

# U.S. Chemical Safety and Hazard Investigation Board



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## BUDGET JUSTIFICATION

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Fiscal Year 2006

## **Summary**

Fiscal year (FY) 2004 was the busiest and most productive in the agency's history. The Board completed eight safety products during the year, including four full investigations, two case study reports, and two safety bulletins. In addition, the Board began six new investigations during FY 2004 and initiated a seventh investigation in December 2004.

For FY 2006, the U.S. Chemical Safety and Hazard Investigation Board (CSB) requests a budget of \$9.6 million, an increase of \$573,000 above our FY 2005 appropriation. We request this increase based upon (1) an expected FY 2006 civilian pay increase; (2) the need to pay full, annualized salaries for a number of investigative and other positions to be filled during FY 2005; and (3) the need to develop additional investigative training resources for our staff, at a cost of \$150,000.

## **Review of FY 2004 Achievements**

During FY 2004, the Board achieved probably the most noteworthy safety success in its seven-year history. On September 30, 2003, meeting in New York City, the Board voted to recommend that New York City modernize the control of hazardous materials under its existing 86-year-old municipal fire code. The recommendation followed an 18-month Board investigation of a chemical accident in downtown Manhattan, where at least 36 people were injured when hazardous chemicals — improperly mixed in the basement of a commercial building — exploded and caused the building to partially collapse.

Board representatives testified twice before the city council on the findings of the CSB investigation, and in March 2004 the city announced that it would completely overhaul its fire code over the next few years. This process is expected to lead to the city's adoption of an accepted model code, like the International Fire Code or the National Fire Protection Association code. At the end of this process, eight million New Yorkers will be considerably safer from chemical accident hazards — a striking proof of the value of CSB's independent, root-cause investigations.

The Board's success in New York City is but one of our achievements in the year just finished. For example, in 2002 the Board recommended that the State of Delaware develop regulations to require inspection and prompt action on any unsafe aboveground chemical storage tanks. The recommendation followed the Board's investigation of a tragic tank explosion and collapse at a Delaware City refinery that took the life of a contract worker and injured eight others. The Board's investigation discovered that the refinery had received an "unsafe condition" report on the flammable storage tank three weeks before the tragedy but had taken no action, and then went on to allow the use of high-temperature welding equipment near the faulty tank, causing the accident. Under the new Delaware regulations, some 605 large, aboveground storage tanks will now be

subject to safety inspection in Delaware, and owners will be required to take immediate action to address hazards. Delaware officials indicate that the Board's recommendation was instrumental in framing this section of the regulations.

In addition, the Board has continued to spur progress on the controlling the hazards of reactive chemicals – materials that can catch fire, explode, or release toxic gases when improperly combined or processed. In its landmark 2002 investigation, the Board uncovered 167 serious accidents involving reactive hazards over the previous twenty years, collectively responsible for more than 100 deaths as well as hundreds of millions of dollars in property losses. The Board recommended a variety of measures to reduce the frequency of these accidents. For example, the American Institute of Chemical Engineers, through its Center for Chemical Process Safety, developed new industry guidance on assessing and controlling these hazards. That book is now available free to all companies over the Internet, through a grant from EPA and OSHA. Furthermore, EPA amended its accident reporting regulation to require specific, more frequent reporting of serious reactive chemical accidents, acting on recommendations from the Board. Finally, OSHA is moving forward with an industry alliance designed to conduct outreach about reactive hazards, following upon the Board's finding that more than 90% of reactive accidents involve hazards that are already recognized and documented in published literature.

Overall, the Board successfully closed 11 recommendations in FY 2004, based on positive safety actions taken by recipients, and has successfully closed an additional 23 recommendations in the first four months of FY 2005.

