

DEPARTMENT OF COMMERCE

PART ASSESSMENTS¹

¹This document contains details of the most recent program assessments as of the date the 2005 Budget was published (February 2004). Programs originally assessed for the 2004 Budget were reassessed only where evidence showed an agency's rating was likely to change. Programs not reassessed are presented in this document in the form of reprints of the original worksheets and are footnoted "FY 2004 Budget".

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OMB Program Assessment Rating Tool (PART)

Competitive Grant Programs

Name of Program: **Advanced Technology Program**

Section I: Program Purpose & Design (Yes, No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Is the program purpose clear?</i>	Yes	ATP is designed for and focuses on promoting private investment in R&D for high-risk, broad impact technology development.	The mission and purpose of the ATP is stated in DOC Annual Performance Plans, budget justifications, and associated documents. ATP's purpose derives from its statutory authority: see 15 USC 278n.	20%	0.2
2	<i>Does the program address a specific interest, problem or need?</i>	No	ATP was initially established to address concerns about U.S. competitiveness in the late 1980s and early 1990s. However, one could argue that this concern has lessened in recent years. Studies show that there are many non-governmental entities investing in early-stage technology development, such as corporate research labs, venture capital firms, angel investors, and universities. Given the amounts available from other sources, it is not evident that there is a clear need for federal subsidies for private technology development.	Recent work by Lewis Branscomb et al. at Harvard estimates that between \$5.4B (conservative estimate) to \$35.5B (inclusive estimate) was invested in early stage technology development (Branscomb and Auerswald, <i>Between Invention and Innovation</i> , pre-publication copy available upon request). These estimates include \$1.4B to \$7.3B in investments from the federal government.	20%	0.0
3	<i>Is the program designed to have a significant impact in addressing the interest, problem or need?</i>	No	ATP is designed to have a targeted impact in an area dominated by private funding. Substantial ATP investments have been made in areas where significant external funding is available, such as biotechnology and information technology. Relative to the other funding sources available for these areas, ATP is only a modest contributor.	ATP has met its annual performance goals for new patents filed and new technologies under commercialization (see "program results" below, as well as DOC's budget justification and annual DOC performance plans and reports), but it is not evident that ATP funding was actually needed for individual projects to achieve these results.	20%	0.0

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	<i>Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?</i>	No	ATP is tiny fraction of the total amount invested in early-stage technology development. There is overlap with private venture capital and angel investors, as well as with other federal programs, such as the Defense Advanced Research Projects Agency (DARPA), Small Business Innovation Research (SBIR), and Small Business Technology Transfer (STTR).	Past GAO studies have concluded that many ATP projects would have been funded with or without ATP participation. Branscomb's study indicates significant investment by other entities, both private and federal, relative to ATP. Of ATP clients surveyed, 75% indicated that the project would have continued in some form without ATP funding.	20%	0.0
5	<i>Is the program optimally designed to address the interest, problem or need?</i>	No	ATP is intended to stimulate highly focused R&D efforts that are identified and led by the private sector but which would not take place without Federal resources. ATP selection criteria currently do not adequately ensure that projects are not duplicative of research occurring in the private sector, nor do they ensure that projects address particular public needs. Commerce continues to work with the Administration and with Congress to reform the program.	Past GAO studies have identified ATP projects that are duplicative of research efforts in the private sector. The Administration has submitted reforms, but they are unlikely to be enacted in a form that will transform the program.	20%	0.0
Total Section Score					100%	20%

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Section II: Strategic Planning (Yes,No, N/A)					
Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	Yes	ATP has one overarching strategic goal that directly reflects the purpose of the program.	ATP's overarching goal is "to accelerate private investment in and development of high-risk, broad-impact technologies". See DOC's budget justification and annual DOC performance plans and reports.	14%	0.1
2	Yes	ATP's annual performance goals--technical publications, patents, and technologies commercialized--suggest at least some progress toward the program's long-term overarching goal and purpose. However, as with most publicly funded R&D programs, it is difficult to determine whether progress would have occurred without ATP funding. Potential for cost recoupment is another indicator that could be used in assessing long-term progress.	See "Program Results" section below; see also DOC's budget justification and annual DOC performance plans and reports.	14%	0.1
3	Yes	At the time of the initial award, grantees begin contributing directly to the program's long-term goal and purpose. Grantee technical progress and outputs (and hence contribution to the program goal) are monitored throughout the grant period and for up to six years after ATP funding ends. Under the Terms and Conditions of ATP awards, ATP uses its Business Reporting System to systematically collect data from awardees during and after project completion; these data allow ATP to track and report on output and intermediate outcome performance. These data are supplemented by case studies and special-purpose surveys.	Data from ATP's Business Reporting System are used for reporting results on key ATP performance measures; measures and results are presented in annual DOC Performance Plans and Performance Reports. Data also are analyzed and presented in special ATP progress reports (for example, see Powell and Lellock, <i>Development, Commercialization, and Diffusion of Enabling Technologies</i> , US DOC/TA/NIST, report #6491, April 2000). Data on technical performance and technology diffusion are collected systematically in Technical Quarterly and Final Reports.	14%	0.1
4	No	While ATP is structurally different than other Federal technology programs such as the Small Business Innovation research program (SBIR) and the Defense Advanced Research Projects Agency (DARPA), there is opportunity for collaboration with these programs. OMB has asked Commerce to evaluate options for using ATP as a competitive source for other agencies as an alternative to SBIR.	There is no evidence of a strong track record of collaboration with these other programs.	14%	0.0

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
5	<i>Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?</i>	Yes	Regular external review and oversight are provided by the ATP Advisory Committee (which meets 2 to 3 times per year) as well as by the NIST Visiting Committee on Advanced Technology (which meets quarterly). ATP also has been the subject of many external program evaluations and reviews, including 29 GAO and OIG audits from 1993 to the present that have evaluated virtually all aspects of the program.	See annual reports of the ATP Advisory Committee and the NIST VCAT. ATP Advisory Committee reports and minutes are available at http://www.atp.nist.gov/atp/adv_com/reports.htm . See also NRC, <i>The Advanced Technology Program: Challenges and Opportunities</i> , 1999 (available at http://books.nap.edu/catalog/9699.html); NRC, <i>The Advanced Technology Program: Assessing Outcomes 2001</i> , available at http://www.nap.edu/catalog/10145.html ; and numerous GAO and OIG audits (references available upon request).	14%	0.1
6	<i>Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?</i>	Yes	ATP's performance measures show the impact of changes in funding levels.	DOC budget justifications and annual performance plans and reports show the relationship between funding levels and performance measures over time.	14%	0.1
7	<i>Has the program taken meaningful steps to address its strategic planning deficiencies?</i>	Yes	NIST as a whole has developed a new Institute-wide long-term strategic planning process; the process includes new mechanisms for aligning Operating Unit plans with the NIST-wide plan. The Administration has also proposed ATP reforms.	NIST's external advisory bodies routinely observe and comment on any deficiencies associated with NIST's strategic planning processes, and NIST responds to these observations. For example, the Visiting Committee on Advanced Technology has reviewed and commented favorably on NIST-wide strategic planning efforts in recent meetings (held quarterly).	14%	0.1
Total Section Score					100%	86%

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Section III: Program Management (Yes,No, N/A)					
Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	Yes	ATP's Business Reporting System and Technical Quarterly Reports collect data systematically; data are reported regularly in annual performance plans and reports; current projects are evaluated regularly and performance factors are used to make continuation and termination decisions and to review program design and project management processes.	Program performance data collected through the Business Reporting System are presented in DOC budget justifications and annual performance plans and reports. Data collected through Technical Quarterly Reports includes proprietary data and are not publicly available.	9%	0.1
2	Yes	ATP program management is accountable for programmatic and administrative performance. Grantees are held accountable for--and continuation / termination decisions are made on the basis of--cost, schedule, and performance results.	See annual reports of the ATP Advisory Committee and the NIST VCAT; internal program reviews also focus on accountability for programmatic and administrative performance.	9%	0.1
3	Yes	NIST as a whole manages its resources carefully and the ATP program typically has a limited amount of unobligated funds at year end, excluding adjustments for changes in the status of grants made in prior years (which may result from program management practices). NIST's strong budget and accounting systems include rigorous internal reviews and external audits to ensure that funds are expended as intended. In addition, ATP grantees are audited on a regular basis to ensure funds are spent appropriately.	SF-132 (apportionment schedule) and SF-133 (report on budget execution). Internal processes include rigorous quarterly financial reviews. See the NIST-audited Annual Financial Statements and numerous GAO and OIG reviews. Audits of ATP grantees are conducted by external, independent auditors following Government Auditing Standards (these audits contain proprietary data and are not publicly available).	9%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	<i>Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?</i>	Yes	ATP's administrative costs have been held at the lowest possible level over the course of the program, and comply with appropriation guidance. ATP program management continuously reviews administrative procedures to identify and implement measures that will improve program efficiency and effectiveness.	Examples of recent efforts to improve administrative efficiency and effectiveness include: electronic submission of proposals; rolling submissions over the fiscal year; and a gated approach to proposal review. Administrative costs are tracked in the NIST accounting system; data can be provided, if needed, on administrative costs per FTE, per grant, etc. or a similar ratio.	9%	0.1
5	<i>Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?</i>	Yes	NIST's budget request and prior year budget data reflect the full annual costs of operating ATP, including direct and indirect costs. Out-year targets for quantitative performance measures are based in part on resource inputs; variation in input levels directly affect estimated performance.	Total program costs are presented in NIST's budget justification and annual financial statements. NIST's internal accounting system reports can provide costs by object class. Overhead is applied uniformly per full-cost accounting procedures that are specified in Chapter 8.07 of the NIST Administrative Manual. DOC annual performance plans show the impact of proposed funding levels on ATP's performance measures.	9%	0.1
6	<i>Does the program use strong financial management practices?</i>	Yes	NIST maintains financial management oversight. NIST has a long history of unqualified financial audits and provides accounting services for several other DOC bureaus.	See NIST's audited Annual Financial Statements.	9%	0.1
7	<i>Has the program taken meaningful steps to address its management deficiencies?</i>	Yes	Regular program oversight is obtained through several channels: the NIST Visiting Committee on Advanced Technology; ATP's external Advisory Committee; internal NIST program reviews. Many of the 29 GAO and OIG audits have focused on program management assessment.	ATP has made numerous changes in program management in response to recommendations produced by these review mechanisms.	9%	0.1

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
8 (Co 1.) <i>Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process?</i>	Yes	All grantees are selected through ATP's rigorous Source Evaluation Board (SEB) analysis and review process, which combines appropriate technical and economic expertise for peer review of all proposals. Reviews are based on clear and transparent criteria and debriefings are made available to all proposers.	The SEB-based selection process has been carefully designed based on extensive stakeholder input and numerous external reviews by GAO. The process also has been reviewed by the NRC; see NRC, The Advanced Technology Program: Challenges and Opportunities, 1999 (available at http://books.nap.edu/catalog/9699.html); and NRC, The Advanced Technology Program: Assessing Outcomes 2001 available at http://www.nap.edu/catalog/10145.html).	9%	0.1
9 (Co 2.) <i>Does the grant competition encourage the participation of new/first-time grantees through a fair and open application process?</i>	Yes	ATP receives proposals through open competitions in response to broadly advertised notices. Public conferences are held to explain the application process and include appropriate time for audience questions regarding the competition process.	ATP's most recent notice of availability of funds appeared in the Federal Register on April 18, 2002 (67 FR 19160-19164); see also numerous GAO reviews of ATP's selection process.	9%	0.1
10 (Co 3.) <i>Does the program have oversight practices that provide sufficient knowledge of grantee activities?</i>	Yes	ATP project managers closely track projects during the grant period, review performance, and recommend termination of funds for underperforming projects; ATP's Business Reporting System systematically gathers data on grantee activities and performance, including data for the Composite Ranking System for completed projects.	DOC's budget justification, annual DOC performance plans and reports, and individual ATP reports present data from the Business Reporting System and the results of ATP's new Composite Performance Rating System.	9%	0.1
11 (Co 4.) <i>Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?</i>	Yes	ATP's Business Reporting System routinely and systematically gathers data on grantee activities and performance, including data for the Composite Ranking System for completed projects; aggregate data is presented in public reports.	DOC's budget justification, annual DOC performance plans and reports, and individual ATP reports present data from the Business Reporting System and the results of ATP's new Composite Performance Rating System.	9%	0.1
Total Section Score				100%	100%

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
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Section IV: Program Results (Yes, Large Extent, Small Extent, No)

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
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1	<i>Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?</i>	Small Extent	ATP has one overarching outcome goal: to accelerate private investment in and development of high-risk, broad-impact technologies. ATP's annual performance measures suggest some progress over time, and while there are many unknowns, special economic studies demonstrate the net public benefits that derive from specific ATP projects. However, effects are difficult to measure and it is hard to obtain the data necessary to identify the actual impact of ATP funding.	Data are presented in DOC's budget justification and annual DOC performance plans and reports. External reviews by the National Research Council and numerous economic impact studies attempt to identify economic and social benefits associated with ATP projects. In one impact study, the benefits of just a few projects analyzed in depth exceeded program costs to date (studies available at nist.atp.gov); however, these are anticipated benefits that have not yet been realized.	20%	0.1
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Long-Term Goal I:	Accelerate private investment in and development of high-risk, broad-impact technologies.				
Target:	As with most R&D programs, the overarching long-term outcome goal is not measurable directly. ATP uses a set of annual quantitative indicators to demonstrate progress towards the long-term goal (see below); ATP also uses special studies to estimate the economic and social benefits from individual projects.				
Actual Progress achieved toward goal:	Due to the nature of R&D and the scope of the ATP program, it is not possible to comprehensively measure the net benefits of all ATP investments made to date.				

2	<i>Does the program (including program partners) achieve its annual performance goals?</i>	Yes	ATP routinely meets or exceeds its annual quantitative performance targets. These targets represent progress towards the program's long-term goal.	The three measures provided below collectively represent indicators of performance towards ATP's long term goal. See also DOC's budget justification and annual DOC performance plans and reports	20%	0.2
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Performance measure I:	Cumulative number of publications generated by ATP-funded research				
Performance Target:	FY 2001 target: 720				
Actual Performance:	FY 2001 actual: 747				
Performance measure II:	Cumulative number of patents generated by ATP-funded research				
Performance Target:	FY 2001 target: 790				
Actual Performance:	FY 2001 actual: 800				
Performance measure III:	Cumulative number of technologies under commercialization				
Performance Target:	FY 2001 target: 180				
Actual Performance:	FY 2001 actual: 195				

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	<i>Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?</i>	No	Annual performance improvements do not yet indicate an increasing return on investment over time. Early estimates on recoupment also seem modest in both the near- and long-term. However, performance targets have been achieved at specified budget levels, and program expenditures have leveraged an equal level of private sector R&D investment.	Data are presented in DOC's budget justification and annual DOC performance plans and reports.	20%	0.0
4	<i>Does the performance of this program compare favorably to other programs with similar purpose and goals?</i>	Yes	ATP is structurally different than other Federal technology programs such as the SBIR and DARPA, however, there are enough similarities to warrant comparison. Comparable data is not currently available to directly compare programs, but given ATP's cost-sharing component and rigorous review process, OMB thinks the program does compare favorably with these other programs.	Unlike SBIR, ATP is open to companies of all sizes and is available for all technologies, while much of SBIR funding is agency or mission-specific and DARPA is focused exclusively on DoD mission-driven technology interests. Unlike either SBIR or DARPA, ATP is a partnership program that requires cost-sharing from all grantees.	20%	0.2
5	<i>Do independent and quality evaluations of this program indicate that the program is effective and achieving results?</i>	Yes	External advisory committees and formal evaluation studies conducted by the National Research Council have found the Program to be effective. However, other indicators (such as the difficulty the program would have recouping its costs) raise questions.	See the reports of the ATP Advisory Committee (available at http://www.atp.nist.gov/atp/adv_com/reports.htm) and the NIST VCAT. See also see NRC, <i>The Advanced Technology Program: Challenges and Opportunities</i> , 1999 (available at http://books.nap.edu/catalog/9699.html); and NRC, <i>The Advanced Technology Program: Assessing Outcomes</i> 2001 (available at http://www.nap.edu/catalog/10145.html).	20%	0.2
Total Section Score					100%	67%

Program Assessment Rating Tool (PART)

Program: Bureau of Economic Analysis
Agency: Department of Commerce
Bureau: Bureau of Economic Analysis
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	88%	100%	87%	

- 1.1 Is the program purpose clear?** Answer: YES Question Weight: 20%
 Explanation: BEA produces economic accounts statistics including the Gross Domestic Product (GDP) for use by public and private decision-makers to understand the performance of the U.S. economy.
 Evidence: BEA's mission statement
- 1.2 Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight: 20%
 Explanation: BEA addresses the need to provide comprehensive economic statistics not available from the private sector due to market failure in providing this type of public good. GDP and the other accounts are critical input into U.S. fiscal and monetary policy as well as the allocation of government funds.
 Evidence: There is little or no competition to offer BEA-type data.
- 1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight: 20%
 Explanation: BEA is the only organization that produces economic statistics such as GDP, personal income, and balance of payments. Further, the necessity of protecting the confidentiality of respondent's data and ensuring the impartiality of economic estimates is addressed by having the Federal government produce these economic statistics.
 Evidence: BEA uses data from the Census Bureau, Bureau of Labor Statistics, Internal Revenue Service and other public and private sources to produce comprehensive measures of the U.S. economy. BEA collects only data such as balance of payment where there are no alternative source data. Titles 13, 15, and 22 of the U.S. Code and the Confidential Information Protection and Statistical Efficiency Act places confidentiality requirements on the data collected and used by BEA.
- 1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%
 Explanation: BEA efficiently assembles data (largely from other public and private sources) into consistent and comprehensive sets economic accounts statistics. The U.S.'s de-centralized statistical system calls for regular and on-going consultation with other statistical agencies to ensure data standards and needs are met.
 Evidence: BEA regularly meets its performance measure to release its products on schedule and on-time. BEA is active in the Interagency Council on Statistical Policy, the Federal Economic Statistics Advisory Committee, and other joint organizations.
- 1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%
 Explanation: BEA focuses its resources on core programs to produce a set of comprehensive estimates required to follow and understand the U.S. economy.
 Evidence: BEA's Advisory Committee reviews BEA programs and policy twice a year to ensure they address the agencies goals and purpose. BEA's annual customer satisfaction survey tracks BEA's ability to deliver its products to users in a manner they expect.

Program Assessment Rating Tool (PART)

Program: Bureau of Economic Analysis
Agency: Department of Commerce
Bureau: Bureau of Economic Analysis
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	88%	100%	87%	

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 12%

Explanation: BEA's mission statement and four strategic objectives flow from the Department of Commerce strategic goals and provide a guide to ensure BEA's programs and products are relevant and meaningful. Of the seven BEA performance measures, three directly measure the long-term purpose of the agency. These three are the reliability of deliver of economic data, customer satisfaction, and percent of GDP estimates correct.

Evidence: BEA Strategic Plan for FY 2003 - FY 2007 and Department of Commerce FY 2004 Annual Performance Plan provide BEA's mission, goals and performance measures for the public to review.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 12%

Explanation: In addition to the targets defined in the DOC Annual Performance Plan for the three long-term measures defined above, the BEA Strategic Plan defines over 200 milestones per year through FY 2007 which provide details, by year, of how BEA plans to meet each of the three measures.

Evidence: BEA Strategic Plan for FY 2003 - FY 2007 and the Department of Commerce FY 2004 Annual Performance Plan provide BEA's performance measures and the detailed milestone matrix for the public to review.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 12%

Explanation: BEA has seven total performance measures that are updated and reviewed annually to provide accountability toward achieving goals. The first three measures mentioned above are designed to track the purpose of the organization over the long term. The remaining four measures are tied to budget initiatives to improve and enhance BEA programs.

Evidence: BEA Strategic Plan for FY 2003 - FY 2007 and the Department of Commerce FY 2004 Annual Performance Plan provide BEA's performance measures and the detailed milestone matrix for the public to review.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 12%

Explanation: BEA has set ambitious annual targets for its seven performance measures to show continual improvement in its programs and products.

Evidence: Performance measures are defined in the Department of Commerce FY 2004 Annual Performance Plan as well as in BEA's budget requests.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight: 12%

Explanation: BEA's Advisory Committee and data users are consulted on all goals and activities set out in the BEA Strategic Plan and strong agreement on the direction and work is achieved. BEA does not offer grants or use contractors to a significant extent for program activities. IT contractors have committed to the goals established for the IT work required at BEA.

Evidence: BEA's Strategic Plan includes extensive comment from both BEA staff and employees and from BEA's customers and data users.

Program Assessment Rating Tool (PART)

Program: Bureau of Economic Analysis
Agency: Department of Commerce
Bureau: Bureau of Economic Analysis
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	88%	100%	87%	

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: YES Question Weight: 12%

Explanation: Several evaluations have been completed on BEA's economic accounts. BEA has an independent advisory board of outside experts that meets twice a year to review programs and products. A customer satisfaction survey is conducted annually to gather user feedback.

Evidence: Mid-Decade Strategic Review of BEA's Economic Accounts Federal Reserve Board evaluations Information on the BEA Advisory Committee is available at www.bea.gov. The customer satisfaction survey is reported in annual performance reports.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: NO Question Weight: 12%

Explanation: BEA's budget requests are tied to BEA's performance measures however more cost formulation information would be useful for base programs. BEA has also developed a pilot cost efficiency measure.

Evidence: Annual budget requests

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 12%

Explanation: BEA reviews and updates its Strategic Plan annually. The review involves senior staff and all BEA employees as well as comments from the BEA Advisory Committee and BEA data users. The review begins near the end of the fiscal year to record performance on each milestone. Milestones for an additional year are added and other milestones updated. The Plan is finalized and made public in May of each year.

Evidence: The BEA Strategic Plan for FY 2003 - FY 2007

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 14%

Explanation: BEA collects and monitors performance data on the release and accuracy of its economic statistics, customer satisfaction, and progress meeting programmatic milestones that it uses to improve performance and management.

Evidence: Performance measures are defined in the Department of Commerce FY 2004 Annual Performance Plan as well as in BEA's budget requests

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight: 14%

Explanation: Annual performance plans for managers include goals and measures that are linked to BEA's strategic goals. All contracts are carefully monitored and contractors are held accountable for progress.

Evidence: Performance plans are part of each employee's annual review from entry-level to senior staff.

Program Assessment Rating Tool (PART)

Program: Bureau of Economic Analysis
Agency: Department of Commerce
Bureau: Bureau of Economic Analysis
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	88%	100%	87%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 14%

Explanation: BEA seeks to obligate needed funds in a timely and appropriate manner. Historically, BEA's budget carryover from year-to-year is less than one percent of all available funds. Actual obligations are consistent with the request.

Evidence: FY 2002 funds were approximately 89% obligated through August 2002.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 14%

Explanation: BEA has performance measures with timeliness targets and has improved the quality and timeliness of its products with relatively flat budgets. BEA has also developed a pilot cost efficiency measure to demonstrate cost effectiveness. BEA competitively sources Information Technology resources. BEA's IT program has a comprehensive IT investment review process which includes ranking all potential IT projects by their contribution to agency performance goals.

Evidence: Priorities and target milestones are specified in the BEA Strategic Plan for FY 2003 - FY 2007.

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 14%

Explanation: BEA works extensively with other federal statistical agencies, most regularly with the Bureau of the Census and the Bureau of Labor Statistics. BEA is a member of the Interagency Council on Statistical Policy, the Federal Economic Statistics Advisory Committee, and other joint organizations and meets regularly with staff from other statistical agencies.

Evidence: Information on the Interagency Council on Statistical Policy is available in "Statistical Programs of the United States Government: Fiscal Year 2004." Information on the Federal Economic Statistics Advisory Committee is available at www.bea.gov.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 14%

Explanation: BEA's financial management practices have resulted in a clean opinion on its financial audit for the last two years.

Evidence: Department of Commerce's financial audits reports.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: BEA contracts with OPM to annually conduct an organization assessment survey which is used to identify problems in agency management. BEA also contracted with the USDA Graduate School to conduct a leadership effectiveness inventory survey of all managers. Results are being used to strengthen manager training.

Evidence: OPM-conducted organizational assessment survey USDA leadership survey group results

Program Assessment Rating Tool (PART)

Program: Bureau of Economic Analysis
Agency: Department of Commerce
Bureau: Bureau of Economic Analysis
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	88%	100%	87%	

- 4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight: 20%
- Explanation: BEA met all of its seven performance measures in FY 2002 and FY 2003. As an alternative measure, the BEA Strategic Plan milestones serve as a guide to meeting the performance measure targets. In FY 2002, BEA completed approximately 87 percent of its milestones and met over 90 percent of its milestones in FY 2003, including all its major ones.
- Evidence: BEA Strategic Plan for FY 2003 - FY 2007 and DOC FY 2002 Performance and Accountability Report.
- 4.2 Does the program (including program partners) achieve its annual performance goals?** Answer: YES Question Weight: 20%
- Explanation: BEA has consistently met its performance goals on an annual basis from FY 1999 through FY 2003., with the exception of the customer satisfaction measure which was postponed in FY 2001.
- Evidence: BEA Strategic Plan for FY 2003 - FY 2007 and DOC FY 2002 Performance and Accountability Report.
- 4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight: 20%
- Explanation: BEA has consistently assembled and released its economic accounts, including GDP, and expanded electronic availability of data with base funding and continues to focus resources on core programs. Initiative funding has focused on timeliness and quality improvements to the economic accounts.
- Evidence: BEA Strategic Plan for FY 2003 - FY 2007 and DOC FY 2002 Performance and Accountability Report.
- 4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: YES Question Weight: 20%
- Explanation: BEA releases GDP first in comparison to other countries. BEA is also one of few international statistical agencies in compliance with the International Monetary Fund's Standard Data Dissemination Standards (SDDS) and the United Nation's Statistical Directorate Assessment Milestones.
- Evidence: DOC FY 2001 Annual Performance ReportIMF and UN report compliance status available at www.imf.org and www.un.org
- 4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: YES Question Weight: 20%
- Explanation: Independent evaluations have demonstrated effectiveness and have been used by BEA to improve economic accounts.
- Evidence: Independent evaluations of BEA programs have been conducted by the BEA Advisory Committee and the Federal Reserve Board.

PART Performance Measurements

Program: Bureau of Economic Analysis
Agency: Department of Commerce
Bureau: Bureau of Economic Analysis

Measure: Reliability of Delivery of Economic Data (Number of Scheduled Releases Issued on Time)

Additional Information: Measures reports on the ability of BEA to release its economic measures as previously scheduled, on the specific data and at a specific time

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	48 of 48	48 of 48	
2002	50 of 50	50 of 50	
2003	48 of 48	48 of 48	
2004	54 of 54		

Measure: Customer Satisfaction with Quality of Products and Services (Mean Rating on a 5-point Scale)

Additional Information: Based on a customer service, this measures reports on how well BEA provides it products to its users.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	>4.0	Survey postponed	
2002	>4.0	4.3	
2003	>4.0	4.4	
2004	>4.0		
2005	>4.0		

Measure: Percent of GDP Estimate Correct This measure tracks BEA's performance in estimating GDP levels and growth rates. It is a rolling average of six measures of accuracy over three years.

Additional Information: This measure tracks BEA's performance in estimating GDP levels and growth rates. It is a rolling average of six measures of accuracy over three years.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	>80%	91%	
2002	>82%	83%	

PART Performance Measurements

Program: Bureau of Economic Analysis

Agency: Department of Commerce

Bureau: Bureau of Economic Analysis

Measure: Percent of GDP Estimate Correct This measure tracks BEA's performance in estimating GDP levels and growth rates. It is a rolling average of six measures of accuracy over three years.

Additional Information: This measure tracks BEA's performance in estimating GDP levels and growth rates. It is a rolling average of six measures of accuracy over three years.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2003	>84%	88%	
2004	>84%		
2005	>85%		

Measure: Improving GDP and the Economic Accounts as defined by yearly milestones in BEA's strategic plan

Additional Information: This measure tracks BEA's performance at providing measures that are accurate and relevant.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2002	Milestones	Met	
2003	Milestones	Met	
2004	Milestones		
2005	Milestones		

Measure: Accelerating Economic Estimates as defined in yearly milestones in BEA's Strategic Plan

Additional Information: Measure tracks BEA's performance in achieving the accelerations of eight economic measures defined in FY 2003 and FY 2004 budget initiatives.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2003	Milestones	Met	
2004	Milestones		
2005	Milestones		

PART Performance Measurements

Program: Bureau of Economic Analysis

Agency: Department of Commerce

Bureau: Bureau of Economic Analysis

Measure: Meeting U.S. International Obligations as defined by yearly milestones in BEA's strategic plan

Additional Information: Measures BEA's performance in meeting the statistical targets agreed upon by the U.S. and foreign nationals or international organizations.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2003	Milestones	Met	
2004	Milestones		
2005	Milestones		

Measure: Upgrading Information Technology Systems as defined by yearly milestones in BEA's strategic plan

Additional Information: Measures BEA's performance to maintain and upgrade its statistical processing systems, information technology systems, and other technologies to allow BEA to continue to innovate, improve and disseminate its economic measures.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2002	Milestones	Met	
2003	Milestones	Met	
2004	Milestones		
2005	Milestones		

Program Assessment Rating Tool (PART)

Program: Coastal Zone Management Act Programs
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not
100%	25%	67%	20%	Demonstrated

1.1 Is the program purpose clear?

Answer: YES

Question Weight: 20%

Explanation: The Coastal Zone Management Act of 1972, as amended, (CZMA) creates Federal-State partnerships to support effective management, beneficial use, protection, and development of the coastal zone. Congressional policy for the program is established in section 303 of the CZMA. It also supports research and education in National Estuarine Research Reserve System (NERRS).

Evidence: The CZMA declares that it is the national policy "to preserve, protect, develop, and where possible, to restore or enhance, the resources of the Nation's coastal zone for this and succeeding generations" and "to encourage and assist the states to exercise effectively their responsibilities in the coastal zone through development and implementation of management programs...giving full consideration to ecological, cultural, historic and esthetic values as well as the need for compatible economic development." (CZMA Sec. 303)

1.2 Does the program address a specific and existing problem, interest or need?

Answer: YES

Question Weight: 20%

Explanation: The CZM program addresses competing demands for economic development and environmental protection through an integrated approach to protecting, restoring, and developing the natural, cultural, and economic resources of the coastal zone. Participating States must develop program plans that protect wetlands, ensure public access to the coast, minimize harm from coastal hazards, consider ocean planning, and support compatible economic development. NOAA must review, evaluate, and approve the management plan for each program using established criteria. The NERRS serves as a platform for conducting research, education, and monitoring in support of coastal management. Science-based education and training programs target resource managers and others to better inform coastal resource decision-making.

Evidence: Congressional findings for CZMA declare that "there is a national interest in the effective management, beneficial use, protection, and development of the coastal zone" and that "the increasing and competing demands upon the lands and waters of our coastal zone occasioned by population growth and economic development...have resulted in the loss of living marine resources, wildlife, nutrient-rich areas, permanent and adverse changes to ecological systems, decreasing open space for public use, and shoreline erosion." (CZMA Sec. 302)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?

Answer: YES

Question Weight: 20%

Explanation: The CZM program is the only program that addresses national coastal issues in a comprehensive, integrated way. The program recognizes both the State and local role in addressing coastal land use, development, and zoning, as well as the national interest in these issues. The Program offers incentives and funding for coastal States to prepare and implement coastal management programs that are consistent with national objectives. Other Federal, State, local, or private efforts address specific issues, geographic areas, or programmatic authorities. The NERRS is the only Federal estuarine protected area program focused on research and education. However, there is overlap with other research and land protection programs.

Evidence: The 1999 study by Herschman et al ("US Coastal Zone Management Effectiveness Study", Coastal Management Journal, Vol. 27) notes that "Under the CZMA, all three levels of government, federal, state, and local, are given important roles to play and considerable flexibility in defining those roles." Other Federal, State, local or private efforts address specific issues, geographic areas, or programmatic authorities and many have direct links to implementation of the CZMA. The U.S. Ocean Commission website notes that "there are examples of management tools that have improved federal-state relations, such as the Coastal Zone Management Act. More attention needs to be given to examples of federal-state partnerships and collaborations that have worked and the reasons for success."

Program Assessment Rating Tool (PART)

Program: Coastal Zone Management Act Programs
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	67%	20%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: The program design is flexible enough to account for changing conditions or institutional arrangements in the States, while ensuring that the program goals are met. Federal funding is targeted to achieve programmatic goals, and is leveraged by State (and sometimes local) funding. NOAA reviews and approves each State's annual coastal management or research reserve work plan and any requests to re-allocate funds within tasks under the cooperative agreement. NOAA conducts programmatic reviews under section 312 and can withdraw or withhold support if a state demonstrates that it is unable or unwilling to address program deficiencies.

Evidence: Requirements for each State's management plan as well as grant matching requirements are outlined in section 306 of the CZMA. Section 315 sets criteria and guidelines for the establishment and operation of the NERRS. Review of State performance in implementing coastal management plans is proscribed in section 312 (Review of Performance). Further detail about the structure and implementation of these programs are outlined in the implementing regulations at 15 CFR chapter 9.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: CZM funding is formula based, but provides incentives for development of appropriate State and local coastal management capacities. The CZM program provides funding to the lead agency of each State or territorial CZM program, which is matched by State or local funding, generally on a 1:1 basis. Funding for NERRS is matched 70:30 (Federal:State) for operations, research, monitoring and education, and 1:1 for construction and acquisition. Funds are targeted at efforts at the state or local level that achieve the program's purpose, at times leveraging additional State or local funding.

Evidence: CZMA sections 306, 309, 312, and 15 CFR part 923 outline how funding is targeted to coastal State programs. Details of funding mechanisms for the NERRS are describe in section 315 of the CZMA and 15 CFR part 921.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: NO Question Weight: 12%

Explanation: NOAA is currently developing more specific, outcome-oriented performance measures for the CZM and NERRS programs. These measures are intended to demonstrate progress in achieving the overall goals of the Act and reflect the national program results, while still providing the flexibility needed to recognize differences among States. Congress has also expressed concern in this area and directed NOAA "to begin designing and implementing performance measures to validate the continuation of the Coastal Zone Management program."

Evidence: Progress in developing measures is addressed in FY 2002 and FY 2003 quarterly reports to Congress on development of a National Performance Measurement System for the CZMA.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight: 12%

Explanation: As discussed above, NOAA is currently working to develop more outcome-oriented performance measures. As these measures are established, targets and timeframes will also be developed.

Evidence: Progress in developing measures is addressed in FY 2002 and FY 2003 quarterly reports to Congress on development of a National Performance Measurement System for the CZMA.

Program Assessment Rating Tool (PART)

Program: Coastal Zone Management Act Programs
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not
100%	25%	67%	20%	Demonstrated

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: NO Question Weight: 12%

Explanation: Once NOAA establishes more out-come oriented, long-term targets, it can determine the appropriate annual measures to demonstrate progress. Current measures are process-oriented and do not adequately demonstrate progress in achieving program goals.

Evidence: Progress in developing measures is addressed in FY 2002 and FY 2003 quarterly reports to Congress on the development of a National Performance Measurement System for the CZMA.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight: 12%

Explanation: As discussed above, NOAA is currently working to develop more outcome-oriented performance measures along with annual measures to demonstrate progress toward program goals. As these measures are established, appropriate baselines and targets will be set.

Evidence: Progress in developing measures is addressed in FY 2002 and FY 2003 quarterly reports to Congress on development of a National Performance Measurement System for the CZMA.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: NO Question Weight: 12%

Explanation: These programs do not have adequate performance goals and therefore cannot receive a yes for this question. However, recipients of CZMA funds are bound by Federal financial assistance award reporting requirements. Awards and projects must reflect the Federally approved State coastal management programs which meet the national objectives of the CZMA. In 2002, NOAA and State CZM partners developed a joint Federal/State strategic plan for the Coastal Zone Management Program, and NOAA and NERRS partners developed a NERRS Strategic Plan and three-year action plan.

Evidence: Annual Federal financial assistance awards, semi-annual performance, and financial reports submitted by each State to the National Ocean Service's (NOS) Office of Ocean and Coastal Resource Management (OCRM); joint Federal/State strategic plan for the Coastal Zone Management Program and NERRS Strategic Plan.

Program Assessment Rating Tool (PART)

Program: Coastal Zone Management Act Programs
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	67%	20%	

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: YES Question Weight: 12%

Explanation: Independent staff conduct programmatic evaluations on a 3 year cycle to determine the achievement of each State coastal program and National Estuarine Research Reserve in addressing national goals, implementing their approved program, and adhering to the terms of Federal financial assistance awards. Interim reviews may be conducted on an as-needed basis. Other independent evaluations have assessed the effectiveness of the CZMA, particularly with regard to state implementation and on-the-ground results, (Herschman, et al. 1999, and Brower, et al. 1991), as well as NOAA's implementation of these programs at the national level (Department of Commerce Office of Inspector General, 1997). These reports have found these programs to be effective and have also made suggestions for improvement, such as the need to better quantify performance results at the national level.

Evidence: The scope and criteria for programmatic evaluations of the CZM and NERR programs are described at CZMA sections 312 (Review of Performance), 303 (policies) and 315 (NERRS), but primarily in implementing regulations at 15 CFR 923.133 and 15 CFR 921.40. The 2001 Report to Congress entitled An Assessment of the National Impacts of the Coastal Zone Management Program (NOAA). A 1999 study entitled US Coastal Zone Management Effectiveness Study, (Herschman, et al., Coastal Management Journal, Vol. 27). A 1991 study entitled Evaluation of the National Coastal Zone Management Program (Brower, et al, University of North Carolina).

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: NO Question Weight: 12%

Explanation: Given the current lack of meaningful annual and long-term performance goals, there is no evidence that budget requests are linked to performance.

