfer	COMPLETE
Change of Address	COMPLETE
Refugee, Asylum, and International Operations	
Cuban-Haitian Entrant Program	COMPLETE
Office of Human Capital, Training, and Career Development	
EDvantage	COMPLETE
Blended Learning Solution	COMPLETE
Enterprise Employee Orientation	COMPLETE
Enterprise Development Program	COMPLETE
Human Resources Service Level Agreements	COMPLETE
National Recruitment Program	COMPLETE
Office of Security and Investigations	
Protective Security Options	COMPLETE
Internal Security and Investigations Operations	COMPLETE
Crisis Management & Information Security	COMPLETE
Information Technology Security	COMPLETE
Personnel Security Operations	COMPLETE
Emergency Management and Safety	
Occupational Safety and Health	COMPLETE
Emergency Preparedness Operations	COMPLETE

FY 2008/2009 FEE RULE ENHANCEMENTS STATUS AS OF JUNE 2010

OFFICE OF ADMINISTRATION

1. Lease Acquisition and Rent (0 FTE)

- **Enhancement**

This enhancement is adding staff to assist with the renewal or replacement of USCIS leases set to expire in FY 2008 and rental payment increases to General Services Administration (GSA) for USCIS facilities.

- **Status: ONGOING**

- 32% complete
- Greer Market Survey scheduled for late March 2009
- Project schedules are being re-evaluated due to information received from GSA that anticipates longer completion dates because of the current real estate market

- **Outlook**

- Target completion date: May 2011
-

2. Procurement (10 FTE)

- **Enhancement**

DHS Chief Procurement Officer determined that USCIS procurement workload required a 53-person procurement staff. This project funded 10 additional government contracting specialists to sustain long-term contracting workloads and administration.

- **Status: COMPLETE**

OFFICE OF CHIEF COUNSEL

Attorneys & Support (32 FTE)²⁰

- **Enhancement**

This project implemented staffing to provide increased attorney and support staff, both at Headquarters and in the field, to meet existing federal litigation and operations support requirements.

- **Status: COMPLETE**

²⁰ The original fee-rule FTE for the Office of Chief Counsel (OCC) was 30 FTE. OCC received an additional 2 FTE from the Chief Human Capital Officer.

OFFICE OF THE CHIEF INFORMATION OFFICER

1. Baseline Automation Support Infrastructure for Citizenship Services (BASICS)

(NOTE: Included in IT Operating Environment, IT Governance, and IT Readiness Support Initiatives)

- **Enhancement**

This enhancement is adding staff to develop and deploy a comprehensive solution for system level access controls, systems monitoring, secure remote management and data encryption.

- **Status: ONGOING**

- 24% complete
- Milestones accomplished
 - Received approval for prototype
 - Completed initial configuration of prototype hardware

- **Outlook**

- Target completion date : April 2013
-

2. Computer-Linked Application Information Management System 3 Program Optimization (CLAIMS 3 Program Optimization (C3PO))

(NOTE: Included in IT Readiness Support and Enterprise Legacy System Stabilization Initiatives)

- **Enhancement**

This enhancement is adding staff to consolidate the smaller database islands into one consolidated central database. It will replace versions of CLAIMS 3 that are currently running on unsupported operating systems.

- **Status: ONGOING**

- 44% complete

- **Outlook**

- Target completion date: June 2011
-

3. Enterprise - Citizens and Immigration Services Centralized Operational Repository (e-CISCOR)

(NOTE: Included in IT Operating Environment Initiative)

- **Enhancement**

This enhancement is adding staff to implement the first phase in the USCIS Data Warehouse Strategy. eCISCOR will incorporate data from nine of USCIS primary databases, each being delivered as distinct releases to ensure that the data from each of the nine source systems is represented in production as soon as possible. This enhancement will also be used as the final migration data source for storing legacy data as part of a legacy decommission strategy.

- **Status**

- 46% complete
 - Milestones accomplished
 - Project initiation – January 2008
 - eCISCOR infrastructure development, test, and production – May 2008
 - eCISCOR concept and technology development – June 2008
 - eCISCOR release 1.0 – August 2008
 - **Outlook**
 - Target completion date: March 2011
-

4. IT Portfolio (NOTE: Included in IT Governance Initiative)

- **Enhancement**

This enhancement is adding staff to enhance the organizational infrastructure and tools so that better IT-related security, financial, and programmatic decisions can be made.
- **Status: ONGOING**
 - 78% complete
 - Milestones accomplished
 - Establish a program management officer – June 2008
 - Ensure compliance with Federal Information Security Management Act (FISMA) compliance for FY 2008 – October 2008
- **Outlook**
 - Target completion date: December 2010

OFFICE OF CITIZENSHIP

1. Learn About the United States Guide (0 FTE)

- **Enhancement**

This projected implemented staffing to print and distribute copies of *Learn about the United States: Quick Civics Lessons* to every new naturalization/N-400 applicant.
 - **Status: COMPLETE**
-

2. New Citizen's Almanac (0 FTE)

- **Enhancement**

This project implemented staffing to print and distribute copies of *The New Citizen's Almanac* to every new citizen at the conclusion of his/her naturalization ceremony.

- **Status:** COMPLETE

OFFICE OF THE CHIEF FINANCIAL OFFICER²¹

1. Performance Analytics (2 FTE)

- **Enhancement**
This project implemented staffing to acquire a database warehouse to store performance information and purchase off-the-shelf software to help analyze and display performance data.
 - **Status:** COMPLETE
-

2. Budget (5 FTE)

- **Enhancement**
This project implemented staffing to work on budget formulation/execution and fee reviews.
 - **Status:** COMPLETE
-

3. Internal Controls (2 FTE)

- **Enhancement**
This enhancement implemented staffing to support USCIS Internal Self-Inspection Tracking and Evaluation System (INSITE), perform data review validation, and to test compliance with program results. INSITE is an automated management tool utilized by the Office of Finance that allows for data storage of results from Self-Inspection Internal Control Reviews.
 - **Status:** COMPLETE
-

4. Competitive Sourcing Reviews (4 FTE)

- **Enhancement**
This project implemented staffing to work on competitive sourcing reviews. The responsibilities, policies and procedures mandated by DHS Management Directive Performance of Commercial Activities (MD 0476) require annual A-76 studies and reviews for the identification and

²¹ The Office of the Chief Financial Officer (OCFO) used funds from the fee-rule for software for 2 FTE since the software was purchased in FY 2007. Also, OCFO received 2 FTE from Domestic Operations and gave 2 FTE to the Office of Security and Integrity for internal controls.

determination of all activities performed by Federal Government personnel as either commercial or inherently governmental.

