PERFORMANCE PLAN FOR FISCAL YEAR 2009
Mission, Performance Plans, Resources and Strategies

GAO's Mission

GAO is an independent, nonpartisan, professional services agency in the legislative branch of the federal government. Commonly known as the "audit and investigative arm of the Congress" or the "congressional watchdog," we examine how taxpayer dollars are spent and advise lawmakers and agency heads on ways to make government work better.

Our mission is to support the Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people. We accomplish our mission by providing reliable information and informed analysis to the Congress, to federal agencies, and to the public, and we recommend improvements, when appropriate, on a wide variety of issues. Three core values—accountability, integrity, and reliability—form the basis for all of our work, regardless of its origin.

As a legislative branch agency, we are exempt from many laws that apply to the executive branch agencies. However, we generally hold ourselves to the spirit of many of the laws, including the Government Performance and Results Act of 1933 (GPRA). Amount other things; GPRA requires "each agency to prepare an annual performance plan covering each program activity set forth in the budget of such agency." This section of our budget submission constitutes our performance plan for fiscal year 2009.

Performance Information

To accomplish our mission, we use a strategic planning and management process that is based on a hierarchy of four elements beginning at the highest level with the following four strategic goals:

- **Strategic Goal 1:** Provide Timely, Quality Service to the Congress and the Federal Government to Address Current and Emerging Challenges to the Well-Being and Financial Security of the American People

- **Strategic Goal 2:** Provide Timely, Quality Service to the Congress and the Federal Government to Respond to Changing Security Threats and the Challenges of Global Interdependence

- **Strategic Goal 3:** Help Transform the Federal Government's Role and How It Does Business to Meet 21st Century Challenges

- **Strategic Goal 4:** Maximize the Value of GAO by Being a Model Federal Agency and a World-Class Professional Services Organization

Our evaluation and audit work are primarily aligned under the first three strategic goals, which span issues that are both domestic and international, affect the lives of all Americans, and influence the extent to which the federal government serves the nation's current and future interests. The fourth

goal is our only internal one and is aimed at maximizing our productivity. We revisit the focus and appropriateness of these four strategic goals each time that we update our strategic plan. Our most recent update was in March 2007.[1]

For several years, we assessed our performance annually using quantitative performance measures that are related to our work results and the usefulness of those results to our primary client—the Congress. We subsequently expanded our focus to include a more balanced set of performance measures that focus on four key areas—results, clients, people, and internal operations. These categories of measures are briefly described below.

Results. Focusing on results and the effectiveness of the processes needed to achieve them is fundamental to accomplishing our mission. To assess our results, we measure financial benefits, nonfinancial benefits, recommendations implemented, and percentage of new products with recommendations. Financial benefits and nonfinancial benefits provide quantitative and qualitative information, respectively, on the outcomes or results that have been achieved from our work. They often represent outcomes that occurred or are expected to occur over a period of several years. The remaining measures are intermediate outcomes in that they often lead to achieving outcomes that are ultimately captured in our financial and nonfinancial benefits.

Client. To judge how well we are serving our clients, we measure the number of times we are asked to present expert testimony at congressional hearings as well as our timeliness in delivering products to the Congress. Our strategy in this area draws upon a variety of data sources (e.g., our client feedback survey and in-person discussions with congressional staff) to obtain information on the services we are providing to our congressional clients.

People. As our most important asset, our people define our character and capacity to perform. A variety of data sources, including an internal survey, provide information to help us measure how well we are attracting and retaining high-quality staff and how well we are developing, supporting, using, and leading staff.

Internal operations. Our mission and people are supported by our internal administrative services, including information management, building management, knowledge services, human capital, and financial management services. Through an internal customer satisfaction survey, we gather information on how well our internal operations help employees get their jobs done and improve employees' quality of work life.

The results and client measures primarily relate to strategic goals 1 through 3 and the people and internal operations measures primarily relate to goal 4. For all of our measures, we set targets at the agencywide level. Table 25 presents our actual and targeted performance for each of our measures. For three of these measures—financial benefits, nonfinancial benefits, and testimonies—we also set targets at the goal level; the goal-level targets are shown later in this document.

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[1]Complete descriptions of the steps in our strategic planning and management process are included in our strategic plan for fiscal years 2007 through 2012, which is available on our Web sire at http://www.gao.gov.