Evidence:

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 12%

Explanation: The CZM and NERR programs are working with State coastal programs to identify a core group of indicators that can be measured and reported through a national performance measurement system. A joint Federal/State performance indicators working group is building on the foundation provided by the Heinz Center report as it identifies a set of potential national indicators for each CZMA goal area. NOAA is also considering how the section 312 program evaluation process may be revised to incorporate this measurement system. A joint Federal/State workgroup is also developing performance measures for the NERRS, consistent with the 2002 NERRS Strategic Plan.

Evidence: Quarterly reports to Congress on progress in developing a performance measurement system for the CZM program; The Heinz Center Report: CZMA: Developing a Framework for Identifying Performance Indicators (2003); Draft Joint Federal/State Strategic Plan for the Coastal Zone Management program; NERRS Strategic Plan.

Program Assessment Rating Tool (PART)

Program: Coastal Zone Management Act Programs
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	67%	20%	

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 11%

Explanation: States and territories provide performance reports on a semi-annual basis that NOS/OCRM uses to review progress of CZM and NERR programs. Periodic programmatic evaluations are also conducted (see 2.6), which make use of the information provided in State performance reports. NOAA is currently developing a performance measurement system that will track and report information from State partners on their progress in meeting specific national goals of the CZMA.

Evidence: Annual Federal financial assistance awards, semi-annual performance and financial reports submitted to NOS/OCRM by each State. Evaluation findings under Section 312 of the CZMA. As a result of program evaluations conducted under section 312, States have restructured coastal zone programs and NERRs to more effectively carry out national program objectives. For example, States have transferred or elevated program functions, redirected resources, and developed new partnerships to better manage coastal resources.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight: 11%

Explanation: Financial assistance awards and sub-awards include terms and conditions for accountability. Grantees must provide semi-annual performance reports showing they met the terms and conditions of the grant. Awards and OMB circulars include provisions for non-performance. Programmatic evaluations take place on a 3-year cycle to determine the achievement of each State coastal program and NERR in implementing their approved program and adhering to the terms of Federal financial assistance awards and provide sanctions for non-performance among State CZM or NERR programs.

Evidence: NOAA Financial Assistance Awards - Standard Terms and Conditions; Evaluation findings under Section 312 of the CZMA. Results of program evaluations conducted under section 312 can include recommendations at the "program suggestion" level, or if the problem to be addressed is more serious, at the "necessary action" level. States that do not take steps to address "necessary actions" can be found to be "not adhering" and subject to having funds withheld. As a result of these evaluations, States have restructured coastal zone programs and NERRs to more effectively carry out national program objectives. For example, States have transferred or elevated program functions, redirected resources, and developed new partnerships to better manage coastal resources.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: NO Question Weight: 11%

Explanation: NOAA in general has been criticized for not processing grants in a timely manner. This fact was noted by NOAA's own Program Review Team. External factors that affect the date funds are awarded or obligated include the timing of congressional appropriations and timeliness of States in submitting financial assistance applications. OCRM ensures that funds are spent for the intended purposes.

Evidence: Financial assistance documents; FY 2002 assessment of OCRM's performance in reviewing financial assistance applications. NOAA's Program Review Recommendations, June 2002.

Program Assessment Rating Tool (PART)

Program: Coastal Zone Management Act Programs
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	67%	20%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: NO Question Weight: 11%

Explanation: There are no efficiency measures or targets established for this program. In developing performance indicators, the program could establish processes for tracking this information.

Evidence:

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 11%

Explanation: NOAA and the States work together with other Federal and local entities to implement coastal policies through a variety of formal and informal forums including: the Coastal States Coordination Committee; regional workshops; annual CZM and NERRS program manager meetings; joint program managers meetings that include program managers from Sea Grant Colleges and National Estuary Programs; and various ad hoc collaboration efforts to address issues as they come up. Through these meetings and workshops NOAA staff, State CZM and NERRS staff, and staff from other Federal, State, and local partners collaborate on programmatic or regional issues, share information, and receive training on new techniques or tools available for managing the coasts. In addition, the NERRS and National Estuary Programs have provided Federal level coordination for several joint, locally based activities.

Evidence: The Coastal States Coordination Committee is comprised of State and Federal representatives from NOAA's CZM program, NERRS, Sea Grant program, and EPA's National Estuary Program and water quality programs. The Coordination committee generally meets 2 to 3 times each year. One regional workshop conducted by NOAA focused on training State and Federal agencies on the implementation of the CZMA's provision that Federal actions be consistent with State coastal policies. These workshops result in substantially improved coordination, consultation and cooperation, fewer disagreements between state and Federal agencies, and an effective process for resolving conflicts. Another workshop sponsored by NOAA in Glen Cove, NY, brought together Federal, State, and local agencies to support implementation of a community-based waterfront revitalization and brownfields redevelopment initiative. To date, Glen Cove has leveraged over \$40 million in public and private investment to support the clean up and redevelopment of 214 acres on Long Island Sound. The project won a Coastal America 2003 Partnership Award.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 11%

Explanation: States have accounting systems that fall under self audit provisions of OMB. NOAA conducts an annual financial and performance audits, as well as an annual report and audit on loan repayment balances within the CZM Fund.

Evidence: NOAA Financial Assistance Awards - Standard Terms and Conditions

Program Assessment Rating Tool (PART)

Program: Coastal Zone Management Act Programs
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	67%	20%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 11%

Explanation: Work is underway to identify appropriate and meaningful indicators for the program. A 1997 Inspector General's program evaluation made management recommendations to NOAA for improving the effectiveness of the CZM and NERRS programs, particularly with regard to coordinating technical information and research with NOAA toward the needs of State coastal management efforts. NOAA took action to address the report's recommendations. A 2002 NOAA Program Review made recommendations to improve grants management within the agency. NOAA has taken steps to address these recommendations.

Evidence: Quarterly reports to Congress on NOAA's progress toward developing a performance management system for the Coastal Zone Management Act; 1997 Department of Commerce Inspector General program evaluation report on NOAA's implementation of the CZM and NERRS programs. NOAA Program Review Recommendations, 2002; FY 2002 assessment of OCRM's performance in reviewing financial assistance applications. Steps taken to address the Program Review Recommendations include additional training and reporting on grant processing timeframes.

3.BF1 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight: 11%

Explanation: NOAA employs program specialists to oversee State programs, negotiate tasks to be performed under cooperative agreements, and to monitor State progress in achieving those tasks. States keep NOS/OCRM informed of their activities with CZMA funds through periodic reports and semi-annual performance reports required by the terms of the grant. Program specialists work with their State CZM and Reserve programs on a regular basis. As part of periodic evaluations of State programs and National Estuarine Research Reserves, NOAA performs site visits to each coastal State or NERR and meets with agency staff, other agencies, the public and interested parties.

Evidence: State performance reports and work-products; regional meetings/workshops; program evaluation site visits and finding documents.

3.BF2 Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner? Answer: NO Question Weight: 11%

Explanation: NOAA collects performance information and work-products through semi-annual reports that state grantees prepare and submit to NOAA. These documents are available for public review upon request. However, there is little useful performance information that is readily available to the public.

Evidence: State performance reports and work-products; final program evaluation documents.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: NO Question Weight: 20%

Explanation: As noted earlier, to date, long-term performance goals have been largely process-oriented. Program outcomes exist primarily as anecdotal information. Long-term outcome goals are currently being developed and will be reported as part of a national performance measurement system.

Evidence: Annual agency budget, performance plan and audit documents provide information on progress in meeting current, process-oriented long-term performance goals. Progress in developing a more out-come oriented National Performance Measurement Systems for the CZMA is addressed in FY 2002 and FY 2003 quarterly reports to Congress.

Program Assessment Rating Tool (PART)

Program: Coastal Zone Management Act Programs
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	67%	20%	

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: NO Question Weight: 20%

Explanation: Current annual goals are process-oriented and do not adequately demonstrate progress in achieving program goals.

Evidence: Annual agency budget, performance plan, and audit documents provide information on progress in meeting current, process-oriented annual performance goals. Progress in developing a more out-come oriented National Performance Measurement Systems for the CZMA is addressed in FY 2002 and FY 2003 quarterly reports to Congress.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: NO Question Weight: 20%

Explanation: At the national level, funding to administer the program has not kept pace with inflationary costs, the addition of new State programs, and increases in administrative costs. This has required the program office to perform more work with fewer resources. However, without outcome measures, there is no evidence to demonstrate that the program has been able to maintain or increase progress in meeting performance goals at flat funding levels.

Evidence:

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NO Question Weight: 20%

Explanation: The Federal/State partnership of the CZM program is a unique approach to coastal management and research. However, to the extent that other programs do exist that pursue management and research goals in coastal and estuarine areas, potential comparisons may be informative. Due to the lack of performance information there is no evidence that the CZMA programs compare favorably to other programs with similar purposes and goals.

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: YES Question Weight: 20%

Explanation: A 1999 study on the Effectiveness of Coastal Zone Management in the United States, led by Marc Herschman, concluded that "state CZM programs are effectively implementing the five CZMA objectives examined". The study was based on an assessment of policies, processes and tools used, as well as limited outcome data and case examples where available. A 1991 study evaluating the CZM program concluded "that the states which have chosen to participate in the program have seen vast improvement in many aspects of management of their coastlines, in both economic and non-economic terms" and that these benefits "have a direct relationship with federal CZMA expenditures".

Evidence: "The US Coastal Management Effectiveness Study" Herschman, et al., Coastal Management Journal, Volume 27, Numbers 2-3, April-September 1999; "Evaluation of the National Coastal Zone Management Program", UNC-Center for Urban and Regional Studies, February 1991.

PART Performance Measurements

Program: Coastal Zone Management Act Programs
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration

Measure: Percent of Coastal Zone Management Program system completed (% of 35 coastal States and territories)
Additional Information: Tracks State progress in developing programs to support effective management, beneficial use, protection and development of the coastal zone.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2000	94	94	
2001	94	94	
2002	97	97	
2003	97	97	
2004	97		

Measure: Percent of State coastal nonpoint pollution control programs approved with conditions (% of 35 coastal States and territories)
Additional Information: Tracks State progress in developing programs to control various sources of polluted runoff by implementing on-the-ground management measures.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2000	86	83	
2001	89	89	
2002	89	89	
2003	94	94	
2004	94		

Measure: Percent of State coastal nonpoint pollution control programs fully approved (% of 35 coastal States and territories)
Additional Information: Tracks State progress in developing programs to control various sources of polluted runoff by implementing on-the-ground management measures in six categories.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2000		9	

PART Performance Measurements

Program: Coastal Zone Management Act Programs
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration

Measure: Percent of State coastal nonpoint pollution control programs fully approved (% of 35 coastal States and territories)
Additional Information: Tracks State progress in developing programs to control various sources of polluted runoff by implementing on-the-ground management measures in six categories.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001		17	
2002		29	
2003	54	46	
2004	62		

Measure: Percent of National Estuarine Research Reserve System (NERRS) completed (out of 36 reserves)
Additional Information: Tracks State progress in developing programs to provide a platform for long-term research, education, and stewardship and complete a system that is representative of the diverse estuarine systems found throughout the United States.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2000	69	69	
2001	69	69	
2002	72	69	
2003	72	72	
2004	72		

Measure: Percentage of significantly upgraded management capabilities and information delivery systems at NERRS (% of 216 total capabilities upgraded -- tracks 8 capabilities at 27 reserves)
Additional Information: Tracks the cumulative progress made across the 27 designated (or soon to be designated) reserves toward building capability to monitor water, weather, and ecological conditions at each reserve and to deliver the scientific information needed by coastal resource managers.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2000	31	31	
2001	44	44	

PART Performance Measurements

Program: Coastal Zone Management Act Programs

Agency: Department of Commerce

Bureau: National Oceanic and Atmospheric Administration

Measure: Percentage of significantly upgraded management capabilities and information delivery systems at NERRS (% of 216 total capabilities upgraded -- tracks 8 capabilities at 27 reserves)

Additional Information: Tracks the cumulative progress made across the 27 designated (or soon to be designated) reserves toward building capability to monitor water, weather, and ecological conditions at each reserve and to deliver the scientific information needed by coastal resource managers.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2002	47	44	
2003	54	54	
2004	58		

Program Assessment Rating Tool (PART)

Program: Commerce Small Business Innovation Research (SBIR) Program
Agency: Department of Commerce
Bureau: NIST/NOAA
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not
40%	13%	90%	0%	Demonstrated

1.1 Is the program purpose clear?

Answer: YES

Question Weight: 20%

Explanation: The SBIR Program is legislatively mandated. The overall purpose of the SBIR is to strengthen the role of innovative small businesses in Federally-funded research by stimulating and fostering scientific and technological innovation, increasing the commercialization of Federal R&D, and encouraging participation by minority and disadvantaged persons.

Evidence: In 1982, Public Law 97-219 established a five-year, government-wide, Small Business Innovation Research Program. This Program has been extended 3 times (through September 30, 2008) by Public Law 99-443, Public Law 102-564, and most recently, by Public Law 106-554.

1.2 Does the program address a specific and existing problem, interest or need?

Answer: NO

Question Weight: 20%

Explanation: The SBIR program is based on two primary assumptions, that small businesses are excluded from the federal R&D procurement process and that there is an under-investment in scientific and technological innovation. Most of NIST's SBIR funding is set aside from the Advanced Technology Program (ATP), which also aims to foster technological innovation. Small businesses are already eligible to apply for ATP funding; in fact, 77% of ATP's FY02 awardees were small businesses. Within NOAA, small businesses are also eligible for R&D funding and contracts from existing programs. For example, commercial organizations are eligible for NOAA's Saltonstall-Kennedy grant program, which provides funding for research areas, such as aquaculture, that are also funded under the SBIR program. Given these existing opportunities, there is no evidence that a need exists at Commerce to address the problems on which the SBIR program is based.

Evidence: See www.atp.nist.gov for descriptions and statistics on NIST's Advanced Technology Program. See www.noaa.gov for descriptions and statistics on non-SBIR funding opportunities.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?

Answer: NO

Question Weight: 20%

Explanation: Per the legislation, any Federal agency with extramural R&D budgets of \$100 million or more must reserve 2.5% for SBIR. The law does not allow any flexibility for agencies to fulfill the purposes of the SBIR program through any other means. As explained above, the purposes of the SBIR program are already addressed through existing programs, so to further set aside funding for SBIR is redundant.

Evidence: See Public Law creating the SBIR.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: NO

Question Weight: 20%

Explanation: As mentioned above, the law does not provide flexibility for agencies to fulfill the purposes of the SBIR program through other programs. Such flexibility could allow agencies to more effectively meet their needs while still promoting involvement of small businesses. As a mandatory "tax" on R&D programs, the design also prevents agencies from making discretionary decisions on the appropriate level of funding. The SBIR program takes funding from other R&D efforts and restricts it in a manner that may not be the most effective or efficient means of meeting the agency's mission.

Evidence: See Public Law creating the SBIR.

Program Assessment Rating Tool (PART)

Program: Commerce Small Business Innovation Research (SBIR) Program
Agency: Department of Commerce
Bureau: NIST/NOAA
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
40%	13%	90%	0%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: All SBIR resources are used to fund R&D proposals from small businesses responding to an annual solicitation highlighting NIST-specific R&D needs. Each proposal is evaluated to ensure it meets a defined set of criteria.

Evidence: See NIST SBIR website: www.nist.gov/sbir and Public Laws creating the SBIR.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: NO Question Weight: 12%

Explanation: To date, Commerce has not developed long-term performance goals for its SBIR program. Commerce uses the SBIR program as a vehicle to receive R&D while supporting the overarching purpose of SBIR. The annual goal of the Commerce program is to ensure the alignment of each SBIR project with bureau missions while complying with SBA issued guidelines and regulations for SBIR programs.

Evidence: No goals or measures are identified in DOC's Annual Performance Plan or Strategic Plan.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight: 12%

Explanation: As discussed above, Commerce has not developed long-term performance goals for this program.

Evidence: No goals or measures are identified in DOC's Annual Performance Plan or Strategic Plan.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: NO Question Weight: 12%

Explanation: The Commerce SBIR program does not have a specific set of performance measures to assess overall progress in the program. However, each individual contract does have performance goals that must be met prior to award.

Evidence: No goals or measures are identified in DOC's Annual Performance Plan or Strategic Plan.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight: 12%

Explanation: As discussed above, Commerce does not have annual measures for this program.

Evidence: No goals or measures are identified in DOC's Annual Performance Plan or Strategic Plan.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: NO Question Weight: 12%

Explanation: As discussed above, Commerce has not developed long-term goals for this program. However, SBIR clients are required to agree and meet the terms and conditions of their contracts which include the delivery of progress reports and/or other technical deliverables (according to solicited stated R&D goals).

Evidence: Terms and conditions, including deliverables, are clearly stated in each SBIR contract.

Program Assessment Rating Tool (PART)

Program: Commerce Small Business Innovation Research (SBIR) Program
Agency: Department of Commerce
Bureau: NIST/NOAA
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
40%	13%	90%	0%	

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: YES Question Weight: 12%

Explanation: GAO conducts periodic reviews of the SBIR program. The Commerce IG also audited the program in 2000. In addition, the National Research Council is working on a multi-year, government-wide study to evaluate the effectiveness of the SBIR program.

Evidence: See 1987, 1989, 1995, 1998, 1999 GAO reports and 2000 DOC IG Audit.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: NO Question Weight: 12%

Explanation: In accordance with the legislation, the annual NIST SBIR budget is 2.5% of its extramural R&D budget; the SBIR program is not funded through specific budget requests and resources are not tied to results.

Evidence: See Public Law creating the SBIR.

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: NO Question Weight: 12%

Explanation: Commerce has not developed long-term goals or measures to evaluate program effectiveness. However, NIST has developed a strategic improvement plan for the SBIR program to improve processes and develop performance measures.

Evidence: No goals or measures are identified in DOC's Annual Performance Plan or Strategic Plan. NIST's Strategic Plan is available upon request.

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 10%

Explanation: Each SBIR awardee is required to submit regular deliverables. Once these deliverables are inspected by Commerce and technically accepted, payments are made on the contract. Because these projects are R&D in nature, the process measures are in the form of deliverables which allow Commerce to meet its mission related needs.

Evidence: Commerce maintains records of each accepted SBIR deliverable.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight: 10%

Explanation: SBIR awards are made through fixed-price contracts which provide a framework for accountable delivery of the proposed R&D. The terms and conditions of the contracts provide a schedule for the conduct of the R&D and interim progress reports and deliverables. Payments are not issued until Commerce receives and deems the deliverable technically acceptable.

Evidence: The SBIR Program awards contracts as its funding agreement and thus relevant FAR regulations are invoked and observed.

Program Assessment Rating Tool (PART)

Program: Commerce Small Business Innovation Research (SBIR) Program
Agency: Department of Commerce
Bureau: NIST/NOAA
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
40%	13%	90%	0%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 10%

Explanation: All funds allocated to the SBIR Program are obligated during the current year for the exclusive purpose of funding SBIR contracts. Any funds that remain in the allocation because of insufficiency to fund another complete project are carried over to the following fiscal year allocation.

Evidence: Annual reports prepared for SBA detailing budget expenditures.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: NO Question Weight: 10%

Explanation: There are no efficiency measures or other indicators available to determine efficiencies and cost effectiveness in the program.

Evidence:

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 10%

Explanation: The NOAA Program working with the SBA coordinates its program with all other Federal SBIR agencies. Federal program manager meetings, 3 National Conferences, and numerous program to program communications all aid coordination.

Evidence: SBA Annual Reports, National Conference Proceedings, NOAA annual award abstracts

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 10%

Explanation: The SBIR program adheres to established agency financial management practices and principles.

Evidence: See NIST and NOAA audited Annual Financial Statements.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 10%

Explanation: Both NIST and NOAA have taken steps to address management deficiencies. The DOC IG audit in 2000 identified suggested program improvements, all of which were adopted. Within NIST, the entire SBIR program is managed by a staff of 1 FTE. The size of the program allows for systematic program management evaluation during the SBIR administrator's annual performance review.

Evidence: 2000 DOC IG Audit; Annual performance reviews.

3.CO1 Are grants awarded based on a clear competitive process that includes a qualified assessment of merit? Answer: YES Question Weight: 10%

Explanation: Both NIST and NOAA publish an annual solicitation outlining R&D topic areas. In NIST, applicants submit proposals in the topic area and two experts familiar with the research topic evaluate and score each proposal according to a set of criteria outlined in the annual solicitation. Final selection is based on the technical scores, combined with a priority ranking provided by the laboratory sponsoring the research area. In NOAA, a selection committee evaluates the proposal according to the established criteria and makes the final selection.

Evidence: See the NIST SBIR website at www.nist.gov/sbir and the NOAA SBIR website at www.oar.noaa.gov/ORTA/SBIR for annual solicitations and criteria.

Program Assessment Rating Tool (PART)

Program: Commerce Small Business Innovation Research (SBIR) Program
Agency: Department of Commerce
Bureau: NIST/NOAA
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not
40%	13%	90%	0%	Demonstrated

- 3.CO2 Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 10%
- Explanation: In NIST, SBIR awards are made through fixed-price contracts which provide a framework for accountable delivery of the proposed R&D. The terms and conditions of the contracts provide a schedule for the conduct of the R&D and interim progress reports and deliverables. Payments are not issued until NIST receives and deems the deliverable technically acceptable. NOAA assigns a technical expert to monitor each contract to ensure adequate progress is being made and that the conditions of the contract are being met.
- Evidence: Specific terms and conditions are included with each contract issued.
- 3.CO3 Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 10%
- Explanation: NIST and NOAA publish abstracts of proposed SBIR R&D along with the client company names and addresses on their websites and in the annual report to SBA.
- Evidence: SBA Annual Reports; Awards section of the NIST SBIR website at www.nist.gov/sbir; NOAA Abstracts of Annual Award Winners at www.oar.noaa.gov/ORTA/SBIR.
- 4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: NO Question Weight: 20%
- Explanation: As discussed in section 2, Commerce has not developed long-term performance goals for its SBIR program.
- Evidence: No goals or measures are identified in DOC's Annual Performance Plan or Strategic Plan.
- 4.2 Does the program (including program partners) achieve its annual performance goals?** Answer: NO Question Weight: 20%
- Explanation: As discussed in section 2, Commerce has not developed annual performance measures to assess the overall SBIR program.
- Evidence: No goals or measures are identified in DOC's Annual Performance Plan or Strategic Plan.
- 4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: NO Question Weight: 20%
- Explanation: There are no efficiency measures or other indicators available to determine efficiencies and cost effectiveness in the program.
- Evidence:

Program Assessment Rating Tool (PART)

Program: Commerce Small Business Innovation Research (SBIR) Program
Agency: Department of Commerce
Bureau: NIST/NOAA
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
40%	13%	90%	0%	

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NO Question Weight: 20%

Explanation: There is no performance data available to compare Commerce's SBIR program with other agency SBIR programs. GAO and NRC reviews have not made qualitative comparisons of Commerce's program with other agency programs. Some overall reviews of SBIR have compared it to other Federal technology R&D programs, but results have varied.

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: NO Question Weight: 20%

Explanation: GAO conducts periodic reviews of the entire SBIR program. However, these reports have not adequately evaluated the effectiveness and results of the program, nor have they evaluated the effectiveness of the program's overall design. The National Research Council is currently working on a multi-year, government-wide study to evaluate the effectiveness of the SBIR program.

Evidence: See GAO reports on the SBIR program. The NRC report is due to Congress in FY05.

PART Performance Measurements

Program: Commerce Small Business Innovation Research (SBIR) Program

Agency: Department of Commerce

Bureau: NIST/NOAA

Measure:

**Additional
Information:**

Year

Target

Actual

Measure Term:

Program Assessment Rating Tool (PART)

Program: Current Demographic Statistics
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	100%	86%	74%	Effective

- 1.1 Is the program purpose clear?** Answer: YES Question Weight: 20%
Explanation: The Census Bureau's Current Demographic Statistics program is responsible for developing plans and programs to collect, process, and disseminate information from surveys on the population and its characteristics, and on the size and characteristics of the housing inventory. The Current Demographic Statistics Program includes the Current Population Survey (CPS) and the Survey of Income and Program Participation (SIPP).
Evidence: Census Bureau's mission statement.
- 1.2 Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight: 20%
Explanation: Data from these programs address the need to create the United States official measures of employment, unemployment, income, poverty, and health insurance coverage not available from the private sector on a continuous basis. Further, the necessity of protecting the confidentiality of respondents data and ensuring the impartiality of resulting statistics are addressed by having the Federal government produce these demographic statistics.
Evidence: Titles 13 and 29 of the U.S. Code places confidentiality requirements of the data collected and used by the Census Bureau.
- 1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight: 20%
Explanation: The Census Bureau's high survey response rates, extensive data collection infrastructure, and confidentiality protections result in survey data that are of high quality and analytic integrity. These data make a unique contribution to providing official baseline estimates of various social, demographic, and economic phenomena and trends.
Evidence: The Census Bureau supplies data that are used for several unique purposes including: as a basis for the Bureau of Labor Statistics monthly unemployment rate, by Congress and the Department of Education to determine where the funds for Head Start programs could be most helpful, and in the State Children's Health Insurance Program (SCHIP) to allocate billions of dollars of Federal funds to States.
- 1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%
Explanation: The Census Bureau provides the source data for many official statistics and time series that are routinely input to other agencies social and economic indicators. The Census Bureau has a well-developed data collection infrastructure and trained field staff, high household response rates, and a complete sampling frame from the decennial census.
Evidence: Titles 13 and 29 of the U.S. Code Reliability requirements of surveys
- 1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%
Explanation: The current demographic surveys program has survey reliability requirements to ensure demographic data are adequate to allocate federal funds to the states.
Evidence: Reliability requirements of surveys Title 29 mandates use of CPS data on conditions of the labor force to generate national and state unemployment rates which are used in unemployment fund allocation formulas.

Program Assessment Rating Tool (PART)

Program: Current Demographic Statistics
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	100%	86%	74%	Effective

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 12%

Explanation: The long term performance goal is to meet the needs of policy makers, businesses and non-profit organizations, and the public for current measures of the U.S. population, economy, and governments by producing accurate, timely, relevant, cost-effective, and accessible statistics. The long term performance measures include household response rates for the CPS and SIPP, coefficient of variation for the CPS, CPS and SIPP interviews, data release schedules, and survey costs per case.

Evidence: FY 2002 DOC Annual Performance Report. Census Bureau's Strategic Plan for 2004-2008 (draft).

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 12%

Explanation: The long term targets are the following: Level of response/costs - CPS: The CPS has the short and long-term target to maintain a level of response of 54,000 interviewed households out of 60,000 eligible households per month (equivalent to a 90% response rate) while maintaining costs at current levels adjusted for inflation. Level of response - SIPP: The SIPP has the long-term target of reducing attrition in 2001 and future surveys by using incentive payments, better interviewer training and a streamlined instrument. Data products - CPS: The CPS has the long-term target to release 12 data products from the monthly CPS and 6 from the annual supplement each year on or ahead of schedule. Data products - SIPP: The SIPP has a short and long-term target of one year from end of interviewing release date for products from the 2001 Panel. However, Census long term goal should include an ambitious data release schedule for core wave files, topical module files, and the longitudinal files.

Evidence: FY 2004 Annual Performance Plan

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 12%

Explanation: The annual performance measures include household response rates for the CPS and SIPP, coefficient of variation for the CPS, CPS and SIPP interviews, data release schedules, and survey costs per case.

Evidence: FY 2004 Annual Performance Plan

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 12%

Explanation: In general, annual performance targets are ambitious and consistent with the long term targets. Census annual goals for SIPP data products should be consistent with an ambitious long-term data release schedule for core wave files, topical module files, and the longitudinal files.

Evidence: FY 2004 Annual Performance Plan

Program Assessment Rating Tool (PART)

Program: Current Demographic Statistics
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	100%	86%	74%	

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight: 12%

Explanation: The current demographic statistics program regularly consults with external and internal partners to ensure commitment to program goals. For example, partners are consulted on the research agenda including analysis of interviewing methods, response bias, quality control procedures, questionnaire design, and documentation. The current surveys program also incorporates milestone schedules and reporting requirements into contracts with its IT partners.

Evidence: Periodic interagency meetings: SIPP Interagency Committee, Quarterly Sponsors meeting, SIPP Executive Committee, meetings with senior managers of the CPS with managers at BLS to discuss the survey and resolve any outstanding issues Reimbursable Agreement with BLS IT contracts

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: YES Question Weight: 12%

Explanation: The SIPP is evaluated by several external groups including the SIPP Interagency Committee, SIPP Executive Committee, and the ASA External Advisory Group. The Bureau of Labor Statistics contributes to external evaluations of the CPS. The Census Bureau regularly generates quality profiles and cost and management reports for Bureau-sponsored demographic surveys. These profiles and reports provide statistical measures of reliability and note compliance with or accomplishment of project tasks.

Evidence: Reports of SIPP Interagency Committee, SIPP Executive Committee Source and Accuracy Statements Quality Profile Standards

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: YES Question Weight: 12%

Explanation: The Census Bureau budget requests tie resource requests to the accomplishment of performance goals for new initiatives and incorporate unit costs for base and new activities. However, improvements can be made in tying base activities to annual and long term performance goals.

Evidence: FY 2004 Budget Request

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 12%

Explanation: In general, the current demographic statistics program has adequate strategic planning. Improvements can be made in the Census Bureau's Strategic Plan to articulate specific, annual milestones associated with program goals.

Evidence: Census Bureau's Strategic Plan for 2004 - 2008 2004 Methods Panel, Continuous Instrument Improvement Group, SIPP Executive Committee

Program Assessment Rating Tool (PART)

Program: Current Demographic Statistics
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	100%	86%	74%	Effective

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 14%

Explanation: The Census Bureau collects, calculates, and assesses performance measure data on reliability, interview rates, and cost as the surveys are tabulated. These data are used to ensure reliability requirements are achieved.

Evidence: Monthly Cost and Performance Reports. Annual Status Reports. Cost and Response Management Reports provide daily cost and progress data for field infrastructure.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: NO Question Weight: 14%

Explanation: Annual performance plans for managers include goals and measures that are linked to Census Bureau's strategic goals. However, due to concerns about delays in the release of SIPP data, census is encouraged to develop performance plans that contain ambitious targets for SIPP data release schedules. Contracts are carefully monitored and contractors are held accountable for progress.

Evidence: Performance plans are part of each employee's annual review from entry-level to senior staff.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 14%

Explanation: All funds are obligated in a timely and appropriate manner.

Evidence: FY 2003 funds were approximately 37% obligated through February 2003.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 14%

Explanation: Census obtains daily cost and progress on field data collection with a Cost and Response Management Network. Census has used these data to measure and improve efficiency. For example, Census used it to identify the sources of field cost increases between FY 2001 and FY 2002. The detailed reports allowed managers to determine what activities were associated with these increases and devise steps to contain or reduce those costs. As a result, the FY 2003 field survey costs per case are lower than they were in FY 2002 for both CPS and SIPP.

Evidence: DOC FY2004 Annual Performance Plan. The Survey of Income and Program Participation uses \$40 debit cards as incentives to gain respondent participation resulting in fewer followup contacts to obtain interviews. Cost and Response Management Network (CARMN) provides daily cost and progress data on our field infrastructure.

Program Assessment Rating Tool (PART)

Program: Current Demographic Statistics
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	100%	86%	74%	Effective

- 3.5 Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight: 14%
- Explanation: The Current Demographic Statistics is involved in numerous cross-cutting programs and activities; in particular, with the Department of Health and Human Services, Bureau of Labor Statistics, Bureau of Economic Analysis, other federal customers, and the Interagency Council on Statistical Policy.
- Evidence: The Census Bureau is a member of the Interagency Council for Statistical Policy (ICPS) which works to identify areas for collaboration and efficiencies among the 15 Federal statistical agencies. The Census Bureau also routinely meets and works with other agencies, such as the Office of Management and Budget's SIPP Interagency Advisory Committee, to enhance coordination for the development of quality statistics.
- 3.6 Does the program use strong financial management practices?** Answer: YES Question Weight: 14%
- Explanation: The Census Bureau's financial management practices have resulted in a clean opinion on its financial audit since FY 1999.
- Evidence: DOC Financial Audits Reports
- 3.7 Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 14%
- Explanation: In general, the current demographic program has adequate program management. The Census Bureau has developed areas of competency that managers must meet in their jobs and several programs have been developed to meet training needs in competency areas.
- Evidence: Project Management Master Certificate Program
- 4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight: 20%
- Explanation: In general, the current demographic statistics program has made progress in achieving its long-term goals for the CPS and the SIPP. Two areas of concern remain, that of SIPP attrition due to the longitudinal nature of the survey and delays in the release of SIPP data especially from the longitudinal file.
- Evidence: FY 2004 DOC Annual Performance Report
- 4.2 Does the program (including program partners) achieve its annual performance goals?** Answer: YES Question Weight: 20%
- Explanation: The current demographic statistics program has met its annual performance goals.
- Evidence: FY 2004 DOC Annual Performance Report
- 4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight: 20%
- Explanation: The current demographics program has cost efficiency measures of survey costs per case for the CPS and SIPP. The survey costs per case increased in both the SIPP and CPS in FY 2002. However, the program was able to identify areas for improvement and survey costs per case have declined in FY 2003 relative to the FY 2002 levels.
- Evidence: FY 2004 DOC Annual Performance Report

Program Assessment Rating Tool (PART)

Program: Current Demographic Statistics
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	100%	86%	74%	Effective

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: LARGE
EXTENT

Question Weight: 20%

Explanation: The quality of data as measured by such reliability standards as survey response rates, are higher than other surveys done in the private sector. However, concerns about SIPP attrition and data release schedules remain.

Evidence: The SIPP per unit costs are comparable to other longitudinal surveys.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: LARGE
EXTENT

Question Weight: 20%

Explanation: External and internal evaluations indicate that the surveys are largely effective. However, the ASA Advisory Committee and the Federal Interagency Committee for the SIPP have both expressed concerns about the attrition and delays in release of data. Census should pursue additional independent evaluations of the SIPP to demonstrate that results are being achieved.

Evidence: Reports of SIPP Interagency Committee, SIPP Executive Committee Source and Accuracy Statements are issued at the time of data release. Quality Profile Standards.

PART Performance Measurements

Program: Current Demographic Statistics
Agency: Department of Commerce
Bureau: Census

Measure: Coefficient of variation (CV)- CPS

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	1.9%	1.9%	
2002	1.9%	1.9%	
2003	1.9%		
2004	1.9%		
2005	1.9%		

Measure: CPS interviews per month

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	54,000	54,000	
2002	54,000	54,000	
2003	54,000	56,464	
2004	54,000		
2005	54,000		

Measure: SIPP Interviews per month

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	75% eligible cases	75% eligible cases	

PART Performance Measurements

Program: Current Demographic Statistics
Agency: Department of Commerce
Bureau: Census

Measure: SIPP Interviews per month

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2002	70% eligible cases	70% eligible cases	
2003	62% eligible cases		
2004	75% eligible cases		
2005	29,750		

Measure: Release CPS data (12 products monthly, 6 supplements)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	12/mo.; 6 supps	12/mo.; 6 supps	
2002	12/mo.; 6 supps	12/mo.; 6 supps	
2003	12/mo.; 6 supps	12/mo.; 7 supps	
2004	12/mo.; 6 supps		
2005	12/mo.; 6 supps		

Measure: Release SIPP data

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	1999 time achieved	1999 time achieved	
2002	1999 time achieved	1999 time achieved	
2003	2 data products		

PART Performance Measurements

Program: Current Demographic Statistics
Agency: Department of Commerce
Bureau: Census

Measure: Release SIPP data

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2004	7 data products		
2005	2 data products		

Measure: Maintain CPS's high level of response while maintaining current field survey costs per sample housing unit (adjusted for inflation)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001		\$46	
2002		\$47	
2003	\$49	\$45	
2004	\$52		
2005	\$55		

Measure: SIPP cost per sample housing unit

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual (Efficiency Measure)
2001		\$134	
2002		\$142	
2003	\$149	\$141	
2004	\$157		
2005	\$165		

PART Performance Measurements

Program: Current Demographic Statistics

Agency: Department of Commerce

Bureau: Census

Measure: Completion of SIPP performance milestones to maintain household response rates (reduce attrition) (1) Introduce incentives and other improvements for 2001 Panel; (2) Introduce CIIG and Methods Panel (MP) instrument design improvements for 2004 Panel

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual	(Efficiency Measure)
2001	1			
2002				
2003				
2004	2			
2005				

Program Assessment Rating Tool (PART)

Program: Decennial Census
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	100%	86%	59%	Effective

1.1 Is the program purpose clear?

Answer: YES

Question Weight: 20%

Explanation: The goal of the decennial census is to provide comprehensive and useful demographic information about all people living in the United States, including population information used to apportion the seats in the Congress and define the districts that each member will represent. The decennial census is constitutionally mandated and the legal source of data for Congressional apportionment. In addition, Federal law requires that Decennial Census data be used for congressional redistricting, and other Federal laws require Decennial Census data be used for program fund allocations by many agencies.

Evidence: Constitution of the United States (Article 1, Section 2);
 Code; Various Federal laws that mandate use of Decennial Census data for fund allocations. These needs also help determine the questions to be asked by the Decennial Census. Public Law 94-171; Title 13, U.S.

1.2 Does the program address a specific and existing problem, interest or need?

Answer: YES

Question Weight: 20%

Explanation: The decennial census provides the official count of the U.S. population used for apportionment and redistricting of congressional seats. Data from the Census are used, by law, in the administration of federal programs. The decennial census also provides comprehensive and unique demographic information about all people in the United States, Puerto Rico, and the Island Areas.