- **Status:** COMPLETE
-

5. Service Level Agreements (SLAs) (1 FTE)

- **Enhancement**
This project implemented staffing to evaluate and analyze the cost impacts associated with business requirements and performance measurements contained in Inter-governmental agreements for mission support services.
 - **Status:** COMPLETE
-

6. Financial Management Service Level Agreements (2 FTE)

- **Enhancement**
This project implemented staffing to support technical assistance, management of contractual requirements, and review of service level agreements.
 - **Status:** COMPLETE
-

OFFICE OF POLICY AND STRATEGY

1. Policy Consultation (0 FTE)

- **Enhancement**
This project implemented staffing to initiate field office consultations and establish a policy consultant rotation program where select field staff are detailed to work in the Headquarters Office of Policy & Strategy program.
 - **Status:** COMPLETE
-

2. Research and Evaluation (3 FTE)

- **Enhancement**

This enhancement is adding staff to conduct targeted research and evaluations to develop and assess policy options affecting national immigration programs and to assess USCIS pilot programs.

- **Status:** COMPLETE

ADMINISTRATIVE APPEALS OFFICE

Management Support Contract (0 FTE)

- **Enhancement**
This enhancement is adding staffing to support work in the mail and file rooms of the Administrative Appeals Office (AAO). This increased contractor cost was necessitated by the increase in the staffing of appeals adjudication officers at the AAO.
- **Status:** COMPLETE

DOMESTIC OPERATIONS²²

1. Second Full-Service Production Facility (4 FTE)

- **Enhancement**
This enhancement entails the establishment of a second, full-service card production facility to provide backup in the event of a catastrophic failure. It is adding staff to support day-to-day production workloads.
- **Status:** POSTPONED

2. Adjudication Officers & Support (1,004 FTE)

- **Enhancement**
This enhancement obtained additional Adjudication Officers in accordance with the SAM analysis to: maintain standard processing times, increase training, enhance quality assurance program, process additional workload associated with Notices to Appear, and for additional capacity requirements associated with surges in workload to process requests in a timely manner.
 - **Status:** COMPLETE
-

²² Domestic Operations gave 2 FTE to the Office of the Chief Financial Officer, 2 FTE to the Office of Communications, 2 FTE to the Chief Human Capital Officer, and converted 8 FTE to Other Than Full-Time Permanent..

3. Enhanced Delivery of Secure Documents (0 FTE)

- **Enhancement**

This enhancement is adding staffing to enhance the delivery of secure documents by enabling USCIS to track their delivery via USPS priority mail with delivery confirmation and respond to queries from applicants regarding the status of document delivery.

- **Status: ONGOING**

- 54% complete
- Milestones accomplished
 - Post Office Non-Deliverables (PONDS) remail training completed at NBC, Nebraska Service Center and Vermont Service Center – March 2009
 - US Postal Service delivered new 2-window lined security envelopes that will be used to mail secure cards – March 2009

- **Outlook**

- Target completion date: TBD
-

4. Integrated Document Production (0 FTE)

- **Enhancement**

This enhancement fully funds the existing card production program given the current workload.

- **Status: COMPLETE**

5. FBI Background Checks (0 FTE)

- **Enhancement**

This enhancement provides additional costs for FBI background checks due to projected increases in N-400s, I-90s, expansion of biometrics to I-751s and I-131s, and FBI name checks.

- **Status: COMPLETE**

NATIONAL SECURITY & RECORDS VERIFICATION

1. Fraud Prevention and Detection (170 FTE)

- **Enhancement**

This project provided funding for 141 additional immigration officers and 9 supervisors for fraud prevention and detection. The additional 20 positions were used within the National Security Branch of Fraud Detection and National Security.

- **Status: COMPLETE**

2. Administrative Site Program (TBD FTE)

- **Enhancement**

This enhancement provided funding for an administrative site visit program aimed at deterring fraud when USCIS has determined a systematic vulnerability. This project will engage staff to conduct preliminary site visits and enable FDNS staff officers to focus on high risk cases.

- **Status:** ONGOING

3. Fraud Detection and National Security (FDNS) Data Systems

- **Enhancement**

This enhancement is to fund contractor staff to enhance the FDNS Data System and other supporting systems.

- **Status:** ONGOING

- 89.5% complete
- Milestones accomplished
 - Roadmap for FDNS-DS enhancements – February 2008
 - National Security (NS) Data Migration Phase III – February 2008
 - Release 2.6 NS CARRP requirements – February 2008
 - Release 2.5.2 Convert NS hits/cases to NS concerns – August 2008
 - Release 2.6 CARRP enhancements – February 2009
 - Release 2.7 Ad Hoc Reporting – June 2009
 - Release 2.8 – ASVVP, G23 reporting – February 2010
- Upcoming Milestones
 - Release 2.9 – ASVVP Reports, Overseas Verification – June 2010
 - Release x.x – Automated Incremental DW Updates – July 2010
 - Release 3.0 – HW Refresh Rehosting – December 2010
 - Release 4.0 – Siebel Upgrade – June 2011

- **Outlook**

- Target completion date – June 2011
-

4. Freedom of Information Act (FOIA) (18 FTE)

- **Enhancement**

This project implemented staffing to assist in the reduction of the current backlog of Freedom of Information Act cases.

- **Status:** COMPLETE

5. National Archives and Records Administration (NARA) Transfer (0 FTE)

- **Enhancement**
This project implemented staffing to transfer 25 million immigration records to the custody of the NARA to become permanent records.
 - **Status: COMPLETE**
-

6. Change of Address (0 FTE)

- **Enhancement**
This project implemented staffing to maintain its system for capturing change of addresses (AR-11) filed by applicants.
- **Status: COMPLETE**

REFUGEE, ASYLUM, AND INTERNATIONAL OPERATIONS

Cuban-Haitian Entrant Program (CHEP) (0 FTE)

- **Enhancement**
This project implemented staffing to support the Cuban Haitian Entrant Program (CHEP). CHEP provides a process for assisting with the resettlement of Cubans and Haitians who are irregular arrivals or paroled into the United States, including those who are paroled directly from Cuba under the Cuban Special Migration Program.
- **Status: COMPLETE**

OFFICE OF HUMAN CAPITAL, TRAINING, AND CAREER DEVELOPMENT²³

1. EDvantage (2 FTE)

- **Enhancement**
This project implemented staffing to provide support for EDvantage, the USCIS Learning Management System (LMS), which provides mandatory training modules, mission support modules, and 2000+ commercial, web-based, IT, business, and leadership courses for personal and professional development.
- **Status: COMPLETE**

²³ The Chief Human Capital Officer took funds from the Human Resources Service Level Agreement to fund 10 additional FTE. Also 2 FTE were given to the Office of the Chief Counsel and CHCO received 2 FTE from Domestic Operations.

2. Blended Learning Solution (3 FTE)

- **Enhancement**

This project implemented staffing to provide support for the full implementation of the blended learning solution as developed from the New Model Research and Development Project. USCIS will foster organizational and individual achievement by promoting continuous learning through a national program of training and career development (including knowledge management).

- **Status: COMPLETE**

3. Enterprise Employee Orientation Program (2 FTE)

- **Enhancement**

This project implemented staffing to support the development, delivery, and implementation of a USCIS orientation program.