Table 25: Agencywide Annual Measures and Targets

Performance measure	2004 actual	2005 actual	2006 actual	2007 actual	2008 target	2009 target
Results						
Financial benefits (dollars in billions)	$44.0	$39.6	$51.0	$45.9	$40.0[a]	$40.0
Nonfinancial benefits	1,197	1,409	1,342	1,354	1,150	1,150
Past recommendations implemented	83%	85%	82%	82%	80%	80%
New products with recommendations	63%	63%	65%	66%	60%	60%
Client						
Testimonies	217	179	240	276	220	200
Timeliness[b]	89%	90%	92%	94%	95%	95%
People						
New hire rate	98%	94%	94%	96%	95%	95%
Acceptance rate	72%	71%	70%	72%	72%	[c]
Retention rate						
With retirements	90%	90%	90%	90%	90%	90%
Without retirements	95%	94%	94%	94%	94%	94%
Staff development	70%	72%	76%	76%	76%	76%
Staff utilization[d]	72%	75%	75%	73%	75%[e]	75%
Leadership	79%	80%	79%	79%	80%	80%
Organizational climate	74%	76%	73%	74%	75%[f]	75%
Internal Operations						
Help get job done	4.01	4.10	4.10	4.05	4.00	4.00
Quality of work life	3.96	3.98	4.00	3.98	4.00	4.00

Source: GAO.

Note: Information explaining all of the measures included in this table appears in the Data Quality and Program Evaluations section.

[a]Our fiscal year 2008 target for financial benefits differs from the target we reported for this measure in our fiscal year 2008 performance budget in January 2007. Specifically, we decreased our financial benefits target by $1.5 billion based on (1) our assessment of our past recommendations that are likely to be implemented by federal agencies and the Congress in the coming fiscal year and (2) the impact that our constrained budget could have on the work that leads to financial benefits.

[b]Since fiscal year 2004 we have collected data from our client feedback survey on the quality and timeliness of our products, and in fiscal year 2006 we began to use the independent feedback from this survey as a basis for determining our timeliness.

[c]Considering the challenging hiring environment due to uncertain budgets and high competition for talent, measuring our acceptance rate is less meaningful to us. Therefore, we eliminated this measure for fiscal year 2009.

[d]Our employee feedback survey asks staff how often the following occurred in the last 12 months; (1) my job made good use of my skills, (2) GAO provided me with opportunities to do challenging work, and (3) in general, I was utilized effectively.

[e]Our fiscal year 2008 target for staff utilization differs from the target we reported for this measure in our fiscal year 2008 performance budget in January 2007. We lowered the staff utilization target by 3 percentage points because we determined that, based on our past performance, the target was unrealistic, and we reset it at a level that is still challenging but more likely to be achieved.

[f]Our fiscal year 2008 target for organizational climate differs from the target we reported for this measure in our fiscal year 2008 performance budget in January 2007. We decreased the organizational climate target by 1 percentage point because we determined that, based on our past performance, the target was unrealistic, and we reset it at a level that is still challenging but more likely to be achieved.

Budgetary Resources

GPRA also requires agencies to briefly describe the operational processes; skills and technology; and the human capital, information, or other resources required to meet the agency's performance goals, which in our case are our performance measures, and to briefly describe the operational processes that will be used to attain the planned performance levels.

Our strategy is largely based on our staff who carry out the work that supports our mission. We maintain a workforce of highly trained professionals with degrees in many academic disciplines, including accounting, law, engineering, public and business administration, economics, and the social and physical sciences. About three-quarters of our approximately 3,100 employees are based at our headquarters in Washington, D.C.; the rest are deployed in 11 field offices across the country. Staff in these field offices are aligned with our research, audit, and evaluation teams and perform work in tandem with our headquarters staff.

Table 26 provides an overview of how our human capital resources shown as full-time equivalent (FTE) positions and budgetary resources are allocated among our strategic goals for fiscal years 2007 through 2009.