Evidence: Constitution of the United States (Article 1, Section 2);
 Code; Various Federal laws that mandate use of Decennial Census data for fund allocations. Public Law 94-171; Title 13, U.S.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?

Answer: YES

Question Weight: 20%

Explanation: The decennial program collects and disseminates data mandated by the U.S. Constitution and U.S. Code for use in apportionment and redistricting. Many laws dictate the use of Census data for the allocation of Federal funds. Further, the necessity of protecting the confidentiality of respondent's data and ensuring the impartiality of demographic data is addressed by having the Federal government produce these data.

Evidence: Constitution of the United States (Article 1, Section 2);
 Federal laws that mandate use of Decennial Census data for fund allocations Public Law 94-171; Title 13, U.S. Code; Various

Program Assessment Rating Tool (PART)

Program: Decennial Census
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	100%	86%	59%	Effective

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: For Census 2000, all operations were completed on time while achieving the lowest net coverage error rate compared to previous censuses. In order to improve the design for 2010 (by reducing risks, controlling costs, producing more timely data, and improving coverage), the Census Bureau is in the midst of a multi-year strategic effort to reengineer the 2010 Census program. That effort includes three components, the American Community Survey (ACS), the MAF/TIGER Enhancements Program (MTEP), and the short-form only 2010 Census. The design of the 2010 Census can be further improved by developing a detailed plan as to how the Bureau will achieve a complete and accurate MAF, develop and describe plans for partnerships with local governments for collecting address list and geographic information, and inform data users and stakeholders of the issues of working with moving average-based estimates from the ACS .

Evidence: FY2004-2008 Strategic Plan; FY2004 Congressional Budget request; FY2004 Annual Performance Plan; Potential Life Cycle Savings for the 2010 Census (June 2001); Estimated Life Cycle Costs for the Reengineered 2010 Census of Population and Housing (May 2003); Various GAO and OIG audit reports; Various reports from National Academy of Sciences panels on Census 2000 and 2010 Census.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: The decennial census is not a targeted activity. The census must enumerate everyone for purposes of apportionment and redistricting of congressional seats, administration of federal programs, and allocation of federal funds.

Evidence: Constitution of the United States (Article 1, Section 2); Public Law 94-171; Title 13, U.S. Code;

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 12%

Explanation: The reengineered 2010 Decennial Census program has the following long term strategic goal: Meet constitutional and legislative mandates by implementing a reengineered 2010 Census that is cost-effective, provides more timely data (through the ACS), improves coverage, and reduces operational risks. The performance measures include undercount and differential undercount of the population, household response rates, and yearly milestones to implement the ACS, modernize the MAF/TIGER address files and geographic databases, and test the short form design.

Evidence: FY2004-2008 Strategic Plan; Annual Performance Plans; Annual Budget requests

Program Assessment Rating Tool (PART)

Program: Decennial Census
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	100%	86%	59%	Effective

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 12%

Explanation: In general, the 2010 goals are ambitious: 1) Improve the relevance and timeliness of census long-form data compared to Census 2000 by implementing the ACS to produce long-form type data each year; 2) Reduce operational risk compared to Census 2000 by completing a dress rehearsal of 2010 Census methods and systems in FY 2008 and by completing the MAF/TIGER Enhancements program for all 3,232 counties by FY 2008; 3) Improve the accuracy of census coverage compared to Census 2000 by reducing the measured number of geographic coding errors by at least 50%, reducing the measured number of duplicates by at least 50%, and reducing the measured overall net coverage error at the national level to less than one-half of one percent; 4) Contain costs by conducting all three components of the reengineered census for an amount that is less than the cost of repeating the methodology used in the 2000 Census (estimated at \$12.2 billion in June 2003). However, Census should continue to examine all key cost factors to identify potential areas where costs can be reduced.

Evidence: Estimated Life Cycle Costs for the Reengineered 2010 Census of Population and Housing (May 2003); FY2004-2008 Strategic Plan; Annual Performance Plans; Annual Budget requests; Milestone Schedule for the Reengineered 2010 Census

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 12%

Explanation: The Annual Performance Plan and yearly Congressional Budget request include specific performance milestones for each fiscal year which are linked to the long-term performance goals. These annual measures are set and monitored each year for each of the component programs within the reengineering effort--the ACS, the MAF/TIGER Enhancement Program, and the short-form only Census. Census also has an efficiency measure for the ACS and MAF/TIGER enhancements project.

Evidence: FY2004 Annual Performance Plan; FY2004 Congressional Budget request; FY2004-2008 Strategic Plan

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 12%

Explanation: Census has yearly and quarterly performance milestones for accomplishment of the three components of the 2010 reengineering effort. These three components are linked to the strategic goal of implementing a 2010 Census that is more cost-effective, provides more timely data, improves coverage, and reduces operational risk. Census should continue to examine all key cost factors to identify potential areas where costs can be reduced.

Evidence: FY2004-2008 Strategic Plan; FY2004 Annual Performance Plan; 2010 Reengineered Census Milestone Schedule (draft June 2003)

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight: 12%

Explanation: Key program partners are the Congress, Federal agencies, State and local governments, Census Advisory Committees, data users, and other stakeholders concerned about the apportionment, redistricting, and Federal fund allocation purposes of the decennial census. The Census Bureau routinely consults program partners in developing the goals for the 2010 Census. Partners have shown support for the goals and the research, testing, and development efforts planned and completed to date. The Census Bureau also incorporates decennial program goals into contracts with its IT partners working on segments of the reengineering effort.

Evidence: Census advisory committees have expressed support for the goals of the 2010 Census, and continue to assess and advise Census on efforts to meet those goals. The various Federal agencies that will use the ACS and 2010 Census results also have endorsed the goals.

Program Assessment Rating Tool (PART)

Program: Decennial Census
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	100%	86%	59%	

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: YES Question Weight: 12%

Explanation: Several external evaluations were conducted on Census 2000 by the DOC Office of the Inspector General, the GAO, and the National Academy of Sciences, and these continue for the 2010 reengineering effort. Census also conducts regular internal evaluations of the decennial program. As these internal and external evaluations are completed, Census incorporates findings and recommendations into the reengineering plans for the 2010 Census.

Evidence: Inspector General audit reports; GAO Audit reports; National Academy of Sciences reports on Census 2000 and 2010 Census plans; Census 2000 Evaluation Program; Evaluation, research, and testing plans for ACS, MTEP, and 2010 Census;

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: YES Question Weight: 12%

Explanation: The Census Bureau budget requests tie resource requests to the accomplishment of performance goals for new initiatives and incorporate unit costs for base and new activities. However, improvements can be made in tying base activities to annual and long term performance goals. Specific improvements can also be made in the budget requests of the decennial program. The decennial program should improve its cost model and be able to more clearly show how annual activities affect the long term performance goals of the 2010 Census (improving accuracy and relevance, reducing risk, and containing cost).

Evidence: FY2004 Annual Performance Plan; Strategic Plan FY2004 President's Budget; FY2004-2008

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 12%

Explanation: In general, the decennial program has adequate strategic planning. The program uses several external and internal evaluations to guide planning efforts. Census also has a detailed milestone schedule for completion of the components of the reengineering effort.

Evidence: FY2004 Annual Performance Plan; Strategic Plan FY2004 President's Budget; FY2004-2008

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 14%

Explanation: Census regularly collects performance information for use in managing and improving performance. Throughout the period leading up to a census, progress completing quarterly and yearly milestones and information from stakeholders are collected and used to inform program management. Following completion of a decennial census, information on coverage accuracy, household response rates, and the costs of collecting, processing, and disseminating data are collected for use in evaluation.

Evidence: FY2004 Annual Performance Plan; Strategic Plan; Milestone Schedule for the Reengineered 2010 Census FY2004 President's Budget; FY2004-2008

Program Assessment Rating Tool (PART)

Program: Decennial Census
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	100%	86%	59%	Effective

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: NO Question Weight: 14%

Explanation: Annual performance plans for managers include goals and measures that are linked to the strategic goals of the decennial program. However, improvements can be made in holding managers accountable for the cost containment goal of the 2010 census. Contracts are designed, managed, and monitored to support specific projects relevant to performance goals. Contractors are held accountable for progress.

Evidence: FY 2004 Annual Performance Plan; Performance plans and evaluations that are a part of each program manager's annual review

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 14%

Explanation: The decennial program has obligation plans for the frameworks of the decennial that it uses to plan and monitor spending. During the 2000 Census, the bureau returned appropriated funds that it did not need to complete the Census. Additional unobligated balances resulting from the 2000 Census have also been used to offset new appropriations.

Evidence: Monthly and quarterly obligation reports; Clean Bureau audits since 1999

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 14%

Explanation: The reengineering effort includes cost savings initiatives such as, a short form only questionnaire and targeted second mailing to reduce the amount of paper and staff in local census offices and technology improvements to reduce the amount of time spent by enumerators in non-response follow up work. Census also has cost efficiency measures for the ACS and unit cost information for the counties realigned in MAF/TIGER Improvement initiative. Census also has competitively sourced a wide variety of contracts related to decennial activities to improve efficiencies.

Evidence: FY 2004 Congressional Budget Submission, FY 2004 Annual Performance Plan, 300 Capital Assessment Plans for ACS, MTEP, and 2010 Census.

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 14%

Explanation: The Bureau is involved in cross-cutting activities within the Department of Commerce and with other Federal Agencies in order to achieve the performance goals of the 2010 Census. Decennial programs work closely with these partners to ensure that Census data, and the strategic goals and efforts for the 2010 reengineering program, are meeting the needs of as broad a constituency as possible.

Evidence: FY2004-2008 Strategic Plan; Various inter-agency efforts concerning Federal agency data needs from the Census; MAF/TIGER Partnership Program with State, Local and Tribal governments;

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 14%

Explanation: The program's financial management is reflected in the Bureau's clean audits opinions since FY 1999.

Evidence: The Bureau's financial reports Clean Bureau Audits since 1999

Program Assessment Rating Tool (PART)

Program: Decennial Census
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	100%	86%	59%	

- 3.7 Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 14%
- Explanation: In general, the decennial program has adequate management. The program has developed management structures and processes for the 2010 Census to monitor progress, communicate effectively and coordinate planning to ensure performance goals are accomplished.
- Evidence: FY 2004 Congressional Budget Submission Plan and recommendations by DOC IG, GAO, NAS, and the Advisory Committees
 FY 2004 Annual Performance Reports
 2010 Decennial Census Risk Management Plan
- 4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight: 25%
- Explanation: Census has a detailed schedule of yearly milestones in place for the three components of the 2010 reengineering effort and largely remains on schedule in meeting these milestones.
- Evidence: FY 2003 and FY2004 Annual Performance Plans; FY 2004-2008 Strategic Plan; Milestone Schedule for Reengineered 2010 Census
- 4.2 Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight: 25%
- Explanation: Past annual performance is only available for FY 2002 for one performance measure "Percent of Census Test Objectives Achieved." The Census Bureau remains on target for all performance goals for FY 2003.
- Evidence: FY 2003 and FY2004 Annual Performance Plans; FY 2004-2008 Strategic Plan; Milestone Schedule for Reengineered 2010 Census
- 4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: SMALL EXTENT Question Weight: 25%
- Explanation: The life cycle costs of the census have significantly risen over time. These increases outpace the increase in number of households within the US. Despite a 100% increase in costs between the 1990 and 2000 Census, efficiencies likely occurred in the 2000 Census from the use of outside contractors and improved technology in data capture, processing, and dissemination. The reengineering plan should result in a more cost-effective 2010 Census.
- Evidence: FY2004-2008 Strategic Plan; FY2004 Annual Performance Plan
- 4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%
- Explanation: There are no similar programs that provide population data for apportionment and redistricting or program fund allocations by many agencies. Further, international counterparts do not face the same constitutional and political challenges, particularly with respect to coverage accuracy.
- Evidence: Constitution of the United States (Article 1, Section 2); Federal laws that mandate use of Decennial Census data for fund allocations.
 Public Law 94-171; Title 13, U.S. Code; Various

Program Assessment Rating Tool (PART)

Program: Decennial Census
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	100%	86%	59%	

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: LARGE EXTENT

Question Weight: 25%

Explanation: Evaluations indicate that Census 2000 was well executed in many respects, reduced the undercount as compared to the 1990 Census, and data were released on schedule.

Evidence: Inspector General Reports
 Audits
 reviews

National Academy of Sciences
 Census Bureau evaluation reports
 GAO

PART Performance Measurements

Program: Decennial Census
Agency: Department of Commerce
Bureau: Census

Measure: Meet constitutional and legislative mandates by implementing a re-engineered 2010 Census that is cost-effective, provides more timely data, improves coverage accuracy, and reduces operational risk.

Additional Information: *1) Improve the relevance and timeliness of census long-form data compared to Census 2000 by implementing the ACS to produce long-form type data each year; 2) Reduce operational risk compared to Census 2000 by completing a dress rehearsal of 2010 Census methods and systems in FY 2008 and by completing the MAF/TIGER Enhancements program for all 3,232 counties by FY 2008; 3) Improve the accuracy of census coverage compared to Census 2000 by reducing the measured number of geographic coding errors by at least 50%, reducing the measured number of duplicates by at least 50%, and reducing the measured overall net coverage error at the national level to less than one-half of one percent; 4) Contain costs by conducting all three components of the reengineered census for an amount that is less than the cost of repeating the methodology used in the 2000 Census

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2010	*		

Measure: Implement the American Community Survey (A measure comprised of annual programmatic milestones and the percentage of weighted response rate for the annual implementation of the ACS)

Additional Information: (1) Field activities supporting release of 2001 data from long form transitional database; (2) Release three evaluation reports on continuous measurement program

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2002	(1)	Met	
2003	(2)	Not Met	
2004	92%		
2005	92%		
2006	92%		

Measure: Percent of counties with improved global positioning system (GPS) location

Additional Information: A major component of the MTEP is to bring map features into alignment with global positioning system (GPS) coordinates for all counties in the United States, Puerto Rico, and the island areas.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2003	7.7%	7.7%	
2004	26.3%		
2005	48%		

PART Performance Measurements

Program: Decennial Census
Agency: Department of Commerce
Bureau: Census

Measure: Percent of Census Test Objectives achieved (2003 objectives included the selection of 2004 Census test sites and development of design requirements and operational schedule for 2004 Census test)

Additional Information: Annual performance measures and targets will evolve over the decade as the Census Bureau implements a multi-year research, testing, and development program for a short-form 2010 Census.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2002	100%	100%	
2003	100%	100%	
2004	100%		
2005	100%		
2006	100%		

Measure: ACS cost per household (mail, telephone, personal visit) (1) Mail:\$12/HH Telephone: \$16/HH Visit: \$137/HH

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual (Efficiency Measure)
2005	(1)		

Measure: MAF/TIGER Improvements: Cost per County

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual (Efficiency Measure)
2005	\$77.1K/county		

Program Assessment Rating Tool (PART)

Program: Economic Development Administration
Agency: Department of Commerce
Bureau: Economic Development Administration
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately
60%	100%	100%	67%	Effective

- 1.1 Is the program purpose clear?** Answer: Yes Question Weight: 20%
 Explanation: EDA's purpose is to create wealth and minimize poverty by promoting a favorable business environment to attract private-sector capital investment and jobs.
 Evidence: Commerce performance documents, EDA documents, and congressional budget justifications.
- 1.2 Does the program address a specific interest, problem or need?** Answer: Yes Question Weight: 20%
 Explanation: EDA addresses poverty by promoting private sector investment in distressed areas. EDA's legislation defines eligible recipients which EDA identifies as distressed communities. EDA reviews factors that include high unemployment and low per capita income.
 Evidence: Commerce annual performance documents, EDA documents and operational guidance.
- 1.3 Is the program designed to have a significant impact in addressing the interest, problem or need?** Answer: No Question Weight: 20%
 Explanation: Although the flexibly-targeted funding design, competitive nature, and match requirement of EDA programs enable the agency to make targeted investments in communities experiencing economic distress, it is unclear if a significant, long-term positive impact on the chronic economic distress of these communities can be attributed to EDA investments.
 Evidence: The existence of several federal economic development programs, and state and local economic development agencies, as well as market forces, make it difficult to attribute significant improvement in the local economies solely to EDA investments.
- 1.4 Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?** Answer: No Question Weight: 20%
 Explanation: Although EDA may have been established to address a unique problem in 1965, GAO recently identified 73 federal programs that can be used for economic development activities. These programs cover rural and urban populations in communities across the country and include an element of local planning in the use of funds. States, counties, and municipalities also exist that address local economic development needs.
 Evidence: Sept. 2000 GAO study. The National Congress of Community Economic Development alone has 3,600 member organizations dedicated to revitalizing distressed communities. U.S. Chamber of Commerce represents 3,000 state and local chambers that also play leading roles in economic development.
- 1.5 Is the program optimally designed to address the interest, problem or need?** Answer: Yes Question Weight: 20%
 Explanation: EDA administers a competitive grant program for which applicants must qualify on the basis of need and merit of application. Applicants in most cases must match funds for which they are applying.
 Evidence: EDA awards funding competitively and requires a 20% to 50% match from the applicant. Comparable economic development programs are formula-based.

Program Assessment Rating Tool (PART)

Program: Economic Development Administration
Agency: Department of Commerce
Bureau: Economic Development Administration
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately
60%	100%	100%	67%	Effective

2.1 Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program? Answer: Yes Question Weight: 14%

Explanation: EDA has two goals: 1) to promote private enterprise and job creation in economically distressed communities and 2) to build community capacity to achieve and sustain economic growth.

Evidence: The two goals in the explanation are listed in Commerce's annual performance documents, EDA documents, and agency congressional justifications.

2.2 Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals? Answer: Yes Question Weight: 14%

Explanation: EDA has 12 measures under its two goals. EDA's methodology for assessing performance was developed through university-led research and is long-term in scope. Reports from grantees indicate that EDA is making progress in meeting its measures.

Evidence: Goals and measures are identified in Commerce's annual performance documents. Key measures are based on the 1997 Rutgers study. EDA projects and assesses progress on its two main measures (private sector dollars leveraged and jobs created or retained) every 3-6-9 years.

2.3 Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program? Answer: Yes Question Weight: 14%

Explanation: For goal 1, grantees are required to commit to creating or retaining jobs and provide match prior to the grant award and close out of project. Grantees are also required to submit annual financial reports. The agency is updating its performance requirements this year for goal 2 to better connect investment with outcomes.

Evidence: EDA receives performance data from grantees annually.

2.4 Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives? Answer: Yes Question Weight: 14%

Explanation: EDA coordinates with related and complementary economic development programs and corresponding agencies (FEMA, DoD, EPA, DOL and regional development agencies). EDA will be further identifying its role in investing in projects in relation to other programs to avoid duplication.

Evidence: EDA is undertaking an effort to identify how funding relates to other related economic development funding.

2.5 Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness? Answer: Yes Question Weight: 14%

Explanation: The agency completed several evaluations (1997-1999) and is scheduled to complete 2 evaluations in FY 2003. A review of EDA's largest program, Public Works, was conducted in 1997 and the results were used to construct EDA's performance methodology.

Evidence: EDA's authorizing legislation provides that EDA shall conduct an evaluation of each university center and economic development district that receives assistance. A consortium of universities and economic development entities conducted or will conduct these studies.

Program Assessment Rating Tool (PART)

Program: Economic Development Administration
Agency: Department of Commerce
Bureau: Economic Development Administration
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately
60%	100%	100%	67%	Effective

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?** Answer: Yes Question Weight: 14%

Explanation: EDA programs are aligned with EDA's performance goals. In this regard, EDA resources are tracked against its performance goals.

Evidence: Commerce annual performance documents and agency planning documents.

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?** Answer: Yes Question Weight: 14%

Explanation: In FY 2001, EDA undertook a workforce analysis and applied its findings by re-evaluating its workforce, mission, and overall strategy. EDA adopted investment criteria that clarify the kind of projects EDA will fund in order to achieve its mission and goals. EDA has also adopted a corporate balanced scorecard framework to integrate management and performance.

Evidence: Booz-Allen Workforce study documents, EDA investment policy guidelines, and Corporate Balanced Scorecard.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: Yes Question Weight: 9%

Explanation: EDA regional offices submit monthly reports that include information performance targets in comparison to actual performance, progress in obligating their allocations, and number of delayed projects. Quarterly regional activity reports compare regional work to actual cost to EDA for key outputs (jobs created or retained and private sector dollars leveraged). EDA has also terminated non-performing projects.

Evidence: EDA Regional Director Performance plans and records of termination of revolving loan funds and University Centers.

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?** Answer: Yes Question Weight: 9%

Explanation: Performance data for regional offices is used in evaluating the performance of the regional directors. Performance data being collected measures each director's success in making investments to meet the agency's funding priorities and investment guidelines.

Evidence: Performance evaluations reflect the Regional Director's record in meeting established targets.

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: Yes Question Weight: 9%

Explanation: EDA historically obligates its available funds in a timely manner. Funds for which the agency is responsible are spent in accordance with appropriate authorities.

Evidence: EDA obligated 99% of the available funds by the end of FY 2002, obligating \$31,119,000 of the \$31,522,000 available. EDA has no negative audit findings relative to the FY 2002 Financial Statement Audit Report.

Program Assessment Rating Tool (PART)

Program: Economic Development Administration
Agency: Department of Commerce
Bureau: Economic Development Administration
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
60%	100%	100%	67%	

3.4 Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: Yes Question Weight: 9%

Explanation: EDA has outsourced IT and Excess Capacity Studies. Through its 1997 Rutgers study, EDA has derived and utilizes a unit cost for its key measure (jobs created and retained) and the agency is pursuing a workforce restructuring that would redeploy resources to field offices.

Evidence: 1997 Rutgers study and Commerce annual performance documents.

3.5 Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels? Answer: Yes Question Weight: 9%

Explanation: EDA budgets for direct and indirect operational costs and is in the process of accounting for the full cost of retirement.

Evidence: The agency has taken aggressive measures to minimize S&E obligations by hiring term employees. Budget requests reflect operational costs.

3.6 Does the program use strong financial management practices? Answer: Yes Question Weight: 9%

Explanation: EDA has received unqualified opinions on its financial statements since FY 1998. The agency has moved to the Department's consolidated financial system and follows sound financial management practices.

Evidence: The Commerce annual performance documents and EDA Annual Financial Audits.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: Yes Question Weight: 9%

Explanation: EDA has undertaken financial management improvements and efforts to reduce operational costs. EDA is in the process of restructuring and streamlining processes.

Evidence: EDA is restructuring its workforce and has available its balanced corporate scorecard. EDA plans to implement the integrated scorecard approach in the regions as well.

3.CO1 Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process? Answer: Yes Question Weight: 9%

Explanation: Criteria for consideration are published and regional internal review committees review applications. The agency has instituted additional criteria for review and is further incorporating Inspector General recommendations into the review process.

Evidence: Commerce IG audit, EDA investment guidelines, and Commerce annual performance documents.

Program Assessment Rating Tool (PART)

Program: Economic Development Administration
Agency: Department of Commerce
Bureau: Economic Development Administration
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately
60%	100%	100%	67%	Effective

- 3.CO2 Does the grant competition encourage the participation of new/first-time grantees through a fair and open application process?** Answer: Yes Question Weight: 9%
- Explanation: Although EDA generally does not repeatedly award grants to the same grantees, outreach efforts tend to remain localized. The agency could improve the scope of its outreach efforts to new/first time grantees and the rigor with which it awards planning and technical assistance to university centers and local development districts.
- Evidence: Over the past 10 years, 76% of grantees received only 1 grant.
- 3.CO3 Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: Yes Question Weight: 9%
- Explanation: The agency has 6 regional offices and 67% of the staff is located in the regions. The staff work on project applications and conduct monitoring functions.
- Evidence: A Council for Urban Economic Development brief states that EDA regional office has a good reputation locally for "good government". EDA is in the process of restructuring to move resources to the regions to enable increased oversight and monitoring of projects.
- 3.CO4 Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: Yes Question Weight: 9%
- Explanation: Program performance data is collected on an annual basis for some measures but not for jobs and private sector leverage which is collected every 3-6-9 years. Capacity-building measures have been revised and data will be collected annually. The performance data is available on the internet.
- Evidence: Grantee applications, Commerce performance documents, agency validation visits and 1997 Rutgers study.
- 4.1 Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?** Answer: Large extent Question Weight: 20%
- Explanation: The agency has identified the promotion of private enterprise and job creation as its primary long-term outcome goals. While it is difficult to judge the effect of an economic development project in the context of a large community where other factors play a significant role in the overall economic growth and stability, private investment and new or retained jobs are valid indicators of economic improvement in an area. EDA has demonstrated adequate progress in achieving these long-term outcome goals. EDA exceeded the FY 2000, 2001, and 2002 long-term performance interim measure targets for the FY 1997 and 1998 investments as reflected in the APPR. In certain cases (e.g., Native American communities), EDA has provided examples of positive impact on unemployment and poverty rates.
- Evidence: GAO reports, agency-provided economic development results in a sample of Native American communities grantees.
- 4.2 Does the program (including program partners) achieve its annual performance goals?** Answer: Yes Question Weight: 20%
- Explanation: In FY 2002, the agency exceeded its targets for goal one. The agency refined its measures in goal two to directly tie funding to actions taken as a result of funding. EDA exceeded both of its goal two measures in FY 2002. Baselines are being established for the refined and new measures.
- Evidence: Grantee performance reports, Commerce annual performance documents.

Program Assessment Rating Tool (PART)

Program: Economic Development Administration
Agency: Department of Commerce
Bureau: Economic Development Administration
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
60%	100%	100%	67%	

4.3 Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year? Answer: Small extent Question Weight: 20%

Explanation: Although EDA has undertaken efforts to align resources with operational costs, restructure its workforce and refocus grant-making through its investment guidelines, these efforts have yet to yield improved efficiencies or cost effectiveness. It is anticipated that, once implemented, EDA's efforts will yield positive results.

Evidence: The agency's management reform efforts and outsourcing efforts (e.g., IT and Excess Capacity studies).

4.4 Does the performance of this program compare favorably to other programs with similar purpose and goals? Answer: Yes Question Weight: 20%

Explanation: For FY 2001, the agency reports creating or retaining jobs unit-cost of \$3,800 per job. The unit cost is comparable to other related programs (HUD/CDBG unit-cost per job is \$4500).

Evidence: Rutgers study and Department of Housing and Urban Development.

4.5 Do independent and quality evaluations of this program indicate that the program is effective and achieving results? Answer: Small extent Question Weight: 20%

Explanation: Although GAO reports state that EDA has made progress toward meeting performance goals related to improving the economy in distressed areas, isolating and measuring the creation of new jobs resulting from federal economic development programs is difficult and complex.

Evidence: Various GAO reports and CBO Budget options.

PART Performance Measurements

Program: Economic Development Administration
Agency: Department of Commerce
Bureau: Economic Development Administration

Measure: Private sector dollars in distressed communities as a result of EDA investments (3-6-9 year increments, e.g. 1999 targets are measured in 2002)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
1997	\$116M	\$199M	
1998	\$130M	\$971M	
1999	\$420M	\$640M	
2000	\$400M	\$1,251M	
2001	\$480M		

Measure: Jobs created or retained in distressed communities as a result of EDA investments (3-6-9 year increments, e.g. 1999 targets are measured in 2002)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
1997	5,040	12,056	
1998	5,400	12,898	
1999	11,300	29,912	
2000	11,300	39,841	
2001	14,400		

Measure: Percentage of investments to areas of highest distress.

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2000	30%	45%	

PART Performance Measurements

Program: Economic Development Administration

Agency: Department of Commerce

Bureau: Economic Development Administration

Measure: Percentage of investments to areas of highest distress.

**Additional
Information:**

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	40%	43%	
2002	40%	40%	
2003	37-43%	37.6%	
2004	37-43%		

Program Assessment Rating Tool (PART)

Program: Intercensal Demographic Estimates
Agency: Department of Commerce
Bureau: Bureau of the Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	88%	100%	74%	Effective

- 1.1 Is the program purpose clear?** Answer: YES Question Weight: 20%
- Explanation: The intercensal demographic estimates program produces annual estimates of the population and its demographic characteristics for the nation, States, and counties, and local units of government with a population of 50,000 or more. The data are used as denominators in federal time series and as population controls for the major household surveys, and as such, affect the accuracy of the country's key measures of unemployment, inflation, income, poverty, and health.
- Evidence: FY 2004 Budget Request
- 1.2 Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight: 20%
- Explanation: The intercensal demographic estimates program assists elected officials and government program managers in allocating hundreds of billions of dollars each year by giving them updated estimates of the United States population for the country, states, counties, cities, and townships.
- Evidence: Title 13, Section 181 of the U.S. Code requires the Census Bureau to produce data annually or biennially, based on geographic unit size. Formula grant programs such as Medicaid Assistance Program, Social service Block Grant Program, and Community Development Block Grant Program rely on these annual population estimates to calculate grant amounts.
- 1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight: 20%
- Explanation: The intercensal program is unique in that it uses confidential administrative data to provide consistent intercensal demographic estimates across all entities of government.
- Evidence: Title 13 and 26 of the U.S. Code
- 1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: NO Question Weight: 20%
- Explanation: The intercensal estimates program has not captured net international migration data well during the 1990s. The program is currently working to improve these estimates.
- Evidence: U.S. Census Bureau's FY2003 Congressional Budget Submission GAO-03-178 "2000 Census Redistributes Federal Funding Among States"
- 1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%
- Explanation: These estimates assist elected officials and government program managers in allocating hundreds of billions of dollars each year by giving them updated estimates of the United States population for the country, states, counties, and local governmental units.
- Evidence: FY 2004 Budget Request, Title 13, Section 181 of the U.S. Code requires the Census Bureau to produce data annually or biennially, based on geographic unit size.

Program Assessment Rating Tool (PART)

Program: Intercensal Demographic Estimates
Agency: Department of Commerce
Bureau: Bureau of the Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	88%	100%	74%	Effective

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 12%

Explanation: The intercensal estimates program has one performance goal, to produce accurate, timely, and relevant population estimates to be used for annual funding allocations. Long term performance measures include reduction in the error of closure, meeting release dates, and other milestones.

Evidence: U.S. Census Bureau Strategic Plan FY2004-2008

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 12%

Explanation: The long term targets of the intercensal estimates program are to reduce the error of closure from 2.4 percent to 1.3 percent by 2010, tighten the release schedule from the current average of 15 months to 12 months, and reduce the mean absolute percent error of the county population estimates from 3.4 percent to 3.3 percent by 2010. The program also has long term milestones including the integration of the expanded international migration component into population estimates.

Evidence: U.S. Census Bureau Strategic Plan FY2004-2009

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 12%

Explanation: The intercensal estimates program has annual milestones for scheduled releases, meetings with survey sponsors to assess population controls and need for modifications, and enhancements to the estimates of international migration.

Evidence: U.S. Census Bureau's FY2003 Congressional Budget Submission U.S. Census Bureau Strategic Plan FY2004-2009

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 12%

Explanation: In general, the annual milestones demonstrate improvement in the release schedules and improved estimates of international migration.

Evidence: FY 2003 Congressional Budget Request

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight: 12%

Explanation: The program shares short and long term goals with both internal and external customers and stakeholders. However the program should work to further increase the involvement of state partners and other stakeholders in the production and quality review of the estimates and projections.

Evidence: The program presents goals to customers at the annual meetings of the Federal State Cooperative Program for Population Estimates and the State Data Centers.

Program Assessment Rating Tool (PART)

Program: Intercensal Demographic Estimates
Agency: Department of Commerce
Bureau: Bureau of the Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	88%	100%	74%	Effective

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: YES Question Weight: 12%

Explanation: The intercensal estimates are reviewed by members of the Federal State Cooperative Program for Population Estimates (FSCPE) and internal reviews are completed on estimates used for fund allocation. The Census Bureau also evaluates the program as part of Census 2000 evaluation program. These evaluations showed that 2000 estimates were within 3% of actual decennial census population totals. The program should consider more external reviews of program performance.

Evidence: Comparisons between the program and Census 2000 were included in the Associated DAPE Analysis, ESCAP I & II.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: YES Question Weight: 12%

Explanation: The Census Bureau budget requests tie resource requests to the accomplishment of performance goals for new initiatives and incorporate unit costs for base and new activities. However, improvements can be made in tying base activities to annual and long term performance goals.

Evidence: FY 2004 Budget Request

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: NO Question Weight: 12%

Explanation: The intercensal estimates program should more clearly incorporate programmatic changes, including improving the estimates of international migration and use of the American Community Survey data, into strategic planning documents.

Evidence: Census Bureau's Strategic Plan for 2004 - 2008

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 14%

Explanation: The intercensal demographic estimates program receives regular feedback from internal and external partners and uses this feedback to adjust its internal policies and timelines to more effectively manage the program and update the Demographic Programs Directorate's Strategic Plan.

Evidence: Meetings with survey sponsors (e.g. CPS, BLS, and NCHS)

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight: 14%

Explanation: Annual performance plans for managers include goals and measures that are linked to the strategic goals of the intercensal estimates program. The program has included specific production goals within manager performance plans and is working to include the program enhancement milestones. All contracts are carefully monitored and contractors are held accountable for progress.

Evidence: Performance plans are part of each employee's annual review from entry level to senior staff.

Program Assessment Rating Tool (PART)

Program: Intercensal Demographic Estimates
Agency: Department of Commerce
Bureau: Bureau of the Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
80%	88%	100%	74%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 14%

Explanation: The Census Bureau seeks to obligate needed funds in a timely and appropriate manner

Evidence: At the end of FY 2002, 99.9% of funds for the intercensal demographic estimates program were obligated.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 14%

Explanation: The Intercensal estimates program has developed and introduced new products to meet the growing need of policy and program managers for this information with essentially stable resource levels. The program expanded the range of annual estimates for the nation, States, and counties to include more demographic characteristics.

Evidence: Annual budget request and annual performance plans

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 14%

Explanation: The intercensal demographic estimates program collaborates with internal and external partners to allow for effective coordination of programs.

Evidence: The program has agreements with both internal (Current Population Survey and American Community Survey branches) and external customers (BLS, NCHS, and BEA).

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 14%

Explanation: The Census Bureau's financial management practices have resulted in a clean opinion on its financial audit since FY 1999.

Evidence: DOC Financial Audits Reports

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: In general, the intercensal estimates program has adequate program management. The Census Bureau has developed areas of competency that managers must meet in their jobs and several programs have been developed to meet training needs in competency areas.

Evidence: Project Management Master Certificate Program

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: LARGE EXTENT Question Weight: 20%

Explanation: The error of closure of the intercensal demographic estimates was off by 2.4% as compared to the 2000 Census population counts. The Intercensal Estimates program is working to improve the estimates of international migration that should improve the error of closure in 2010.

Evidence: Population Division Working Papers

Program Assessment Rating Tool (PART)

Program: Intercensal Demographic Estimates
Agency: Department of Commerce
Bureau: Bureau of the Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	88%	100%	74%	Effective

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: LARGE
EXTENT

Question Weight: 20%

Explanation: In general, the intercensal estimates program has met its annual performance goals.

Evidence: Census Bureau data releases, internal documentation

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: LARGE
EXTENT

Question Weight: 20%

Explanation: The intercensal demographic estimates program has developed and released the yearly population estimates and increased the number of products with relatively flat funding throughout the 1990s.

Evidence: FY 1990-2004 budget requests

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: YES

Question Weight: 20%

Explanation: The intercensal demographic estimates program has a more diverse product package than comparable statistical programs and agencies. The program's products provide base level data for private industry.

Evidence: Comparison of product lines across various statistical programs and agencies.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: LARGE
EXTENT

Question Weight: 20%

Explanation: The intercensal demographic estimates program has been evaluated through a set of working papers that provide evaluations of the estimates for 1990 and for 2000. These evaluations determined that the 2000 estimates were off by less than 3%.

Evidence: Population Division Working Papers

PART Performance Measurements

Program: Intercensal Demographic Estimates
Agency: Department of Commerce
Bureau: Bureau of the Census

Measure: Improve the accuracy, timeliness, and relevance of the intercensal population estimates. (1) Target includes reducing the error of closure from 2.4 percent to 1.3 percent and tightening the release schedule from the current average of 15 months to 12 months.