- **Status: COMPLETE**

4. Enterprise Development Program (18 FTE)

- **Enhancement**

This project implemented staffing to support the Enterprise Development Program. The Enterprise Development Program is an enterprise-wide program that will provide employees with an Individual Learning Account, which includes annual resources and time set aside exclusively for training purposes.

- **Status: COMPLETE**

5. Human Resources Service Level Agreements (0 FTE)

- **Enhancement**

This project implemented staffing to support the Reimbursable Agreement under the Human Resources Service Level Agreement (SLA) with Customs and Border Protection (CBP). CBP maintains backlogs in many functions and are not able to keep pace with USCIS requirements.

- **Status: COMPLETE**

6. National Recruitment Program (3 FTE)

- **Enhancement**

This project implemented staffing to establish a national recruitment program to recruit talented personnel to replace an aging workforce and ensure the employment of a high-quality and diverse workforce.

- **Status: COMPLETE**

OFFICE OF SECURITY AND INVESTIGATIONS

1. Protective Security Options (36 FTE)

- **Enhancement**

This enhancement is adding staff to ensure the readiness of approximately 100 collateral duty “field security officers” (FSOs). These individuals will have office-specific responsibilities, reporting to and through their chains of command, to ensure that security guidance is known and followed and that allegations or instances of security violations are quickly identified and, working under OSI’s direction, correctly addressed. This resource request includes training, travel, and basic equipment costs for these collateral duty FSOs.

- **Status: COMPLETE**

2. Internal Security and Investigative Operations (65 FTE)

- **Enhancement**

To keep pace with demand, and to ensure proportional capability growth, this project is adding 20 additional investigative personnel in each USCIS region and five at headquarters: a total of 65 investigative personnel. Internal Security and Investigative Operations includes the conduct of investigations of allegations of misconduct by USCIS employees and assigned contract staff. In close cooperation with the DHS Offices of Security and the Inspector General, OSI manages an expanding and increasingly significant investigations program. Also, as an integral component of the investigative program, an appropriate number of USCIS employees will be trained as collateral duty “management inquiry representatives” and funding will be required to provide their training, provide essential minimal equipment, and support their travel when activated for their collateral duty.

- **Status: COMPLETE**

3. Crisis Management & Information Security (6 FTE)

- **Enhancement**

This enhancement is adding staff to support the Crisis Management and Information Security (CMIS) Operations. CMIS Operations includes sustained operation of the Crisis Communications and Coordination Center (C4) to monitor USCIS operations throughout the world and to permit secure communications throughout the Federal Government on behalf of USCIS executive leadership. Assured control of national security information within and as a critical adjunct to operation of the C4 is also addressed herein. This program, which must operate in strict conformance with federal and departmental guidance, is central to successful operations of both OSI and the corporate USCIS. The C4, a USCIS asset shared with other USCIS programs and outside agencies as warranted, will be the principal receipt point for a host of communications including USCIS significant incident reports, allegations of misconduct reported to USCIS, suspected and actual security incidents, and outside agency communications regarding threats of all sorts (natural and man-generated). The C4 will formally control these communications.

- **Status: COMPLETE**

4. Information Technology Security (2 FTE)

- **Enhancement**

This enhancement is adding staff to support the Information Technology (IT) Operations. IT Operations includes assuring the sustained operation of the Crisis Communications and Coordination Center (C4) on a real-time 24/7 basis and, in conjunction with the USCIS OCIO, ongoing contribution to and review of all USCIS IT efforts with a specific focus on the security aspects of those efforts and systems.

- **Status: COMPLETE**

5. Personnel Security Operations (10 FTE)

- **Enhancement**

The enhancement is adding staff to support Personnel Security Operations. Personnel Security Operations provides critical service and support to all USCIS programs to ensure that USCIS and contract employees are properly and timely cleared and provided with appropriate clearance levels. Additionally, Personnel Security Operations is responsible for significant aspects of the Industrial Security Program and, working closely with USCIS Procurement, fashions relevant security clauses for use in solicitations and resulting contracts. Last, Personnel Security is actively engaged in inter- and intra-agency activity that ensures that accurate records are maintained and made available when necessary.

- **Status: COMPLETE**

EMERGENCY MANAGEMENT AND SAFETY

1. Occupational Safety and Health (0 FTE)

- **Enhancement**

This enhancement is adding staff to support the Reimbursable Agreement under the Occupational Safety and Health Service Level Agreement (SLA) with CBP. CBP provides services to USCIS such as worksite safety inspections, safety audits, acquisition of personal protective equipment, hazard assessment, OSHA compliance, OSHA training, investigation of serious accidents. This also includes funds for training, workplace inspections, and general compliance activities.

- **Status: ONGOING**

- 56% complete
- Milestones accomplished
 - Conducted compliance review – September 2008
 - Developed and implemented on-line training – September 2008
 - Conducted Collateral Duty Safety Officer (CDSO) survey and training

- **Status: COMPLETE**

2. Emergency Preparedness Operations (6 FTE)

- **Enhancement**

This project implemented staffing to support the Emergency Preparedness (EP) Operations. EP Operations includes the full range of activities associated with preparation to continue essential operations and to recover from an event or incident and return to full operations. Continued refinement of EP training and presentation of that training to various audiences and at various locations is critical. Core training includes initial and refresher training to designated principal and alternate COOP coordinators for each USCIS facility and activity. Providing COOP/EP personnel with basic equipment and exercising a 24/7 communications and alert capability are also inherent attributes of this program.

- **Status: COMPLETE**

Appendix XVI - USCIS Volume Projection Committee Meeting Notes

February 2009 Fee Working Group Meeting

February 12, 2009

Attendees

Acting Chief	Office of Policy and Strategy
Chief - Management Branch, Budget Division	Office of the Chief Financial Officer
Acting Chief - Business and Foreign Workers Division	Office of Policy and Strategy
Statistician	Office of the Chief Financial Officer
Budget Analyst	Office of the Chief Financial Officer
Director	Office of Immigration Statistics
Adjudication Officer	Production Management Branch, Operations Planning Division
Chief - Resource Management Branch	Refugee, Asylum, and International Operations
Chief	Operations Planning Division
Chief - Residence and Naturalization Division	Office of Policy and Strategy
Adjudication Officer	Production Management Branch, Operations Planning Division
Deputy Chief - Budget Division	Office of the Chief Financial Officer
Chief - Budget Division	Office of the Chief Financial Officer
Senior Financial/Cost Analyst	Office of the Chief Financial Officer
Analyst	Production Management Branch, Operations Planning Division
Chief – Lockbox Operations Division	Office of the Chief Financial Officer
Management Analyst	Production Management Branch, Operations Planning Division
Statistician	Office of Immigration Statistics
Chief - Planning Division	Office of the Chief Financial Officer

Summary

On February 12, 2009, the fee working group met to discuss the status and outlook for the top revenue-generating forms. The last time the group met was on September 24, 2008. The forms discussed were:

- I-765 Application for Employment Authorization
- I-485 Application to Register Permanent Residence or Adjust Status
- I-130 Petition for Alien Relative
- N-400 Application for Naturalization
- I-90 Application to Replace Permanent Resident Card
- I-129 Petition for a Nonimmigrant Worker
- I-129F Petition for Alien Fiancé
- I-751 Petition to Remove the Conditions of Residence
- I-131 Application for Travel Document
- I-539 Application to Extend/Change Status Nonimmigrant Status
- I-140 Immigrant Petition for Alien Worker

The Office of Immigration Statistics (OIS) and Production Management Branch (PMB) both prepared workload volume projections in advance of the meeting covering the rest of FY 2009 and FY 2010. OIS developed estimates from its model; DOMOPS/PMB develops alternative projections by annualizing receipt volume over the last 3, 6, and 12 months. OIS numbers covered FY 2009 and FY 2010; DOMOPS/PMB covered only the rest of FY 2009.