#### *FY 2004 Completed Investigations*

West Pharmaceutical Services, Kinston, NC. On January 29, 2003, an explosion and fire destroyed the West Pharmaceutical Services plant in Kinston, North Carolina, causing six deaths, dozens of injuries, and hundreds of job losses. The facility produced rubber stoppers and other products for medical use. The fuel for the explosion was a fine plastic powder, which accumulated above a suspended ceiling over a manufacturing area at the plant and ignited. On September 23, 2004, the Board approved its final report on the accident at a public meeting in Kinston. The Board found that West had not acted on warnings about the combustibility of the plastic powder and recommended strengthening of the North Carolina state fire code to control dust explosion hazards at industrial facilities.

Isotec/Sigma Aldrich, Miami Township, OH. On September 21, 2003, a violent explosion destroyed a 300-foot-deep underground distillation tower at the Isotec manufacturing plant in Miami Township, Ohio, near Dayton. The facility manufactured rare forms of oxygen and nitrogen, known as stable isotopes, which are used in research and medicine. The explosion injured one worker and sent debris flying as far as 1,000 feet. Residents within one mile of the facility were instructed to be evacuated. On August

24, 2004, the CSB issued a case study report on this accident and released it to a joint meeting of local elected officials. The report found that the company had not adequately investigated previous piping failures in 1995 and 1998, included one incident that led to an underground explosion. The Board also highlighted problems during the public evacuation, including uneven communication between emergency officials and the affected population.

Technic Inc., Cranston, RI. On February 7, 2003, a worker was seriously injured in an explosion at the Technic Inc. metal processing chemicals plant in Cranston, Rhode Island. The explosion occurred during maintenance on a ventilation system connected to multiple chemical reactors and was due to an accumulation of hazardous material inside. The Board approved the final report on the accident on August 20, 2004, calling on major standards organizations to develop better guidance on avoiding reactive chemical accidents inside ventilation systems.

Safety Bulletin – Sodium Hydrosulfide. On July 15, 2004, the Board released a safety bulletin warning of the dangers of the chemical sodium hydrosulfide, which reacts with acid to form highly toxic hydrogen sulfide gas. The bulletin follows the Board's investigation of a deadly reactive accident involving the chemical at an Alabama paper mill in 2002. Following the completion of that report, CSB investigators went on to uncover 45 accidents associated with sodium hydrosulfide that have caused 32 deaths and 176 injuries since 1971. The safety bulletin describes a variety of good practices that should be used when working with the chemical. The CSB is now in discussions with the largest U.S. producer of sodium hydrosulfide to help distribute the bulletin to customers.

Safety Bulletin – Piping Hazards. On July 15, 2004, a second Board safety bulletin cautioned about the dangers of removing hazardous materials from complex piping systems. The bulletin was prompted by a January 2004 explosion in a piping system at the Huntsman Petrochemical facility in Port Neches, Texas, which seriously injured two employees. The explosion resulted from heating residual reactive chemicals that were trapped inside the system. The CSB safety bulletin recommended a series of good practices for avoiding such accidents.

D.D. Williamson and Co., Louisville, KY. On the morning of April 11, 2003, one worker was killed at the D.D. Williamson food additive plant in Louisville, Kentucky, when a process vessel became overpressurized and failed catastrophically. In addition to causing extensive damage at the plant, the failure caused the release of aqueous ammonia and forced a public evacuation. On March 12, 2004, the Board approved its final report at a public meeting in Louisville. In addition to calling for safety improvements at the plant – which had installed the vessel without a safety relief valve – the Board recommended that Kentucky conduct outreach statewide concerning the safety inspection requirements for pressure vessels.

Catalyst Systems, Gnaddenhutten, OH. On January 2, 2003, a vacuum dryer holding nearly 200 pounds of benzoyl peroxide exploded at the Catalyst Systems Inc.

production facility in Gnadenuhuten, Ohio. The explosion and subsequent fire damaged the production facility, and one Catalyst Systems employee was injured while evacuating the building. On October 29, 2003, the Board approved a case study report on this investigation at a public meeting in Washington, DC, highlighting the hazards of concentrated benzoyl peroxide, a highly reactive and unstable substance.