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2010	(1)		

Measure: Number of releases of population estimates

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	No releases		
2002	10	7	
2003	10	10	
2004	10		
2005	10		

Measure: Meet the needs of survey sponsors - Monthly meetings with Current Population Survey staff, Weekly meetings with American Community Survey staff

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	Monthly meetings	Met	
2002	Monthly meetings	Met	
2003	Monthly meetings		
2004	Monthly meetings		
2005	Monthly meetings		

PART Performance Measurements

Program: Intercensal Demographic Estimates

Agency: Department of Commerce

Bureau: Bureau of the Census

Measure: Improve the estimates of international migration through yearly programmatic milestones: (1) Field ethnographic interviews of foreign-born population; (2) Update the estimates of one category of foreign-born population; (3) Develop new or modify existing migration questions

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2003	(1)	Met	
2004	(2)		
2005	(3)		

OMB Program Assessment Rating Tool (PART)

Competitive Grant Programs

Name of Program: Manufacturing Extension Partnership

Section I: Program Purpose & Design (Yes, No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Is the program purpose clear?</i>	Yes	MEP has a clear statutory mandate, clear mission statement, and an overarching programmatic focus on raising the productivity and competitiveness of small manufacturers.	MEP's mission and purpose is clearly stated in the DOC FY 2004 budget and Annual Performance Plan and associated documents. MEP's purpose is rooted in its statutory authority, see 15 USC 278k.	20%	0.2
2	<i>Does the program address a specific interest, problem or need?</i>	Yes	MEP is intended to address the productivity gap between large and small manufacturers. The importance of small manufacturers in virtually all manufacturing supply chains and the economy as a whole makes the resolution of this problem a broad national need. However, it is not evident that there is a clear need for the federal government to fill this role--i.e., a "national need" does not necessarily require a "federal response."	U.S. Census Bureau data show the size of the productivity gap between small and large manufacturers getting larger over time. In 1997, productivity per employee for large manufacturers was 70% higher than small manufacturers. An NRC study identifies unique needs of small manufacturers.	20%	0.2
3	<i>Is the program designed to have a significant impact in addressing the interest, problem or need?</i>	No	Despite its success in leveraging financial support and establishing a nationwide network, MEP only serves a small percentage of small manufacturers each year, and it is not clear that there is a significant impact on the productivity and competitiveness of small manufacturers as a whole. Through its national network the MEP program coordinates and leverages the activities of partners and contributing organizations, including state and local governments, universities, colleges, community colleges and other educational organizations, local chambers of commerce, and related organizations. Federal investment represents approximately 1/3 of the funding for each MEP Center; this investment leverages 1/3 state contribution and 1/3 fee supported activities.	Currently, MEP serves less than 7% of the small manufacturing community each year. While MEP's performance measures and outside studies show improvements in productivity and competitiveness of client firms (see DOC annual performance plan and Jarmin study), it is difficult to isolate the impact of MEP from other factors, such as changes in the economy. A long-term study of MEP clients vs non-MEP clients is not available. Some performance gains may also be the result of displacing business from non-client firms, resulting in little or no net effect on the economy. Because firms self-select into the MEP program, it is possible that the firms could have sought assistance through other means and achieved similar results.	20%	0.0

4	<i>Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?</i>	No	Through its state and local affiliates, MEP is designed to reach small manufacturing establishments that are less likely to be served by large private consulting firms. MEP leverages state and local resources to provide tailored manufacturing technical assistance to its customers. MEP is unique in that it is the only nationwide network of specialized manufacturing extension centers. However, the services provided could be obtained through other sources.	While the big consulting firms may not provide services to small manufacturing firms, there are a number of non-federal entities across the country that are available to small firms for various consulting services. In a recent survey by the Modernization Forum, half of MEP clients surveyed said that alternative service providers were available, however, prices for services were more than double the rates charged by MEP centers.	20%	0.0
5	<i>Is the program optimally designed to address the interest, problem or need?</i>	No	MEP has developed a nation-wide network of centers through State-Federal partnerships, but what the program's next steps will be is unclear. The original design of the program intended for centers to become self-sufficient, yet there are currently no plans for achieving this goal (most Centers indicate that they would not be able to continue operations if funding is cut as requested in the President's Budget). The program should focus on creating a private sector market for these services rather than continually providing federal subsidies.	The MEP network encompasses over 3000 local partnerships and over 2000 MEP center staff (not Federal government employees). However, improvements to the design of the program should be made. The large benefits received by firms more than offset any increase in fees that would be necessary to replace federal funding.	20%	0.0

Total Section Score	100%	40%
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Section II: Strategic Planning (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?</i>	Yes	MEP focuses on a single overarching goal that derives directly from the program's implementing statute: improving the productivity and competitiveness of its customer base. The outcomes that it manages to and measures directly reflect the Program's long-term goal and purpose.	MEP's goal is "to raise the productivity and competitiveness of small manufacturers". See the DOC budget justification and annual performance plan; see also 15 USCS 278k.	14%	0.1
2	<i>Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?</i>	Yes	MEP develops annual quantitative performance targets for a suite of competitiveness indicators, including sales increases, capital investment, and cost savings attributable to MEP services; progress toward these goals are intended to represent progress toward the long-term goal of improving the productivity of its customer base. However, it is difficult to isolate the direct impact of MEP. Other factors can influence these performance measures, and as stated previously, some performance gains by MEP clients may be at the expense of non-clients, resulting in no net impact on the small manufacturing community.	MEP's performance evaluation system and management processes focus on programmatic performance; these methods and the outcome-oriented data they produce are presented in the DOC budget justification and annual performance plans and reports. Data also are presented in MEP documents, such as "NIST MEP Partnership: A Network for Success, A Review of Results and the Evaluation Process"(NIST/MEP, May 2002).	14%	0.1
3	<i>Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?</i>	No	MEP's survey-based evaluation system obtains results data from clients that, when aggregated, demonstrate system-wide progress toward the Program's goals, however results vary widely by Center. Also, there is no evidence that any of the Centers are focused on becoming self-sufficient as was intended in the original design of the program.	MEP's performance evaluation system processes, measures, targets, and results are reported in the DOC budget justification and the annual performance plan and performance report. Performance data also are presented in MEP program literature (see above).	14%	0.0
4	<i>Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?</i>	Yes	Where possible, MEP leverages its program and distribution network through collaboration and coordination with other federal agencies.	MEP's collaborative activities are described in program literature and in the Program's annual report to Congress. Collaborative efforts over time have included EPA, SBA, DoL, and USDA. Current initiatives underway include coordination with MBDA and other offices within the Department of Commerce. The MEP system itself is structured around collaborative partnerships, and includes not only state and local governments but also universities, colleges, community colleges and other educational organizations, local chambers of commerce, and related organizations that ultimately share MEP's goals and objectives.	14%	0.1

5	<i>Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?</i>	Yes	In addition to 3rd party survey data, MEP is reviewed by an external advisory board, the MEP National Advisory Board, which meets three times a year. MEP also has contracted for formal external program evaluation studies, which have shown that MEP's client base experiences productivity growth rates that exceed those of a control group of similar manufacturing establishments.	Reports of the MEP National Advisory Board; productivity studies conducted by R.S. Jarmin, Center for Economic Studies, Bureau of the Census, GAO studies. For an overview of external evaluation processes and related evaluation information, see "NIST MEP Partnership: A Network for Success, A Review of Results and the Evaluation Process."	14%	0.1
6	<i>Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?</i>	Yes	Out-year targets for quantitative performance measures are based in part on resource inputs; variation in input levels directly affect estimated performance.	The DOC budget justification and annual performance plan show the impact of proposed funding and policy changes on MEP's performance measures.	14%	0.1
7	<i>Has the program taken meaningful steps to address its strategic planning deficiencies?</i>	Yes	NIST as a whole has developed a new Institute-wide long-term strategic planning process; the process includes new mechanisms for aligning Operating Unit plans with the NIST-wide plan.	NIST's external advisory bodies routinely observe and comment on any deficiencies associated with NIST's strategic planning processes, and NIST responds to these observations. For example, the NIST Visiting Committee on Advanced Technology (VCAT) has reviewed and commented favorably on NIST-wide strategic planning efforts in recent meetings (held quarterly). NIST's new long-term strategic plan currently is in DOC review.	14%	0.1

Total Section Score					100%	86%
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Section III: Program Management (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?</i>	Yes	MEP uses an ongoing, systematic center progress reporting and client survey system to obtain performance data from clients and compile information for quantitative performance measures. These data are used not only to report system-wide results but also for program management purposes: Data obtained through the MEP evaluation system are used to review and manage Center performance and to evaluate and adjust the national program's product and service mix. However, it is unclear to what extent data are actually being used.	On a quarterly basis, MEP collects performance output data from centers. MEP's performance evaluation system processes, results, and targets are presented in the DOC budget justification and annual performance plans and reports, as well as in various MEP documents (see above). MEP's survey and evaluation system has been reviewed by and designed with the assistance of external evaluation experts.	9%	0.1
2	<i>Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?</i>	Yes	MEP collects Center-level performance through the Center review process and uses results to improve Center performance. Through this process, several Centers have been restructured to meet performance criteria. In cases where performance criteria are consistently not met, Centers have been closed.	As a result of the evaluation process, three Centers have been closed and eight Centers have been suspended for inability to meet performance criteria. Ten centers have been significantly restructured resulting in improved performance.	9%	0.1
3	<i>Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?</i>	Yes	NIST as a whole manages its resources carefully; it has had no anti-deficiency violations, and the MEP program typically has a limited amount of unobligated funds at year end. NIST's strong budget and accounting systems include rigorous internal reviews and external audits to ensure that funds are expended as intended. MEP obligates funds for MEP Center renewals in a timely manner after successful review and evaluation of each Center.	See SF-132 (apportionment schedule) and SF-133 (report on budget execution). Internal NIST processes include rigorous quarterly financial reviews. See the audited NIST Annual Financial Statements. MEP Center reviews examine funds usage; centers undergo OMB Circular A-133 audits annually; OIG audits selected centers and reviews A-133 documents.	9%	0.1
4	<i>Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?</i>	No	MEP does not have effective incentives or procedures in place to promote Centers to become self-sufficient. A nation-wide network has been in place since 1996, but the program indicates that federal funding is still needed because the overhead cost associated with serving small firms has not significantly declined. MEP should be able to leverage the established infrastructure and serve clients more cost-effectively over time.	MEP has 61 MEP centers with over 400 service locations to serve a community of approximately 350,000 small and medium sized manufacturers. Some centers still spend 40% of their funding on marketing and centers indicate that fees would have to increase by 150% to cover costs. Centers do not have long-term plans for becoming self-sufficient and there is no policy in place to encourage them to do so.	9%	0.0

5	<i>Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?</i>	Yes	NIST's budget request and prior year budget data reflect the full annual costs of operating the national MEP Program, including direct and indirect costs. Out-year targets for quantitative performance measures are based in part on resource inputs; variation in input levels directly affect estimated performance.	Total program costs are presented in NIST's budget justification and annual financial statements. NIST's internal accounting system reports can provide costs by object class. Overhead is applied uniformly per full cost accounting procedures that are specified in Chapter 8.07 of the NIST Administrative Manual. DOC annual performance plans show the impact of proposed funding and policy changes on MEP's performance measures.	9%	0.1
6	<i>Does the program use strong financial management practices?</i>	Yes	NIST has a long history of unqualified financial audits and, in fact, provides accounting services for several other DOC bureaus. MEP works actively with centers to develop consistent financial practices for a stable set of financially sound organizations.	See the audited Annual Financial Statements. Evidence of MEP efforts to develop consistent and high quality financial practices at the center level include the MEP Center Audit Guidelines, the Center CFO Working Group, and training sessions held at the MEP national conference and other venues.	9%	0.1
7	<i>Has the program taken meaningful steps to address its management deficiencies?</i>	Yes	Regular program oversight is obtained through several channels: the NIST Visiting Committee on Advanced Technology; MEP's external National Advisory Board; and internal NIST program reviews.	MEP has made numerous changes in program management in response to recommendations produced by these review mechanisms.	9%	0.1
8 (Co 1.)	<i>Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process?</i>	Yes	Funding is provided to MEP Centers through cooperative agreements that are formed on the basis of open competitions as specified in the MEP rules. Center renewals are made only upon completion of a thorough and successful evaluation of Center operations and performance.	For evidence of open competitions, see the program's Federal Register Notice of Competition (15 CFR 290). The openness and overall quality of the competition process have been independently confirmed; see OIG Report, "MEP Awards Process Promotes Merit-Based Decisions".	9%	0.1
9 (Co 2.)	<i>Does the grant competition encourage the participation of new/first-time grantees through a fair and open application</i>	Yes	Establishment of new MEP Centers is made on the basis of fair and open competitions that do not restrict the applicant pool in any manner.	See sources cited in question 8 above.	9%	0.1
10 (Co 3.)	<i>Does the program have oversight practices that provide sufficient knowledge of grantee activities?</i>	Yes	Center activities are monitored by the MEP staff. Each center is assigned an Account Manager who spends time on a regular basis with the center understanding details of its operation and monitoring performance. Business practices and program results of client activities are a central feature of regular Center performance reviews and renewal evaluations.	MEP's oversight practices are evident in formal and systematic internal processes that include Center Quarterly Technical Progress Reporting, Center Information Management System, Center Progress Reports, Center Operating plans, annual reviews, external panel reviews, and renewal process documentation.	9%	0.1
11 (Co 4.)	<i>Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?</i>	Yes	See response to question 1 above. Pperformance data are made available to the public through annual performance plans and reports and MEP program literature.	See DOC budget justification and annual performance plans and reports. See also MEP Center Performance Output Reports, and Criterion 7 of Center Review Criteria.	9%	0.1

Total Section Score

100%

91%

FY 2004 Budget

Section IV: Program Results (Yes, Large Extent, Small Extent, No)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?</i>	Small Extent	MEP has one overarching long-term outcome goal: to raise the productivity and competitiveness of small manufacturers. External program evaluation studies demonstrate MEP's past success in working towards its long-term outcome goal. MEP's annual performance measures represent indicators of competitiveness and demonstrate benefits to MEP firms, but it is difficult to identify the impact of MEP on the small manufacturing community as a whole.	Evidence of long-term program success is provided by productivity studies conducted by R.S. Jarmin, Center for Economic Studies, Bureau of the Census. Jarmin showed that MEP client plants on average experienced 5.2% more growth in labor productivity between 1996 and 1997 than non-MEP clients. However, large manufacturers are still 70% more productive than small manufacturers. Data on indicators of competitiveness are provided below and in the DOC FY 2004 APP. These indicators provide some evidence that MEP has helped individual firms, but it is not clear that these firms actually needed assistance. A recent long-term study of MEP clients vs non-MEP clients has not been completed.	20%	0.1

Long-Term Goal I:	Raise the productivity and competitiveness of small manufacturers.
Target:	Productivity of MEP clients exceeds that of control group
Actual Progress achieved toward goal:	Program evaluation data and analysis provided through external studies confirm that the productivity and performance of MEP clients exceed that of a comparable set of firms. See studies of R.S. Jarmin, Center for Economic Studies, Bureau of the Census

2	<i>Does the program (including program partners) achieve its annual performance goals?</i>	Large Extent	MEPs annual performance measures represent indicators of competitiveness and progress toward the program's long-term goal. Two out of three targets were met in FY 2000. FY 2001 actuals are not yet available.	See DOC budget justification and annual performance plans and reports. Note that extensive and systematic client survey process entails data lags; latest full year actual performance data is FY 2000.	20%	0.1
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Key Goal I:	Increased sales attributed to MEP assistance.
Performance Target:	FY 2000 target: \$670 million
Actual Performance:	FY 2000 actual: \$698 million
Key Goal II:	Capital investment attributed to MEP assistance.
Performance Target:	FY 2000 target: \$864 million
Actual Performance:	FY 2000 actual: \$873 million
Key Goal III:	Cost savings attributed to MEP assistance.
Performance Target:	FY 2000 target: \$545 million
Actual Performance:	FY 2000 actual: \$482 million

3	<i>Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?</i>	Yes	Program results have been achieved at specified budget levels and on anticipated schedules.	System performance results have increased over time while Federal inputs have remained relatively constant, indicating increases in efficiency and effectiveness over time. For program results, see DOC budget justification and annual performance plans and results.	20%	0.2
4	<i>Does the performance of this program compare favorably to other programs with similar purpose and goals?</i>	Yes	Other Federal programs that focus on small businesses, such as Small Business Development Centers (SBDCs), Trade Adjustment Assistance Centers, the Defense Adjustment Program, and EPA's Small Business Assistance Program, do not reach the same small manufacturing customers, do not deliver manufacturing technical assistance, do not leverage state and local resources, and do not produce measurable improvements in competitiveness such as those demonstrated by MEP.	External analyses of alternative assistance programs include: Urban Institute, "Effective Aid to Trade-Impacted Manufacturers", 1998. Rutgers University, et. al. "Defense Adjustment Program: Performance Evaluation", 1997. Other Federal programs that focus on small businesses, such as Small Business Development Centers (SBDCs), Trade Adjustment Assistance Centers, the Defense Adjustment Program, and EPA's Small Business Assistance Program, do not leverage state and local resources and do not produce measurable improvements in competitiveness such as those demonstrated by MEP.	20%	0.2
5	<i>Do independent and quality evaluations of this program indicate that the program is effective and achieving results?</i>	Yes	Controlled-comparison productivity studies demonstrate program effectiveness; external reviews confirm MEP's performance results and programmatic effectiveness.	Jarmin studies provide controlled comparison program evaluation data. For external advisory panel findings, see the MEP National Advisory Panel reports and annual NIST VCAT reports. Other external studies of MEP's programmatic effectiveness include three GAO studies--1991, 1995, and 1996. Fewer independent studies have been conducted in recent years.	20%	0.2

Total Section Score					100%	80%
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Program Assessment Rating Tool (PART)

Program: Minority Business Development Agency
Agency: Department of Commerce
Bureau: Minority Business Development Agency
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not
60%	57%	100%	13%	Demonstrated

2.1 Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program? Answer: No Question Weight: 14%

Explanation: MBDA, through a newly-created Performance Verification Team, is examining its long-term performance goals. MBDA has also hired a contractor to assist MBDA in defining its long-term strategic goals. MBDA anticipates this work to be completed this year. In the interim, MBDA continues to report on its current annual goals. MBDA has three goals which are: 1) develop an entrepreneurially-innovative market-focused economy; 2) improve the opportunities for minority-owned businesses to pursue financing; and, 3) improve organizational effectiveness, responsiveness, and efficiencies. Goal 1 does not clearly address minority business development. It appears too broad to effectively reflect the purpose of the program.

Evidence: 1) Commerce FY 01 APPR/FY 03 APP, <http://www.osec.doc.gov/bmi/budget/03APPRAPP/mbda.pdf> 2) Commerce FY 02 Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02mbda.pdf>

2.2 Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals? Answer: No Question Weight: 14%

Explanation: MBDA added 1 goal and 6 measures for a total of 9 measures under 3 goals. The change in goal 1 does not clearly connect to the measures primarily because the goal is too broad. The addition of goal 3 should better connect to other measures (e.g., matches in vendor contracts in goal 3 should be tracked for dollar value of contracts awarded in goal 1).

Evidence: 1) Commerce FY 01 APPR/FY 03 APP, <http://www.osec.doc.gov/bmi/budget/03APPRAPP/mbda.pdf> 2) Commerce FY 02 Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02mbda.pdf>

2.3 Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program? Answer: Yes Question Weight: 14%

Explanation: MBDA requires regular review of grantee activities and is refining its methods for expecting and assessing performance measure outputs from grantees. MBDA is currently working with the Inspector General to resolve an open issue regarding its performance measures.

Evidence: 1) Commerce FY 01 APPR/FY 03 APP, <http://www.osec.doc.gov/bmi/budget/03APPRAPP/mbda.pdf> 2) Commerce FY 02 Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02mbda.pdf> 3) MBDA supporting documentation 4) MBDA competitive grant application policy

2.4 Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives? Answer: Yes Question Weight: 14%

Explanation: In FY 2002, MBDA was developing strategic partnerships with private and public organizations. MBDA coordinates annually with the Small Business Development Administration for MED week and through its Business Resource Centers. MBDA's continues to enhance its long-term coordination externally with other federal minority business development programs and internally with other bureaus.

Evidence: MBDA supporting documentation

Program Assessment Rating Tool (PART)

Program: Minority Business Development Agency
Agency: Department of Commerce
Bureau: Minority Business Development Agency
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not
60%	57%	100%	13%	Demonstrated

2.5 Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness? Answer: No Question Weight: 14%

Explanation: MBDA is in the process of contracting for research studies to measure the impact of MBDA programs on minority business. MBDA anticipates the results of this research by x date. Regular independent, quality evaluations of its performance and operations have not recently been conducted. External assessments have indicated that improvements are needed.

Evidence: 1) 1991 KPMG Peat Marwick Final Report 2) 1997 MBDA Management Review
 3) IG reports

2.6 Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known? Answer: Yes Question Weight: 14%

Explanation: Performance documentation provides a breakdown of funding according to activity. For example, the agency breaks down funding by goal (e.g., improve opportunities for minority-owned businesses to pursue financing) and activity (e.g., business development).

Evidence: 1) Commerce FY 01 APPR/FY 03 APP, <http://www.osec.doc.gov/bmi/budget/03APPRAPP/mbda.pdf> 2) Commerce FY 02 Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02mbda.pdf>

2.7 Has the program taken meaningful steps to address its strategic planning deficiencies? Answer: Yes Question Weight: 14%

Explanation: Since the last assessment, MBDA has formulated a Performance Verification Team to review performance measures and is in the process of developing long-term goals. Over the years, the Department and MBDA have responded to some recommendations to reduce staffing levels and redirect resources. However, the agency should focus on tying its goals and measures more closely to its mission and focus its resources.

Evidence: 1) 1997 MBDA management review budget justifications 2) 1991 KPMG 3) MBDA 4) IG reports

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: Yes Question Weight: 9%

Explanation: The agency collects performance information from program partners on a regular basis. It utilizes an electronic reporting system, quarterly reports from the regions, and semiannual MBDA staff visits to verify performance. It has also terminated non-performance grantees.

Evidence: 1) Commerce performance documents documentation 2) MBDA supporting 3) Grant termination procedures and documentation

Program Assessment Rating Tool (PART)

Program: Minority Business Development Agency
Agency: Department of Commerce
Bureau: Minority Business Development Agency
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
60%	57%	100%	13%	

3.2 Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results? Answer: Yes Question Weight: 9%

Explanation: Although the agency considers performance measures in assessing progress, MBDA should further clarify how and whether its current process regularly and effectively monitors performance of its managers and program partners in connection with the agency's own performance measures.

Evidence: 1) MBDA performance plans 2) MBDA grant renewal documentation 3) MBDA competitive panel evaluation forms

3.3 Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: Yes Question Weight: 9%

Explanation: MBDA has improved its processes for obligating funds. Obligations occur in a timely fashion.

Evidence: MBDA's policy is to award its grants at the beginning of the second quarter of the fiscal year. Furthermore, MBDA reviews the budget monthly to monitor expenditures.

3.4 Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: Yes Question Weight: 9%

Explanation: In FY 2000, MBDA spent 28% of its program budget on contractual services. MBDA electronic business services such as the Minority Business Internet Portal (MBIP) and Phoenix database are contracted out.

Evidence: 1) Commerce annual performance documents 2) MBDA budget justification documents 3) MBDA Agency Summary Status Report

3.5 Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels? Answer: Yes Question Weight: 9%

Explanation: Full annual operation costs, including program expenditures, are developed during the fourth quarter of the prior fiscal year. The agency also reviews and approves the line item budget of the funded organization.

Evidence: MBDA operational procedures

3.6 Does the program use strong financial management practices? Answer: Yes Question Weight: 9%

Explanation: MBDA has no material weaknesses according to the most recent audit. MBDA's financial management is contracted out to the National Institute of Standards and Technology (NIST) within the Department of Commerce.

Evidence: Inspector General and MBDA supporting documentation.

Program Assessment Rating Tool (PART)

Program: Minority Business Development Agency
Agency: Department of Commerce
Bureau: Minority Business Development Agency
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not
60%	57%	100%	13%	Demonstrated

- 3.7 Has the program taken meaningful steps to address its management deficiencies?** Answer: Yes Question Weight: 9%
- Explanation: MBDA has sustained budget cuts over the past several years and has made modifications of its operations and human resources accordingly. MBDA has reorganized its headquarters operations and is considering the appropriate configuration of field staff.
- Evidence: 1) 1997 MBDA Management Review documents 2) MBDA 2001 reorganization notification and supporting documents
- 3.CO1 Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process?** Answer: Yes Question Weight: 9%
- Explanation: MBDA solicits competitive applications on a three-year basis. Applications are reviewed by a panel consisting of at least 3 members, one of whom may be an outside reviewer. Applications are reviewed based on criteria published in the Federal Register. However, MBDA should re-assess its grant application and review process to incorporate more rigorous performance measure requirements to demonstrate how funding is contingent upon performance.
- Evidence: 1) MBDA operational documents 2) Federal Register notice
- 3.CO2 Does the grant competition encourage the participation of new/first-time grantees through a fair and open application process?** Answer: Yes Question Weight: 9%
- Explanation: MBDA regional offices are responsible for marketing solicitations for grant applications. MBDA's website also announces when there will be a competition. However, the agency should consider a more rigorous review of current grantees to confirm that they are meeting the agency's goals and measures.
- Evidence: See Federal Register Notice example at http://www.access.gpo.gov/su_docs/fedreg/a020918c.html
- 3.CO3 Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: Yes Question Weight: 9%
- Explanation: MBDA has revised its monitoring and oversight practices to maximize current resources. Grantees sign three-year cooperative agreements that are renewed annually. MBDA has instituted an electronic reporting system and receives quarterly reports from the region on grantee activities. Grantees go through an annual review process and MBDA staff conduct semi-annual visits to technical assistance providers. Independent financial reports of activities are also required.
- Evidence: MBDA operational procedures

Program Assessment Rating Tool (PART)

Program: Minority Business Development Agency
Agency: Department of Commerce
Bureau: Minority Business Development Agency
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not
60%	57%	100%	13%	Demonstrated

- 3.CO4 Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: Yes Question Weight: 9%
- Explanation: Program performance data is collected on an annual basis and published on the Internet. In 2003, MBDA plans to re-establish its Annual Business Assistance Report (ABAR) which was published for dissemination containing results of the accomplishments of the grantees. The new ABAR will be on-line.
- Evidence: 1) Commerce FY 01 APPR/FY 03 APP, <http://www.osec.doc.gov/bmi/budget/03APPRAPP/mbda.pdf2>) Commerce FY 02 Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02mbda.pdf>
- 4.1 Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?** Answer: No Question Weight: 20%
- Explanation: Although MBDA met or exceeded all its targets in FY 2002, the agency is currently revising its measures and long-term goals and plans to conduct an external evaluation of its performance. The agency should continue to examine how to incorporate data it has on the universe of businesses it is seeking to assist and its performance measures.
- Evidence: 1) FY 1999-FY 2001 Commerce annual performance documents and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02mbda.pdf> 2) 1997 SMOBE data 2) Commerce FY 02 Performance
- 4.2 Does the program (including program partners) achieve its annual performance goals?** Answer: No Question Weight: 20%
- Explanation: As stated in qu. 1, MBDA is reviewing its performance measures. This review will be completed this year with new measures incorporated in the Annual Performance Plan. Since FY 1999, MBDA has had 2 goals and 3 measures, introducing a third goal with 6 new measures this year. Although MBDA has consistently met its first goal, the agency reports not meeting part or all of its second goal from FY 1999-FY 2001. The goal 2 dollar value of financial packages for FY 2002 and FY 2003 were reduced.
- Evidence: 1) FY 1999-FY 2001 Commerce annual performance documents. 2) Commerce FY 02 Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02mbda.pdf>
- 4.3 Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?** Answer: Small Extent Question Weight: 20%
- Explanation: The agency reports that it has helped clients receive \$68 of loans for every \$1 invested. The agency may wish to consider examining how its investments balance against other federal, state, local and private sector investments. MBDA is conducting a review of its performance measures and current partners to fully understand the impact of its investments and best target its resources. MBDA is planning on instituting a financing matching system in FY 2003 to match businesses to sources of financing.
- Evidence: MBDA documentation

Program Assessment Rating Tool (PART)

Program: Minority Business Development Agency
Agency: Department of Commerce
Bureau: Minority Business Development Agency
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not
60%	57%	100%	13%	Demonstrated

4.4 Does the performance of this program compare favorably to other programs with similar purpose and goals?

Answer: Small Extent

Question Weight: 20%

Explanation: Although MBDA's performance (dollars value of contracts and dollar value of financial packages) can compare favorably with like programs (e.g., MEP's increased sales), further evaluation should be conducted to analyze the effects of MBDA investment in the context of other federal, state, local, and private investment.

Evidence: 1) Commerce FY 01 APPR/FY 03 APP 2) Commerce FY 02 Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02mbda.pdf> centers in every state in which MBDA is located (38 nationwide).

3) SBA SBDC (1,000 nationwide) has

4.5 Do independent and quality evaluations of this program indicate that the program is effective and achieving results?

Answer: No

Question Weight: 20%

Explanation: MBDA is in the process of contracting for research studies to measure the impact of MBDA programs on minority business. MBDA anticipates the results of this research by x date. The most recent comprehensive evaluation of the program was conducted in 1991 by a public accounting firm and identified improvements needed in internal operations as well as service delivery. A 1997 management review also cited similar concerns. Although the agency has implemented some of the recommendations, the agency would benefit from a recent independent, quality evaluation of both its program (MBDCs, NABDCs, MBOCs, BRCs and how these services coordinate with MBIP) and operations (regions, districts and headquarters).

Evidence: 1) 1991 KPMG Peat Marwick Final Report

2) 1997 MBDA Management Review

PART Performance Measurements

Program: Minority Business Development Agency
Agency: Department of Commerce
Bureau: Minority Business Development Agency

Measure: Dollar value of contracts (public and private) awarded to assisted minority-owned businesses.

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2000	\$0.6B	\$1.2B	
2001	\$0.7B	\$1.6B	
2002	\$1B	\$1.3B	
2003	\$1B	\$0.6B	
2004	\$1B		

Measure: Dollar value of financial packages (e.g., loans) awarded to assisted minority-owned businesses.

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2000	\$0.9B	\$0.2B	
2001	\$1B	\$0.6B	
2002	\$0.4B	\$0.4B	
2003	\$0.4B	\$0.4B	
2004	\$0.4B		

Measure: Number of financial packages (e.g., loans) awarded to assisted minority-owned businesses.

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2000	858	556	

PART Performance Measurements

Program: Minority Business Development Agency

Agency: Department of Commerce

Bureau: Minority Business Development Agency

Measure: Number of financial packages (e.g., loans) awarded to assisted minority-owned businesses.

**Additional
Information:**

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	925	1,155	
2002	1,000	1,512	
2003	380	533	

OMB Program Assessment Rating Tool (PART)

Regulatory Based Programs

Name of Program: National Marine Fisheries Service (NMFS)

Section I: Program Purpose & Design (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Is the program purpose clear?</i>	Yes	Within the Federally controlled Exclusive Economic Zone (EEZ), NMFS is responsible for the management and conservation of the Nation's living marine resources (fish, marine mammals, and sea turtles) and their habitats.	NMFS' programs promote sustainable use of living marine resources and the recovery of threatened and endangered species. Its purposes are embodied in Mission and Vision Statements in its Strategic Plan and codified in more than 100 substantive laws, e.g. Magnuson-Stevens Act (MSA), Endangered Species Act (ESA), Marine Mammal Protection Act (MMPA), and other acts (Fish and Wildlife Coordination Act, Clean Water Act, National Environmental Policy Act, etc.)	20%	0.2
2	<i>Does the program address a specific interest, problem or need?</i>	Yes	EEZ fisheries suffer from the externalities inherent in common goods. NMFS works to end over-fishing; rebuild, and manage fish stocks; recover threatened and endangered species; protect marine mammals; reduce the incidental take of marine mammals; and reduce impacts to fish habitat and restore degraded habitats.	The National interest that NMFS manage fisheries is detailed in over 40 specific fishery management plans, numerous ESA recovery plans, many marine mammal take reduction plans, and over 100 habitat restoration projects conducted around the country.	20%	0.2
3	<i>Is the program designed to have a significant impact in addressing the interest, problem or need?</i>	Yes	NMFS has the primary role under Federal statutes for the purposes noted above (conservation and management of living marine resources, etc.). However, the Administration has proposed amendments to improve accountability and management of these resources.	Over 40 specific fishery management plans, numerous ESA recovery plans, many marine mammal take reduction plans, and over 100 habitat restoration projects.	20%	0.2
4	<i>Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?</i>	Yes	NMFS has responsibility for managing fisheries in the EEZ, which is wholly controlled and managed by the Federal government.	NMFS is the only agency preparing fishery management plans for EEZ stocks. It has coordinated with Fish and Wildlife Service (FWS) on the effective allocation of ESA protection requirements.	20%	0.2

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
5	<i>Is the program optimally designed to address the interest, problem or need?</i>	No	NMFS results could be enhanced through regulatory streamlining, and legislative changes to better assign accountability and establish more free-market related incentives that would reduce incentives for over-fishing.	NMFS has drafted legislative proposals for the reauthorization of the MSA and MMPA to improve effectiveness. NMFS is implementing aspects of a "regulatory streamlining" plan. The Administration has requested additional resources for FY 2003 aimed at reducing bycatch, further streamlining of the regulatory process, and modernizing & expanding of annual stock assessments. NMFS is also addressing recommendations of independent program evaluations.	20%	0.0
Total Section Score					100%	80%

Section II: Strategic Planning (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?</i>	Yes	NMFS' Performance Measures focus on the long-term goals of significantly reducing the number of over-fished stocks, reducing the likelihood of endangered or threatened species going extinct, and ensuring that important habitats are protected and restored. There is some debate whether existing goals could be more ambitious.	FY 2003 Performance Measures as presented in the FY 2003 DOC Annual Performance Plan (APP) reflect long-term outcomes and goals. Some currently over-fished stocks could take decades to recover even if a moratorium is imposed on all fishing.	13%	0.1
2	<i>Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?</i>	Yes	NMFS has annual goals that track progress towards meeting long-term goals. NMFS is currently working with input from stakeholders, policy officials, and others in the Administration to develop revised annual performance measures.	A recent Performance Measure Workshop held in coordination with the Heinz Center resulted in NMFS actively working on developing additional annual performance measures in concert with strategic planning processes. The workshop involved independent stakeholders.	13%	0.1
3	<i>Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?</i>	Yes	NMFS closely monitors contractor, grantee, and sub-grantee performance. MOUs/MOAs have performance clauses and grant recipients have reporting requirements. Annual planning meetings are held with the eight Regional Fishery Councils to agree on plans, data needs, and research. Similar sessions are held with 3 Interstate Marine Fisheries Commissions and the State Marine Fish Directors. While there is agreement on the long-term goals, there is disagreement among the Councils on how best to implement regulations.	NMFS maintains records of numerous grants and associated reports. NMFS Annual Operating Plan System requires that all funds, including grants, be identified with specific annual objectives and long-term strategic plan goals.	13%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	<i>Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?</i>	Yes	NMFS works closely with its constituents and Federal and State agencies to address program goals. NMFS also works to address programmatic goals on an international level as well.	Fishery Management Plans, Federal/State Management Plans, Recovery Plans, Take Reduction Teams, numerous international agreements. NMFS has cooperative agreements with almost all states and with EEZ fisheries activity related to management, permitting, and enforcement.	13%	0.1
5	<i>Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?</i>	Yes	NMFS has had a number of independent evaluations of its programs. In addition, numerous peer reviews of NMFS science are conducted each year.	The Kammer Report, several National Academy of Sciences (NAS) reports, and the recent NAPA report address a variety of issues dealing with program improvements and effectiveness. NMFS retains the Center for Independent Experts to review research results. The NRC regularly assesses NMFS science.	13%	0.1
6	<i>Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?</i>	Yes	NMFS has significantly restructured its budget to better reflect its strategic goals and major program areas. Specific performance measures are provided for each requested program increase.	NMFS' FY 2002 budget structure and continuing efforts reflect the budgetary alignment with program goals.	13%	0.1
7	<i>Has the program taken meaningful steps to address its strategic planning deficiencies?</i>	Yes	NMFS, along with NOAA, is actively seeking to improve its strategic planning by holding workshops with constituents to discuss program performance.	NMFS is implementing the recommendations of the Kammer, Marine Fisheries Advisory Committee (MAFAC), National Academy of Public Administration (NAPA), & National Research Council (NRC) reports. NMFS (and NOAA) is revising its strategic plan and meeting with constituents on goals and development of meaningful performance measures.	13%	0.1
8 (Reg 1.)	<i>Are all regulations issued by the program/agency necessary to meet the stated goals of the program, and do all regulations clearly indicate how the rules contribute to achievement of the goals?</i>	Yes	All regulations relate directly to program purposes and goals as stated in the underlying legislative mandates (i.e., MSA, ESA, MMPA, etc.), as well as clearly indicating how the rule relates to a fishery management plan, recovery plan, essential fish habitat designation, etc.	Regulations published in the Federal Register for fisheries management, endangered species, marine mammal, and habitat (essential fish habitat) all reference legislative authorities and relevant management documents (fishery management plan, recovery plan, essential fish habitat designation, etc.).	13%	0.1
Total Section Score					100%	100%

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Section III: Program Management (Yes, No, N/A)						
1	<i>Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?</i>	No	The Administration has requested substantial increases for fish stock inventories and surveys, not all of which have been provided by Congress. These increases would enhance stock and population assessments, analysis of landings data, cooperative research with industry in identifying needs for Rebuilding Plans for fisheries, Take Reduction or Recovery Plans for protected species, and Habitat Conservation Plans. Continual reassessments of the status of stocks and protected species populations leads to changes in these Plans.	NMFS reports at least annually on the status of fish stocks. NMFS is in the process of incorporating program performance data into routine reporting systems such as a web-based Annual Operating Plan.	8%	0.0
2	<i>Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?</i>	No	A lack of control of Regional Fishery Councils undermines NMFS' ability to fully implement over-fishing restrictions. NMFS is working to improve accountability of Councils. NMFS has developed systems to track contractor and grantee performance.	Full utilization of the web-based, automated Annual Operating Plan system will inform managers and program partners in these areas and enable them to be more accountable. Better monitoring of internal operations and base budget tracking will also occur.	8%	0.0
3	<i>Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?</i>	Yes	Spending Plans are developed based on allocations of funds. Funds are obligated based on these plans and are timely. Plans are monitored and tracked throughout the year to ensure compliance with the Plan, Congressional intent, and applicable law. However, improvement could be made on obligations of earmarks and unrequested emergency grants and payments to fishers and communities.	FY 2002 funding was allocated in a timely fashion, subject to needed approvals. Periodic reviews and variance reports assist in identifying areas needing attention. Constituent and Congressional oversight also play a positive role. There have been past congressional inquiries on the slowness of disbursing selected emergency funds.	8%	0.1
4	<i>Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?</i>	No	NMFS has some incentives but they are not fully formalized into agency-wide standards. Financial policies are in place to reward or penalize managers for efficient budget execution. Performance plans reflect this requirement.	Existing policies on financial and performance management. IT projects and capital plans for fisheries are generally implemented according to plan. [need to get the documentation.]	8%	0.0
5	<i>Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?</i>	No	NOAA currently charges line offices for headquarters services on a formula basis, and costs are not directly tied to program activities. NOAA is in the process of converting to a fee-for-service approach that would allow for full cost accounting.	Services are charged to NOAA's line offices based on either percentage of total FTE or Budget Authority. As a result, other programs could be subsidizing NMFS programs, such as attorneys for NMFS.	8%	0.0