OCFO informed the group that, for the purposes of the current FY 2010-FY 2011 fee review being undertaken by OCFO, USCIS will consider using FY 2009/FY2010 working group projections as a proxy for the projected volumes covering the FY 2010/2011 fee review period. Any decision to use these projections will be made prior to completion of the review.

Decisions and Notes by Application

I-765 Application for Employment Authorization

- Initial Volume Decision: 1,056, 321 – PMB 6 month projection pending a post-meeting comparison of PMB and OIS estimates without Temporary Protective Status (TPS) requests. The group will determine which workload volume projection to use after OIS removes TPS from its projections.
- Issues and Trends
 - Primary adjustments to this form are affected by several factors such as the number of TPS filers, asylees adjusting after 6 months, and F1 visa students
 - Lower backlogs in the I-485 will usually mean fewer I-765 filings.
 - Lockbox noted that there is a 1 to 1 ratio of TPS filers who submit the I-765.
- Action Items
 - OIS will remove TPS from projections so that non-TPS estimates can be developed.
 - PMB will provide a summary of its method of projecting the level of I-485s associated with I-765s.
 - OIS will provide a summary of its method for incorporating PMB's I-485 projection into the I-765 projection.
 - PMB will determine if refugees file I-765s and remove these filings from PMB numbers.

I-485 Application to Register Permanent Residence or Adjust Status

- Volume Decision: 409,000 – OIS FY 2009 projection. Projection was near PMB 12 month projection level, though significantly higher than the 3 and 6 month levels of PMB.
- Issues and Trends
 - Field and Service Center Operations are considering allowing people to file even if a visa number is not available.
 - Employment-based filing trends are more volatile than family-based filing trends. Given this, if economic conditions are poor, then filings will likely be below
 - PMB and OIS data stratification of employment-based and family-based filings only goes back 16 months which undermines forward-looking projections of the I-485 in differentiating the two types
- Action Items
 - Lockbox will provide information by between employment and family-based requests since 2005.

I-130 Petition for Alien Relative

- Volume Decision: 620,000 – OIS FY 2009 projection. Group chose OIS estimate because it believed an estimate derived from historically-based trends was more appropriate for this request than the PMB near-term protections.
- Issues and Trends
 - Increase in naturalization filings in 2008 should result in an increase in I-130 filers; however, we do not have a ratio or multiplier to use when illustrating the link between the I-130 and N-400.
 - Increase may not be drastic since most N-400 filers have already filed for their immediate relatives; economic conditions may result in a smaller number of filings for siblings and parents.
- Action Items
None

N-400 Application for Naturalization

- Volume Decision: 528,347 – PMB 12-month annualized projection. Group believes the OIS model estimate may be too low in predicting FY 10-11 levels beyond the current historically low levels. The PMB projection is less conservative, yet still significantly below current operating projections for FY 2009. Given the economic downturn and uncertainty on when a recovery will occur, as well as the naturalization surge in 2007, there is no specific information would suggest a more optimistic view of volume for the FY 10-11 period.
- Issues and Trends
 - It is likely that the current downturn in the economy is affecting N-400 filings
 - OIS projected decrease reflects the record low number of filings over the last few months.
- Action Items
None

I-90 Application to Replace Permanent Resident Card

- Initial Volume Decision: 381,102 – PMB 1 month projection. No consensus view on this request type yet. Volumes are down; effects may be from economic downturn and the surge in naturalizations which eliminates the need to replace cards. OIS estimates are presently more optimistic, but it is not confident these estimates will prove true given the economy and the lack of clear data on the effect of naturalizations on future workload.
- Issues and Trends
 - I-90 workload caused by I-90B and I-90D filings (corrections to erroneous cards) is decreasing.
 - Economic downturn may be contributing to a reduced number of filings.
 - Upcoming seasonal workload Feb-May may suggest likely filings for the year.

- Mexico recently allowed dual citizenship. Mexicans who previously filed the I-485 with the Life Act are now able to apply for citizenship and the I-90. Coupled with the campaign for citizenship prior to the last Fee Rule in FY2007. This has an effect since Mexicans are now 20% of naturalizations.
 - Action Item
 - Finalize working group decision
-

I-129 Petition for a Nonimmigrant Worker

Volume Decision: 395,000 – OIS FY 2009 projection. Level is tied to the assumption that H-1B filings will hold given remaining pent-up demand.

I-129F Petition for Alien Fiancé

Volume Decision: 54,000 – OIS FY 2009 projection

- Issues and Trends
 - Economic downturn is a factor in filings and companies which receive funds under the economic stimulus may face H-1B hiring restrictions, but group agrees to assume that excess demand for H-1B will still keep volumes near the OIS model trend.
 - Action Items
 - For the future, develop separate projections for regular and premium I-129s.
-

I-751 Petition to Remove the Conditions of Residence

- Volume Decision: 183,000 – OIS FY 2010 projection. Agreed to level given past strength of OIS predictive model, and the FY 2010 level was used because it was more conservative than the FY 2009 OIS projection.

- Issues and Trends
 - OIS model for this request type demonstrates a strong history of conditional immigrants filing this form to adjust their conditional status after two years. OIS predictive model appears to be very accurate based on historical data.
 - Action Items

None
-

I-131 Application for Travel Document

- Volume: 257,000 – OIS FY 2010 projection. Group chose this level because it believes that economic conditions are having, and will have for the future, a significant effect on the number of that will travel.
- Issues and Trends
 - Economy is a factor in filings; people travel less during economic downturns.
 - Pending volume for I-485 is also an indicator; as I-485 pending volumes decrease, fewer people file the I-131

- Action Items
None
-

I-539 Application to Extend/Change Status Nonimmigrant Status

- Decision Volume: 169,000 – OIS FY 2009 projection. Group chose this level because it believes that economic conditions are having, and will have for the future, a significant effect on the number of requesting a change in status. This level is within the range of PMB near-term estimates.
- Issues and Trends
 - Economy is a factor; companies are letting go of H-1B workers. Assuming that excess demand for H-1B will cover any shortfalls.