First Chemical Corporation, Pascagoula, MS. On October 13, 2002, a violent explosion occurred in a nitrotoluene distillation tower at First Chemical Corporation in Pascagoula, Mississippi, sending heavy debris over a wide area. Three workers in the control room were injured by shattered glass. A nitrotoluene storage tank at the site was punctured by explosion debris, igniting a fire that burned for several hours; other large hazardous material storage tanks were located within the zone of impact. On October 15, 2003, the Board issued its final report on this accident, finding that the company had not applied available information about the hazards of nitrotoluene, which is reactive and unstable at high temperatures, in the design of its process. The Board recommended strengthening the chemical industry's voluntary Responsible Care code to promote better sharing of process hazard information. The Board also called on Jackson County, Mississippi, to improve its emergency system for communicating with the public about chemical accidents.

#### *FY 2004 New Investigations*

Combustible Dust Hazard Investigation (nationwide). In 2003, the CSB began investigations of three major industrial explosions involving combustible powders, which caused a total of 14 fatalities as well as massive property losses. Concerned by the apparent lack of knowledge about this hazard in industry, the Board launched a new study to examine the scope of the problem and recommend new safety measures. The Board also has noted that, while federal safety standards are in place for coal dust and grain dust, there are no general safety standards for combustible powders used in industry. The Board anticipates conducting a major public hearing on the issue in FY 2005 and completing its final and recommendations in FY 2006.

Sterigenics, Ontario, CA. On August 19, 2004, an explosion occurred inside an ethylene oxide sterilization chamber and an associated thermal oxidizer at the Sterigenics facility in Ontario, California. Four employees suffered minor injuries, the facility was rendered unusable, and members of the public were evacuated. Noting that ethylene oxide is highly hazardous gas that has caused a number of explosions, the CSB decided to investigate the root causes of the accident.

Formosa Plastics, Illiopolis, IL. On April 23, 2004, five workers were killed and others were seriously injured when an explosion occurred in a polyvinyl chloride (PVC) production unit at Formosa Plastics in Illiopolis, Illinois, east of Springfield. The accident, which has caused the complete shutdown of a major regional employer, followed a release of highly flammable vinyl chloride. The explosion forced a

community evacuation and lighted fires that burned for several days at the plant. CSB's investigation is seeking to determine the sequence of events that led to the release and is examining the adequacy of safety practices at the plant.

MFG Chemical Inc., Dalton, GA. On the evening of April 12, 2004, a runaway reaction occurred inside a chemical vessel at the MFG Chemical plant in Dalton, Georgia. The vessel became overpressurized and released toxic allyl alcohol vapor into the surrounding community. The vapor cloud sent 154 people to a local hospital and forced the evacuation of nearby residents. Among those treated were 13 police officers and four ambulance personnel. On November 16, 2004, the CSB convened a community meeting in Dalton, Georgia, to discuss its preliminary findings and take comments from affected members of the public. CSB's investigation is examining the effectiveness of chemical emergency preparedness in the region.

Giant Industries Refinery, Gallup, NM. On April 8, 2004, four workers were seriously injured when highly flammable gasoline components were released and ignited at the Giant Industries Ciniza refinery, east of Gallup, New Mexico. The release occurred as maintenance workers were removing a malfunctioning pump from the refinery's hydrofluoric acid (HF) alkylation unit. Unknown to personnel, a shut-off valve connecting the pump to a distillation column was apparently in the open position, leading to the release and subsequent explosions.