Table 26: Budgetary Resources by Strategic Goal, Fiscal Years 2007 through 2009
(Dollars in millions)

Strategic goal	FY 2007 actual		FY 2008 revised		FY 2009 requested	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
Goal 1 Provide timely, quality service to the Congress and the federal government to address current and emerging challenges to the well-being and financial security of the American people.	1,113	$172	1,095	$180	1,148	$195
Goal 2 Provide timely, quality service to the Congress and the federal government to respond to changing threats and the challenges of global interdependence.	1,041	$161	1,023	$160	1,073	$162
Goal 3 Help transform the federal government's role and how it does business to meet 21st century challenges.	871	$135	857	$139	898	$139
Goal 4 Maximize the value of GAO by being a model federal agency and a world-class professional services organization.	127	$18	125	$28	132	$50
Total	**3,152**	**$486**	**3,100**	**$507**	**3,251**	**$546**

Source: GAO.

Strategies

Our strategies primarily emphasize providing to the Congress and the public information from our work in a variety of forms and continuing and strengthening our internal operations. Our strategies emphasize the importance of working with other organizations on crosscutting issues and effectively addressing the challenges to achieving our agency's goals and recognizing the internal and external

factors that could impair our performance. Through these strategies, which have proven successful for us for a number of years, we plan to achieve the level of performance that is needed to meet our annual performance measures as well as our strategic goals.

<u>Conducting Engagements</u>

Attaining our three external strategic goals (goals 1, 2, and 3) and their related objectives rests, for the most part, on providing professional, objective, fact-based, nonpartisan, nonideological, fair, and balanced information to support the Congress in carrying out its constitutional responsibilities. To implement the performance goals and key efforts related to these three goals, we develop and present information in a number of ways, including

- evaluations of federal policies, programs, and the performance of agencies;
- oversight of government operations through financial and other management audits to determine whether public funds are spent efficiently, effectively, and in accordance with applicable laws;
- investigations to assess whether illegal or improper activities are occurring;
- analyses of the financing for government activities;
- constructive engagements in which we work proactively with agencies, when appropriate, to provide advice that may assist their efforts toward positive results;
- legal opinions that determine whether agencies are in compliance with applicable laws and regulations;
- policy analyses to assess needed actions and the implications of proposed actions; and
- additional assistance to the Congress in support of its oversight and decision-making responsibilities.

We plan to conduct specific engagements as a result of requests from congressional committees and mandates written into legislation, resolutions, and committee reports. We will augment requested and mandated work with a limited number of engagement work under the Comptroller General's authority.

Our staff are responsible for following high standards for gathering, documenting, and supporting the information we collect and analyze. More often than not, this information is documented in a product that is made available to the public. In some cases, we develop products that contain classified or sensitive information that cannot be made available publicly. We generally issue over 1,000 products each year, electronically and in printed format. In addition, we publish about 250 to 350 legal decisions and opinions each year. Among the products we plan to issue during fiscal year 2009 will be

- letter reports, chapter reports, and written correspondence;
- testimonies and statements for the record, where the former are delivered orally by one or more of our senior executives at a hearing and the latter are provided for inclusion in the congressional record;
- oral briefings, which are usually given directly to congressional staff members; and
- legal decisions and opinions resolving bid protests and addressing issues of appropriations law, as well as opinions on the scope and exercise of authority of federal officers.

We anticipate that our products will contain information, conclusions, and recommendations that will allow us to achieve our external strategic goals.

Examining Past Work and Service

During fiscal year 2009, we also will continue to examine the impact of our past work and use that information to shape our future work. Specifically, we will evaluate actions taken by federal agencies and the Congress in response to our past recommendations and, if appropriate, document those actions as financial benefits and nonfinancial benefits. We will actively monitor the status of our open recommendations—those that remain valid but have not yet been implemented—and report our findings annually to the Congress and the public (http://www.gao.gov/openrecs.html). Similarly, we use our biennial high-risk report, most recently issued in January 2007, to provide a status report on major government operations that we consider high risk because they are vulnerable to fraud, waste, abuse, and mismanagement or are in need of broad-based transformation.

To attain our fourth strategic goal, we will conduct surveys of our congressional clients and internal customers to obtain feedback on our products, processes, and services, and perform studies and evaluations to identify ways to improve them.

Soliciting Input from Experts

Through a series of forums, advisory boards, and panels; periodic scans of international and national issues that affect the political and social environment in which we work; and our speakers' series, we will gather information and perspectives for our strategic and annual planning efforts.