- Action Items
None
-

I-140 Petition for Non-immigrant Worker

- Volume: 57,610 – PMB 6-month annualized projection. Group believes OIS estimate may be too conservative in terms of projecting requests for the long term, though the PMB level is still significantly below current operating levels. Group believes that this request type is tied heavily to economic trends, and if the economy remains down then volumes will remain at historically low levels.
- Issues and Trends
 - USCIS is seeing the lowest volume of filings in recent months it has ever seen. Economy is the likely factor.
- Action Items
None

May 2009 Volume Projection Committee Meeting

May 29, 2009

Attendees

Deputy Chief - Budget Division	Office of the Chief Financial Officer
Chief - Budget Division	Office of the Chief Financial Officer
Chief - Management Branch, Budget Division	Office of the Chief Financial Officer
Budget Analyst	Office of the Chief Financial Officer
Budget Analyst	Office of the Chief Financial Officer
Statistician	Office of the Chief Financial Officer
Chief	Operations Planning Division
Chief - Production Management	Production Management Branch, Operations Planning Division
Adjudication Officer	Production Management Branch, Operations Planning Division
Statistician	Office of Immigration Statistics
Director	Office of Immigration Statistics
Consultant	Production Management Branch, Operations Planning Division
Chief – Lockbox Operations Division	Office of the Chief Financial Officer
Management Analyst	Production Management Branch, Operations Planning Division

Summary

On February 12, 2009, the Volume Projection Committee met to discuss the status and outlook for the top revenue-generating forms. Those projections were vetted through USCIS leadership in order to develop projections for the fee review FY 2010/2011 biennial period. On May 29, 2009, the Volume Projection Committee met again to go over the revised projections and determine their validity in light of recent trend data. The Committee reviewed data provided by the Production Management Branch of the Operations Planning Division and the Office of Immigration Statistics. The forms discussed were:

- I-765 Application for Employment Authorization
- I-485 Application to Register Permanent Residence or Adjust Status
- I-130 Petition for Alien Relative
- N-400 Application for Naturalization
- I-90 Application to Replace Permanent Resident Card
- I-129 Petition for a Nonimmigrant Worker
- I-129F Petition for Alien Fiancé
- I-751 Petition to Remove the Conditions of Residence
- I-131 Application for Travel Document
- I-539 Application to Extend/Change Status Nonimmigrant Status
- I-140 Immigrant Petition for Alien Worker

The Office of Immigration Statistics (OIS) and the Production Management Branch (PMB) both prepared workload volume projections in advance of the meeting covering the rest of FY 2009 and FY 2010. OIS

developed estimates from its model that included recent activity; PMB developed alternative projections by annualizing receipt volume over the most recent 3, 6, and 12 months. OIS numbers covered FY 2009 and FY 2010; PMB's annualizations were only valid for the rest of FY 2009. These projections were compared to the current volumes being used for the FY 2010/2011 Fee Review. A general consensus is that historically, the months of March, April, and May are the busiest months in terms of volumes for a number of requests.

The Committee's next meeting will be late June.

Decisions and Notes by Application

I-765 Application for Employment Authorization

- Current Fee Review Volume: 720,000
- Previous Meeting Issues and Trends
 - Primary adjustments to this form are affected by several factors such as the number of (Temporary Protected Status) TPS filers, asylees adjusting after 6 months, and F1 visa students.
 - Lower backlogs in the I-485 will usually mean fewer I-765 filings.
 - Lockbox noted that there is a 1 to 1 ratio of TPS filers who submit the I-765.
- Current Issues and Trends
 - The projected volume is significantly lower than the annualized FY 2009 volume, even after TPS is removed.
 - The OIS model shows that this request peaked in FY 2003, and has trended steadily downward since then. This is, in part, due to decreasing backlogs.
- Action Items
 - OIS will run a separate model that does not account for the backlog in order to determine if the downward trend is viable. The results will be shared with the group and then vetted through leadership if it is determined by the Committee that the FY 2010/2011 projection should be higher.

I-485 Application to Register Permanent Residence or Adjust Status

- Current Fee Review Volume: 526,000 (includes refugee, asylee, and Indo-Chinese adjustment)
- Previous Meeting Issues and Trends
 - Field and Service Center Operations are considering allowing people to file even if a visa number is not available.
 - Employment-based filing trends are more volatile than family-based filing trends. Given this, if economic conditions are poor, then filings will likely be low.
 - PMB and OIS data stratification of employment-based and family-based filings only goes back 16 months which undermines forward-looking projections of the I-485 in differentiating the two types.
- Current Issues and Trends
 - The current projected volume is conservative when compared to historical levels.

- There has been a slight increase in volumes, but this may be due to the general increase in filings that occurs annually in March, April, and May.
 - Although employment-based adjustment filings are low, they may be offset by family-based adjustments.
 - Action Items
 - None. This volume is acceptable.
-

I-130 Petition for Alien Relative

- Current Fee Review Volume: 630,351 (includes 10,351 in projected receipts for International Operations)
 - Previous Meeting Issues and Trends
 - Increase in naturalization filings in 2008 should result in an increase in I-130 filers; however, we do not have a ratio or multiplier to use when illustrating the link between the I-130 and N-400.
 - Increase may not be drastic since most N-400 filers have already filed for their immediate relatives; economic conditions may result in a smaller number of filings for siblings and parents.
 - Current Meeting Issues and Trends
 - Current fee review volume is very conservative. Given historical trends and data from the previous 12 months, even the OIS projected volume of 680,000 is conservative.
 - The OIS model projection for FY 2010 is 680,000. The PMB 6-month annualized projection for FY 2009 is 643,308.
 - Action Items
 - USCIS leadership will review the projected volume and determine if it needs to be increased.
-

N-400 Application for Naturalization

- Current Fee Review Volume: 693,275 (includes 1,275 in projected receipts for International Operations)
- Previous Meeting Issues and Trends
 - It is likely that the current downturn in the economy is affecting N-400 filings.
 - OIS projected decrease reflects the record low number of filings over the last few months.
- Current Meeting Issues and Trends
 - OIS and PMB have noticed a significant (almost 100%) increase in volumes over the last three months.
 - Naturalization filings may increase due to a number of reasons, including citizenship initiatives launched by outside organizations or USCIS' Office of Citizenship.
- Action Items
 - None. Given historical volume levels, the current estimate is within reason.

