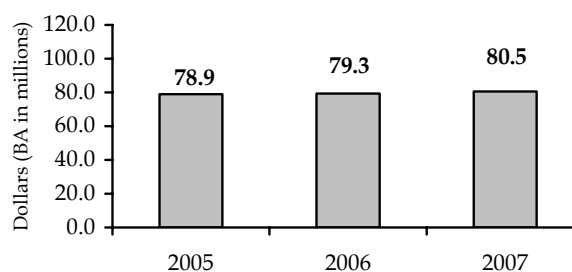


Economic and Statistical Analysis

Includes the Bureau of Economic Analysis and the Economics and Statistics Administration Headquarters

The United States is widely recognized as the world's economic information leader, due in large part to the timely and accurate data and analyses produced by the Economics and Statistics Administration's (ESA) Bureau of Economic Analysis (BEA) and the Bureau of the Census. BEA produces such key economic measures as the gross domestic product (GDP) and the balance of payments; the Bureau of the Census conducts the quinquennial Economic Census and produces important economic measures including durable goods, wholesale and retail trade, and new construction. ESA provides economic policy analysis that is used in the decision making of the President and Congress, as well as business leaders, and ultimately affects the lives of all Americans.

ESA/BEA Funding



ESA includes: **ESA Headquarters, the Bureau of Economic Analysis, and the Bureau of the Census.**

ESA Headquarters staff consists of the Office of the Under Secretary for Economic Affairs, the Policy Support Staff, STAT-USA and support personnel. The Under Secretary for Economic Affairs provides leadership and executive oversight of all ESA activities. The Policy Support staff provides real time, highly sophisticated economic research and policy analysis directly in support of the Secretary of Commerce and the Administration. ESA monitors and interprets economic developments and domestic fiscal and monetary policies, and analyzes economic conditions and policy initiatives of major trading partners. STAT-USA provides fee-based data dissemination services that provide a focal point for business, economic and trade statistics. STAT-USA operates under a revolving fund account.

Funding requested in FY 2007 will help the **Bureau of Economic Analysis (BEA)** achieve its mission to promote the understanding of the U.S. economy by providing the timely, relevant and accurate economic accounts data in an objective and cost-effective manner. Although a relatively small agency, BEA's economic statistics are among the Nation's most closely watched. BEA's statistics influence the decisions made by policy makers, business leaders, households and individuals. Providing a comprehensive and up-to-date picture of the U.S. economy, these statistics are key ingredients in critical decisions affecting interest and exchange rates, tax and budget projections, business investment plans, and the allocation of over \$200 billion in Federal funds. The cornerstone of BEA's statistics are the National Income and Product Accounts (NIPAs), which feature the estimates of the GDP and related measures. Since the NIPAs were first published, BEA has developed and extended these estimates to keep pace with the constantly changing nature of U.S. economic activity. Today, BEA prepares national, regional, industry and international accounts that present essential information on such issues as economic growth, regional economic development, inter-industry relationships and the Nation's position in the world economy.

The BEA Strategic Plan provides a detailed outline for improving the quality and accuracy of BEA economic statistics. Annually reviewed by BEA and provided to stakeholders, users and the public for comment, the BEA Strategic Plan calls for specific, continuous improvements supporting each of its measures to better meet its mission in FY 2007.

The **Bureau of the Census** budget is discussed in its own section of the Budget in Brief as it receives its funding from a separate congressional appropriation.

Summary of Appropriations

Funding Levels

Appropriation	2005 <u>Actual</u>	2006 <u>Estimate</u>	2007 <u>Estimate</u>	Increase <u>(Decrease)</u>
Salaries and Expenses	\$78,931	\$79,278	\$80,482	\$1,204
FTE				
Salaries and Expenses	516	526	526	0
Reimbursable	15	29	26	(3)
Revolving Fund	12	12	12	0
Total	543	567	564	(3)