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
6	<i>Does the program use strong financial management practices?</i>	Yes	NMFS closely monitors expenditures in over 200 budget lines. It has provided capital plans for major acquisitions.	NMFS' Financial Reporting System has been in place for 5 years. NOAA is ahead of schedule in implementing the Commerce Administrative Management System.	8%	0.1
7	<i>Has the program taken meaningful steps to address its management deficiencies?</i>	Yes	NMFS is in the process of implementing the recommendations of the Kammer, MAFAC, NAPA, & NAS reports, as well as its "regulatory streamlining" plan, stock assessment improvement plan, etc.	An implementation plan for the NAPA and NAS reports has been developed. Other plans are already being implemented.	8%	0.1
8 (Reg 1.)	<i>Did the program seek and take into account the views of affected parties including state, local and tribal governments and small businesses, in drafting significant regulations?</i>	Yes	All statutes (MSA, ESA, MMPA, etc.) clearly require public comment periods prior to NMFS taking regulatory actions. Regional Management Councils include representatives of state and tribal governments and the regulated industries.	NMFS routinely receives numerous (sometimes thousands of) comments from affected parties, including states, tribes, small businesses, and the general public on its proposed regulations. NMFS addresses these comments as part of issuing its final regulations.	8%	0.1
9 (Reg 2.)	<i>Did the program prepare, where appropriate, a Regulatory Impact Analysis (RIA) that comports with OMB's economic analysis guidelines and have these RIA analyses and supporting science and economic data been subjected to external peer review by qualified specialists?</i>	Yes	NMFS identifies direct economic costs of its regulations in the accompanying analyses required by Regulatory Flexibility and NEPA in addition to those required under the program's primary statutes. However, the quality and content of these analyses vary widely across NMFS Regions and offices. In addition, many of these analysis suffer from a lack of quality biological or economic data, and NMFS does not use risk assessments to address the uncertainties. An increasing number of emergency or judicially-mandated actions requiring immediate action have also lacked the necessary analysis.	All significant regulations are submitted with an RIA and Regulatory Flexibility Analysis. In the case of FMPs, these documents are integrated into the EIS.	8%	0.1
10 (Reg 3.)	<i>Does the program systematically review its current regulations to ensure consistency among all regulations in accomplishing program goals?</i>	No	Although all regulations are reviewed at the NMFS Headquarters level at the time of promulgation, NMFS does not systematically review existing regulations across the entire country to ensure consistency. The MSA is unique in that it sets up a strong regional regulatory framework. However, this structure could be useful in improving regulations nation-wide by doing a benchmarking assessment. Which Council and regulatory components are working best in which regions? The current regulatory streamlining plans appear to be focused on the issuance of new regulations rather than look-backs.	NMFS Offices of Sustainable Fisheries, Protected Resources, and Habitat Conservation serve to oversee National policy consistency. Operations manuals to Councils, compliance manuals for Atlantic highly migratory species, economic guidelines, and social impact guidelines are used.	8%	0.0

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
11 (Reg 4.) <i>In developing new regulations, are incremental societal costs and benefits compared?</i>	Yes	NMFS analyzes costs and benefits as part of all regulations through the Regulatory Impact Analysis and requirements of NMFS underlying legislation. For example, the MSA requires the effects on fishing communities to be addressed. However, NMFS could do a better job of presenting incremental costs and benefits in a way that directly identifies the trade-offs between alternatives. This is particularly problematic because in fisheries regulations, the costs occur immediately while the benefits (increased allowable catch) may not appear for a decade and the different alternatives lead to similar equilibria but at different points in time.	Under National Standard 8, NMFS is required to balance economic impact on local communities against the benefits of its regulations. However, in most cases, this balance is a judgment call made by the Council because incremental costs and benefits are not directly compared.	8%	0.1
12 (Reg 5.) <i>Did the regulatory changes to the program maximize net benefits?</i>	no	Regional Fishery Management Councils generally take the lead in determining regulatory approach, including the choice of which alternatives to consider and analyze. Economics can sometimes suggest additional alternatives, but the choice of final action often reflects the interests represented on the Council instead of a broader net benefits determination. In addition, data necessary to accurately evaluate the relative benefits of different alternatives are often lacking.	NMFS only overrules a Council decision if the regulation contributes to over-fishing or will not contribute to the recovery of a species. MSA requires fisheries be managed for optimum yield, which does not necessarily lead to maximum net benefits. NMFS does not use maximizing net benefits as a reason to disapprove a proposed Council FMP.	8%	0.0
13 (Reg 6.) <i>Does the program impose the least burden, to the extent practicable, on regulated entities, taking into account the costs of cumulative final regulations?</i>	No	NMFS RIAs generally do not consider the cumulative impact of regulatory regimes, just the incremental. If enacted, legislative changes being developed by NMFS will lead to more efficient fisheries management.	Paper logbooks remain the most popular means of collecting catch data, even though electronic reporting has been layered on top of the paper logs. NMFS is using electronic means, such as toll-free telephone calls and satellite monitoring, more frequently for simple data.	8%	0.0
Total Section Score				100%	46%

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
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Section IV: Program Results (Yes, Large Extent, Small Extent, No)

1	<i>Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?</i>	Small Extent	The agency has made strides in the recovery of over-fished stocks and endangered/threatened species. Rebuilding plans are in place for most over-fished fisheries. Implementation of these programs is ongoing. Due to biological limits, some plans will take a number of years to fully achieve goals. Over time, NMFS has been able to get identified over-fished stocks to sustainable levels. However, as more stocks become known, the number over-fished can go up. In addition to reducing known over-fished stocks, NMFS has increased the number of known stocks with sustainable levels.	To date, 67 rebuilding plans have been developed and implemented for over-fished stocks. Where Fishery Management Council recommendations do not meet the rebuilding plan requirements, they are subject to being returned (as two have been recently). Similarly, numerous recovery plans for endangered/threatened species are in place. Emphasis is on front-loading the regulatory process to ensure timely compliance with all applicable laws and Executive Orders.	17%	0.1
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Long-Term Goal I:	Reduce the number of over-fished stocks of fish from the 2000 baseline.
Target:	By 2008, a 25 percent reduction of the total number of stocks (major & minor) listed as over-fished in 2000 (82 reduced to 62).
Actual Progress achieved toward goal:	Prior to 2000, 58 major stocks were identified as over-fished. Of these 10 were removed due to definitional changes and two have moved out of the over-fished status. Since 2000, no stocks were removed from the list in the 2001 report. Rebuilding plans are in place to meet the target stated above.
Long-Term Goal II:	Reduce the number of stocks of fish with an unknown stock status from the 2000 baseline.
Target:	By 2008, a 22.5 percent reduction of the number of major stocks with an unknown stock status 2000 (120 reduced to 93)
Actual Progress achieved toward goal:	A stock assessment improvement plan is in place. With the requested funding in FY 2003, the additional information needed to make the status determinations will be available.
Long-Term Goal III:	Reduce the number of endangered species at risk of extinction.
Target:	By 2008, a one-third reduction in the number of endangered species at risk of extinction (29 reduced to 19).
Actual Progress achieved toward goal:	Recovery plans and or actions are under way to reduce these risks.

2	<i>Does the program (including program partners) achieve its annual performance goals?</i>	Small Extent	Because of the nature of long-term stock growth, significant improvement is not always evident on an annual basis. However, the agency tracks and comprehensively reviews its activities to see if annual performance goals are being met. As NMFS science identifies species as over-fished, rebuilding plans are put in place. As protected species are listed as endangered or threatened, Take Reduction Plans, Recovery Plans and Habitat Conservation Plans are put in place. The agency is developing more specific annual performance measures.	NMFS currently reports on its progress under its annual operating plan submitted to NOAA. These activities are tracked as part of the quarterly reviews.	17%	0.1
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Key Goal I:	Management actions to manage fish stocks.
Performance Target:	Times of year and targets depend upon species. See the NMFS annual performance plan for objectives and the more than 600
Actual Performance:	Numerous activities have been taken, including annual specifications for fisheries managed under the more than 40 fishery management
Key Goal II:	Actions to reduce threats to protected species.
Performance Target:	Various
Actual Performance:	Numerous activities have been taken, including increase observer coverage

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
	Key Goal III: Performance Target: Actual Performance:		Develop a "regulatory streamlining" plan to improve management efficiencies FY 2002			
			Regulatory streamlining plan is under review. Many actions are already being undertaken to improve management activities.			
3	<i>Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?</i>	No	NMFS is burdened with significant congressional earmarking that is often not tied to its priority performance needs. However, NMFS continues to refine its measures related to its goals and its regulatory streamlining and delegations of authority to the field demonstrate NMFS' commitment to improved efficiencies and cost effectiveness in achieving program goals.	NMFS has and is in the process of implementing a number of activities to improve efficiencies and cost effectiveness. For example, NMFS is currently implementing a detailed, web-based annual operating plan system to better manage its resources.	17%	0.0
4	<i>Does the performance of this program compare favorably to other programs with similar purpose and goals?</i>	Yes	The agency is making significant progress in laying the groundwork for the recovery of over-fished stocks and endangered/threatened species as well as habitats protection activities. Implementation issues associated with these programs is similar to those of other agencies (e.g., USFWS). NMFS efforts relative to other common good resources such as air and water pollution is difficult to measure. However, it would appear NMFS has been managing for fewer years and at substantially lower regulatory burden.	To date, 67 rebuilding plans have been developed and implemented for over-fished stocks. Similarly, numerous recovery plans for endangered/threatened species are in place. NMFS has developed these plans with significant local and stakeholder input.	17%	0.2
5	<i>Do independent and quality evaluations of this program indicate that the program is effective and achieving results?</i>	Large Extent	Several independent reviews of NMFS have been completed (e.g., Kammer, NAPA) and the agency routinely uses outside peer reviews to assess the strength of its science (Center for Independent Experts and NRC and NAS). Within current authorities, these reports indicate NMFS has been somewhat effective.	Reports find NMFS should conduct more scientific research, but is constrained by limits on resources. The reports indicate NMFS is doing an effective job given its legislative and resource constraints. In addition, these reports and Administration proposals recommend additional tools to more efficiently manage fisheries.	17%	0.1
6 (Reg 1.)	<i>Were programmatic goals (and benefits) achieved at the least incremental societal cost and did the program maximize net benefits?</i>	No	While NMFS does analyze the costs and benefits of its proposed regulations, there is no evidence that each individual regulation, let alone the entire regulatory program, maximizes net benefits. The Administration supports legislation to authorize more market-based alternatives that would yield more economically efficient results.	MSA requires fisheries to be rebuilt on an aggressive timetable. Soon-to-expire amendments to the MSA prohibit transferable Individual Fishing Quotas. NMFS does not require Councils to select the highest net benefits alternative.	17%	0.0
Total Section Score					100%	39%

OMB Program Assessment Rating Tool (PART)

Direct Federal Programs

Name of Program: National Weather Service

Section I: Program Purpose & Design (Yes, No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Is the program purpose clear?</i>	Yes	NWS provides weather, hydrologic, and climate forecasts and warnings for the United States for the protection of life and property and the enhancement of the national economy.	NWS Organic Act (15 U.S.C. sec. 313) and NWS 2000-2005 Strategic Plan. Mission statement and vision statements provide clear insight on agency purpose.	20%	0.2
2	<i>Does the program address a specific interest, problem or need?</i>	Yes	NWS provides the public with weather, water and climate warnings and forecasts. The information is critical for public safety, protecting lives and property. The data is critical for business planning/decisions.	40% of Americans reside in areas of high risk to natural disasters, and 90% of all Presidentially-declared disasters are weather-related. Services are designed to mitigate these risks.	20%	0.2
3	<i>Is the program designed to have a significant impact in addressing the interest, problem or need?</i>	Yes	NWS products are based on extensive interaction with users, including emergency managers, government decision-makers and private sector interests. Forecast and warning products address these needs.	NWS performance measures track progress in providing more accurate and timely weather warnings and forecasts. Various National Academy Studies have validated NWS services.	20%	0.2
4	<i>Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?</i>	Yes	NWS is the only national provider of daily warnings and forecasts, storm and severe weather tracking, and flood forecasting. NWS is the only entity with an established, national infrastructure for collecting weather observations and disseminating information.	NWS Organic Act (15 U.S.C. sec. 313) authorizes NWS to provide weather warning and forecasts. NWS works closely with other federal and state partners to leverage expertise and ensure efficiency.	20%	0.2
5	<i>Is the program optimally designed to address the interest, problem or need?</i>	Yes	NWS underwent a significant modernization to provide services more effectively and efficiently. NWS also contracts out a number of functions that are better provided by the private sector, such as computer support, maintenance and repair. Specialized weather services are primarily left to the private sector.	As a result of modernization, NWS reduced the number of field offices from 300 to 121. Tornado warning times increased from 6 to 11 minutes, flash flood warnings increased from 21 to more than 50 minutes.	20%	0.2
Total Section Score					100%	100%

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Section II: Strategic Planning (Yes,No, N/A)						
	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?</i>	Yes	Strategic plan sets forth a clear set of goals that are tied to the program's performance measures.	Long term goals include: increased accuracy and timeliness of warnings; extended time periods for weather forecasts, improved accessibility and availability. The NWS Strategic Plan for 2000-2005 identifies targets for all of its performance measures.	15%	0.2
2	<i>Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?</i>	Yes	NWS uses performance metrics such as accuracy and lead time to evaluate its progress in meeting long-term goals for more accurate and timely warnings and forecasts.	Performance gains in DOC FY03 APP (vs. FY01): tornado lead time 11 min (vs. 10 min) and accuracy 70% (vs. 67%); aviation forecast accuracy (ceiling and visibility) 19% (vs. 18%); winter storm lead time 14 hrs (vs. 13 hrs).	14%	0.1
3	<i>Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?</i>	Yes	NWS contracts and grants have very specific deliverables and performance measures that relate to and support the output and outcome goals of the program.	Criteria for reviewing the application requires applicants to directly link the outcome of the research work to improving Agency performance measures. NWS maintains monthly program status reports for 36 separate programs and contracts.	14%	0.1
4	<i>Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?</i>	Yes	NOAA is charged with coordinating all Federal Meteorological Services. NWS has numerous interagency agreements, oversight coordination boards, and informal staff interaction to coordinate activities with related activities, including FEMA, FAA, USGS, NASA, and NSF.	Charter for Federal Coordinator for Meteorological Services, Inter-Agency Agreements, Memorandum of Understanding with Federal Agencies. Partnership agreements with State and Local governments. Charters for inter-agency management and policy oversight boards.	14%	0.1
5	<i>Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?</i>	Yes	A number of independent reports have been completed on the overall NWS programs. In addition, NWS has regular reviews and evaluations conducted for each service area, including marine, aviation, and severe weather; climate; and hydrology.	Specific studies by the National Academy of Sciences, evaluations and reports from internal and external oversight entities and academic organizations.	14%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
6	<i>Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?</i>	No	Currently, NWS' base funding can not easily be allocated by service function and does not align directly with individual performance measures. However, all requests for increases and new capital projects include specific performance information. NWS is currently conducting a cost management project to further align its budget with its service areas.	NWS' budget for FY03 requests \$586M for local warnings and forecasts, but direct impacts of funding changes on specific areas, such as tornado warnings and hurricane tracking can not be determined easily.	14%	0.0
7	<i>Has the program taken meaningful steps to address its strategic planning deficiencies?</i>	Yes	NWS developed a strategic plan in FY 2000 to address planning deficiencies. NWS develops annual operating plans to set specific annual performance targets and milestone objectives. NWS also performs strategic planning progress reviews each year to track progress and make appropriate adjustments.	NWS Strategic Plan, NWS FY 2002 Annual Operating Plan, Strategic Plan Progress Report	14%	0.1
Total Section Score					100%	85%

Section III: Program Management (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?</i>	Yes	NWS updates and evaluates performance information on a quarterly basis. NWS ties all funding requests to performance measures and utilizes performance in making everyday management decisions. NWS aims to further this effort through its cost management project.	NWS maintains a performance verification database that is continually updated and issues monthly reports that inform management decisions.	14%	0.1
2	<i>Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?</i>	Yes	NWS holds managers accountable for achieving performance goals. NWS establishes cost, schedule, and performance goals for each key agency project, grant, and contractor.	In the 2001 Federal Performance Project, Government Executive Magazine gave NWS an A for "managing for results." Performance plans for SES staff, project management status or "Quad" charts.	14%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	<i>Are all funds (Federal and partners) obligated in a timely manner and spent for the intended purpose?</i>	Yes	Funds are obligated in a timely manner. NWS conducts quarterly agency-wide financial reviews and holds managers accountable for meeting funding and FTE targets.	Even though the program has no-year funds, less than 1% of the budget is carried over each year.	14%	0.1
4	<i>Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?</i>	Yes	NWS uses competitive sourcing for a number of areas, particularly for computer support and maintenance and repair. NWS conducts A-76 studies and contracts out services when most cost-effective to do so.	In FY02, about 20% of NWS' budget went towards contracts. Before modernization, field office staff was nearly evenly split between meteorologists and technical support staff. Today, about 80% of field office staff are meteorologists.	14%	0.1
5	<i>Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?</i>	No	NOAA currently charges line offices for headquarters services on a formula basis, and costs are not directly tied to program activities. NOAA is in the process of converting to a fee-for-service approach that would allow for full cost accounting.	Services are charged to NOAA's line offices based on either a percentage of total FTE or Budget Authority. As a result, NWS' funds could be subsidizing services for other programs, such as attorneys for NMFS.	14%	0.0
6	<i>Does the program use strong financial management practices?</i>	Yes	NWS closely tracks its financial information and always provides reliable, accurate information. NWS aims to implement full cost accounting across the agency in the near future.	In the 2001 Federal Performance Project, Government Executive Magazine gave NWS an A for "financial management."	14%	0.1
7	<i>Has the program taken meaningful steps to address its management deficiencies?</i>	Yes	NWS has implemented new processes for strategic planning, financial planning and execution, and reorganized headquarter and field service offices to better align functions. NWS has also establish a Corporate Board structure with financial, operations, and human capital subcommittees to improve decision making, review, and coordination within the agency.	NWS Strategic Plan, Annual Operating Plan, Headquarters Reorganization. Corporate Board operating procedures.	14%	0.1

Total Section Score	100%	85%
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Section IV: Program Results (Yes, Large Extent, Small Extent, No)

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
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	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
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1	<i>Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?</i>	Large Extent	NWS has made progress in achieving long-term goals, particularly in improving accuracy and timeliness of forecasts and warnings. NWS has also made progress in its goal to be more accessible through its use of modern technologies, such as the Internet. Performance improvement has been slower in some areas, such as precipitation and aviation forecasting.	Since 1993, tornado lead times increased from 6 to 11 minutes, flash flood lead times increased from 21 to 50 minutes. Hurricane track forecasts improved by 50% in the past 30 years.	20%	0.1
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<p>Long-Term Goal I: Improve Tornado Warning Lead Times. Target: Target is 15 minute lead time by FY 2007 Actual Progress achieved toward goal: NWS has improved lead time from zero in the late 1980s to over 11 minutes in FY 2001.</p>						
<p>Long-Term Goal II: Improve Flash Flood Warnings. Target: Target is 48 minute warning lead time by FY 2007. Actual Progress achieved toward goal: NWS has improved lead time from less than 10 minutes in 1987 to 45 minutes in FY 2001.</p>						
<p>Long-Term Goal III: Reduce Hurricane Track Forecast Error (48 Hour). Target: Track forecast error of 128 nautical miles by FY 2007. Actual Progress achieved toward goal: NWS has reduced track forecast error from 225 miles in the early 1980s to 132 in FY 2000.</p>						

2	<i>Does the program (including program partners) achieve its annual performance goals?</i>	Large Extent	NWS meets the majority of its annual performance goals. In FY 2001, NWS met 8 out of 12 GPRA goals. The 4 missed goals were associated with statistically insignificant results in that year. Since establishment of GPRA performance goals in FY 1995, NWS has successfully met the goals with an 80% success rate, showing a steady and sustained increase each year.	DOC Annual Performance Reports and NWS annual performance report analysis.	20%	0.1
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<p>Key Goal I: Improve Tornado Warnings (Lead times, accuracy, and false alarm rates). Performance Target: FY 2001 Lead Time 13 minutes Accuracy 68% False Alarm 73% Actual Performance: Lead Time 10 Minutes Accuracy 68% False Alarm 73%</p>						
<p>Key Goal II: Improve Flash Flood Warnings. Performance Target: Lead Time 45 Minutes Accuracy 86% Actual Performance: Lead Tim 46 minutes Accuracy 86%</p>						
<p>Key Goal III: Reduce Hurricane Track Forecast Error (48 Hour). Performance Target: 142 Nautical Miles Actual Performance: 125 Nautical Miles</p>						

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	<i>Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?</i>	Yes	NWS recently completed a \$4.5B Modernization and Field Restructuring. The program consolidated field facilities, closing over 150 offices and eliminating 350 positions. NWS technology is allowing weather warnings and forecasts to be provided at an annual cost of less than \$6.00 per U S citizen. In the last five years, the NWS annual budget has grown at a rate below inflation. However, through use of advanced technology and internal efficiencies, NWS has dramatically expanded products and improved services including GPRA goals.	NWS Modernization and Associated Restructuring Plan, Annual Performance Reports, and analysis of budget trends. Analysis of product expansion and internal efficiencies for supercomputing, web services, and data dissemination.	20%	0.2
4	<i>Does the performance of this program compare favorably to other programs with similar purpose and goals?</i>	Yes	NWS performance compares favorably with other Federal Programs with similar purpose and goals, such as DoD weather forecasting entities. NWS also compares favorably with European weather forecasting entities. NWS is recognized across the Federal government for providing outstanding services to the public. Compared to other agencies such as FAA, NASA, and USGS, NWS performance and management capabilities rank very high.	Data on global weather model performance show that NWS out-performs the Navy's Fleet Numerical Weather Center and is only slightly behind the European Center for Medium Range Weather Forecasts. NWS expects to equal or surpass European capabilities in the near future.	20%	0.2
5	<i>Do independent and quality evaluations of this program indicate that the program is effective and achieving results?</i>	Yes	Recent independent reviews and quality evaluations indicate the program is achieving results.	NWS is the only federal agency that has received straight A's in five management categories from the Federal Performance Project, including managing for results.	20%	0.2
Total Section Score					100%	87%

Program Assessment Rating Tool (PART)

Program: NIST Laboratories
Agency: Department of Commerce
Bureau: Technology Administration
Type(s): Research and Development

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	86%	75%	

1.1 Is the program purpose clear?

Answer: YES

Question Weight: 20%

Explanation: The NIST laboratory program mission provides a clear, well-defined focus on technology infrastructure: the mission is "to develop and promote measurement, standards, and technology to enhance productivity, facilitate trade, and improve the quality of life".

Evidence: The mission and purpose of the NIST laboratory program is stated in the DOC Annual Performance Plans, budget justifications, and associated documents. See 15 USC 272 for NIST's statutory authority.

1.2 Does the program address a specific and existing problem, interest or need?

Answer: YES

Question Weight: 20%

Explanation: The measurements and standards capabilities provided by the NIST laboratories have been and remain a critical component of the nation's scientific, technical, and economic infrastructure. The measurements and standards mission of the laboratories is inherently public: Common and broadly accessible measurement tools and methods, physical standards, and documentary standards are essential to the nation's R&D-intensive organizations, providing R&D and manufacturing productivity enhancements, transactional efficiency in the marketplace, and a more level playing field for international trade.

Evidence: The inherently governmental power to "fix the standards of weights and measures" is written in the U.S. Constitution (article I, section 8). The current measurement and standards role of the NIST Laboratories is rooted in the mission of the National Bureau of Standards, which was established in 1901. See 15 USC 271, in which Congress declares, among other findings, that "The Federal Government should maintain a national science, engineering, and technology laboratory which provides measurement methods, standards, and associated technologies and which aids United States companies in using new technologies to improve products and manufacturing processes."

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?

Answer: YES

Question Weight: 20%

Explanation: There is no other federal agency with the same mission as the NIST laboratories. By design, the nation's measurement and standards system requires a peak-level national measurement institute, which is the core role of the NIST laboratories. This function cannot be provided by state or other governmental organizations or by the private sector.

Evidence: NIST's distinctive mission and role is reflected in numerous federal and international agreements that designate NIST as the national measurement institute (NMI) for the United States. For instance, international trade rules that mandate measurement traceability to an NMI designate NIST in that capacity; this role is similarly recognized in mutual recognition agreements (MRAs) with other NMIs as well as in federal laws that prescribe NIST roles with respect to other agencies (in areas such as computer security, construction investigations, and others).

Program Assessment Rating Tool (PART)

Program: NIST Laboratories
Agency: Department of Commerce
Bureau: Technology Administration
Type(s): Research and Development

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	86%	75%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: Overall, the current structure appears to be the most efficient and effective means for achieving the mission of the NIST laboratories. NIST has designed an impact logic model to identify the path from resource inputs to potential outcomes and has established evaluation processes for validating progress at various stages along the path. It uses this model and evaluations to assess organizational structure, management processes, and balance of its research portfolio. OMB has encouraged NIST to explore opportunities to obtain research services through grants or contracts where appropriate to obtain increased efficiencies. However, OMB recognizes that in many cases NIST's researchers also serve on various standards boards or provide other services and functions that could create a conflict of interest if the individual were from a private firm; these are important considerations in competitive sourcing decisions.

Evidence: Note that the impact logic model for the NIST laboratories is provided in the NIST budget justification and outlines the basic linkages between the activities of the NIST laboratories, the use of NIST's measurement and standards products and services by customers, and the ultimate impacts on innovation, productivity, and improved public health and safety. This logic model has been tested via approximately 30 microeconomic impact studies over the last decade, which have measured the net public benefits of specific outputs from the NIST laboratories. Commerce's Management Scorecard includes recommendations for identifying positions that could be obtained through commercial sources.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: Resources appropriated to the NIST laboratories are used to fund mission-specific intramural research. The measurement research, methods, tools, and services provided by the laboratories are planned with extensive input from NIST's customers and are broadly distributed and accessible to intended beneficiaries in the private sector, universities, and other public organizations. NIST's end impacts, evaluated in over 30 economic impact studies, attest to the broad dissemination and use of NIST's outputs.

Evidence: NIST plans and conducts its work with extensive input from intended beneficiaries in industry, universities, and other research-intensive organizations. At an operational level, the laboratories continuously search for ways to improve the efficiency and reach of NIST measurement and standards services. Two well-documented examples include the Josephson voltage standard (in which NIST devised an improved technical method for disseminating the measure of the volt) and Digital Encryption Standard Program (in which NIST enabled successive generations of a standard cryptographic algorithm). These cases illustrate processes NIST uses to plan and deliver measurements and standards capabilities to intended beneficiaries. For details and impact estimates, see NIST Planning Report 01-1 (on JVS, available at <http://www.nist.gov/director/prog-ofc/report01-1.pdf>) and Planning Report 01-2 (on DES, available at <http://www.nist.gov/director/prog-ofc/report01-2.pdf>)

Program Assessment Rating Tool (PART)

Program: NIST Laboratories
Agency: Department of Commerce
Bureau: Technology Administration
Type(s): Research and Development

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	86%	75%	

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 12%

Explanation: NIST has two primary long-term goals, which are identified in its strategic plan. These goals represent complementary elements of the laboratories statutory mission: conducting R&D to improve physical measurements and associated standards--e.g. developing a measurement regime for next-generation technologies; and providing measurement and standards products and services to existing customers. These long-term goals are inherently difficult to quantifiably measure due to such factors as the breadth of NIST's research portfolio, the long time horizons associated with research programs, and the difficulty of evaluating specific NIST contributions to end outcomes that have complex causal structures. However, NIST has established a number of processes, including external reviews and economic impact analyses, to ensure that it is making progress in supporting these goals.

Evidence: Goal 1: Provide technical leadership for the Nation's measurement and standards infrastructure. Goal 2: Assure the availability and efficient transfer of measurement and standards capabilities essential to established industries. Sources: NIST 2010 Strategic Plan (available at <http://www.nist.gov>); and the DOC FY 2004 Annual Performance Plan (available at <http://www.osec.doc.gov/bmi/budget/FY2004APP.htm>). The NRC conducts annual review in which it assesses NIST's laboratory program for technical merit, relevance and effectiveness, and impact of resources. Economic impact studies estimate microeconomic impacts of NIST activities on various industry sectors. Links to recent evaluations and studies are cited in question 2.2. NIST has successfully worked with OMB to develop clearer long-term measures and targets, and further improvements may be possible over time.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 12%

Explanation: As discussed in the 2.1, it is difficult to establish meaningful, quantifiable targets for NIST's long-term strategic goals. NIST assesses progress toward its three long-term goals through extensive annual expert review conducted independently by the National Research Council. NIST further evaluates its long-term impacts through microeconomic impact studies. In terms of management practices, NIST's strategic management is overseen by the Visiting Committee on Advanced Technology (VCAT), which provides an additional check on the Institute's strategic direction and a method for identifying opportunities for continuous improvement.

Evidence: NIST's annual performance goals and its performance evaluation system are provided in the DOC FY 2004 Annual Performance Plan. For an annual evaluation of the laboratories quality, relevance, and performance, see the annual report of the NRC Board on Assessment of NIST Programs (current and prior years are available at http://www7.nationalacademies.org/NIST/NIST_reports.html). For economic impact studies that estimate long-term outcomes from the use of NIST's products and services, see <http://www.nist.gov/director/planning/strategicplanning.htm#recent>. See also the annual report of the VCAT (available at <http://www.nist.gov/director/vcat/index.htm>).

Program Assessment Rating Tool (PART)

Program: NIST Laboratories
Agency: Department of Commerce
Bureau: Technology Administration
Type(s): Research and Development

Section Scores				Overall Rating
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100%	100%	86%	75%	

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 12%

Explanation: As with many intramural R&D programs, NIST's net performance in any given year cannot be represented by a limited number of goals with quantifiable performance measures. NIST does set annual performance goals for key outputs; collectively, these output goals represent a proxy for progress. In addition, NIST's annual external peer review system provides NIST with an additional measure of progress and effectiveness. While the current measures and processes are adequate, further improvements could be made. NIST has agreed to introduce new measures in FY 05 that better represent customer use of NIST's outputs, including a citation metric and improvements in the indicators of measurement transfer. NIST also has responded to OMB's request for a more systematic process for tracking how it implements recommendations that are generated by external reviews.

Evidence: NIST's annual performance goals are provided in the DOC FY 2004 Annual Performance Plan. For an annual evaluation of the laboratories quality, relevance, and performance, see the annual report of the NRC Board on Assessment of NIST Programs.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 12%

Explanation: NIST's annual output measures establish specific targets for assessing performance. These targets are set carefully, and reflect NIST's attempt to balance quantity and quality. It is undesirable to view absolute increases in outputs independent of quality; for example, a large number of low-quality research publications is less desirable than a smaller number of high quality publications (for this reason, NIST includes aggregate citation data with its annual publication metric). In addition, it is difficult to directly associate annual output metrics with prior year budget inputs, as many outputs involve time lags or derive from work conducted over more than one fiscal year.

Evidence: As in prior years, NIST's annual output targets are included in the FY 2005 Annual Performance Plan; this year, the performance plan is integrated with the FY 2005 budget justification.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: NA Question Weight: 0%

Explanation: Most of the appropriated resources for the NIST Laboratories are spent on intramural research and related activities conducted by the NIST laboratories.

Evidence: In general terms NIST does not fund program partners in a manner implied by this question. The NIST laboratories do, however, collaborate with a large number of organizations in order to develop their plans and conduct their work. Prominent long-term collaborations include JILA in Boulder and the Center for Advanced Research on Biotechnology within the University of Maryland. With regard to contracting practices, all NIST contracts are performance-based.

Program Assessment Rating Tool (PART)

Program: NIST Laboratories
Agency: Department of Commerce
Bureau: Technology Administration
Type(s): Research and Development

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	86%	75%	

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: YES Question Weight: 12%

Explanation: Each year since 1959 the National Research Council (NRC) Board on Assessment of NIST Programs has evaluated the quality, relevance, and performance of the NIST laboratories. This independent peer review process is systematic and comprehensive, covering all of the NIST laboratories. It provides the NIST Director and NIST's laboratory managers with a thorough evaluation of each laboratory's effectiveness and opportunities for improvement. This peer assessment is conducted in the context of NIST's strategic plans, which are derived with extensive input from industry and other customers. NIST also evaluates its long-term impacts through economic impact assessments that are conducted by independent external contractors.

Evidence: The NRC Board on Assessment of NIST Programs controls the selection of external experts who form panels suitable for reviewing the specialized scientific and technical programs within each of NIST's seven research laboratories. The results of each annual review cycle are published by the NRC and are available to the general public. NIST also uses highly qualified independent contractors to perform both retrospective and prospective economic studies.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: YES Question Weight: 12%

Explanation: The laboratory component of NIST's budget request is represented in the Scientific and Technical Research and Services (STRS) appropriation. NIST's annual STRS budget request reflects the Institute's long-term strategic plan and annual performance plan. Requests for new increases clearly tie to the focus areas identified in NIST's long-term strategic plan, and NIST uses formal reviews of OU Operating Plans as well as senior management performance plans to assure that base funding is prioritized to achieve long-term goals. Further improvements in strategic planning would help to ensure that laboratories are effectively applying resources in support of priorities identified in the long-term strategic plan.

Evidence: Key documents: The NIST 2010 Strategic Plan and FY 2004 Annual Performance Plan contain NIST's long-term programmatic goals. The FY 2003 Congressional budget request reflects the structure of NIST's budget line items and sub-activities. With respect to opportunities for improvement, the NRC's FY 2002 report identifies strategic planning by laboratories as an area where improvement is needed.

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 12%

Explanation: NIST has developed a new Institute-wide long-term strategic planning process that resulted in a limited number of long-term goals and strategic focus areas for the NIST Laboratories. The planning process includes new mechanisms for aligning Operating Unit plans with the NIST-wide plan, and includes external review with regard to the content of the plan as well as the planning process itself. Room for improvement still exists, but NIST's leadership has demonstrated a commitment to continued focus on strategic planning efforts.

Evidence: NIST 2010 Strategic Plan. In addition to stakeholder and customer comments on the plan itself, NIST's external advisory bodies routinely observe and comment on NIST's strategic planning processes generally. The NIST Visiting Committee on Advanced Technology (VCAT) provides this function for the Institute as a whole; see the Annual Report of the VCAT.

Program Assessment Rating Tool (PART)

Program: NIST Laboratories
Agency: Department of Commerce
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Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	86%	75%	

2.RD1 **If applicable, does the program assess and compare the potential benefits of efforts within the program to other efforts that have similar goals?** Answer: NA Question Weight: 0%

Explanation: As discussed in section 1, there is not another entity within the U.S. with the same mission. NIST has attempted to collect data on other national measurement institutes, but little comparable information is available to provide meaningful comparisons.

Evidence:

2.RD2 **Does the program use a prioritization process to guide budget requests and funding decisions?** Answer: YES Question Weight: 12%

Explanation: In terms of programmatic priorities, the NIST 2010 Strategic Plan provides a long-term view of anticipated changes in demand for NIST's measurement and standards functions and competencies. The laboratory goals set out priority measurement and standards needs in four strategic focus areas: health care quality assurance; information / knowledge management; nanoscale measurements and data; and homeland security. NIST's recent budget requests reflect these long-term priority areas. NIST also responds to Administration and Congressional priorities expressed in any given year; in FY 03 these included several items related to NIST's strategic focus areas as well as other priorities. At the Operating Unit level, the NIST laboratories use a general set of criteria for prioritizing programs; these priorities are reviewed on an annual basis by the NIST Director.

Evidence: NIST 2010 Strategic Plan; NIST FY 03 Congressional budget request. NIST's long-term priorities have been reviewed by an independent advisory body, the VCAT; in its quarterly meetings the VCAT continues to monitor NIST's strategic direction and progress to plan. NIST also has made its long-term strategic plan available to other stakeholders and customers for comment. The annual report of the Visiting Committee on Advanced Technology is available at: <http://www.nist.gov/director/vcat/index.htm>. Guiding principles for laboratory programs and investment decisions were reviewed and amended by the Director and NIST Senior Management Board in April 2003. Annual laboratory operating unit plans are reviewed each year by the Director.

Program Assessment Rating Tool (PART)

Program: NIST Laboratories
Agency: Department of Commerce
Bureau: Technology Administration
Type(s): Research and Development

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	86%	75%	

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 14%

Explanation: On an annual basis, NIST collects high quality, comprehensive external evaluations of the laboratory programs from the National Research Council. This evaluation data is used at the division, lab, and Director's Office level to assess the quality, relevance, and performance of the laboratories technical programs and make appropriate adjustments. NIST also makes numerous adjustments on an ongoing basis to its measurements and standards services, in response to external review and feedback from customers. Individual laboratories also have specific customer feedback channels that are used to evaluate and improve performance; examples include feedback from the Council for Optical Radiation Measurements in the Physics Laboratory, feedback from the Semiconductor Industry Association in the Electronics and Electrical Engineering Laboratory, etc. A number of economic impact studies also provide mid-stream analyses of research programs that NIST management uses to improve program performance.