DPC Enterprises, Glendale, AZ. On November 17, 2003, there was a release of chlorine gas from the DPC Enterprises chlorine repackaging facility in Glendale, Arizona, near Phoenix. More than 4,000 people in the surrounding area were instructed to evacuate. Fourteen people, including ten police officers, required treatment for chlorine exposure. The release occurred when chlorine vapors from a rail car unloading operation escaped from a system designed to recapture the material, known as a scrubber. Owing to the exhaustion of absorbent chemicals in the scrubber, chlorine gas was released. On June 9, 2004, the CSB released preliminary findings at a community meeting in Glendale and received testimony from local emergency response officials.

Hayes Lemmerz, Huntington, IN. On the evening of October 29, 2003, a series of explosions severely burned two workers, injured a third, and caused property damage to the Hayes Lemmerz manufacturing plant in Huntington, Indiana. One of the severely burned men subsequently died. The Hayes Lemmerz plant manufactures cast aluminum automotive wheels, and the explosions were fueled by accumulated aluminum dust, a flammable byproduct of the wheel production process. This accident was the third major industrial dust explosion of 2003 that the Board investigated.

### **Outlook for FY 2005**

For fiscal year 2005, the Board received a net appropriation of \$9.03 million, plus a \$397,000 increase to its no-year investigative emergency fund. The appropriation represented a significant increase above the FY 2004 level of \$8.20 million. Consistent

with the FY 2005 budget justification, the Board plans to use the increased funding to hire additional investigative, recommendations, and safety outreach specialists to support the agency's core programs.

Due to the effects of the budget increase and employee attrition, the agency now has 12 staff positions that are vacant and will be filled over the coming months. Four of these vacancies represent newly funded positions. In addition, two Board seats are vacant due to the departure of members in August and November 2004, and the Board is eagerly anticipating action by the president and the Senate to fill those positions.

Staff hiring is a top priority for the agency throughout 2005. The Board is using all available direct-hire authorities to expedite the process. During FY 2004, for example, the agency was able to four entry-level personnel using the direct-hire authority of the federal career internship program. In FY 2005, the agency will continue to use this program as well as the direct-hire authorities available for information technology (IT) staff and for presidential management interns.

The Board also anticipates seeking broader statutory direct-hire authority for technical personnel through discussions with Congressional authorizing committees. The Board believes such authority will prove critical for keeping its investigations program fully staffed in a competitive job market. Full staffing is essential for meeting the Board's strategic goal for investigations. During the second half of calendar year 2004, for example, there were a total of six serious chemical accidents that scored "medium" to "high" priority in the agency's selection system but for which no investigation could be considered due to lack of available staff.

Even as hiring proceeds, the agency is continuing to pursue an aggressive schedule of completing eight investigations begun in previous fiscal years. The Board is also committed to issuing an additional safety product based on current year investigations and to further increasing the rate of adoption of CSB safety recommendations toward our ultimate goal of 80%. The Board plans to initiate a total of eight new investigations FY 2005; one new investigation, of a serious tank explosion in Houston in December 2004, is already underway.

The Board will be continuing its highly successful program of conducting its business transparently through community and public meetings at field locations. During FY 2005, the agency plans to conduct a total of eight public meetings around the country, including the public hearing on combustible dust hazards. For example, on February 15, 2005, the Board plans to convene a public meeting near Corbin, Kentucky, to release its final report on the catastrophic dust explosion at CTA Acoustics that killed seven workers and incapacitated the plant in February 2003. On March 2, 2005, the Board plans to convene another public meeting in Baton Rouge, Louisiana, to present its final report on three serious chemical accidents that occurred at the Honeywell refrigerants plant there in July and August 2003.

During FY 2005, the agency will also be undertaking a major overhaul of its aging IT infrastructure. Most of CSB's computers and servers were acquired between 1998 and 2000 when the agency was first established. The agency initially planned to conduct much of the replacement work during FY 2006 and anticipated seeking a special appropriation of several million dollars. Agency staff carefully reexamined the preliminary plan throughout FY 2004 and were able to scale back the requirement to approximately \$950,000. Virtually the entire sum will be financed through existing FY 2004 and FY 2005 funds. The plan includes the replacement of CSB's 14 servers as well as most computers, monitors, and printers. In addition, funds will be used to upgrade IT security consistent with recommendations of the Inspector General.