Highlights of Budget Changes

Appropriation: Salaries and Expenses

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2006 Appropriation			526	\$79,278
Adjustments to Base				
<u>Other Changes</u>				
2006 Pay raise		\$862		
2007 Pay raise		857		
Payment to Working Capital Fund		22		
Full-year cost in FY 2007 of positions financed in part in FY 2006	3	396		
Civil Service Retirement System (CSRS)		(134)		
Federal Employees' Retirement System (FERS)		366		
Thrift Savings Plan		88		
Federal Insurance Contributions Act (FICA) -OASDI		102		
Health insurance		210		
Employee Compensation Fund		(30)		
Travel: Per diem		1		
Rent payments to GSA		58		
Printing and reproduction		4		
NARA		1		
Other services: Working Capital Fund		106		
General Pricing Level Adjustments				
Communications, Utilities, & misc.		5		
Other services		305		
Supplies		22		
Equipment		23		
Subtotal, other cost changes			3	3,264
Less Amount Absorbed *			(3)	(2,060)
Total, Adjustments to Base			0	1,204
2007 Base			526	80,482
Program Changes			0	0
2007 APPROPRIATION			526	80,482

* This budget requests \$1.2 million for adjustments to base, a portion of the total \$3.2 million calculated ATBs. The remaining absorption will affect most areas of the Bureau and will result in adjustments to all object classes.

Comparison by Activity

	2006 Currently Avail.		2007 Base		2007 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
DIRECT OBLIGATIONS								
Bureau of Economic Analysis	507	\$75,721	507	\$76,507	507	\$76,507	0	\$0
Policy Support	19	4,203	19	3,975	19	3,975	0	0
TOTAL DIRECT OBLIGATIONS	526	79,924	526	80,482	526	80,482	0	0
REIMBURSABLE OBLIGATIONS	29	4,902	26	4,237	26	4,237	0	0
TOTAL OBLIGATIONS	555	84,826	552	84,719	552	84,719	0	0
FINANCING								
Unobligated balance, start of year (Direct)		(646)						
Offsetting collections from:								
Federal funds	(27)	(4,746)			(24)	(4,077)		
Non-Federal sources	(2)	(156)			(2)	(160)		
Subtotal, financing	(29)	(5,548)			(26)	(4,237)		
TOTAL BUDGET AUTHORITY /	526	79,278			526	80,482		
APPROPRIATION								

ESA / BEA Performance Measures

The BEA Mission, derived directly from the U.S. Department of Commerce Strategic Plan for FY 2004-FY 2009, is to “promote a better understanding of the U.S. economy by providing the most timely, relevant, and accurate economic data in an objective and cost-effective manner.” To monitor progress toward achieving this mission, BEA has developed six performance measures for FY 2006 that seek to measure long-term performance and track efforts to accomplish specific budget initiative requests. These performance measures include: (1) maintaining reliable delivery of economic data, (2) sustaining customer satisfaction, (3) ensuring greater than 85 percent of GDP estimates are correct, (4) improving GDP and the economic accounts, (5) accelerating economic estimates, and (6) meeting U.S. international obligations. The first three measures monitor BEA’s long-term success at improving timeliness, relevance and accuracy, while the last three measures track specific funding increases from previous years through FY 2007. The following table shows the measures that BEA uses to evaluate its performance. A more detailed description of these goals and measures is in the BEA section of the Department of Commerce budget.

Performance Goal (Obligations) and Measures (Targets)

(Dollars in millions)

	<u>2005</u> <u>Actual</u>	<u>2006</u> <u>Estimate / Target</u>	<u>2007</u> <u>Estimate / Target</u>
Goal 1: Promote a better understanding of the U.S. economy by providing the most timely, relevant and accurate economic data in an objective and cost-effective manner	\$84.1	\$86.7	\$86.7
Number of scheduled releases issued on time	54 of 54	54 of 54	TBD
Customer satisfaction with quality of products and services (5 point scale)	4.4	Greater than 4.0	Greater than 4.0
Percent of GDP estimates correct	96%	Greater than 85%	Greater than 85%
Improving GDP and economic accounts	Completed all major Strategic Plan milestones related to improving the economic accounts	Successful completion of related Strategic Plan milestones	Successful completion of related Strategic Plan milestones
Accelerating economic estimates	BEA completed all major Strategic Plan milestones related to accelerating economic estimates	Successful completion of related Strategic Plan milestones	Successful completion of related Strategic Plan milestones
Meeting U.S. international obligations	BEA completed all major Strategic Plan milestones related to meeting U.S. international obligations	Successful completion of related Strategic Plan milestones	Successful completion of related Strategic Plan milestones

Note: The total obligations may differ from those reported in the Congressional Justification exhibits due to the inclusion of the revolving fund in the amounts cited above.