Evidence: NRC feedback sessions and interactions during the external review process frequently include suggestions for improvements that are implemented at the division or laboratory level. NIST responses to these suggestions typically are reviewed in subsequent evaluation cycles; descriptions of this process and relevant examples can be found in the laboratory chapters of the annual NRC evaluation report. NIST also has implemented improvements in response to customer feedback, such as recent improvements in calibration service delivery processes; in general, such opportunities for continuous improvements are pursued on an on-going basis within the laboratories. Examples of mid-stream economic studies that provided evaluation data to program management include the Standard for the Exchange of Product Model Data (STEP) and Role-Based Access Control (RBAC) programs; for details, see appropriate studies at: <http://www.nist.gov/director/planning/strategicplanning.htm#recent>

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight: 14%

Explanation: In addition to external review processes described above, NIST assures accountability for program results through an internal strategic management process that centers on Operating Unit alignment with NIST-wide long-term goals and strategic focus areas. The NIST Director reviews annual OU operating plans to evaluate operational alignment with the Institute's strategic plan, ensure that mechanisms are in place for coordinating strategic interdisciplinary work, and to review and evaluate OU-level resource allocation choices.

Evidence: The NIST Director reviews and evaluates the performance of each laboratory Operating Unit Director; the performance plans of each OU Director include elements related to NIST-wide programmatic and managerial goals.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 14%

Explanation: NIST manages its resources carefully and typically has a limited amount of unobligated funds at year end. NIST's strong budget and accounting systems include rigorous internal reviews and external audits to ensure that funds are expended as intended.

Evidence: SF-132 (apportionment schedule) and SF-133 (report on budget execution). Internal processes include rigorous quarterly financial reviews. See the TA/NIST chapter in the audited Commerce FY 2002 Performance and Accountability Report (available at <http://www.osec.doc.gov/bmi/budget/02commercereport.htm>).

Program Assessment Rating Tool (PART)

Program: NIST Laboratories
Agency: Department of Commerce
Bureau: Technology Administration
Type(s): Research and Development

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	86%	75%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: NO Question Weight: 14%

Explanation: Currently, NIST's performance plans do not contain measures or targets that could be used to demonstrate gained efficiencies or cost effectiveness. However, NIST does have a fairly flat organizational structure with a minimal number of managerial layers, and overhead costs have declined slightly over the years. NIST has also pursued competitive sourcing practices in keeping with the President's Management Agenda, but efforts have been delayed due to Congressional reporting requirements. NIST recently took two new steps to improve operational efficiency and effectiveness: it established a Business Council to develop improved managerial policies and processes for Institute overhead expenditures; and it established a Chief Information Office to help improve productivity and effectiveness throughout the laboratories and the Institute as a whole.

Evidence: NIST's competitive sourcing plans have been made available to the Department of Commerce and OMB. With regard to overhead efficiency, see answer to question 4.3. The office of the CIO was implemented too recently to attribute specific IT efficiency gains at this point in time. Once competitive sourcing studies have progressed and the office of CIO is more firmly established, NIST will have additional information that will be useful in demonstrating progress in this area.

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 0%

Explanation: While the role of the NIST laboratories is distinct at the federal level, the laboratories accomplish their work through extensive collaboration with other National Measurement Institutes (NMIs), state offices, and diverse private organizations that play a role in the nation's measurement and standards system.

Evidence: Evidence includes Mutual Recognition Agreements with other NMIs; agreements with state weights and measures organizations; agreements with members of the National Conference of Standards Laboratories and NCSL-International; collaborations with ANSI and diverse standards development organizations; etc. The NIST laboratories also conduct a wide variety of work for other federal agencies on the basis of performance-based contracts. In some instances NIST's collaboration with other agencies is reflected in inter-agency MOUs, such as that recently signed by the DOC Technology Administration and the Department of Homeland Security.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 14%

Explanation: NIST has a long history of unqualified financial audits; in fact, NIST provides accounting services for several other DOC bureaus.

Evidence: See the TA/NIST chapter in the audited Commerce FY 2002 Performance and Accountability Report.

Program Assessment Rating Tool (PART)

Program: NIST Laboratories
Agency: Department of Commerce
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Section Scores				Overall Rating
1	2	3	4	Effective
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3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 14%

Explanation: In April 2002 NIST established a Senior Management Board and a set of supporting Councils with the overarching purpose of improving managerial efficiency and effectiveness. NIST uses these mechanisms for continuous improvement in NIST-wide managerial policies. Regular program oversight is obtained through the NIST Visiting Committee on Advanced Technology (VCAT), internal NIST program and planning reviews. In addition, the annual performance evaluations conducted by the National Research Council often identify management issues.

Evidence: The NIST Senior Management Board and supporting Councils have been used to improve policies that affect employee safety, performance-based management practices, leadership and management development, and other managerial areas. NIST also responds directly to program management recommendations produced by its external review mechanisms; for a description of the response process and for relevant examples, see the annual reports of the VCAT and NRC.

3.RD1 **For R&D programs other than competitive grants programs, does the program allocate funds and use management processes that maintain program quality?** Answer: YES Question Weight: 14%

Explanation: For base funding, resource choices generally are allocated on the basis of competitive merit and customer needs as assessed at the Operating Unit level and reviewed internally by the NIST Director (during annual planning and program reviews) and by external reviews of technical merit, relevance, and performance (conducted annually by the NRC). NIST-wide resource allocation processes to advance core metrology competencies are made annually on the basis of technical merit, and incorporate extensive internal and external review of each proposal. Program quality is further reinforced through rigorous technical peer review of research outputs; for instance, all technical publications must clear the Washington or Boulder Editorial Review Boards, and technical measurement capabilities and results are continually tested through international measurement comparisons.

Evidence: NIST's annual appropriation includes a very small quantity of earmarked funds. Descriptions of OU-level resource allocation processes and choices can be made available upon request; processes vary by lab given different research portfolios and customer requirements. NIST-wide resource allocation choices for "Competence" projects can be made available upon request. The results of external reviews are available from the NRC. Descriptions of quality management practices, such as editorial review boards, can be made available upon request.

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: YES Question Weight: 25%

Explanation: The NIST laboratories long-term goals are inherently difficult to quantifiably measure due to such factors as the breadth of NIST's research portfolio, the long time horizons associated with research programs, and the difficulty of evaluating specific NIST contributions to end outcomes that have complex causal structures. NIST's annual performance measures, external reviews and economic studies show continued progress, and the Institute's scientific and technical quality is widely recognized within the S&T community.

Evidence: External reviews by the National Research Council and numerous economic impact studies have identified and analyzed many of the economic and social impacts of NIST's laboratory research. Data are presented in DOC's budget justification and annual DOC performance plans and reports. Available data include detailed qualitative and quantitative findings from microeconomic impact assessments that, individually and collectively, confirm NIST's impact logic model and provide strong evidence of desired programmatic outcomes.

Program Assessment Rating Tool (PART)

Program: NIST Laboratories
Agency: Department of Commerce
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Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	86%	75%	

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: YES Question Weight: 25%

Explanation: NIST routinely meets or exceeds its annual quantitative performance targets and successfully passes rigorous annual qualitative reviews by the NRC. These targets and reviews collectively represent progress toward NIST's long term goals.

Evidence: See the FY 2004 Annual Performance Plan and the TA/NIST chapter in the audited Commerce FY 2002 Performance and Accountability Report. For annual evaluation of the laboratories quality, relevance, and performance, see the annual report of the NRC Board on Assessment of NIST Programs.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: NO Question Weight: 25%

Explanation: It is inherently difficult to measure the overall productivity and efficiency of R&D programs, so there are limited measures available to quantifiably demonstrate improved efficiencies or cost effectiveness in meeting performance goals. External peer reviews provide a mechanism for identifying inefficiencies in laboratory programs. In terms of administrative efficiency, the NIST laboratories have a structural incentive to maximize efficiency as gains in administrative efficiency are realized as resources for research. NIST management has taken additional measures to maximize efficiency and effectiveness, as described in question 3.4.

Evidence: Some information is available to demonstrate efficiencies in select parts of the program. For example, between 1992 and 2002, laboratory overhead has been reduced from 13% to 10% of all laboratory obligations (e.g. appropriated resources, other agency contracts, and reimbursables). NIST also tracks other specific measures of efficiency, such as turn-around time for calibration services. NIST does not have an Institute-wide measure of research efficiency; however, OMB recognizes that R&D-performing organizations typically cannot provide unit cost measures of efficiency do to the long time frame for research, multivariate inputs, and diverse sets of outputs that derive from R&D activities.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NA Question Weight: 0%

Explanation: As discussed in section 1, there is not another entity within the U.S. with the same mission. NIST has attempted to collect data on other national measurement institutes, but little comparable information is available to provide meaningful comparisons.

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: YES Question Weight: 25%

Explanation: External advisory groups and formal assessments by the National Research Council (NRC) Board on Assessment have found the NIST laboratories to be effective. The scope and nature of NIST's end outcomes are documented in a set of approximately 30 economic impact studies that have been conducted over the last ten years; these studies collectively validate NIST's impact logic model and provide additional independent evaluations and specific outcome-oriented measures of the programmatic effectiveness of the NIST laboratories.

Evidence: See the NRC Board of Assessment annual report and the annual report of the NIST VCAT. For NIST's economic impact studies, see: <http://www.nist.gov/director/planning/strategicplanning.htm#recent>

PART Performance Measurements

Program: NIST Laboratories
Agency: Department of Commerce
Bureau: Technology Administration

Measure: Peer reviewed technical publications

Additional Information: Citation analysis and publication volume represent performance indicators for NIST's annual performance goal of disseminating high value research results (a component of long-term goal 1)

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2003		1,267	
2004	1,300		

Measure: Standard reference materials sold

Additional Information: One of a suite of annual output metrics that supports NIST's annual goal of transferring high value measurement methods, data, and technologies to customers (a component of long-term goal 2)

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001		31,985	
2002		30,996	
2003		29,527	

Measure: Web access to / downloads of NIST-maintained databases (in thousands)

Additional Information: One of a suite of annual output metrics that supports NIST's annual goal of transferring high value measurement methods, data, and technologies to customers (a component of long-term goal 2)

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2003		55,654	
2004	56,000		

Measure: Number of items calibrated

Additional Information: One of a suite of annual output metrics that supports NIST's annual goal of transferring high value measurement methods, data, and technologies to customers (a component of long-term goal 2)

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	3,100	3,192	
2002	2,900	2,924	

PART Performance Measurements

Program: NIST Laboratories
Agency: Department of Commerce
Bureau: Technology Administration

Measure: Number of items calibrated

Additional Information: One of a suite of annual output metrics that supports NIST's annual goal of transferring high value measurement methods, data, and technologies to customers (a component of long-term goal 2)

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2003	2,900	3,194	
2004	2,800		

Measure: Technical peer review

Additional Information: Laboratory-wide external technical assessment of quality and performance, a measure used for NIST's annual goal of maintaining world class measurement research and measurement capabilities (a component of long-term goal 1)

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	report available		
2002	report available		
2003	report pending		

Program Assessment Rating Tool (PART)

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	100%	100%	73%	Effective

1.1 Is the program purpose clear?

Answer: YES

Question Weight: 20%

Explanation: NOAA is responsible for surveying and charting U.S. and territorial waters to the limits of the U.S. Exclusive Economic Zone (EEZ), an area of about 3.4 million square nautical miles. NOAA has a statutory mandate to provide nautical charts, hydrographic information and related products for the safe navigation of marine commerce, and to provide basic data for engineering and scientific purposes, and other commercial and industrial activities. The mapping and charting program acquires hydrographic and other data to maintain the marine navigational database for constructing and maintaining nautical charts and related marine products.

Evidence: The mapping and charting program of today derives from the Organic Act of 1807 (2 Stat. 4134) - Survey of the Coast. The Coast and Geodetic Survey Act of 1947 (C&GS) authorizes the provision of nautical charts and products for safe maritime navigation, hydrographic and topographic surveys, and analysis and prediction of tide and current data. The C&GS Act also authorizes developmental work to increase cartographic efficiency and engineering and scientific knowledge. The Hydrographic Services Improvement Act of 1998/2002 updated the C&GS Act to include testing, developing, and operating technologies necessary to ensure safe navigation.

1.2 Does the program address a specific and existing problem, interest or need?

Answer: YES

Question Weight: 20%

Explanation: NOAA's mapping and charting program provides tools for safe commercial and recreational navigation on U.S. waters. NOAA's navigation information and products contribute the safe and efficient transport of goods through the Marine Transportation System (MTS).

Evidence: Over 95% by volume of U.S. international trade is maritime. The U.S. Marine Transportation System contributes roughly \$750B to the U.S. GDP annually. The U.S. Coast Guard (USCG) requires that, in the interest of safety, current NOAA nautical charts be carried on all self-propelled vessels greater than 1600 gross tons, and recommends that all waterway users (commercial/recreational vessels of any size) carry up-to-date charts.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?

Answer: YES

Question Weight: 20%

Explanation: NOAA works closely with federal partners to ensure non-redundancy, as well as with neighbor countries, Canada and Mexico, to reduce overlapping efforts. NOAA is the only producer of nautical charts for all U.S. coastal waters; private sector chart producers may make selective decisions on which charts to produce based on buyer interest, leaving gaps in chart coverage. NOAA updates and disseminates information weekly/monthly/annually, versus several years to decades for other mapping programs.

Evidence: The National Imagery and Mapping Agency (NIMA) produces nautical charts for use by the military for international waters but relies on NOAA charts for U.S. waters. The U.S. Army Corps of Engineers (USACE) surveys the channels it maintains for navigation and provides that data to NOAA. NOAA surveys all navigationally significant waters up to and around federally maintained channels. USACE also produces some nautical charts, but only for inland waterways outside NOAA's area of responsibility. U.S. Geological Survey (USGS) topographic quadrangles do depict shoreline and nearshore waters, but USGS does not collect this data to the datum NOAA must use to delineate the legal shoreline, nor to NOAA standards, nor does USGS update it on a frequent basis. Commercial chart alternatives for coastal U.S. waters are copies of or are based on NOAA charts, which are not copyrighted. Commercial charts are not required to be built to the same standards as NOAA charts; may lack critical updates reported by NOAA and USCG on a weekly basis; do not include coverage of all U.S. waters; and will not meet USCG chart carriage requirements.

Program Assessment Rating Tool (PART)

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	100%	100%	73%	Effective

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: NO Question Weight: 20%

Explanation: NOAA is congressionally directed to use at least 50 percent contract work for surveys. In some cases contract work may be more expensive than other alternatives such as in-house work or vessel charters. This congressional direction does not allow for planning of contracts and in-house services to maximize efficiency and reduce costs.

Evidence: Congressional direction is contained in appropriations report language. A KPMG study examined the cost per square mile of using different surveying methods. The study found that contract surveys had higher costs on average than in-house surveys or time-chartering of vessels.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: NOAA's mapping and charting program primarily benefits commercial shipping interests. Other users include the USCG, pilots, port authorities, ferry operators, small craft mariners, and non-navigation users, such as coastal zone managers, emergency planners, and scientists. To ensure that its resources address the program's purpose directly, and to ensure that nautical charting products and services reach the intended beneficiaries, NOAA undertakes periodic reviews of user needs and maintains ongoing links to users through its outreach division.

Evidence: The National Survey Plan prioritizes hydrographic survey areas according to those areas deemed to have the greatest dangers to marine navigation. NOAA has determined that commercial shipping is the most important user in terms of commerce, safety, and the protection of the marine environment. Small craft and recreational boaters follow. Aspects of marine navigation that are taken into consideration include cargo and other large vessel traffic; under-keel clearance constraints, the potential for dangerous rocks, reefs, or man-made dangers, and requests from maritime officials and constituents. For example, Alaskan waters are a high priority area; parts of Alaska have never been surveyed, but Alaskan waters are host to increasing numbers of vessels transporting oil and other hazardous materials, as well as cruise ship and fishing vessels.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 12%

Explanation: NOAA currently has two long-term performance measures. One tracks progress in surveying all navigationally significant U.S. waters with full bottom coverage. The second is a new measure that tracks progress in a four stage conversion of navigational data from paper-based formats to electronic, vector formats that enable more efficient transfer of the data to useful products for mariners. NOAA is also developing an outcome-based long-term performance goal to reduce the number of and harm from navigation-related accidents due to groundings and allisions (hitting fixed objects) through better navigation information services.

Evidence: Surveying needs have been identified and prioritized as navigationally significant and critical areas. This prioritization is inherently and meaningfully linked to achieving the outcome based goal of reducing harm from navigation-related accidents. NOAA's major goals for its marine transportation system services are promulgated in the NOAA 2003-2008 Strategic Plan. http://www.osp.noaa.gov/docs/NOAA_Final_Strategic_Plan_March31st.pdf. Baseline data for the goal to reduce the number of and harm from navigation-related accidents due to groundings and allisions will be gathered from the USCG accident database by U.S. Merchant Marine Academy (USMMA) faculty under the terms of a 2003 agreement between USMMA and NOAA.

Program Assessment Rating Tool (PART)

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	100%	100%	73%	Effective

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 12%

Explanation: Targets to reduce the number of and harm from navigation-related accidents due to groundings and allisions will be developed after baseline data is gathered by USMMA faculty. The program does have ambitious targets for the other two long-term performance measures.

Evidence: NOAA tracks its progress in mapping and chart production on a quarterly basis, reports annually and upon request on performance measures, and submits updated goals during each annual budget formulation cycle. Performance measures are published in the NOAA Strategic Plan and the Department of Commerce Annual Performance Plan and Performance Accountability Report.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 12%

Explanation: NOAA sets annual performance goals for development of electronic navigation charts (ENCs) and printing of updated paper charts. The program also captures annual totals of square nautical miles surveyed each year for critical, other navigationally significant, Homeland Security, and other areas surveyed. In addition, NOAA maintains internal measures for its other program activities, including marine forecast model development, hydrographic survey contract awarding, and Coast Pilot updates.

Evidence: NOAA tracks its progress in chart production and survey accomplishments on a quarterly basis, reports annually and upon request on performance measures, and submits updated goals during each annual budget formulation cycle. Performance measures are published in the NOAA Strategic Plan and the Department of Commerce Annual Performance Plan and Performance Accountability Report.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 12%

Explanation: The baseline for NOAA's mapping and charting program is the number of chart editions currently produced and the number of ENCs in continual maintenance. The hydrographic survey program performance is measured in the number of square nautical miles of navigationally significant areas surveyed.

Evidence: NOAA tracks its progress on a quarterly basis, reports annually and upon request on performance measures, and submits updated goals during each annual budget formulation cycle. NOAA's targets and timeframes are based in part on funding levels, as well as analysis of past performance to establish goals for the future and anticipated efficiencies from technology improvements. Hydrographic survey data acquisition can vary greatly from year to year, depending on factors such as location of surveys, weather, equipment operability, and number/type of features located while surveying. Performance measures are published in the NOAA Strategic Plan and the Department of Commerce Annual Performance Plan and Performance Accountability Report.

Program Assessment Rating Tool (PART)

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	100%	100%	73%	Effective

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight: 12%

Explanation: All partners commit to and work toward NOAA's mapping and charting goals. Program managers establish the annual mapping charting program goals after interaction with stakeholders and contractors to determine what is feasible and necessary to support the ultimate goal of safe navigation and reduced navigation-related accidents.

Evidence: NOAA traditionally holds annual workshops to hear from stakeholders and users on NOAA performance. NOAA also maintains open channels to its constituents via its regional Navigation Managers, who liaise with maritime community to keep abreast of current/future needs. Key partners are NOAA Stakeholders (the maritime community, including commercial and recreation boaters, pilots associations, etc.; the environmental community, including state and local planners); contractors; and government agencies from whom NOAA receives data for application to charts: USCG, USACE, Navy, NIMA. Goals are established by quantity/quality components written into the service contracts. The NOAA/University of New Hampshire Joint Hydrographic Center, which receives a grant from NOAA, is also committed to and continually working toward the goals set forth by NOAA to improve hydrographic data collection and application.

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: YES Question Weight: 12%

Explanation: The mapping and charting program's redesign stems from recommendations made in a National Research Council (NRC) study that noted changes in customer requirements; a growing demand for customized and digital nautical information products; and advances in technologies both for acquiring survey data and for structuring, displaying, analyzing, and disseminating nautical information. The Hydrographic Services Improvements Act of 1998 provided Congress and NOAA an opportunity to evaluate NOAA's navigation programs as well. Additional internal reviews such as Management Control Reviews and NOAA Inspector General audits provide an objective look at program performance and processes. The mapping and charting program also conducts evaluations to fill gaps in performance information to support program improvements and evaluate effectiveness. Independent evaluations are conducted on an as-needed basis, but NOAA also continually seeks feedback from its customers regarding the program.

Evidence: The NRC study, Charting a Course into the Digital Era: Guidance for NOAA's Nautical Charting Mission, established a framework that NOAA followed in modernizing the program. The mapping and charting program also contracts with an independent survey firm to conduct annual surveys of mariners and navigation services users on the utility of NOAA nautical charts. The mapping and charting program has also participated in three recent Office of Inspector General (OIG) audits. As a result, NOAA has modified its reporting structure to account for surveys within all navigationally significant areas rather than just those done in critical areas, changed the method of reporting vessel monthly data acquisition accomplishments, and is in the process of re-analyzing the critical survey area using a state-of-the-art Geographic Information System. In 2000, the hydrographic surveys division underwent a Management Control Review (MCR) on contracting for hydrographic surveying and related services. The findings were primarily focused on insufficient personnel and inadequately documented procedures, and the program responded effectively by increasing staff devoted to the contracting program. One developing opportunity is the creation of a Hydrographic Services Review Panel Federal Advisory Committee that will be stood up by December 2003 to advise the NOAA Administrator on topics such as the National Survey Plan, technologies relating to operations, research and development, and dissemination of data pertaining to hydrographic surveying and data, nautical charting and other navigation data-related measurements. The Federal Advisory Committee was authorized under the 2002 Hydrographic Services Improvement Act.

Program Assessment Rating Tool (PART)

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	100%	100%	73%	Effective

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: YES Question Weight: 12%

Explanation: Each of the mapping and charting products and performance goals are tracked to separate funding lines, so that direct correlation can be made between funding and output. Funding levels for hydrographic surveys correlate with the number of square nautical miles surveyed. The number of square nautical miles of data collected can also depend on factors such as location of surveys, weather, equipment operability, and number/type of features located while surveying.

Evidence: NOAA's annual budget request for the mapping and charting program describes the annual performance goals, prior progress, and performance goals for the next five years based on out-year funding profiles. NOAA provides both base and change scenarios to illustrate the impact of program budget increases, decreases, and steady budgets.

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 12%

Explanation: The mapping and charting program is currently developing long-term outcome-based performance goals. The program has also developed its own mapping and charting plan to help guide the agency plans with a focus on stakeholder needs.

Evidence: Baseline data for the goal to reduce the number of and harm from navigation related accidents due to groundings and allisions will be gathered from the USCG Accident database by USMMA faculty under the terms of a 2003 agreement between USMMA and NOAA. NOAA is also currently revising the National Survey Plan to adjust to OIG recommendations and to incorporate additional feedback from customers and constituents.

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 14%

Explanation: The mapping and charting program collects and tracks performance metrics for each of its program and production goals. In addition, the program also actively solicits feedback and recommendations for improving products from key partners and customers. Frequently this feedback ties directly to mapping, charting, or process improvement.

Evidence: The program tracks quarterly performance metrics for its mapping, charting, and surveying activities as described in Section 2.3. The program also tracks metrics such as amount and type of incoming data, time spent to review that data and apply to charts, number of charts in continual maintenance mode, and number of corrections on a chart (indicating a greater need to print). These metrics help managers to gauge employee and contractor performance, identify potential production shortfalls early on for redress, and adjust personnel assignments based on target requirements. Navigation Managers attend port meetings within their respective regions to obtain feedback and needs from users of nautical charts and other NOAA navigation products. The program also uses performance information to highlight potential problems that can be averted through advance management. For example, an improved efficiency in data acquisition is generating a volume of data that will soon bottleneck the processing and production process. NOAA recognizes this and is in the process of re-engineering the production pipeline to become more efficient.

Program Assessment Rating Tool (PART)

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	100%	100%	73%	Effective

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?

Answer: YES

Question Weight: 14%

Explanation: Contracts are written with performance measures regarding cost, schedule and performance standards, and penalty clauses to hold contractors accountable. Hydrographic survey contractors must produce data to the specifications sited in the NOAA Hydrographic Specifications and Deliverables circular, and ENC contractors also have a set of specifications to which they must adhere. Decisions to award contracts also consider performance on previous contracts. The work of cartographic contractors undergoes the same review and quality assurance as government cartographers, with the same requirements for fixing problems and resolving issues. Production goals are set for all parts of the organization, and federal managers are held accountable for those goals.

Evidence: Contract payment is contingent upon delivery dates and quality. NOAA has held contractors accountable as per the criteria in the contract and sent charts back for recollection. The hydrographic survey services contracts are indefinite delivery contracts against which firm fixed price task orders are issued. If performance results do not meet specifications, contractors are required to fix the problems at their own expense. If the contract performs poorly or does not perform, NOAA will not issue that contractor additional task orders. NOAA's mapping and charting program has established clear levels of operational accountability in which the program manager is accountable for the timely and accurate completion of all products, and all employees are accountable for the timely and accurate completion of all assigned work. Employee performance plans include the ability to maintain a specific level of productivity and a maximum allowable error rate. Federal managers are evaluated on their ability to meet or exceed production performance goals set in the General Workforce Performance.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?

Answer: YES

Question Weight: 14%

Explanation: Funds are all spent for the intended purpose under the mapping and charting program. Contract disbursement sometimes takes longer than expected depending on when appropriations bills are signed and funds are dispersed to NOAA. However, the program has taken steps, including re-direction of staff, in preparation of contract materials so that contract disbursement through NOAA is more expedient once funds have been appropriated.

Evidence: Throughout the year, the mapping and charting program reports quarterly on funds obligations and any variances which may occur by object class and account. NOAA's CAMS financial system improves on the older FIMA system to track variances and show spending reports.

Program Assessment Rating Tool (PART)

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	100%	100%	73%	Effective

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES

Question Weight: 14%

Explanation: NOAA contracted KPMG to conduct a cost analysis of different surveying methods and used the results to pursue using chartered vessels as a cost effective method for completing survey work. Cartographic contracts are awarded on a competitive basis to ensure cost effectiveness. NOAA has built IT and technology review and improvement mechanisms into its charting program. The program's research and development component supports cartographic and hydrographic processes with new techniques and improved technology, such as methods to more efficiently and accurately measure depths, shoreline, and bottom characteristics and to locate underwater hazards. NOAA uses efficiency measures to track the timeliness of quality assurance and processing of survey data.

Evidence: Cartographic contracts are awarded competitively every 5 years to assure cost effectiveness and performance. The mapping and charting program periodically conducts internal reviews of production processes and systems. These reviews establish process improvement action plans. One such review was conducted in 1999 and another review is currently underway. The focus of these reviews is to improve efficiencies and streamline the existing production process/procedures for paper charts and ENC's. A streamlining process has begun that will incorporate these recommendations and future technologies. The program's hydrographic surveying contract effort just undertook a lessons learned exercise to educate program managers on improvements being made as a result of past experience.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES

Question Weight: 14%

Explanation: The mapping and charting program is integrated with NOAA's water levels program and geodetic/positioning program through a unified strategic planning process and frequent meeting/planning sessions to coordinate on joint projects and technology development. NOAA also works on an external level to collaborate and coordinate with related federal and private programs.

Evidence: NOAA's mapping and charting program works closely with related NOAA and other federal programs, professional and recreational organizations, and private industry to better serve NOAA's navigation services customers and identify priorities. Internally, NOAA works with hydrographic, modeling, shoreline mapping, geodetic, and tides/water levels programs to form an integrated suite of services for mariners and other non-navigation users. On an external level, the NOAA charting program collaborates effectively with USCG and USACE, and actively participates on the federal Interagency Committee on the Marine Transportation System (ICMTS). The ICMTS Memorandum of Understanding was signed in April 2000 with the commitment to view the MTS as a system and coordinating related functions of 18 federal agencies to ensure that policies, strategies and goals are consistent with national needs. NOAA coordinates with professional and recreational organizations such as pilots associations, harbor safety committees, and the US Power Squadrons for determining customer needs and forming partnerships. NOAA also works with private industry to encourage technology developments and commercialization of software and technologies.

3.6 Does the program use strong financial management practices?

Answer: YES

Question Weight: 14%

Explanation: The mapping and charting program is implementing a new financial management practice to ensure payments are made properly and to minimize erroneous errors.

Evidence: This practice includes the Department of Commerce (DOC)/NOAA CAMS financial management system.

Program Assessment Rating Tool (PART)

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	100%	100%	73%	Effective

3.7 Has the program taken meaningful steps to address its management deficiencies?

Answer: YES

Question Weight: 14%

Explanation: In addition to tracking DOC/NOAA strategic planning goals, program managers participate in internal planning sessions to define new goals and revisit current program objectives. The mapping and charting program is also taking steps to address significant management issues such as succession planning and workforce development, IT management, and project management by product, taking a systemic view of the entire program. The program has also had to develop contracting expertise to handle the shift in emphasis from 100% FTE to 50% FTE/ 50%contract labor.

Evidence: To address succession planning and workforce development, the mapping and charting program is instituting a cross-training program for new and journeyman FTE, as well as putting in place new IT and project managers to ensure performance goals are met. The mapping and charting program also created 2 positions and trained personnel as major Contracting Officer Technical Representatives to address deficiencies in its labor contracting expertise. A "Ping-to-Chart" data streamlining process has begun to more efficiently collect, process and apply data to the nautical chart and other navigation products and services. This process will eventually streamline the entire mapping and charting process so that all products can be built from a vector database, negating the need for the dual product line that NOAA now operates to fulfill the requirement for nautical charting products and services.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?

Answer: LARGE
EXTENT

Question Weight: 20%

Explanation: The mapping and charting program's primary, outcome-based long-term performance measure is still under development. However, progress in the programs other long-term performance measures has been demonstrated.

Evidence: Performance goals are reported in Quarterly/Annual reports, annual audits, and budget requests showing past performance.

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: LARGE
EXTENT

Question Weight: 20%

Explanation: The mapping and charting program has met the majority of its annual performance goals.

Evidence: Performance goals are reported in Quarterly/Annual reports, annual audits, and budget requests showing past performance. Targets were not met for two performance goals because the mapping and charting program reprioritized resources to meet Homeland Security needs that had not been planned for.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: SMALL
EXTENT

Question Weight: 20%

Explanation: The mapping and charting program has demonstrated some improvements in efficiencies through cost comparisons, competitive sourcing methods, and technology improvements. However, cost-effective measures could be used more actively to inform program management decisions. Few performance measures exist to track efficiency or cost effectiveness and in some cases measures do not demonstrate improvement.

Evidence: The mapping and charting program uses an efficiency measure to track the number of hydrographic surveys processed per cartographer as a measure of data processing efficiency. Due to changes in data type and diversion of resources for Homeland Security needs the program has not demonstrated improved efficiency in this area.

Program Assessment Rating Tool (PART)

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
80%	100%	100%	73%	Effective

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: YES Question Weight: 20%

Explanation: The mapping and charting program compares favorably to other federal programs producing navigation data; the charting program is in fact an integrator for navigation data from a multitude of sources, public and private. No other federal mapping program has instituted an effective e-commerce or a functional print-on-demand capability as NOAA has done. The mapping and charting program also looks to other programs internationally to compare and learn from how other countries gather and produce their nautical charting data.

Evidence: Domestically, NOAA gathers data from disparate sources such as USCG, USACE, and other programs to incorporate into mapping and charting products. NOAA is the only agency producing ENC's and disseminating them to the public. NOAA is also the only agency producing paper charts and Print-on-Demand updated charts for public dissemination. NOAA's data requirements are generally to a higher standard than other programs. The mapping and charting program has looked into how other countries acquiring hydrographic data have dealt with the increase in data, and their methods and plans for electronic chart production, and NOAA's program compares favorably. NOAA's standards and products are on par with international expectations.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: YES Question Weight: 20%

Explanation: Annual audits indicate that the program is effective and producing results. In addition, from 1998-2001, the hydrographic surveys division was subjected to one independent external review, one cost comparison study, and one Management Control Review. While most had some suggestions for improving the program, there were many positive statements about program management.

Evidence: DOC/NOAA periodically initiates contact with independent audit firms such as KPMG to verify program results. A study by KPMG found the in-house NOAA hydrographic surveying program to be from 11% to 58% cheaper than contracting for similar services. When the Hydrographic Services Review Panel FACA is formed in December 2003 (established pursuant to Public Law 107-732 and in accordance with the Federal Advisory Committee Act) and begins providing feedback on the Nautical Charting program, this will be another way NOAA can determine if there are more effective ways of achieving the same results.

PART Performance Measurements

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration

Measure: Increased level of efficiency in providing timely navigational products

Additional Information: This measure tracks progress in completing a four phase process of converting NOAA's navigational data from paper format to electronic, vector-based formats. The goal is to achieve a complete vector database able to output multiple products. The timeframe is bundled into 5-year increments due to the slow and complex nature of capturing measurable results.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
1990-1995	25%	25%	
1995-2000	50%	50%	
2000-2005	75%		
2005-2010	100%		

Measure: Survey the navigationally significant area with full bottom coverage and periodically re-survey high traffic areas that experience significant sea floor change (out of a total of 535,000 square nautical miles)

Additional Information: Current technology allows for near 100% coverage of the seafloor, which provides greater depth sounding accuracy. NOAA's goal is to survey navigationally significant areas with full bottom coverage and maintain a resurvey cycle in high traffic areas where silting, addition of man-made features, or other effects over time increase the uncertainty that the chart does not adequately represent the seafloor.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
1994-2002	15,000	15,000	
2012	43,000		
2120	535,000		

Measure: Number of lithographic editions printed

Additional Information: NOAA annually prints new editions of nautical charts with the greatest number of updates and new data, and those low in stock. NOAA continually maintains a suite of 1000 charts for paper/raster/Print-on-Demand provision.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2002	250	250	
2003	250	250	
2004	250		

PART Performance Measurements

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration

Measure: Number of lithographic editions printed

Additional Information: NOAA annually prints new editions of nautical charts with the greatest number of updates and new data, and those low in stock. NOAA continually maintains a suite of 1000 charts for paper/raster/Print-on-Demand provision.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2005	250		

Measure: Number of Electronic Navigation Charts (ENCs) in continual maintenance

Additional Information: ENCs, once built, must be kept in continual maintenance or they become obsolete. The target metric assumes FY2004 President's Budget increase of \$2M for ENCs. At FY2004 funding levels, NOAA will reach its capacity to effectively maintain a partial ENC suite in FY2006. NOAA's goal is to provide full contiguous ENC coverage for U.S. coastal waters. NOAA estimates a total of approximately 1000 ENCS is required to achieve this goal.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2002	200	215	
2003	335	335	
2004	535		
2005	735		

Measure: Reduce the hydrographic survey backlog within navigationally significant areas (in square nautical miles surveyed per year)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	1,505	2,963	
2002	1,602	1,514	
2003	2,100	1,762	
2004	2,700		
2005	3,025		

PART Performance Measurements

Program: NOAA Navigation Services
Agency: Department of Commerce
Bureau: National Oceanic and Atmospheric Administration

Measure: Number of hydrographic surveys approved for application to nautical charts per cartographer/physical scientist per year.

Additional Information: Hydrographic surveys are reviewed and quality assured before the data is applied to the nautical chart. Reengineering the review process "pipeline" and the development of new software tools is expected to result in efficiency gains over the next several years.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual	(Efficiency Measure)
2002		1.72		
2003		1.47		
2004	1.56			
2005	1.72			
2006	1.88			

Measure: Number of source data applications to the NOAA chart suite per cartographer.