**Budget Request for FY 2006**

The CSB will continue meeting its strategic goals of issuing high-quality investigation reports and safety products, securing wide implementation of safety recommendations, and maintaining a high-performing work force. To achieve these goals the Board requests a modest increase above its FY 2005 budget of \$9,027,000. The summary table below shows the requested changes.

FY 2005 Salaries and Expenses	\$9,027,000
FY 2006 Changes:	
<i>Compensation</i>	594,000
<i>Contract Employees</i>	(168,000)
<i>Fixed Costs</i>	55,000
<i>Variable Costs</i>	92,000
FY 2006 Total Request	\$9,600,000

*Strengthening the CSB Staff*

At the time of submission, the CSB's Office of Investigations has two managers, 12 investigators, and an administrative assistant. Collectively, this staff produced eight safety products in FY 2004. The agency is on track to produce nine products and to initiate a number of new cases during FY 2005. However, the Board recognizes the significant burden placed on its 15 investigative staff, who are responsible for assessing and investigating major chemical incidents from all around the country.

The Board is at times required to forego deployments to significant accidents because of lack of available staffing. Major investigations like West, CTA Acoustics, or Formosa Plastics require the efforts of large field teams. With scores of witnesses to interview, masses of documentary evidence to analyze, and a complex legal terrain to navigate, teams of 4-6 investigators may be required on any given case. Under these conditions, it remains challenging to produce nine products a year without full staffing levels. During the last six months of 2004, the Board was forced to forego assessments

and possible investigations of six serious chemical incidents due to lack of available staff and expertise. The Board will be furnishing Congress with a more detailed report on the frequency and nature of these incidents during the spring of 2005, consistent with a recommendation from the Inspector General.

As recommended by the Inspector General, the Board has been developing a long-term human capital plan as the first step to addressing its personnel challenges. The fruits of this process are already apparent, as the agency has flattened its organizational structure, identified long-term training and development needs, and committed to more junior-level hiring and the development of internal career paths for investigators and other staff. The agency has also reduced the number of investigative teams from three to two. Each of the two team supervisors is now dedicated full-time to project management. The agency believes that these changes will continue to improve the efficiency of the investigative process.

Furthermore, the agency has made strides in controlling salary expenses through (1) a standing policy of outsourcing certain functions, including public affairs, procurement, personnel, administrative support, and the IT help desk; and (2) reducing the average grade level of its workforce since the beginning of FY 2004. The agency has made aggressive use of the federal career internship program to hire employees at the GS-7 level and also recently eliminated one of its two SES positions. The average rating of general schedule employees has been reduced from GS-13 in FY 2004 to GS-12 in FY 2005. Excluding Board positions, the agency currently has 12 vacancies, of which four are newly funded positions. More than half of the 12 vacant positions are graded at GS-12 or below. Eight of the vacant positions directly support investigations, including four incident investigators, a writer/editor, an investigative trainer, and two new recommendations staff.

With the new staff to be hired in FY 2005, the Board expects to make significant progress toward its five-year strategic goal of being able to initiate and complete 12 investigations and other safety products each year. Of the \$594,000 requested increase to compensation for FY 2006, \$344,000 will cover the full, annualized cost of the new employees. Another \$150,000 is requested for an expected federal civilian pay increase in January 2006. The remaining \$100,000 will fund a new mentoring program.