I-90 Application to Replace Permanent Resident Card

- Current Fee Review Volume: 410,000
- Previous Meeting Issues and Trends
 - I-90 workload caused by I-90B and I-90D filings (corrections to erroneous cards) is decreasing.
 - Economic downturn may be contributing to a reduced number of filings.
 - Upcoming seasonal workload Feb-May may suggest likely filings for the year.
 - Mexico recently allowed dual citizenship. Mexicans who previously filed the I-485 with the Life Act are now able to apply for citizenship and the I-90. Coupled with the campaign for citizenship prior to the last Fee Rule in FY2007. This has an effect since Mexicans are now 20% of naturalizations.
- Current Meeting Issues and Trends
 - There was an anomaly with the projections provided by the OIS model at the last meeting and the volumes were abnormally low. Current projections, based on more up-to-date activity, show that these volumes are low, but not as low as previously thought.
 - According to PMB, there has been a recent increase in the number of renewals.
 - Recent trends and the OIS 10-year model indicate that 410,000 is an overly conservative volume. The OIS model volume for FY 2010 is 544,000. The PMB 6-month annualized projection for FY 2009 is 448,970.
- Action Item
 - USCIS leadership will review the projected volume and determine if it needs to be increased.

I-129 Petition for a Nonimmigrant Worker

- Current Fee Review Volume: 395,000
- Previous Meeting Issues and Trends
 - Separate volumes for premium and regular I-129s need to be developed in the future.
- Current Meeting Issues and Trends
 - None.
- Action Item
 - None. This volume is acceptable.

I-129F Petition for Alien Fiancé

- Current Fee Review Volume: 54,000
- Previous Meeting Issues and Trends
 - Economic downturn is a factor in filings and companies which receive funds under the economic stimulus may face H-1B hiring restrictions. Group agrees to assume that excess demand for H-1B will keep volumes near the OIS model trend.

- Current Meeting Issues and Trends
 - None.
 - Action Item
 - None. This volume is acceptable.
-

I-751 Petition to Remove the Conditions of Residence

- Current Fee Review Volume: 183,000
 - Previous Meeting Issues and Trends
 - The OIS model for this request type demonstrates a strong history of conditional immigrants filing this form to adjust their conditional status after two years. OIS predictive model appears to be very accurate based on historical data.
 - Current Meeting Issues and Trends
 - None.
 - Action Items
 - None. This volume is acceptable.
-

I-131 Application for Travel Document

- Current Fee Review Volume: 258,537 (includes 2,537 in projected receipts for International Operations)
 - Previous Meeting Issues and Trends
 - Economy is a factor in filings; people travel less during economic downturns.
 - Pending volume for I-485 is also an indicator; fewer people file the I-131 as I-485 pending volumes decrease.
 - Current Meeting Issues and Trends
 - OIS projection includes pending I-485 backlog.
 - Action Items
 - OIS will re-run their model, eliminating the I-485 backlog, to see if the trends are still the same.
-

I-539 Application to Extend/Change Status Nonimmigrant Status

- Current Fee Review Volume: 195,000
- Previous Meeting Issues and Trends
 - Economy is a factor; companies are letting go of H-1B workers. Assuming that excess demand for H-1B will cover any shortfalls.
- Current Meeting Issues and Trends

- In a meeting that the Lockbox had with Service Center Operations, the Service Centers revealed that 90% of I-539s that were filed concurrently with an I-129.
- Another key driver for the I-539 will be the population size of key visa holders who may want to change their status.
- Action Items
 - PMB will research who adjusts status using this request in order to clarify trends and filing reasons.
 - The current volume is acceptable.

I-140 Immigrant Petition for Alien Worker

- Current Fee Review Volume: 87,500
- Previous Meeting Issues and Trends
 - USCIS is seeing the lowest volume of filings in recent months it has ever seen. The economy is the likely factor.
- Current Meeting Issues and Trends
 - USCIS is still seeing low volumes.
 - Unemployment is predicted to rise, and the upward trend that is being assumed in this projection may not occur in time to create an average volume of 87,500 over then FY 2010/2011 biennial period.
- Action Items

Given the low volumes that the PMB and OIS models are projecting, this volume will be reviewed by USCIS leadership in order to determine if it needs to be decreased.

May 2009 Volume Projection Committee Meeting – Updates as of July 10, 2009

*Updates reflected with the word update and two asterisks (update**)*

Attendees

Deputy Chief - Budget Division	Office of the Chief Financial Officer
Chief - Budget Division	Office of the Chief Financial Officer
Chief - Management Branch, Budget Division	Office of the Chief Financial Officer
Budget Analyst	Office of the Chief Financial Officer
Budget Analyst	Office of the Chief Financial Officer
Statistician	Office of the Chief Financial Officer
Chief	Operations Planning Division
Chief - Production Management	Production Management Branch, Operations Planning Division
Adjudication Officer	Production Management Branch, Operations Planning Division
Statistician	Office of Immigration Statistics
Director	Office of Immigration Statistics
Consultant	Production Management Branch, Operations Planning Division
Chief – Lockbox Operations Division	Office of the Chief Financial Officer
Management Analyst	Production Management Branch, Operations Planning Division

Summary

On February 12, 2009, the Volume Projection Committee met to discuss the status and outlook for the top revenue-generating forms. Those projections were vetted through USCIS leadership in order to develop projections for the fee review FY 2010/2011 biennial period. On May 29, 2009, the Volume Projection Committee met again to go over the revised projections and determine their validity in light of recent trend data. The Committee reviewed data provided by the Production Management Branch of the Operations Planning Division and the Office of Immigration Statistics. The forms discussed were:

I-765 Application for Employment Authorization
I-485 Application to Register Permanent Residence or Adjust Status
I-130 Petition for Alien Relative
N-400 Application for Naturalization
I-90 Application to Replace Permanent Resident Card
I-129 Petition for a Nonimmigrant Worker
I-129F Petition for Alien Fiancé
I-751 Petition to Remove the Conditions of Residence
I-131 Application for Travel Document
I-539 Application to Extend/Change Status Nonimmigrant Status
I-140 Immigrant Petition for Alien Worker

The Office of Immigration Statistics (OIS) and the Production Management Branch (PMB) both prepared workload volume projections in advance of the meeting covering the rest of FY 2009 and FY 2010. OIS developed estimates from its model that included recent activity; PMB developed alternative projections by annualizing receipt volume over the most recent 3, 6, and 12 months. OIS numbers covered FY 2009 and FY 2010; PMB's annualizations were only valid for the rest of FY 2009. These projections were compared to the current volumes being used for the FY 2010/2011 Fee Review. A general consensus is that historically, the months of March, April, and May are the busiest months in terms of volumes for a number of requests.

The Committee's next meeting will be held in August (update**).

Decisions and Notes by Application

I-765 Application for Employment Authorization

- Current Fee Review Volume: 720,000 (update**)
- Previous Meeting Issues and Trends
 - Primary adjustments to this form are affected by several factors such as the number of (Temporary Protected Status) TPS filers, asylees adjusting after 6 months, and F1 visa students.
 - Lower backlogs in the I-485 will usually mean fewer I-765 filings.
 - Lockbox noted that there is a 1 to 1 ratio of TPS filers who submit the I-765.
- Current Issues and Trends
 - The projected volume is significantly lower than the annualized FY 2009 volume, even after TPS is removed.
 - The OIS model shows that this request peaked in FY 2003, and has trended steadily downward since then. This is, in part, due to decreasing backlogs.
- Action Items
 - OIS will run a separate model that does not account for the I-485 backlog in order to determine if the downward trend is viable. The results will be shared with the group and then vetted through leadership if it is determined by the Committee that the FY 2010/2011 projection should be higher.
- Update – June 30, 2009
 - After further review from OIS, it was determined that the relationship between the I-485 backlog and anticipated I-765 receipts is viable. Past projections are more accurate when the backlog is taken into account, therefore the current volume projection, and the associated downward trend, is appropriate.