Additional Information: The number of changes and updates coming into NOAA for review and application to nautical charts is increasing at a rate of 13% a year. NOAA made 51500 changes, updates, and applications to its chart suite in FY 2003. As a result, program management requires that NOAA's cartographers (both in-house and contract) will have to become more efficient in analyzing and applying the data over time to maintain NOAA's continual maintenance status.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual	(Efficiency Measure)
2002		465		
2003		548		
2004	620			
2005	700			
2006	791			

OMB Program Assessment Rating Tool (PART)

Block/Formula Grants

Name of Program: Pacific Coastal Salmon Recovery Fund (PCSRF)

Section I: Program Purpose & Design (Yes, No, N/A)

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1 <i>Is the program purpose clear?</i>	Yes	The program's purpose is to contribute to the recovery of Pacific salmonids through the restoration of habitat and improving and increasing the number of fish passages in order to reach healthy and self-sustaining stock levels.	MOUs between NMFS and the States (CA, OR, WA, & AK) and Tribes (Northwest Indian Fish Comm., Columbia River Inter-Tribal Fish Comm., & Klamath River Intertribal Fish Comm.). These MOUs contain detailed criteria and objectives that contribute to the recovery of numerous stocks.	20%	0.2
2 <i>Does the program address a specific interest, problem or need?</i>	Yes	The program addresses the Endangered Species Act (ESA) listings of Pacific salmonids and the burden (such as restoring habitat, providing increased fish passage, etc.) those listings have placed on state and local entities.	MOUs between NMFS and the States and Tribes.	20%	0.2
3 <i>Is the program designed to have a significant impact in addressing the interest, problem or need?</i>	Yes	States (e.g. WA, OR) use competitive locally-based programs with scientific review to screen-out and fund only the highest priority projects contributing to salmon recovery. However, greater impact could be achieved by directing funds only to ESA listed salmon stocks.	MOUs between NMFS and the States and Tribes. FY 2001 funding totaled \$90.0 million.	20%	0.2
4 <i>Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?</i>	Yes	The program shares with states the costs associated with restoring salmon habitat and increasing the areas of habitat available to salmon. It complements other direct Federal restoration efforts, such as the Columbia River Basin Salmon Recovery efforts.	MOUs between NMFS and the States and Tribes.	20%	0.2
5 <i>Is the program optimally designed to address the interest, problem or need?</i>	No	The intent of the PCSRF is to engage local solutions to salmon recovery. Endangered stocks exist in CA, OR, and WA. However, a significant share of funds go to Alaska, which has no endangered salmon stocks in the coastal regions.	MOUs between NMFS and the States and Tribes.	20%	0.0

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Total Section Score				100%	80%

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Section II: Strategic Planning (Yes,No, N/A)						
	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?</i>	Yes	The long term performance goal of the program is to contribute significantly (e.g., through restoration of habitat, opening of additional habitat, restoration of water flows needed for spawning and rearing, etc.) to the recovery and conservation of pacific salmon.	MOUs between NMFS and the States and Tribes.	14%	0.1
2	<i>Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?</i>	No	The two-year old program has not finalized annual measures yet. The MOUs between NMFS and the States establish criteria and goals for selecting local based projects that are designed to protect and restore Pacific salmonids which is the overall long-term mission/goal of the program. Performance reports from States/Tribes demonstrate annual performance towards achieving the overall goals.	MOUs between NMFS and the States and Tribes. Reports on activities and expenditures are submitted to NMFS semi-annually by each State and Tribe (listed above).	14%	0.0
3	<i>Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?</i>	No	Recipients of grant funds at the local level (sub-grantees) are bound by contracts that require performance reporting and focus on projects that provide for salmon recovery. However, funds to AK do not support endangered stocks, although they may increase total salmon numbers.	PCSRF Workshop report and attendance. MOUs with states.	14%	0.0
4	<i>Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?</i>	Yes	The States and Tribes work together and with NMFS and other federal and local entities in many forums on salmon recovery. Crosscutting salmon recovery strategies developed by Technical Recovery teams and in forums such as the "Shared Strategy" for Puget Sound salmon are incorporated into the priorities for the PCSRF.	Workshop Report on NMFS-Northwest Region website. http://www.nwr.noaa.gov/pcsrw/2002_worshop.htm	14%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
5	<i>Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?</i>	No	The program is only about two years old; independent evaluations have not been completed yet. NMFS conducted a workshop in early 2002 to evaluate program performance. Since many of the projects are for habitat restoration, the determination of project effectiveness may be premature since it will take many years to see actual changes in salmon productivity as a result of restoration projects. However, output and proxy measures should be available.	Workshop Report on NMFS-NWR website.	14%	0.0
6	<i>Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?</i>	Yes	States and Tribes prioritize distribution of funds to priority projects designed to facilitate salmon habitat restoration, salmon research, and salmon enhancement, which are the legislative purposes of program. The distribution of funding by the Congress each year is reflected in the number/size of projects conducted by each State or Tribe.	State/Tribal Performance reports provided detailed information on activities and funding.	14%	0.1
7	<i>Has the program taken meaningful steps to address its strategic planning deficiencies?</i>	Yes	The Administration has proposed in the Budget that funds be allocated by ESA needs and priorities rather than pro rata to states. Congress has not supported the changes.	President's Budget	14%	0.1
Total Section Score					100%	57%

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Section III: Program Management (Yes,No, N/A)						
	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	<i>Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?</i>	Yes	States and Tribes provide performance reports semi-annually that NMFS uses to review program progress. Data is entered into State databases that are accessible by NMFS for monitoring program performance.	State/Tribal Performance reports	11%	0.1
2	<i>Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?</i>	Yes	Grants and sub-grants include terms and conditions for accountability. Grantees must provide semi-annual performance reports showing they met the term & conditions of the grant. Awards and OMB circulars include provisions for non-performance.	NOAA Financial Assistance Award - Standard Terms and Conditions.	11%	0.1
3	<i>Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?</i>	No	Grant disbursement has taken longer than expected even after two years of operation. As of the end of the third quarter FY2002, less than a third of FY2002 available program funds had been obligated.	SF-133s and SF-132s.	11%	0.0
4	<i>Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?</i>	No	Funds are allocated to states based on congressional desire, not program performance. Within states there are competitive processes to select projects that are most efficient and have the greatest probability of success for the budgets proposed by project proponents.	MOUs between NMFS and the States and Tribes. Appropriations language.	11%	0.0
5	<i>Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?</i>	No	NOAA currently charges line offices for headquarters services on a formula basis, and costs are not directly tied to program activities. NOAA is in the process of converting to a fee-for-service approach that would allow for full cost accounting.	Services are charged to NOAA's line offices based on either percentage of total FTE or Budget Authority. As a result, other programs could be subsidizing other programs.	11%	0.0

Questions		Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
6	<i>Does the program use strong financial management practices?</i>	Yes	States have accounting systems that fall under the self-audit provisions of OMB.	NOAA Financial Assistance Award - Standard Terms and Conditions.	11%	0.1
7	<i>Has the program taken meaningful steps to address its management deficiencies?</i>	Yes	The States have revised their project selection processes to improve their program and address deficiencies such as increasing emphasis on watersheds and species that are at a high risk.	Revised MOUs and State Processes for distribution of PCSRF funds	11%	0.1
8 (B 1.)	<i>Does the program have oversight practices that provide sufficient knowledge of grantee activities?</i>	Yes	States and Tribes keep NMFS informed of their activities with PCSRF funds through periodic reports and the semi-annual reports required by the grant and MOUs.	State/Tribal performance reports and PCSRF Workshop report	11%	0.1
9 (B 2.)	<i>Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?</i>	Yes	States and Tribes prepare semi-annual reports which are submitted to NMFS and are made available to the public.	State/Tribal Performance reports	11%	0.1
Total Section Score					100%	67%

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Section IV: Program Results (Yes, Large Extent, Small Extent, No)					

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
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1	<i>Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?</i>	No	The program is too new to be able to demonstrate significant progress toward outcome goals. Projects funded since inception of the PCSRF have restored salmonid habitat in important areas (e.g., ESA critical habitat), built local/state/tribal infrastructure and implemented processes for planning, assessment and monitoring.	Progress reports from PCSRF recipients.	20%	0.0
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Long-Term Goal I:	Protect and restore salmonid freshwater and estuarine habitat.
Target:	Fund the best salmon habitat projects and activities at the local level using the best available science.
Actual Progress achieved toward goal:	States/tribes have funded over 600 projects that improved or opened access to freshwater habitat.
Long-Term Goal II:	Build local /state/tribal infrastructure to protect and restore salmonids.
Target:	Fund salmon recovery planning , enhancement and assessments and research and monitoring programs.
Actual Progress achieved toward	States/tribes have funded several hundred local based projects for planning, research and monitoring.
Long-Term Goal III:	Improve public understanding of salmon recovery.
Target:	Fund and undertake outreach and education projects.
Actual Progress achieved toward	States and tribes have undertaken a number of local level outreach and education programs.

2	<i>Does the program (including program partners) achieve its annual performance goals?</i>	No	Although the program has overall goals which the program is progressing towards, NMFS has not developed specific annual performance measures. NMFS intends to create annual performance measures in concert with the states and tribes at the upcoming December 2002 PCSRF workshop.	Annual reports.	20%	0.0
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Key Goal I:	
Performance Target:	
Actual Performance:	
Key Goal II:	
Performance Target:	
Actual Performance:	
Key Goal III:	
Performance Target:	
Actual Performance:	

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	<i>Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?</i>	No	The program has not been able to allocate funds based on recovery needs of listed salmon stocks. However, the individual states have modified their processes as they gain experience with the program to improve processes and gain efficiencies.	Enacted appropriations language. MOUs were revised in FY 2001 and 2002 to reflect revisions to programs to enhance efficiencies. State process for project evaluation and selection have also changed since FY 2000 to reflect improvements and efficiencies.	20%	0.0
4	<i>Does the performance of this program compare favorably to other programs with similar purpose and goals?</i>	Yes	This program compares favorably with other programs aimed at salmon restoration. The Federal government has spent billions in direct salmon recovery efforts in the Columbia River Basin.	During PCSRF workshop, the PCSRF program was compared to the Northwest Power Planning Council's program to recover salmonids, and found to be comparably effective in selecting projects using science advisory committees and citizen input to foster local based salmon recovery efforts.	20%	0.2
5	<i>Do independent and quality evaluations of this program indicate that the program is effective and achieving results?</i>	No	Program is only about two years old; independent evaluations have not been completed yet. NMFS' evaluation (based on reports from the States and tribes) indicates the program is effective in achieving results.	Projects conducted with PCSRF funds were presented at the PCSRF workshop an in other scientific forums and found to have effective project planning and design to achieve goals for salmon restoration. NMFS review of performance reports also indicates the programs are effective in achieving desired results.	20%	0.0
Total Section Score					100%	20%

Program Assessment Rating Tool (PART)

Program: Survey Sample Redesign
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	88%	100%	74%	

- 1.1 Is the program purpose clear?** Answer: YES Question Weight: 20%
- Explanation: The program selects new, updated statistical samples of the population for each decade to maintain the accuracy, relevancy and quality of the results of major federal surveys of families and households.
- Evidence: Demographic Surveys Sample Redesign Goal Statement, FY 2004 budget submission to Congress
- 1.2 Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight: 20%
- Explanation: Statistical samples of the population need to be developed after each decennial to be representative of the location and composition of the American public. This prevents deterioration in the accuracy of the federally sponsored demographic surveys. The major household surveys requiring this sample redesign include the Current Population Survey, the Consumer Expenditure Surveys, the American Housing Surveys, the National Crime Victimization Survey, the National Health Interview Survey, and the Survey of Income and Program Participation.
- Evidence: Demographic Surveys Sample Redesign Goal Statement, FY 2004 budget submission to Congress
- 1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight: 20%
- Explanation: The survey sample redesign program is the only program that develops samples for major federally sponsored demographic surveys. In developing these samples, the Bureau also ensures data confidentiality.
- Evidence: Sample Redesign Memoranda of Understanding with sponsoring agencies (e.g. BLS, HUD, NCHS, BJS)/Title 13 US Code
- 1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%
- Explanation: The 2000 survey sample redesign is adequate for completing the sample survey redesign using the 2000 Census. The program is working to shift from redesigning based on decennial data to redesigning on a more frequent basis using the American Community Survey and a continuously updated Master Address File.
- Evidence: FY2004-2008 Census Bureau Strategic Plan Research Agenda for the 2000 Redesign "The Future of Sample Redesign" presentation given at the Interagency Committee Meeting on Survey Sample Redesign, Nov 12, 2002
- 1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%
- Explanation: Memoranda of Understanding (MOU) with sponsoring agencies contain reliability requirements and performance goals and milestones that seek to ensure that resources are effectively used.
- Evidence: Sample Redesign Memoranda of Understanding with sponsoring agencies (e.g. BLS, HUD, NCHS, BJS)

Program Assessment Rating Tool (PART)

Program: Survey Sample Redesign
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	88%	100%	74%	

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 12%

Explanation: The sample survey redesign program has one performance goal, to produce accurate, timely, and relevant statistics by developing new samples that reflect the current characteristics and geographic location of the population. Performance measures are the sample design requirements and goals including accuracy requirements and release schedules contained in Memoranda of Understanding with sponsor agencies.

Evidence: The DOC FY 2004 Annual Performance Plan and Census Bureau FY 2004-08 Strategic Plan Sample Redesign MOUs with sponsoring agencies (e.g. BLS, HUD, NCHS, BJS)

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 12%

Explanation: In general, the long term sample redesign targets are ambitious and meet the needs of the sponsor agencies. Further, the release schedule is ambitious because the 2000 redesign program accelerates the release of two samples by a year as compared to the release schedule of the 1990 redesign program.

Evidence: FY 2004-08 Strategic Plan Sample Redesign MOUs with sponsoring agencies (e.g. BLS, HUD, NCHS, BJS)

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 12%

Explanation: The survey sample redesign has established annual milestones including developing and releasing sample frames that contribute to desired long-term outcomes. Milestone schedules are contained in MOUs with sponsoring agencies.

Evidence: FY 2002 Congressional Budget Submission; Sample Redesign MOUs with sponsoring agencies (e.g. BLS, HUD, NCHS, BJS)

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 12%

Explanation: Annual targets for 2000 redesign activities are ambitious and meet the needs of sponsor agencies. Further, the annual targets for the release schedules are ambitious compared to the 1990 redesign activities.

Evidence: Sample Redesign MOUs with sponsoring agencies (e.g. BLS, HUD, NCHS, BJS)

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight: 12%

Explanation: The survey sponsors are consulted on a regular basis on statistical methodology for redesign of samples. Contracts for advisory and assistance services engage outside expertise in meeting annual and/or long term goals.

Evidence: Sample Redesign MOUs with sponsoring agencies (e.g. BLS, HUD, NCHS, BJS) Minutes of Sample Redesign Steering Committee Meetings with sponsoring agencies Contractual agreements documentation.

Program Assessment Rating Tool (PART)

Program: Survey Sample Redesign
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	88%	100%	74%	

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: YES Question Weight: 12%

Explanation: There were external evaluations conducted for the 1980 cycle of sample redesign due to extensive design changes. However, with fewer changes in 1990 and 2000 redesigns, there have been fewer external evaluations beyond input and comments provided by survey sponsors. Sponsors regularly monitor and assess redesign activities through the Interagency Sample Redesign Steering Committee. Source and accuracy statements are also released with survey results. Census should consider more external evaluations as the program shifts from redesigning based on decennial data to redesigning on a more frequent basis using the American Community Survey and a continuously updated Master Address File.

Evidence: Minutes of Sample Redesign Steering Committee Meetings with sponsoring agencies Panel on Current Population Survey Redesign Research

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: YES Question Weight: 12%

Explanation: The Census Bureau budget requests tie resource requests to the accomplishment of performance goals for new initiatives and incorporate unit costs for base and new activities. However, improvements can be made in tying base activities to annual and long term performance goals.

Evidence: FY 2004 Budget Request

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: NO Question Weight: 12%

Explanation: The sample redesign program does not have a well-developed strategy in place for redesigning on a regular basis using the American Community Survey and a continuously updated Master Address File. The program is currently developing a strategy and should work to develop targets in budget and strategic planning documents.

Evidence: Census Bureau's Strategic Plan for 2004 - 2008

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 14%

Explanation: The program maintains a program management information system that manages the redesign work in order to complete it on time. This system helps the program conduct ongoing analysis and review of program management practices. The program also regularly updates survey sponsors on progress on sample redesign activities.

Evidence: Program Management Information System Documentation memoranda on survey management Minutes of sample redesign steering committee meetings

Program Assessment Rating Tool (PART)

Program: Survey Sample Redesign
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	88%	100%	74%	

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight: 14%

Explanation: Annual performance plans for managers include goals and measures that are linked to Census Bureau's strategic goals. Manager performance plans contain specific performance standards for the sample redesign program including project deliverables for the seven major sample redesigns. All contracts are carefully monitored and contractors are held accountable for cost, schedule, and performance.

Evidence: Employee performance plans

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 14%

Explanation: Monthly and quarterly obligation reports indicate the Census Bureau funds programs in a timely and appropriate manner

Evidence: Approximately 98% of budgetary resources in the Periodics and Programs account was obligated at the end of FY 2003.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 14%

Explanation: In developing the 2000 redesign, the program improved efficiencies by creating an automated listing in the sample procedures, improving the stratification and sample selection and unduplication procedures, and incorporating a state based design for the SIPP into the current redesign at no additional cost to be able to provide state based estimates. The survey sample redesign program also competitively sources its information contracts and utilizes large in-place Bureau contracts to achieve efficiencies of scale.

Evidence: Research Agenda for the 2000 Redesign R&D 2007 contract and the Information Technology Services contract.

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 14%

Explanation: The program collaborates and coordinates with other statistical agencies in developing and implementing sample redesign activities. Sample redesign requirements are developed and incorporated into MOUs with sponsor agencies. The program also regularly updates survey sponsors on progress on sample redesign activities.

Evidence: Interagency Sample Redesign Steering Committee Memoranda of Understanding with sponsoring agencies

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 14%

Explanation: The program's financial management is reflected in Census Bureau's clean audit opinions.

Evidence: Clean audit opinions since 1999 reflected in the Bureau's Financial Reports.

Program Assessment Rating Tool (PART)

Program: Survey Sample Redesign
Agency: Department of Commerce
Bureau: Census
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	88%	100%	74%	

- 3.7 Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 14%
- Explanation: In general, the survey sample redesign program has adequate program management. The Census Bureau has developed areas of competency that managers must meet in their jobs and several programs have been developed to meet training needs in competency areas.
- Evidence: Project Management Master Certificate Program
- 4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight: 20%
- Explanation: The survey sample redesign program is on schedule to complete the samples for the seven major household surveys by 2005
- Evidence: Sample Redesign MOUs with sponsoring agencies (e.g. BLS, HUD, NCHS, BJS)
- 4.2 Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight: 20%
- Explanation: The survey sample redesign program reports on redesign activities to the Interagency Survey Sample Redesign Committee meetings. Further, MOUs contain annual milestones. In general, the survey sample redesign program has met its annual performance goals.
- Evidence: Sample Redesign MOUs with sponsoring agencies (e.g. BLS, HUD, NCHS, BJS), Progress reports to Interagency Survey Sample Redesign Committee
- 4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight: 20%
- Explanation: The survey sample redesign program has improved efficiencies because the 2000 redesign funding is comparable to the funding received for the 1990 redesign and the following operational improvements have been added: automated listing and sample selection of the primary sampling units, incorporation of a state based design into the SIPP, completing the samples for two surveys at an accelerated schedule.
- Evidence: Research Agenda for the 2000 Redesign Progress reports to Interagency Survey Sample Redesign Committee
- 4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: YES Question Weight: 20%
- Explanation: The program has the largest scope and most advanced model for redesigning samples.
- Evidence: The program is regularly consulted by statistical programs and agencies world-wide on its sample redesign process.
- 4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: LARGE EXTENT Question Weight: 20%
- Explanation: Evaluations completed by Sample Redesign Steering Committee Meetings indicate the redesigns are on schedule and meeting the needs of the sponsors.
- Evidence: Minutes of Sample Redesign Steering Committee Meetings with sponsoring agencies

PART Performance Measurements

Program: Survey Sample Redesign
Agency: Department of Commerce
Bureau: Census

Measure: To produce accurate, timely, and relevant statistics by developing new samples that reflect the current characteristics and geographic location of the population. Performance measures include producing new survey samples for seven major household surveys that meet accuracy and timeliness milestones contained in MOUs with sponsoring agencies

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2004	2 new samples		
2005	4 new samples		

Measure: Program milestones for 2000 census redesign activities including finalizing MOUs with sponsor agencies on design requirements and completing sampling unit stratification and selection for 7 major household surveys.

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	MOU milestones	Met	
2002	MOU milestones	Met	
2003	MOU milestones	Met	
2004	MOU milestones		
2005	MOU milestones		

Measure: Program milestones for continuous redesign activities (1) Develop a strategy for coordinating and unduplicating samples between household surveys in preparation for shifting Sample Redesign towards using a continuously updated Master Address File and American Community Survey data

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2005	(1)		

Program Assessment Rating Tool (PART)

Program: US and Foreign Commercial Service (USFCS)
Agency: Department of Commerce
Bureau: International Trade Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
60%	75%	100%	33%	

1.1 Is the program purpose clear?

Answer: YES

Question Weight: 20%

Explanation: The U.S.&FCS helps U.S. companies, particularly small and medium-sized enterprises (SMEs), make sales in international markets. US&FCS's purpose is clearly stated through statutory authority and provided to stakeholders and customers through its marketing materials.

Evidence: Sections 2301 and 4721 of the Omnibus Trade and Competitiveness Act of 1988 (P.L. 100-418).

1.2 Does the program address a specific and existing problem, interest or need?

Answer: YES

Question Weight: 20%

Explanation: In response to concerns about the effectiveness of government export promotion programs, overseas commercial work was transferred from State to the Commerce Department in 1980. The US&FCS program was established to: 1) promote exports of goods and services from the United States, particularly by small and medium-sized enterprises and 2) assist US exporters in their dealings with foreign governments.

Evidence: 1) 1989 GAO report. 2) Sections 4721 of the Omnibus Trade and Competitiveness Act of 1988 (P.L. 100-418). 3) The FY 2002 National Export Strategy indicates that only about 1% of U.S. small businesses export their product or service. 4) U.S. Exporting Companies: Initial Findings From 2001 Exporter Database, March 2003 indicates that, in 2001, 90% of all SMEs in the database conducted business from a single U.S. location. Without overseas operations, SMEs are less able to overcome foreign trade barriers and market imperfections than their larger company counterparts, which have overseas operations or foreign affiliates.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?

Answer: NO

Question Weight: 20%

Explanation: Although US&FCS continues to improve its coordination with private and public trade promotion agencies, studies indicate that businesses serviced by US&FCS can also obtain similar services from state, local and private sector entities. For example, Customized Market Research, which provides firms with customized information on overseas markets, is also provided by at least 3 private firms. Another example is Platinum Key Services and Flexible Market Search which are two customized advisory services provided by US&FCS. A study found that many private sector entities were willing to offer a complete and extended level of effort for 3 to 6 months to a company to establish a foothold in an export market. Another example is US&FCS's Showtime service which provides U.S. companies a list of international trade events they can attend. The State of Maryland's Office of International Business also provides listings of international trade shows. In addition to export promotion consulting, FedEx and UPS do trade compliance and tariff consulting work for exporters.

Evidence: 1) According to the KPMG Fee Study (January 2003), in contrast to other federal agencies, a majority of ITA's products and services do not enjoy a monopoly in their markets because the majority of these products can be obtained elsewhere. 2) Two University of North Carolina studies (1995 and 2002) indicated that, although exporters found government programs, such as US&FCS, to make a positive contribution to US exports, the private sector emerged as the clear leader of providing services to abroad. 3) State of Maryland <http://www.choosemaryland.org/international/export/Trade%20Events/index.asp> 4) US Chamber of Commerce: <http://www.uschamber.com/chambers/> 5) World Trade Centers Association: <http://iserve.wtca.org/> 6) FedEx Trade Networks has over 330 locations worldwide and they offer international trade consulting, trade seminars, information technology including fully integrated regulatory compliance tools for imports and exports as well as duty and tax collection. <http://www.fedex.com/> 7) UPS <http://www.ups.com/> 8) Council of State Governments reports that states maintain over 200 independent overseas trade promotion offices (May 2002).

Program Assessment Rating Tool (PART)

Program: US and Foreign Commercial Service (USFCS)
Agency: Department of Commerce
Bureau: International Trade Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
60%	75%	100%	33%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: NO Question Weight: 20%

Explanation: Although US&FCS has streamlined and co-located offices, the agency could increase its efficiency if the agency had a better sense of how much it costs to provide its products and services. Although US&FCS currently charges fees for some products and services, the agency does not have a consistently-applied pricing or marketing strategy for its services domestically or abroad. The infrastructure for capturing cost and customer information are inadequate for making informed decisions. Some recommendations US&FCS should consider are:1) Standardize the management of portfolio of products/services and customer, market, cost and price information to ensure quality and reliability.2) Improve integration and functionality of customer management systems.3) Perform ongoing competitor and market analysis.4) Implement a product/service cost accounting system and cost accounting through performance goals and rewards.5) The program design and feedback relies primarily on customer service surveys. External third-party evaluations would assist US&FCS in assessing how effective its programs are over the long-term in assisting U.S. firms export. Ultimately, the ability to collect fees as a result of services rendered provide a market test that the customer finds the services valuable.

Evidence: 1) KPMG User Fee Study (January, 2003)2) Booz Allen Study (1998)3) GAO: U.S. Export Assistance Centers: Customer Service Enhanced But Potential to Improve Operations Exists (GAO/T-NSIAD-96-213)

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: In response to a fragmented structure of federal export promotion services, through the Trade Promotion Coordinating Committee, US&FCS joined with U.S. Export-Import Bank and Small Business Administration to establish a network of U.S. Export Assistance Centers to coordinate with themselves and other non-federal agencies, such as state agencies and world trade centers. To date, there are 12 USEAC offices where US&FCS is co-located with SBA and Export Import Bank to effectively target services to U.S. firms in a coordinated fashion. Furthermore, 69% of domestic offices are co-located with non-federal partners. US&FCS has also implemented new products and eliminated services as a result of past studies to better target resources. In addition to this structure, as mandated by law, ITA/FCS targets the businesses that can not afford private sector comparable services (primarily small to medium sized businesses). FCS is working on better defining its criteria for targetting assistance. Thirdly, FCS is evaluating how to better account for its cost and pass long an appropriate level of cost to the customer. Lastly, ITA is reviewing its organizational structure to determine how to better deliver its services.

Evidence: 1) Export Promotion: Governmentwide Strategy Needed for Federal Programs (GAO/T-GGD-93-7); Export Promotion: Federal Programs Lack Organizational and Funding Cohesiveness (GAO/NSIAD-92-49); Export Promotion: U.S. Export Assistance Centers Seek to Improve Services (GAO/NSIAD-99-180)2) 1998 Booz Allen report findings led to development of "Centers of Innovation" program to develop new products and services. Platinum Key Service and Flexible Market Research are results.

Program Assessment Rating Tool (PART)

Program: US and Foreign Commercial Service (USFCS)
Agency: Department of Commerce
Bureau: International Trade Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
60%	75%	100%	33%	

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 12%

Explanation: The purpose of US&FCS is to help U.S. companies, particularly small and medium-sized enterprises (SMEs), make sales in international markets. Although US&FCS has a number of quantifiable performance measures, the current measures do not tie to an overall long-term outcome that accomplishes the purpose of the program (e.g., By 2007, US&FCS will increase exports by U.S. firms by x%). However, ITA/FCS have developed long-term performance measures to be included in the FY 2005 Annual Performance Plan, which includes a long-term measure that includes a market test of services.

Evidence: 1) ITA Strategic Plan (2002-2006)2) ITA's FY 2002 Annual Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02ita.pdf> 3) ITA/FCS FY 2005 Annual Performance Plan.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 12%

Explanation: ITA collects data to monitor U.S. trade that can provide baseline data regarding the U.S. firms that seek to export. US&FCS's Strategic Plan identifies mission-focused goals such as "open markets" or "increase SME exporters and exports" and has recently devised long-term measures that identify timeframes which will be incorporated into its FY 2005 Annual Performance Plan. These long-term measures coincide with ITA/FCS's current annual measures.

Evidence: 1) 2001 US Exporter Database2) ITA Strategic Plan (FY 2002-2006)3) ITA's FY 2002 Annual Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02ita.pdf> 3) ITA/FCS FY 2005 Annual Performance Plan.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 12%

Explanation: Although ITA measures are shared, US&FCS constitutes two-thirds of ITA's budget. As the primary export promotion agency at ITA, US&FCS is charged with increasing export transactions. To this end, US&FCS has six specific annual performance measures that demonstrate some progress in promoting exports. ITA's strategic plan articulates the following long-term goals: increasing trade opportunities by opening markets and providing leadership in promoting trade and broadening participation by increasing SNE exporters and exports and facilitate deal-making. Although the measures accommodate these goals, long-term quantifiable outcome measures (e.g., Increasing exports by x number by 200y) would better enable US&FCS to define its progress.

Evidence: 1) ITA's FY 2002 Annual Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02ita.pdf>2) US&FCS Budget information, FY 1988-FY 20033) ITA Strategic Plan FY 2002-FY 2006.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 12%

Explanation: ITA's baseline is informed from performance in the previous year and calibrated every year as necessary. Annual targets appear to be ambitious but could be better linked to long-term outcome measures by articulating a specific long-term target.

Evidence: 1) ITA's FY 2002 Annual Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02ita.pdf>

Program Assessment Rating Tool (PART)

Program: US and Foreign Commercial Service (USFCS)
Agency: Department of Commerce
Bureau: International Trade Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
60%	75%	100%	33%	

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight: 12%

Explanation: Partners commit to the annual performance measures through performance documents, MOUs, or agreement letters. In the case of TPCC partners (SBA and Export Import Bank), US&FCS co-location increases these agencies abilities to work toward annual performance goals. ITA/US&FCS could enhance partner outputs by clearly identifying long-term outcome goals that link with annual measures.

Evidence: 1) ITA Strategic Plan (2002-2006)2) US&FCS Memorandums of Understanding (e.g., National Association of Women-Owned Businesses) 3) Agreement letter and sample report between US&FCS and USDA FAS. 4) US&FCS and USAID partnership on Ecolinks program (e.g., FY 2002 Export Successes).

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight: 12%

Explanation: US&FCS's primary assessment mechanism has been customer service surveys. Although these surveys yield relevant information, they do not provide an external assessment of US&FCS products and services and compare them to a long-term baseline on which to determine progress. Although numerous Office Inspector General performance and financial audits have been performed on aspects of US&FCS and the General Accounting Office (GAO) has examined export promotion coordination, comprehensive reviews of US&FCS's performance and validation of past performance have not been conducted. The absence of an external assessment of the long-term effects of US&FCS services (e.g., sustainability of new to export firms as exporters US&FCS assists) makes it difficult to fully understand how effective US&FCS is in fulfilling its purpose.

Evidence: 1) Report Card on Trade I, 19952) Report Card on Trade II, 20023) IG Reports: http://www.oig.doc.gov/E-Library/Reports/Recent/body_recent.html4) GAO Reports on export promotion: www.gao.gov

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: NO Question Weight: 12%

Explanation: Although budget estimates include direct and indirect overhead cost, including rent, utilities, Departmental support and services provided to the US&FCS by the Department of State, US&FCS does not know how much it spends to provide its services so resource needs can not be tied to the budget.

Evidence: <http://www.ossec.doc.gov/bmi/budget/04APP/04ita.pdf>

Program Assessment Rating Tool (PART)

Program: US and Foreign Commercial Service (USFCS)
Agency: Department of Commerce
Bureau: International Trade Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
60%	75%	100%	33%	

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 12%

Explanation: US&FCS has a bi-annual Strategic Plan that provides a mechanism for the program to review and recast annual priorities and identify opportunities to advance the ITA strategic mission. In addition to the bi-annual US&FCS Strategic Plan, the US&FCS has permanent members assigned to the ITA Strategic Planning Leadership Team (SPLT). The SPLT meets monthly to discuss key performance issues, evaluate performance targets and results. Issues identified above are being examined for appropriate action. ITA is also in the process of adopting a plan to implement appropriate recommendations from the recent KPMG Fee Study. This plan includes short-term goals (nominally increasing some fees), mid-term goals (standardizing fees and implementing cost-accounting to determine how much it costs to provide services) and long-term goals (e.g., x% fee-funded by 200y).

Evidence: ITA Strategic Planning Leadership Team

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 14%

Explanation: The US&FCS performance information is regularly collected from multiple sources including client surveys through the Client Relationship Management unit and Management and Performance Reviews by the Office of Planning and feedback solicited from partners. The US&FCS uses this performance information to manage the program and improve performance by integrating performance information in its program and resource-planning systems and in its accountability systems for offices and for staff.

Evidence: 1) Performance information on export successes and client satisfaction are entered into a common database using a standard format. 2) Specific reporting criteria and standards for products and services are defined in the US&FCS Operations Manual.3) US&FCS uses an economic model developed by Global Insights Inc. for decisions about overseas operations resource allocation. Global Insights Inc. also reviewed the domestic model used by the field.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight: 14%

Explanation: Federal managers and program partners are held accountable for cost, schedule and performance results through rigorous annual office-level and staff-level performance plans. Plans are clear, specific and performance-based. They follow standard templates to ensure consistency and mission-focus. An evaluation system is in place to hold staff accountable for performance and to recognize strong and weak performers. Federal managers are held accountable for cost through a de-layered management structure and cost-benefit resource allocation models.

Evidence: 1) Annual Performance Plans for all Senior Commercial Officers includes a critical element dedicated to management and performance measures. Performance appraisals for trade specialists are linked to key performance measures (e.g., number of export successes) and banded to GS levels.2) Senior Federal managers heads each domestic and international office and are responsible for all expenditures. 3) US&FCS has redeployed resources, such as withdrawing an FSO from a foreign post, because few results were achieved.4) Management at all levels uses data from the US&FCS Client Management System, which records client information, to gauge performance and ensure agency goals are achieved.

Program Assessment Rating Tool (PART)

Program: US and Foreign Commercial Service (USFCS)
Agency: Department of Commerce
Bureau: International Trade Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
60%	75%	100%	33%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 14%

Explanation: The US&FCS obligates appropriated and trust funds in a timely manner based on annual fiscal plans detailing expected expenditures for all accounts. The US&FCS has established procedures for reporting and tracking expenditures in order to allow management to verify funds are spent appropriately and that obligations are consistent with the overall program plan. Independent auditors have verified that the US&FCS follows generally accepted accounting practices for the United States and that only limited amounts of unobligated funds remain at the end of each fiscal year.

Evidence: 1) In FY 2002, the US&FCS obligated 99.7% of its available operations and administration funds. This trend has been in place for several years [FY 2001-97% and FY 2000-97.2%] and includes all funds. 2) Independent auditors have verified that the US&FCS follows generally accepted accounting practices for the United States and as documented by KPMG in its 2002 Independent Auditors Report of the Department's FY 2001 and FY 2002 consolidated financial statements and statement of net cost presented in the FY 2002 Performance and Accountability Report (<http://www.osec.doc.gov/bmi/budget/02APPR/02ita.pdf>).

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 14%

Explanation: The US&FCS encourages efficiencies and cost effectiveness through incentives that return a portion of achieved savings to the generating office and a de-layered management structure that delegates budget management to front line managers. The US&FCS also uses both cost comparisons and competitive sourcing to acquire cost-effective and expert services. FCS has also co-located offices in its U.S. Export Assistance Centers with Export-Import Bank, Small Business Administration, and local domestic Chambers of Commerce over the years and has reduced overhead costs in some instances as a result. US&FCS is working on determining a unit cost and implementing a standard pricing structure.

Evidence: 1) US&FCS streamlined and reallocated resources by severing 33 Foreign Service National and Personal Service Contractor positions, closed five constituent posts, three country operations, consolidated six domestic offices and reorganized a number of USEAC hubs to achieve greater efficiency (10/4/2001 reorganization)2) Reduced one layer of Office of Domestic Operations management, streamlined field regions from four to two, and reduced rent in ten domestic offices. Two-thirds of all ODO offices are co-located with strategic trade promotion partners. (4/29/2002 consolidation efforts) 3) Domestic offices that generate savings through their efforts receive 10% of the documented savings. 4) US&FCS is effectively converting work performed Foreign Service Nationals to Personal Service Agreements at overseas posts when appropriate.5) US&FCS privatized 40 trade missions since 1995.

Program Assessment Rating Tool (PART)

Program: US and Foreign Commercial Service (USFCS)
Agency: Department of Commerce
Bureau: International Trade Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
60%	75%	100%	33%	

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 14%

Explanation: Effective collaboration is supported and facilitated by the Trade Promotion Coordinating Committee (TPCC), an interagency committee chaired by the Secretary of Commerce. It was established under the Export Enhancement Act of 1992 to provide a unifying framework to coordinate the export promotion and export financing activities of the U.S. Government and to develop a government-wide strategic plan for carrying out such programs. US&FCS works closely with the TPCC in planning and implementing a wide range of collaborative activities at the Federal, State and local levels.

Evidence: 1) The 1993 National Export Strategy, developed by the TPCC, called for the establishment of Export Assistance Centers. Of the 108 Export Assistance Centers in the United States, two-thirds are physically co-located with Federal, State, or local partners.2) MOU among Commerce, Export-Import Bank, and Small Business Administration defines the roles of these agencies in 108 Export Assistance Centers (USEACs) in the United States. 3) MOU between US&FCS and Overseas Private Investment Corporation for joint training and marketing programs to best enable staff to cross-advertise products and services.4) Over the last three years, USDA's Foreign Agriculture Service and US&FCS have recently enhanced their partnership through a joint team which include State Regional Trade Groups, and the National Association of State Departments of Agriculture. US&FCS and FAS have developed a matrix of services for food-related companies to facilitate provision of services to businesses.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 14%

Explanation: US&FCS is in conformity with the accounting principles generally accepted in the United States. Per findings of clean financial audits, strong procedures are in place to ensure funds are spent as intended. Financial contractors also use strong financial management practices, as evidenced by clean financial audits.

Evidence: 1) Inspector General's audit of FY 2002 Consolidated Financial Statements (1-16-2003, Audit Report No. FSD-15214-3-0002)2) KPMG 2002 Independent Auditors Report of Department's FY 2001 and FY 2002 consolidated financial statements.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: The US&FCS has systems for identifying and correcting deficiencies in program management, and takes prompt, effective action when deficiencies are identified. These systems serve to prevent problems from occurring or detect problems at an early stage before they become severe. Responses to previous questions document strong accountability systems (rigorous office and manager performance plans) and aggressive training programs to ensure managers develop and maintain top-quality skills, which are vital to foster managerial integrity to prevent problems from developing.ITA is also in the process of adopting a plan to implement appropriate recommendations from the recent KPMG Fee Study. This plan includes short-term goals (nominally increasing some fees), mid-term goals (standardizing fees and implementing cost-accounting to determine how much it costs to provide services) and long-term goals (e.g., x% fee-funded by 200y).

Evidence: 1) US&FCS Management and Program Reviews (MPRs) conducted annually on domestic and international offices and address management, program and administrative operations. Findings are used to develop training programs and improve administrative and funds management control. For example, exit certification for Senior Commercial Officers are being introduced in FY 2003 based on MPRs.2) GAO: Export Promotion: Government Agencies Should Combine Small Business Export Training Programs. September 2001. GAO-01-1023. Commerce and SBA implemented the findings by combining the training programs.3) Implementation of IG audit findings (e.g, US&FCS Italy's Effectiveness Can Be Further Enhanced By Focusing on Management and Program Improvements, IPE-14232, March 2002; US and Foreign Commercial Service Is Addressing Foreign Service Personnel Management Issues, #10829-9-0001, September 1999; Dallas USEAC is Rebuilding to More Aggressively Pursue Export Promotion Activities, #IPE-11006, September 1998)

Program Assessment Rating Tool (PART)

Program: US and Foreign Commercial Service (USFCS)
Agency: Department of Commerce
Bureau: International Trade Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
60%	75%	100%	33%	

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: **SMALL EXTENT** Question Weight: 20%

Explanation: US&FCS's performance is subject to critical external factors in the trade environment which include relative strength of U.S. currency, fluidity of exchange rates, and economic shocks in foreign markets which may adversely affect the demand for US exports. US&FCS has demonstrated some progress in achieving its annual performance goals, and has introduced new long-term performance measures in the FY 2005 Annual Performance Plan that should enable the agency to better demonstrate progress towards achieving its articulated long-term goals.