#### *Mentoring and Training Programs*

In addition to the changes noted above, the Board seeks funds for one new modest initiative in FY 2006. With the influx of new personnel and the need to establish internal career paths for all staff, the Board's internal training needs have never been greater. A key characteristic of a successful organization is that it has created a learning environment and culture for its employees. Although CSB supports training activities for its investigators, most are based on generic, off-the-shelf courses. Our investigators would greatly benefit from ongoing training in the latest investigative and forensic techniques. CSB's root-cause investigations are unique and differ from others in the

public and private sectors, and for that reason our training must be customized and tailored to our needs. In the same way that the National Transportation Safety Board (NTSB) and Federal Bureau of Investigations (FBI) operate training academies for their personnel, the CSB needs a program of an appropriate size that can educate its personnel on what they specifically need to know to be most effective in their jobs.

For those reasons the Board anticipates seeking a total of \$150,000 in funding for a new training initiative. The first component is a mentoring program that would bring university professors and industry experts to the agency for temporary mentoring and teaching of our staff. We anticipate bringing in up to three individuals a year, each for a three-month period. These experts would participate in investigations working alongside CSB staff. They would also contribute to the development of a customized training curriculum for CSB investigators, which would become the focus of future training efforts. The \$100,000 cost of the mentoring program will defray the temporary salary costs for the outside experts; this change is included in the section above as part of the increase in FY 2006 compensation. The concept for this program was inspired by the work of other federal technical agencies, like the National Science Foundation, which routinely bring in outside experts at the forefront of their fields to supplement internal staff.

Secondly, we will seek to partner with more experienced federal investigative agencies such as the NTSB and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) to develop and operate a training program specifically tailored for CSB investigators. The focus of this activity will be identifying critical skills needed by our investigators, developing a customized curriculum, and providing the actual training at training campuses operated by the partner agencies. In January 2005, the CSB began preliminary discussions with the NTSB academy in Ashburn, Virginia, about the feasibility of sending CSB investigators there for initial and ongoing training. The \$50,000 estimated cost of this program is included in our projected FY 2006 contractual costs.

The Board believes that the long-term effect of the new training and mentoring program will be to promote staff retention, increase staff productivity, and facilitate development of internal career paths for junior staff.

## **Conclusion**

With steady support from Congress and the Office of Management and Budget, the Chemical Safety Board has grown into an increasingly effective safety organization that meets an urgent national need. The Board's FY 2006 budget request of \$9.6 million represents a slight increase above the agency's FY 2005 appropriation and the President's FY 2006 request. However, this increase will position the agency to meet its long-term strategic goals at a modest cost to the taxpayers. The proposed investments will allow the Board to expand its efforts to protect lives and property by preventing deadly chemical accidents.

## **FY 2006 APPROPRIATION LANGUAGE**

### **CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD** Federal Funds

#### **General and Special Funds**

### **CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD**

#### **SALARIES AND EXPENSES**

For necessary expenses in carrying out activities pursuant to section 112(r)(6) of the Clean Air Act, as amended, including hire of passenger vehicles, uniforms or allowances therefore, as authorized by 5 U.S.C. § 5901 – 5902, and for services authorized by 5 U.S.C. § 3109 but at rates for individuals not to exceed the per diem equivalent to the maximum rate payable for senior level positions under 5 U.S.C. § 5376, \$9,600,000, to be available until September 30, 2006: Provided, that the Chemical Safety and Hazard Investigation Board shall have not more than three career Senior Executive Service Positions.

**CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD**

**FISCAL YEAR SALARIES & EXPENSES**

(in thousands of dollars)

	<b>FY 2004 Actual</b>	<b>FY 2005 Budget</b>	<b>FY 2006 Request</b>
<b>Personnel Compensation &amp; Benefits</b>	<b>\$ 4,896</b>	<b>\$ 5,826</b>	<b>\$ 6,420</b>
<b>Contract Employees</b>	<b>555</b>	<b>694</b>	<b>526</b>
<b>Fixed Costs</b>			
Rent, Communications, & Utilities	701	717	764
Interagency Services*	1,033	412	420
Maintenance	17	36	36
<b>Total Fixed Costs</b>	<b>1,751</b>	<b>1,165</b>	<b>1,220</b>
<b>Variable Costs</b>			
Travel & Transportation	234	328	342
Rent, Communications, & Utilities	35	102	103
Printing	41	58	59
Other Services	526	665	753
Supplies	106	131	133
Equipment	29	58	44
<b>Total Variable Costs</b>	<b>971</b>	<b>1,342</b>	<b>1,434</b>
<b>Total Costs</b>	<b>\$ 8,173</b>	<b>\$ 9,027</b>	<b>\$ 9,600</b>