I-485 Application to Register Permanent Residence or Adjust Status

- Current Fee Review Volume: 526,000 (includes refugee, asylee, and Indo-Chinese adjustment)
- Previous Meeting Issues and Trends
 - Field and Service Center Operations are considering allowing people to file even if a visa number is not available.

- Employment-based filing trends are more volatile than family-based filing trends. Given this, if economic conditions are poor, then filings will likely be low.
 - PMB and OIS data stratification of employment-based and family-based filings only goes back 16 months which undermines forward-looking projections of the I-485 in differentiating the two types.
 - Current Issues and Trends
 - The current projected volume is conservative when compared to historical levels.
 - There has been a slight increase in volumes, but this may be due to the general increase in filings that occurs annually in March, April, and May.
 - Although employment-based adjustment filings are low, they may be offset by family-based adjustments.
 - Action Items
 - None. This volume is acceptable.
-

I-130 Petition for Alien Relative

- Current Fee Review Volume: 690,520 (includes 10,520 in projected receipts for International Operations; adjusted up from 630,351 after leadership review – update**)
 - Previous Meeting Issues and Trends
 - Increase in naturalization filings in 2008 should result in an increase in I-130 filers; however, we do not have a ratio or multiplier to use when illustrating the link between the I-130 and N-400.
 - Increase may not be drastic since most N-400 filers have already filed for their immediate relatives; economic conditions may result in a smaller number of filings for siblings and parents.
 - Current Meeting Issues and Trends
 - Current fee review volume is very conservative. Given historical trends and data from the previous 12 months, even the OIS projected volume of 680,000 is conservative.
 - The OIS model projection for FY 2010 is 680,000. The PMB 6-month annualized projection for FY 2009 is 643,308.
 - Action Items
 - USCIS leadership will review the projected volume and determine if it needs to be increased.
 - Update – June 5, 2009
 - USCIS leadership determined that 630,351 is too conservative. The volume is adjusted up to 690,520 (includes 10,520 in projected receipts for International Operations).
-

N-400 Application for Naturalization

- Current Fee Review Volume: 693,890 (includes 1,890 in projected receipts for International Operations, which is adjusted up from the previous IO estimate of 1,275 – update**))

- Previous Meeting Issues and Trends
 - It is likely that the current downturn in the economy is affecting N-400 filings.
 - OIS projected decrease reflects the record low number of filings over the last few months.
 - Current Meeting Issues and Trends
 - OIS and PMB have noticed a significant (almost 100%) increase in volumes over the last three months.
 - Naturalization filings may increase due to a number of reasons, including citizenship initiatives launched by outside organizations or USCIS' Office of Citizenship.
 - Action Items
 - None. Given historical volume levels, the current estimate is within reason.
-

I-90 Application to Replace Permanent Resident Card

- Current Fee Review Volume: 540,000 (adjusted up from 410,000 after leadership review – update**)
 - Previous Meeting Issues and Trends
 - I-90 workload caused by I-90B and I-90D filings (corrections to erroneous cards) is decreasing.
 - Economic downturn may be contributing to a reduced number of filings.
 - Upcoming seasonal workload Feb-May may suggest likely filings for the year.
 - Mexico recently allowed dual citizenship. Mexicans who previously filed the I-485 with the Life Act are now able to apply for citizenship and the I-90. Coupled with the campaign for citizenship prior to the last Fee Rule in FY2007. This has an effect since Mexicans are now 20% of naturalizations.
 - Current Meeting Issues and Trends
 - There was an anomaly with the projections provided by the OIS model at the last meeting and the volumes were abnormally low. Current projections, based on more up-to-date activity, show that these volumes are low, but not as low as previously thought.
 - According to PMB, there has been a recent increase in the number of renewals.
 - Recent trends and the OIS 10-year model indicate that 410,000 is an overly conservative volume. The OIS model volume for FY 2010 is 544,000. The PMB 6-month annualized projection for FY 2009 is 448,970.
 - Action Item
 - USCIS leadership will review the projected volume and determine if it needs to be increased.
 - Update – June 5, 2009
 - USCIS leadership determined that 410,000 is too conservative. The volume is adjusted up to 540,000.
-

I-129 Petition for a Nonimmigrant Worker

- Current Fee Review Volume: 395,000
 - Previous Meeting Issues and Trends
 - Separate volumes for premium and regular I-129s need to be developed in the future.

- Current Meeting Issues and Trends
 - None.
- Action Item
 - None. This volume is acceptable.

I-129F Petition for Alien Fiancé

- Current Fee Review Volume: 54,000
- Previous Meeting Issues and Trends
 - Economic downturn is a factor in filings and companies which receive funds under the economic stimulus may face H-1B hiring restrictions. Group agrees to assume that excess demand for H-1B will keep volumes near the OIS model trend.
- Current Meeting Issues and Trends
 - None.
- Action Item
 - None. This volume is acceptable.

I-751 Petition to Remove the Conditions of Residence

- Current Fee Review Volume: 183,000
- Previous Meeting Issues and Trends
 - The OIS model for this request type demonstrates a strong history of conditional immigrants filing this form to adjust their conditional status after two years. OIS predictive model appears to be very accurate based on historical data.
- Current Meeting Issues and Trends
 - None.
- Action Items
 - None. This volume is acceptable.

I-131 Application for Travel Document

- Current Fee Review Volume: 256,255 (includes 255 in projected receipts for International Operations, which is adjusted down from the previous IO estimate of 2,537 – update**)
 - Economy is a factor in filings; people travel less during economic downturns.
 - Pending volume for I-485 is also an indicator; fewer people file the I-131 as I-485 pending volumes decrease.
- Current Meeting Issues and Trends

- OIS projection includes pending I-485 backlog.
 - Action Items
 - OIS will re-run their model, eliminating the I-485 backlog, to see if the trends are still the same.
-

I-539 Application to Extend/Change Status Nonimmigrant Status

- Current Fee Review Volume: 195,000
 - Previous Meeting Issues and Trends
 - Economy is a factor; companies are letting go of H-1B workers. Assuming that excess demand for H-1B will cover any shortfalls.
 - Current Meeting Issues and Trends
 - In a meeting that the Lockbox had with Service Center Operations, the Service Centers revealed that 90% of I-539s that were filed concurrently with an I-129.
 - Another key driver for the I-539 will be the population size of key visa holders who may want to change their status.
 - Action Items
 - PMB will research who adjusts status using this request in order to clarify trends and filing reasons.
 - The current volume is acceptable.
-

I-140 Immigrant Petition for Alien Worker

- Current Fee Review Volume: 75,000 (adjusted down from 87,500 after leadership review – update**))
- Previous Meeting Issues and Trends
 - USCIS is seeing the lowest volume of filings in recent months it has ever seen. The economy is the likely factor.
- Current Meeting Issues and Trends
 - USCIS is still seeing low volumes.
 - Unemployment is predicted to rise, and the upward trend that is being assumed in this projection may not occur in time to create an average volume of 87,500 over then FY 2010/2011 biennial period.
- Action Items
 - Given the low volumes that the PMB and OIS models are projecting, this volume will be reviewed by USCIS leadership in order to determine if it needs to be decreased.
- Update – June 5, 2009
 - USCIS leadership determined that 87,500 did not adequately reflect the recent, sustained downward trend in receipts for this request. The volume is adjusted down to 75,000.