Evidence: 1) 2001 US Exporter Database 2) ITA Strategic Plan (FY 2002-2006) 3) ITA's FY 2002 Annual Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02ita.pdf> 4) ITA's FY 2005 Annual Performance Plan

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: **SMALL EXTENT** Question Weight: 20%

Explanation: Although US&FCS has demonstrated active partnerships with both private and public organizations, the absence of quantifiable long-term goals makes determining how well the annual performance goals are doing in order to that goal difficult to ascertain. Furthermore, the agency has two years of data that indicate that it has had uneven success. Although 5 of 6 measures in FY 2001 were met, only 1 of the 6 measures in FY 2002 was met.

Evidence: ITA's FY 2002 Annual Performance and Accountability Report: <http://www.osec.doc.gov/bmi/budget/02APPR/02ita.pdf>

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: **SMALL EXTENT** Question Weight: 20%

Explanation: Although US&FCS does not have an efficiency measure, the programs efforts to reduce overhead, co-locate with partners, employ PSCs overseas have led to increased efficiencies in the program and the agency's work toward achieving program goals. ITA/US&FCS should develop a unit cost measure (e.g., cost per export). US&FCS does not include a measure that indicates the counseling that they do for U.S. firms that do not export. A measure that includes a percent of total firms that export of total firms assisted may inform US&FCS's progress toward accomplishing its purpose. Consolidating the number of websites and web content into export.gov would assist potential and current exporters access to US&FCS information.

Evidence: [See Evidence for question 3.4] 1) Reduced one layer of Office of Domestic Operations management, streamlined field regions from four to two, and reduced rent in ten domestic offices. Two-thirds of all ODO offices are co-located with strategic trade promotion partners. (4/29/2002 consolidation efforts) 2) Domestic offices that generate savings through their efforts receive 10% of the documented savings. 3) US&FCS is effectively converting work performed Foreign Service Nationals to Personal Service Agreements at overseas posts when appropriate. 4) US&FCS privatized 40 trade missions since 1995. 5) Four US&FCS websites currently display similar information and some sites connect to information others do not. www.usatrade.gov/ www.buyusa.gov/home/ www.buyusa.com

Program Assessment Rating Tool (PART)

Program: US and Foreign Commercial Service (USFCS)
Agency: Department of Commerce
Bureau: International Trade Administration
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
60%	75%	100%	33%	

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: SMALL
EXTENT

Question Weight: 20%

Explanation: Although surveys of the US&FCS program report that SME users feel Commerce trade promotion programs have a positive impact more frequently than any other government resource and are the top provider of basic export information to businesses; studies also report that private service providers continue to account for the overwhelming majority of all services provided.

Evidence: 1) Report Card on Trade I, 19952) Report Card on Trade II, 20023) KPMG Fee Study, 2003

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: SMALL
EXTENT

Question Weight: 20%

Explanation: As stated above, surveys of exporters indicate that US&FCS program is rated by SME users as having a positive impact more frequently than any other government resource. However, as stated in qu. 2.6, US&FCS's primary assessment mechanism has been customer service surveys. Although these surveys yield relevant information, they do not provide a comprehensive independent assessment of US&FCS products and services. Although numerous Office Inspector General performance and financial audits have been performed on aspects of US&FCS and the General Accounting Office (GAO) has examined export promotion coordination, comprehensive reviews of US&FCS's performance and validation of past performance have not been conducted.

Evidence: 1) Report Card on Trade I, 19952) Report Card on Trade II, 20023) KPMG Fee Study, 20034) IG Reports: http://www.oig.doc.gov/E-Library/Reports/Recent/body_recent.html5) GAO Reports on export promotion: www.gao.gov

PART Performance Measurements

Program: US and Foreign Commercial Service (USFCS)

Agency: Department of Commerce

Bureau: International Trade Administration

Measure: Number of transactions made as a result of ITA involvement

Additional Information: The number of export transactions executed by U.S. businesses directly resulting from counseling, matchmaking, research, information products or other trade promotion activities.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	9253	11,160	
2002	12,300	12,178	
2003	13,500	14,031	
2004	15,000		

Measure: Number of U.S. firms exporting for the first time

Additional Information: The number of U.S. firms that transact an actual verifiable export sale for the first time.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	679	742	
2002	800	699	
2003	800	896	
2004	810		

Measure: Number of New-to-Market Firms

Additional Information: The number of firms that ITA assisted that were planning to export to a new market for the first time.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	54,779	63,719	
2002	54,000	64,263	
2003	Discontinued	Discontinued	

PART Performance Measurements

Program: US and Foreign Commercial Service (USFCS)

Agency: Department of Commerce

Bureau: International Trade Administration

Measure: Number of New-to-Market Firms

Additional Information: The number of firms that ITA assisted that were planning to export to a new market for the first time.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2004	Discontinued	Discontinued	

Measure: Number of U.S. exporters entering a new market

Additional Information: The number of U.S. firms that transact an actual verifiable export sale in a new market, or introduce new products line in a market to which it currently exports.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	4,540	5,386	
2002	5,900	5,740	
2003	6,500	6,278	
2004	6,532		

Measure: Number of New-to-Export firms

Additional Information: The number of firms ITA assisted that were planning to export for the first time.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	30,336	20,422	
2002	30,000	21,850	
2003	Discontinued	Discontinued	
2004	Discontinued	Discontinued	

PART Performance Measurements

Program: US and Foreign Commercial Service (USFCS)
Agency: Department of Commerce
Bureau: International Trade Administration

Measure: Number of new or enhanced ITA partnerships with public and private sector entities to promote US exports

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	New	New	
2002	36		
2003	50	88	
2004	45		

Measure: By 2007, the US&FCS will increase the baseline of the "Number of US firms exporting for the first time by 1% of the total exporting base. The US&FCS has targeted 5,000 firms to begin exporting over the next six years from a baseline of 400,000 SMEs that currently do not export.

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2005	835		
2006	860		

Measure: By 2007, the US&FCS will increase the baseline of the "Number of US firms entering a new market" by 20% of the total baseline of firms exporting to only one market. The US&FCS has targeted 40,000 firms to enter more than one market over the next six years from a baseline of 200,000 SMEs that currently export to only one market.

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2005	7,249		
2006	7,461		

PART Performance Measurements

Program: US and Foreign Commercial Service (USFCS)

Agency: Department of Commerce

Bureau: International Trade Administration

Measure: By 2007, the US&FCS will increase the "Number of transactions made as a result of ITA's involvement" by 43%. In FY 2001, the US&FCS completed 11,160 transactions and by 2007 the US&FCS has targeted 16,000 transactions. This constitutes a 43% increase over 2001.

**Additional
Information:**

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2005	15,054		
2006	16,882		

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Patents
Agency: Department of Commerce
Bureau: U.S. Patent & Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	88%	86%	46%	

- 1.1 Is the program purpose clear?** Answer: YES Question Weight: 20%
- Explanation: USPTO administers the laws relating to patents (and trademarks) while ensuring the creation of valid, prompt, and proper Intellectual Property rights and by advising the administration on all domestic and all global aspects of Intellectual Property.
- Evidence: USPTO's mission statement
- 1.2 Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight: 20%
- Explanation: USPTO addresses the promotion of industrial and technological progress in the US by providing intellectual property protection. The granting of a patent establishes the right to exclude others from making any use of the patented invention in return for a full and complete disclosure of the invention to society.
- Evidence: USPTO's mission statement and U.S. patent law as codified in 35 U.S.C. "Patents"
- 1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight: 20%
- Explanation: USPTO is the only governmental agency in the United States which administers patent laws and grants patents.
- Evidence: No other comparable U.S. Entity and the authority for the U.S. government to administer laws relating to trade and commerce are found in the commerce clause of the U.S. Constitution. 35 U.S.C. "Patents" USPTO Performance and Accountability Report
- 1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%
- Explanation: The patent program has established user fees that support the costs of administering the patent program that convey special benefits to recipients beyond those that accrue to the general public. However, due to problems meeting performance goals PTO began implementation of a new strategic plan in FY 2002 to accelerate implementation of e-government in patents, enhance examination quality, and restructure the patent fee schedule through legislative changes.
- Evidence: USPTO 21st Century Strategic Plan, USPTO Performance and Accountability Report
- 1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%
- Explanation: The direct beneficiaries are customers (applicants) who pay fees for the patent program's products and services that convey special benefits to those entitled under the law. Publishing patents benefits the public by disclosing new technology and protecting Intellectual Property ownership rights.
- Evidence: USPTO's mission statement; USPTO 21st Century Strategic Plan; U.S. patent law as codified in 35 U.S.C. "Patents"

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Patents
Agency: Department of Commerce
Bureau: U.S. Patent & Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	88%	86%	46%	

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 12%

Explanation: The patent program has the following long-term goals: Improve the quality of patent products and services and optimize patent processing times, and create a more flexible organization through transitioning patent applications to e-government operations. The specific long-term performance measures supporting these goals are 1) Improve the quality by reducing the error rate, 2) Reduce first action and total pendency, 3) Improve the efficiency of the patent processing system by enabling electronic processing for patents.

Evidence: USPTO Performance and Accountability report, USPTO 21st Century Strategic Plan

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 12%

Explanation: In general, PTO's long-term targets are ambitious. The targets for 2009 are the following: (a) 30% of patent applications filed electronically; (b) improve patent quality by reducing the error rate to 3%; (c) reduce average patent first office action pendency to 15.9 months; (d) reduce total average patent pendency to 29.5 months; and (e) achieve a cost of \$3,685 per patent production unit.

Evidence: FY 2005 Budget Request and Agency Performance Plan.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 12%

Explanation: USPTO has established several annual measures and goals that contribute to desired long-term results, including patent pendency, error rate, electronic filing and processing of patent applications, and unit costs per patent disposal.

Evidence: FY 2005 Budget Request and Agency Performance Plan.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 12%

Explanation: The FY 2005 patent program targets are: (a) 4% of patent applications filed electronically; (b) improve patent quality by reducing the error rate to 3.75%; (c) reduce average patent first office action pendency to 21.1 months; (d) reduce total average patent pendency to 31.1 months; and (e) achieve a cost of \$4,052 per patent production unit. While some of the annual targets are less ambitious, as a whole, these targets are reasonable and incorporate planned increases in pendency, as PTO implements its strategic plan initiatives to complete patent e-Government and modify the patent examination process. Completion of the strategic plan initiatives should allow PTO to meet the long-term targets.

Evidence: The USPTO Performance and Accountability Report contain targets and actual performance results compared to annual performance goals. The FY 2004 and 2005 Agency Performance Plans contain most targets and baseline results.

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Patents
Agency: Department of Commerce
Bureau: U.S. Patent & Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	88%	86%	46%	

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight: 12%

Explanation: USPTO partners with United States Trade Representative on international negotiations. The USPTO also partners with significant contractors to meet specific time frames for processing. To reduce workloads and duplication of efforts, USPTO has also undertaken a pilot project with the European Patent Office (EPO) and the Japanese Patent Office (JPO) to assess the benefits of mutual exploitation of patent search and examination results.

Evidence: USPTO 21st Century Strategic Plan USPTO Record of Discussion with EPO and JPO

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight: 12%

Explanation: In the past, the USPTO has not had regular, independent evaluations. The GAO and DOC Office of Inspector General have conducted infrequent reviews of PTO's performance. In the future, USPTO plans to perform independent reviews of proofs of concepts performed for The 21st Century Strategic Plan. USPTO also conducts internal reviews of the quality of patent examination by agency officials. These internal reviews focus on (1) identifying patentability errors, (2) assessing adequacy of the field of search and proper classification, and (3) assessing proper examination practice and procedures. USPTO contracts with independent auditors to audit annual performance and accountability reports and to compile the results of the annual customer satisfaction surveys.

Evidence: Government Accounting Office Audits/reports: GAO-02-907, Information on the US Patent and Trademark Office's Past and Future Operations, August 2002. Office of Inspector General audits/reports: BTD-14432-2-0001, Patent Examiner Hiring Process Should Be Improved., March 2002. FSD-14429, Minor Improvements Needed in Reporting Performance Results, March 2002. Patent Quality Review Reports. Patent Public Advisory Committee Annual Reports

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: YES Question Weight: 12%

Explanation: USPTO identifies program goals and performance measures by patent and trademark business in the preparation of its budget request and displays the funding associated with each of the major goals and objectives. USPTO has developed Activity Based Costing models that align all obligations within USPTO with either the patent or trademark business areas to determine actual expenses and forecast future budget obligations by revenue source.

Evidence: The FY 2004 and 2005 USPTO budget submission reflects the division of the agency budget into two business lines - Patents and Trademarks.

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Patents
Agency: Department of Commerce
Bureau: U.S. Patent & Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	88%	86%	46%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 12%

Explanation: In June 2002, USPTO developed the 21st Century Strategic Plan that promotes changes to trademark practices and procedures to improve quality, pendency, and fully implement e-government operations. The agency has developed detailed implementation plans to support and monitor the achievement of those initiatives. In February 2003, the USPTO published revised action papers and plans that addressed concerns of stakeholders in making changes to the trademark process. The USPTO plans to conduct a "proof of concept" and disclosing the results to stakeholders prior to implementing major new initiatives.

Evidence: USPTO 21st Century Strategic Plan

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 14%

Explanation: USPTO is designated a "performance-based organization" (PBO) and regularly collects data on productivity, pendency, quality, administrative, and financial performance for use by managers to review against baseline and annual targets. The agency also shares data with its international counterparts, including measures of performance and cost.

Evidence: Patent Application Location and Monitoring (PALM) reportsQuality Review reportsMonthly Process Production reports; American Inventor's Protection Act of 1999 PL 106-113

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: NO Question Weight: 14%

Explanation: Although performance plans at USPTO are linked to the organization's goals, performance plans of managers do not include cost efficiency goals. PTO is working to develop cost efficiency targets and incorporate them into performance plans.

Evidence: Employee Annual Performance PlansAnnual performance contract between the Commissioner for Patents and the Secretary of Commerce.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 14%

Explanation: USPTO develops operating plans for each organization based on appropriated funding levels and USPTO goals and priorities and periodically monitors spending against established program plans.

Evidence: Bi-weekly Execution reports produced by the Office of Corporate PlanningFY 2002 patent organization direct funds were 99.8% obligated through September 2002. As of May 15, 2003 74.3% of patent funds were used.Audited statements contained in the USPTO Performance and Accountability Report.

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Patents
Agency: Department of Commerce
Bureau: U.S. Patent & Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	88%	86%	46%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES

Question Weight: 14%

Explanation: USPTO has a consistent track record for competitively sourcing non-inherently governmental functions (e.g. mail, payroll, clerical support, Information Technology development and maintenance). USPTO has productivity performance measures that are appropriate for its mission and program objectives. USPTO has developed annual efficiency measures to evaluate the level of resources consumed and the unit costs of providing services that support the processing and examination of patents.

Evidence: USPTO Corporate Plans and Budget Requests USPTO Performance and Accountability report USPTO's 21st Century Strategic Plan further increases competitive sourcing of patent classification and search functions.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES

Question Weight: 14%

Explanation: Though USPTO is the only federal entity that addresses patent law and policy, the USPTO regularly collaborates with its international intellectual property counterparts to share systems, exchange information, and discuss changes to patent laws and practices. To reduce workloads and duplication of efforts, PTO has also undertaken a pilot project with the European Patent Office (EPO) and the Japanese Patent Office (JPO) to assess the benefits of mutual exploitation of patent search and examination results. USPTO also consults with the Copyright Office of the Library of Congress on intellectual property policy formulation and proposed legislation and collaborates with other agencies to screen patent applications for security implications.

Evidence: Reports of annual trilateral meetings of USPTO, Japan Patent Office and European Patent Office and participation with working groups sponsored by the World Intellectual Property Organization.

3.6 Does the program use strong financial management practices?

Answer: YES

Question Weight: 14%

Explanation: Although USPTO declared a material weakness under the FMFIA in FY 2002 due to DOC IG evaluations that found that eight critical information systems at PTO were not certified and accredited, this did not affect financial management practices. In FY 2002, the USPTO core financial system was maintained and operated off-site at the US Department of Interior. The FY 2002 Financial Statement audit revealed an unqualified audit opinion with no material weaknesses or reportable conditions. FY 2002 marked the 10th year of an unqualified audit opinion and 6th year without material internal control weaknesses supporting the financial management practices.

Evidence: USPTO Performance and Accountability Report Office of Inspector General/Government Accounting Office Audits/Reports For FY 2002 OIG Report: OSE-15250 Independent Evaluation of USPTO's Information security Program Under the Government Information Security Reform Act (September 2002)

3.7 Has the program taken meaningful steps to address its management deficiencies?

Answer: YES

Question Weight: 14%

Explanation: The 21st Century Strategic Plan takes a proactive approach to strengthening program management through ensuring achievement of desired goals and objectives. This includes training and compensation initiatives to improve performance and ensure management officials have the skills, capabilities, and incentives needed to carry out the plan.

Evidence: USPTO 21st Century Strategic Plan

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Patents
Agency: Department of Commerce
Bureau: U.S. Patent & Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	88%	86%	46%	

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: SMALL EXTENT Question Weight: 20%

Explanation: In FY02 and FY03, the patent program meet most of its performance targets. However, pendency remains high and the number of patent applications awaiting first action increased by 38,000 (9%) from FY 2002 to FY 2003. Full implementation of the strategic plan should improve pendency and quality by 2009. During FY 2003, PTO has also made progress implementing electronic processing for patents by implementing its electronic application processing.

Evidence: USPTO Performance and Accountability Report USPTO 21st Century Strategic Plan

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: SMALL EXTENT Question Weight: 20%

Explanation: In FY 2003, the patent program met three of its five measures under the goals of improving the quality of patent products and services and optimizing patent processing times. PTO did not meet its error rate target (an indicator of the quality of patents); but did meet its average total pendency target and first office action pendency target. However, patent processing times have increased between FY 2000 and FY 2003.

Evidence: USPTO Performance and Accountability Report

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: SMALL EXTENT Question Weight: 20%

Explanation: The strategic plan includes steps to improve efficiency and cost effectiveness, including implementing e-Government programs, continuing competitive-sourcing efforts, and conducting pre-employment testing of job applicants. To date, unit costs per patent disposed production unit have increased while average total and first office action pendency remain high.

Evidence: USPTO 21st Century Strategic Plan; USPTO Performance and Accountability Report.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: YES Question Weight: 20%

Explanation: There are no other similar Federal programs. However, USPTO compares favorably with the other two major international intellectual property offices. USPTO has the lowest pendency and lowest cost to the applicant for obtaining and maintaining a patent.

Evidence: USPTO data on costs and timeliness for Europe, Japan, and PTO in FY 2003 Budget Submission. (European Patent Office fees collected per 20 year-life of typical patent: \$37K, Japanese Patent Office costs: \$12K, and PTO costs: \$8K).

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Patents
Agency: Department of Commerce
Bureau: U.S. Patent & Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	88%	86%	46%	

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: SMALL
EXTENT

Question Weight: 20%

Explanation: PTO does not have regular, independent evaluations. However, several internal evaluations are conducted to examine progress meeting performance targets and PTO's 21st Century Strategic Plan was endorsed by industry and user groups as an effective approach to improving quality, reducing pendency, and achieving electronic filing and processing of applications. PTO should consider more external evaluations of the new initiatives within the strategic plan.

Evidence: Patent Quality Review Reports USPTO 21st Century Strategic Plan USPTO Performance and Accountability Report

PART Performance Measurements

Program: U.S. Patent and Trademark Office - Patents

Agency: Department of Commerce

Bureau: U.S. Patent & Trademark Office (USPTO)

Measure: Applications Filed Electronically

Additional Information: Identifies USPTO's support of and applicants willingness to operating in an e-government environment and will identify the percent of basic applications filed electronically.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2003	2%	1.3%	
2004	2%		
2005	4%		

Measure: Improve quality by reducing the error rate(Based on a quality review, this is the percent of allowed patent applications containing at least one claim that would be held invalid in a court of law.)

Additional Information: Assesses product quality through internal reviews. An error is defined as at least one claim within the randomly selected allowed application that would be held invalid in a court of law, if the application were to issue as a patent without the required correction.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001	5.5%	5.4%	
2002	5%	4.2%	
2003	4%	4.4%	
2004	4%		
2005	3.75%		

Measure: Reduce average first action pendency(First-action pendency is the average time, in months, from the filing date of the application to the mailing of the first office action.)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001	13.9	14.4	
2002	16.4	16.7	

PART Performance Measurements

Program: U.S. Patent and Trademark Office - Patents

Agency: Department of Commerce

Bureau: U.S. Patent & Trademark Office (USPTO)

Measure: Reduce average first action pendency (First-action pendency is the average time, in months, from the filing date of the application to the mailing of the first office action.)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2003	18.4	18.3	
2004	20.2		
2005	21.1		

Measure: Reduce total average pendency (Pendency is the estimated time in months for a complete review of a patent applications, from the filing date to issue or abandonment of the application.)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001	26.2	24.7	
2002	26.1	24	
2003	27.7	26.7	
2004	29.8		
2005	31.1		

Measure: Efficiency - cost per patent disposed

Additional Information: Relative indicator of the efficiency of the patent process.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001		\$3,210	
2002		\$3,376	
2003	\$3,444	\$3,329	

PART Performance Measurements

Program: U.S. Patent and Trademark Office - Patents

Agency: Department of Commerce

Bureau: U.S. Patent & Trademark Office (USPTO)

Measure: Efficiency - cost per patent disposed

Additional Information: Relative indicator of the efficiency of the patent process.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2004	\$3,502		
2005	\$4,052		

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Trademarks
Agency: Department of Commerce
Bureau: U.S. Patent and Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	86%	86%	53%	Effective

- 1.1 Is the program purpose clear?** Answer: YES Question Weight: 20%
 Explanation: USPTO administers the laws relating to trademarks (and patents) while ensuring the creation of valid, prompt, and proper intellectual property (IP) rights and by advising the administration on all domestic and global aspects of IP.
 Evidence: USPTO's mission statement
- 1.2 Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight: 20%
 Explanation: USPTO addresses the promotion of industrial and technological progress in the US by providing intellectual property protection. The federal register of trademarks is intended to provide notice of ownership and use in commerce to prevent others from adopting a conflicting or similar mark.
 Evidence: USPTO's mission statement and U.S. trademark law as codified in 15 U.S.C. Chapter 22 "Trademarks"
- 1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight: 20%
 Explanation: The federal government is the authority for administering laws relating to interstate commerce. USPTO is the only federal agency that administers U.S. laws relating to trademarks. States have adopted their own laws and maintain their own trademark registers which offer intrastate protection.
 Evidence: The authority for the U.S. government to administer laws relating to trade and commerce are found in the commerce clause of the U.S. Constitution. 15 U.S.C. Chapter 22 "Trademarks"USPTO Performance and Accountability Report
- 1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%
 Explanation: The costs of administering the trademark program are supported by user fees paid by owners interested in protecting the value of their investment by seeking federal registration of their trademarks. The trademark program also has improved its operating procedures and shows declining unit costs per trademark disposed. The new strategic plan contains modest revisions to existing trademark practices and products to further improve quality, pendency, and implementation of e-government. The program has demonstrated consistent increases in the use and acceptance of electronic filing and communications since FY 1999 and is in the process of transitioning internal operations to a fully electronic workflow.
 Evidence: 15 U.S.C. Chapter 22 "Trademarks"USPTO Performance and Accountability Report
- 1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%
 Explanation: The program is effective in the use of resources which are covered by user fees paid by applicants who are the direct beneficiaries of the special benefits that are conveyed to those entitled under the law. Federal registration provides public notice of marks in use which protects owners of marks and consumers in the market place.
 Evidence: USPTO 21st Century Strategic Plan15 USC Chapter 22 "Trademarks"

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Trademarks
Agency: Department of Commerce
Bureau: U.S. Patent and Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	86%	86%	53%	Effective

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 14%

Explanation: Trademarks has the following long-term goals: Improve the quality of trademark products and services and optimize trademark processing times, and create a more flexible organization by creating an e-government operation. The specific long-term measures supporting these goals are 1) Improve the quality of trademark products and services by reducing the error rate, 2) Reduce first action and disposal pendency, 3) Improve the efficiency of trademark processing by increasing the number of applications and communications received and processed electronically.

Evidence: USPTO Performance and Accountability Report USPTO 21st Century Strategic Plan

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 14%

Explanation: The trademark program revised its long term targets to address difficulties meeting performance targets in FY02 and FY03. In general, these revised targets are ambitious. Quality evaluation criteria were revised to set more rigorous and comprehensive standards to improve the quality of examination. Specific Trademark program targets for 2009 are: (a) 80% of trademark applications filed electronically; (b) improve trademark quality by reducing the deficiency rate, or error rate, on first actions to 4% and on final actions to 3.5%; (c) reduce average trademark first office action pendency to 3.9 months; (d) reduce total average trademark pendency to 20.7 months; and (e) achieve a cost of \$TBD per trademark production unit.

Evidence: FY 2005 Budget request and Agency Performance Plan

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 14%

Explanation: USPTO has established a number of annual goals that contribute to measuring progress towards achieving its desired long-term results including trademark pendency, error rate, electronic filing and processing of trademark applications, and unit costs per trademark disposal.

Evidence: FY 2005 Budget request and Agency Performance Plan

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 14%

Explanation: The fiscal year 2005 Trademark program targets are: (a) 70% of trademark applications filed electronically; (b) improve trademark quality by reducing the deficiency rate, of error rate, on first actions to 7%, and on final actions to 4.5%; (c) reduce trademark first office action pendency to 5.8 months; (d) disposal pendency at 23.5 months; and (e) achieve a cost of \$701 per trademark production unit. While some of the annual targets are less ambitious, as a whole, these targets are realistic and sound.

Evidence: The USPTO Performance and Accountability Report contains targets and actual performance results compared to annual performance goals. The FY 2004 and 2005 Agency Performance Plans contain most targets and baseline results.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: NA Question Weight: 0%

Explanation: USPTO does not partner in a significant way with other agencies in the processing of trademark applications.

Evidence:

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Trademarks
Agency: Department of Commerce
Bureau: U.S. Patent and Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	86%	86%	53%	Effective

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight: 14%

Explanation: In the past, the USPTO has not had regular, independent evaluations. The GAO and DOC Office of Inspector General have conducted infrequent reviews of USPTO's performance. In the future, USPTO plans to perform independent reviews of proofs of concepts performed for strategic plan. USPTO conducts internal reviews of the quality of trademark examination. As a result of these internal reviews in the past year, USPTO has adopted more stringent criteria for evaluating and reporting quality results, including the use of "in-process" reviews to apply the results of its quality findings to target training and revise examination guides to further improve quality. USPTO continues to evaluate the quality elements and the criteria that are reviewed and the approach used to communicate the findings to better respond to customer feedback. USPTO contracts with independent auditors to audit annual performance and accountability reports and to compile the results of the annual customer satisfaction surveys.

Evidence: The Office of Trademark Quality Review conducts on-going reviews. The Trademark Public Advisory Committee, an industry oversight committee established by statute, advises the Director of the USPTO on the agency's operations, including its goals, performance, budget, and user fees. Assessments are reported in the USPTO Annual Performance and Accountability Report, the Customer Satisfaction Report and the annual Trademark Public Advisory Committee Report.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: YES Question Weight: 14%

Explanation: USPTO identifies program goals and performance measures by patent and trademark business in the preparation of its budget request and displays the funding associated with each of the major goals and objectives. USPTO has developed Activity Based Costing models that align services that support the patent and trademark businesses to determine actual expenses and forecast future budget obligations by revenue source.

Evidence: The FY 2004 and 2005 USPTO budget submission reflects the division of the agency budget into two business lines - Patents and Trademarks.

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 14%

Explanation: In June 2002, USPTO developed the 21st Century Strategic Plan that promotes changes to trademark practices and procedures to improve quality, pendency, and fully implement e-government operations. The agency has developed detailed implementation plans to support and monitor the achievement of those initiatives. In February 2003, the USPTO published revised action papers and plans that addressed concerns of stakeholders in making changes to the trademark process. The USPTO plans to conduct a "proof of concept" and disclosing the results to stakeholders prior to implementing major new initiatives.

Evidence: USPTO 21st Century Strategic Plan

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Trademarks
Agency: Department of Commerce
Bureau: U.S. Patent and Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	86%	86%	53%	Effective

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 14%

Explanation: USPTO is designated a "performance-based organization" (PBO) and regularly collects data on production, pendency, quality, administrative, and financial performance for use by managers to review against baseline and annual targets. The agency also shares data with its international components, including measures of performance and cost. However, recent problems meeting performance targets in the trademark operation indicate that the program did not adequately predict the backlog of unexamined new trademark applications and the inventory of uncompleted trademark applications at the end of FY02. In response, the trademark program has made adjustments to performance targets and management of the operation.

Evidence: USPTO Performance and Accountability Report; Trademark Reporting and Monitoring System (TRAM) reports Quality Review Reports American Inventors Protection Act of 1999 (AIPA) PL 106-113

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: NO Question Weight: 14%

Explanation: Although performance plans at USPTO are linked to the organization's goals, performance plans of managers do not include cost efficiency goals. PTO is working to develop cost efficiency targets and incorporate them into performance plans.

Evidence: Employee Annual Performance Plans Annual performance contract between the Commissioner for Trademarks and the Secretary of Commerce.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 14%

Explanation: USPTO develops operating plans for each organization based on appropriated funding levels and USPTO goals and priorities with routine monitoring of spending against established program plans.

Evidence: Bi-weekly execution reports produced by the Office of Corporate Planning. FY 2002 trademark organization direct funds were 99.7% obligated through September 2002. As of May 15, 2003 71.0% of trademark funds were used. Audited financial statements contained in the USPTO Performance and Accountability Report.

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Trademarks
Agency: Department of Commerce
Bureau: U.S. Patent and Trademark Office (USPTO)
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	86%	86%	53%	Effective

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES

Question Weight: 14%

Explanation: USPTO has a consistent track record for competitively sourcing non-inherently governmental functions (e.g. mail, payroll, clerical support, Information Technology development and maintenance). In the past year, the Trademark Organization reduced its space requirements as a result of its successful telecommuting program and effective use of Information Technology systems to allow examiners to perform the same job from a remote location. USPTO also has productivity performance measures that are appropriate for its mission and program objectives and has developed annual efficiency measures to evaluate the level of resources consumed and the unit costs of providing services that support the processing and examination of trademarks. Incentive awards paid to trademark examiners further encourage greater productivity which allows the agency to maintain a smaller staff relative to workloads.

Evidence: USPTO Corporate Plans and Budget requestsUSPTO Performance and Accountability ReportUSPTO's 21st CenturyStrategic Plan proposes to further increase competitive sourcing of trademark classification and pre examination functions.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES

Question Weight: 14%

Explanation: USPTO is the only federal entity that addresses the administration of U.S. trademark law through the federal registration of trademarks. USPTO regularly consults and collaborates with international intellectual property counterparts to share systems, exchange information, and discuss changes to trademark laws and practice. USPTO also consults with the Copyright Office of the Library of Congress on intellectual property policy formulation and proposed legislation. USPTO partners with Customs and Border Protection of the U.S. Department of Homeland Security by assisting in the identification and eventual seizure of counterfeit goods and services imported into the U.S.

Evidence: Reports of annual trilateral meetings of USPTO Japan Patent Office and European Patent Office, and participation with working groups sponsored by the World Intellectual Property Organization.

3.6 Does the program use strong financial management practices?

Answer: YES

Question Weight: 14%

Explanation: Although USPTO declared a material weakness under the FMFIA in FY 2002 due to DOC IG evaluations that found that eight critical information systems at PTO were not certified and accredited, this did not affect financial management practices. In FY 2002, the USPTO core financial system was maintained and operated off-site at the US Department of Interior. The FY 2002 Financial Statement audit revealed an unqualified audit opinion with no material weaknesses or reportable conditions. FY 2002 marked the 10th year of an unqualified audit opinion and 6th year without material internal control weaknesses supporting the financial management practices.

Evidence: USPTO Performance and Accountability ReportOffice of Inspector General/Government Accounting Office Audits/Reports For FY 2002OIG Report: OSE-15250 Independent Evaluation of USPTO's Information security Program Under the Government Information Security Reform Act (September 2002)

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Trademarks
Agency: Department of Commerce
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Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	86%	86%	53%	Effective

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: In the fall of 2003, the trademark program conducted an internal study that examined the reasons for not achieving all FY 2002 and FY 2003 performance targets leading to adjustments in targets and management of the operation. The program continues to look at alternative management tools and practices to help improve performance. PTO's strategic plan does contain some initiatives to strengthen program management, including training and compensation initiatives to improve performance and ensure management officials have the skills, capabilities, and incentives needed to carry out the plan.

Evidence: USPTO 21st Century Strategic Plan

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: SMALL EXTENT Question Weight: 20%

Explanation: In FY 02 and FY 03, the trademark program did not meet the average total and first office action pendency targets. The program has conducted an initial review of the causes of these performance problems, and has revised and increased its long-term targets. The program is continuing to examine ways to improve performance.

Evidence: USPTO Performance and Accountability ReportUSPTO 21st Century Strategic Plan

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: SMALL EXTENT Question Weight: 20%

Explanation: In FY02 and FY03, average total pendency and first action pendency increased and targets were not met.

Evidence: USPTO Performance and Accountability Report

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: LARGE EXTENT Question Weight: 20%

Explanation: As the Trademark Business has moved forward to implement electronic processing it has reduced the associated operating costs by reducing and/or redirecting resources to other processes and functions. Unit costs per trademark disposed fell by 31% between FY 1999 and FY 2002.

Evidence: USPTO Performance and Accountability Report

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: YES Question Weight: 20%

Explanation: There are no similar Federal programs. However, the Trademark Business compares favorably with the other two major international intellectual property offices in Japan and Europe. The Trademark Business has both the lowest pendency and lowest cost to the applicant for registering and maintaining a trademark.

Evidence: USPTO data on costs and timeliness for Europe, Japan, and USPTO in FY 2003 Budget Submission. (European Union's Office for Harmonization in the Internal Market trademark price: \$4K, Japanese Patent Office trademark price: \$4K, and USPTO trademark price: \$2K).

Program Assessment Rating Tool (PART)

Program: U.S. Patent and Trademark Office - Trademarks
Agency: Department of Commerce
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Type(s): Direct Federal

Section Scores				Overall Rating
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100%	86%	86%	53%	Effective

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: SMALL
EXTENT

Question Weight: 20%

Explanation: Few regular, independent evaluations of USPTO's overall effectiveness and performance have been conducted. However, the Trademark Business undergoes internal quality assessment reviews on an ongoing basis, and has strengthened the criteria and uses the results to direct training to further improve quality. The Office of Inspector General conducted an assessment of data quality that focused on performance data and determined that appropriate measures were in place. The Government Accounting Office recently completed a review of USPTO Business and Strategic Plans. USPTO also conducts an annual independent survey of customers, the results of which are used to make changes in how programs are managed.

Evidence: Trademark Quality Review reportsOffice of Inspector General and Government Accounting Office audits/reportsAnnual Customer Survey Results

PART Performance Measurements

Program: U.S. Patent and Trademark Office - Trademarks
Agency: Department of Commerce
Bureau: U.S. Patent and Trademark Office (USPTO)

Measure: Applications Filed Electronically

Additional Information: Indicator of the success of USPTO's efforts and applicants willingness to communicate electronically based on the percent of applications filed electronically.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001		24%	
2002	50%	38%	
2003	80%	57.5%	
2004	65%		
2005	70%		

Measure: Improve quality by reducing the error rate (Based on a quality review, the percent of pending, registered, or abandoned applications containing an error that could affect the validity of the trademark registration.)

Additional Information: Based on a quality review, the percent of pending, registered, or abandoned applications containing an error that could affect the validity of the trademark registration. Measure revised for 2004 and 2005 to evaluate quality of final action.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001	6%	3.1%	
2002	5%	4.3%	
2003	4%	5.3%	
2004	5%		
2005	4.5%		

Measure: Reduce average first action pendency

Additional Information: Measures the average time in months from the filing date of the application to the mailing of the first office action.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001	6.6	2.7	

PART Performance Measurements

Program: U.S. Patent and Trademark Office - Trademarks

Agency: Department of Commerce

Bureau: U.S. Patent and Trademark Office (USPTO)

Measure: Reduce average first action pendency

Additional Information: Measures the average time in months from the filing date of the application to the mailing of the first office action.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2002	3	4.3	
2003	3	5.4	
2004	5.4		
2005	5.8		

Measure: Reduce average total pendency (Pendency is defined as the estimated time in months for a complete review of a trademark application, from the filing date to issue or abandonment of an application.)

Additional Information: Overall, or total pendency, is the average time in months from the filing date of the application to registration or abandonment of the application.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001	18	17.8	
2002	16	19.9	
2003	15.5	19.8	
2004	21.6		
2005	23.5		

Measure: Efficiency - cost per trademark registered

Additional Information: Relative indicator of the efficiency of the trademark process based on the unit cost of delivering outputs.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001		\$501	
2002		\$487	

PART Performance Measurements

Program: U.S. Patent and Trademark Office - Trademarks

Agency: Department of Commerce

Bureau: U.S. Patent and Trademark Office (USPTO)

Measure: Efficiency - cost per trademark registered

Additional Information: Relative indicator of the efficiency of the trademark process based on the unit cost of delivering outputs.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2003	\$683	\$433	
2004	\$583		
2005	\$701		