\* FY 2004 Interagency Services includes approximately \$600,000 in funding that was reprogrammed to begin funding our IT Capital Plan.

**Salaries and Expenses**  
**Analysis of Change**  
*(in thousands of dollars)*

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**FY 2005 Appropriation (Salaries & Expenses) .....\$ 9,027**

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*Summary of Adjustments to Base and Built-in Changes*

**Personnel Cost Increases<sup>1</sup>**

Estimated cost of January 2006 pay increase<sup>2</sup> .....150  
 Additional costs of FY 2005 hires<sup>3</sup> .....344  
 Cost of mentoring program.....100  
**TOTAL INCREASE.....594**

**Contract Expense Decreases**

Contract employee costs ..... (168)  
**TOTAL DECREASE..... (168)**

**Fixed Cost Increases**

Rent, communications, & utilities .....47  
 Interagency services.....8  
 Maintenance.....0  
**TOTAL INCREASE.....55**

**Variable Cost Increases**

Travel & transportation.....14  
 Rent, communications, & utilities .....1  
 Printing and reproduction .....1  
 Other services.....88  
 Supplies.....2  
 Equipment..... (14)  
**TOTAL INCREASE.....92**

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**Total Adjustments to FY 2005 Salaries and Expenses .....573**

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**FY 2006 Appropriation Request .....\$ 9,600**

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<sup>1</sup> Benefits are calculated at 27 percent of base pay.

<sup>2</sup> Calendar year 2006 pay increase estimated at 2.6 percent of base pay.

<sup>3</sup> Includes estimated cost of January 2006 pay increase for these positions.

## **Analysis of Change** (Significant Adjustments)

Personnel Costs. A total increase of \$594,000 is requested. An increase of \$150,000 is required to fund a projected January 2006 pay increase for currently filled positions. In FY 2005, the CSB anticipates filling four new positions, converting two contract positions to federal employees, and filling several vacancies (including two board seats). As a result, the CSB will need to recognize \$344,000 for the full-year costs of all positions filled in FY 2005. In addition, an increase of \$100,000 is requested for the mentoring program described earlier in this document.

Contract Employees. A net decrease of \$168,000 is requested, due primarily to a \$176,000 decrease associated with converting two contract positions to federal employees (one IT support and one administrative support). In addition, our IT manager position was vacant for part of FY 2005 so we obtained interim IT support through a contract. In FY 2006 we expect that the IT manager position will be filled so funding for interim support will not be needed. The decrease for these contract employees is partially offset by \$8,000 in net increases for other contract employees performing research and public affairs support.

Rent. An increase of \$47,000 is requested. This will fund a one-time base rent increase that, in accordance with our lease for office space, will occur in FY 2006.

Travel. An increase of \$14,000 is requested. An additional \$10,000 is requested in anticipation of having five board members for the full year. Board members play an integral role in our recommendations and outreach programs, which involve a significant amount of travel. Another \$4,000 is requested for slight increases in investigation- and recommendation-related travel by staff members.

Other Services. An increase of \$88,000 is requested. The new mentoring and training program described earlier in this document is estimated to cost \$50,000. An additional \$25,000 is requested for technical support of investigations, including consulting services and testing of materials. Finally, \$13,000 is requested to fund small increases in a variety of areas including desktop publishing support, editing services, and outreach projects.

Equipment. A decrease of \$14,000 is requested, largely due to the completion in FY 2005 of one-time physical security and storage projects.