September 2009 Volume Projection Committee Meeting

September 28, 2009

Attendees

Economist	Office of the Chief Financial Officer
Supervisory Management and Program Analyst	Office of Policy and Strategy
Chief - Management Branch, Budget Division	Office of the Chief Financial Officer
Chief - Production Management	Production Management Branch, Operations Planning Division
Statistician	Office of the Chief Financial Officer
Budget Analyst	Office of the Chief Financial Officer
Director	Office of Immigration Statistics
Budget Analyst	Office of the Chief Financial Officer
Chief Financial Officer	Office of the Chief Financial Officer
Presidential Management Fellow	National Security and Records Verification Directorate
Supervisory Management and Program Analyst	Refugee, Asylum, and International Operations
Chief	Operations Planning Division
Chief - Records Management Branch	Service Center Operations
Supervisory Adjudication Officer	Office of Policy and Strategy
Chief - Analysis Branch, Budget Division	Office of the Chief Financial Officer
Chief - Budget Division	Office of the Chief Financial Officer
Senior Financial/Cost Analyst	Office of the Chief Financial Officer
Consultant	Production Management Branch, Operations Planning Division
Statistician	Office of Immigration Statistics

Summary

On September 28, 2009, the Volume Projection Committee (VPC) met to discuss the structure and organization of the VPC. The purpose of this meeting was to discuss the status of previous volume estimates and other organizational matters. The next meeting may be held in mid-November.

Projected Volumes

Participants were asked to identify if any new or updated information suggested the need to revisit previously agree-to volume estimates for FY 2010-FY 2011. The Office of Immigration Statistics (OIS) provided their standard model estimates and comparisons, updated with preliminary August 2009 data.

In general, no requests were identified for revision within this meeting. There was discussion about the I-131 Application for Travel Document. The updated OIS projection did not take decreases in I-485 adjustment backlog volumes into account, which is why this new OIS projection for the I-131 is much higher than current VPC estimates. The VPC decided that the more conservative estimate, which predicts a decline in I-131 volume due to a decrease in I-485 backlog volume, is more accurate. Consequently, the VPC estimate was not adjusted.

VPC Organization and Procedures for Developing Projections

The VPC has met on an ad-hoc basis this fiscal year, with the two most recent meetings occurring in February and May. Each meeting consisted of a discussion of the following key requests:

I-765 Application for Employment Authorization
I-485 Application to Register Permanent Residence or Adjust Status
I-130 Petition for Alien Relative
N-400 Application for Naturalization
I-90 Application to Replace Permanent Resident Card
I-129 Petition for a Nonimmigrant Worker
I-129F Petition for Alien Fiancé
I-751 Petition to Remove the Conditions of Residence
I-131 Application for Travel Document
I-539 Application to Extend/Change Status Nonimmigrant Status
I-140 Immigrant Petition for Alien Worker

The meetings used OIS volume projections as a baseline and then supplemented that data with 3-, 6-, and 9-month trend data provided by the Production Management Branch (PMB) of the Operations Planning Division (OPD).

The VPC made the following procedural decisions to improve the current process:

Addressing Gaps in Data Used for Modeling and Analysis

According to the USCIS management directive, the VPC will assess data and modeling gaps pertinent to the projection process on an annual basis. The VPC will also develop a plan to address those shortcomings. The VPC discussed some of the shortcomings at this meeting; however, the Office of the Chief Financial Officer (OCFO) will draft and distribute a matrix so that all VPC members can provide input concerning information limitations. Data gaps briefly addressed at this meeting were as follows:

- The current OIS model works best for short-term projections, no more than one year forward.
- We do not adequately incorporate the impact of foreign and domestic economic activity into our projections. Projections could be supplemented with information from other sources that already track these indices.
- We need to have better data on petition sponsorship and requests with multiple beneficiaries. We currently only track the primary applicant.
- Predicting naturalization trends is difficult. There are a number of different demographic variables that affect whether or not someone decides to naturalize. The Office of Policy and Strategy is surveying naturalized citizens to gain an understanding of why they naturalized, but that still leaves a gap in discovering why some people choose not to do so.

Improving the Development of Volume Estimates

At its most recent meetings, the VPC discussed 11 key requests, using OIS and PMB data to come to a volume projection consensus. This process will generally remain the same in the future; OIS data will continue to be the baseline. The VPC will make minor adjustments to the OIS projections based on PMB trend data as well as other information. The following recommendations were made to improve the process:

- The VPC should review upcoming or recent rules and policy changes that may impact volumes at each meeting.

- The OCFO Economist should provide a one-pager on recent changes in the economy for each meeting.
- Quality assurance: the VPC should regularly compare its projections to actual data and document the accuracy of the estimates.
- The VPC should develop a process for finalizing volume estimates to support agency-wide clarity on the official volumes that are to be used for planning. The OCFO will be responsible for publishing final volumes.
- The VPC will invite subject matter experts from the public to attend certain meetings and weigh in on current trends and upcoming events that could affect volume projections.
- OPD will continue to allocate VPC projections by location and month for distribution to field offices on a monthly basis. They will factor in seasonal trends and the previous year's activity when developing monthly projections.

Meeting Frequency

The VPC has been meeting on an ad-hoc basis over the last fiscal year, primarily for the purpose of the FY 2010/2011 Fee Review. The management directive requires the group to meet biannually and at least every six months. The following recommendations were made concerning meeting frequency:

- The VPC should meet 45 days after the end of each quarter.
- OIS will provide projections for all requests prior to the start of a fiscal year for VPC review. The VPC will continue to focus on the primary requests throughout the remainder of the year.
- There will be two long and two short meetings during the year. Longer meetings will, among other things, encompass review of each significant request type. The other two quarterly meetings will primarily encompass shorter, volume trend status reviews.

Action Items

- The OCFO will develop a documented process for finalizing volume projections.
- The OCFO will develop and distribute a matrix for documenting gaps in data for the top five to ten largest volume immigration benefit requests.