Advisory boards and panels will support our strategic and annual work planning by alerting us to issues, trends, and lessons learned across the national and international audit community that we should factor into our work. During fiscal year 2008, these groups will continue to include

- the Comptroller General's Advisory Board, whose 40 members from the public and private sectors have broad expertise in areas related to our strategic objectives;
- the National Intergovernmental Audit Forum and 10 regional intergovernmental audit forums through which we will consult regularly with federal inspectors general and state and local auditors; and
- the Domestic Working Group, which is composed of the Comptroller General and the heads of 18 federal, state, and local audit organizations that exchange information and seek opportunities to collaborate.

We also will continue to work with a number of issue-specific and technical panels to improve our strategic and annual work planning, such as the following:

- The Advisory Council on Government Auditing Standards provides us guidance on promulgating auditing standards. These standards articulate auditors' responsibilities when examining government organizations; programs; activities; functions; and government assistance received by contractors, nonprofits, and other nongovernmental organizations. The council's work ensured that the revised standards would be generally accepted and feasible.
- The Accountability Advisory Council, made up of experts in the financial management community, advises us on audits of the U.S. government's consolidated financial statements and emerging issues involving financial management and accountability reporting in the public and private sectors.

- The Executive Council on Information Management and Technology, whose 19 members are experts from the public and private sectors and representatives of related professional organizations, helps us to identify high-risk and emerging issues in the information technology (IT) arena.
- The Comptroller General's Educators' Advisory Panel, composed of deans, professors, and other academics from prominent universities across the United States, advises us on recruiting, retaining, and developing staff and on strategic planning matters.

Internationally, we will continue to participate in the International Organization of Supreme Audit Institutions (INTOSAI)—the professional organization of the national audit offices of 188 countries. During the fall of 2004, the INTOSAI Congress unanimously adopted a 5-year strategic plan—the first in INTOSAI's 50-year history—that was developed by a 10-nation task force chaired by the Comptroller General. This plan has provided the foundation for the Governing Board to engage member institutions in advancing professional audit standards and promoting knowledge sharing.

Scheduled events for fiscal years 2008 include the following:

- Accountability Advisory Council;
- Global Working Group;
- Comptroller General Advisory Board;
- Domestic Working Group ;
- Inspectors General;(i.e., PCIE and ECIE)
- Educator's Advisory Panel; and
- Forum on Counter-terrorism.

Collaborating with Other Organizations

By collaborating with others, we plan to continue strengthening professional standards, providing technical assistance, leveraging resources, and developing best practices. For example, to build capacity in the national audit offices around the world, we will continue our international audit fellows program for mid- to senior-level staff from other countries. In 2007, 15 audit fellows from Africa, Asia, Europe, Latin America, and the South Pacific spent about 4 months at GAO learning how we are organized to do our work, how we plan our work, and what methodologies we use, particularly for performance audits. As part of our strategy to promote continuous learning and sustainability once the fellows return to their countries, we are working with major donors—such as the World Bank and the U.S. Agency for International Development—to identify or support relevant capacity-building projects in fellows' institutions. Seven current and eight former auditors general as well as several deputy auditors general, including the current chair of INTOSAI, are graduates of this program.

Collaborative activities undertaken by our staff during 2007 illustrate the activities we will continue in fiscal year 2008 and 2009. Selected activities are described beginning on page 52 in our performance and accountability report for fiscal year 2007.

Using Our Internal Experts

We coordinate extensively within our own organization in preparing our strategic and annual performance plans, as well as our performance and accountability reports. We conduct our efforts under the overall direction of the Comptroller General and the Chief Operating Officer. We rely on

our Chief Administrative Officer—who is also our Chief Financial Officer—and her staff to provide key financial information. Her staff also coordinated with others throughout the agency to provide the information on goal 4's results and provides input on other efforts dealing with issues such as financial management, budgetary resources, training, and security. We obtain input on all aspects of our strategic and annual performance planning and reporting efforts from each of our engagement teams and organizational units through their respective managing directors, as well as other staff responsible for planning or engagement activities in the teams. Staff from our Budget Office and our Quality and Continuous Improvement (QCI) office prepare our performance plans. In short, we involve virtually every part of GAO and use our internal expertise in our planning and reporting efforts and will continue to do so in fiscal year 2009.

Performance Plans by Strategic Goal

In the following sections, we discuss performance results, strategic objectives, and plans for each of our four strategic goals. Specifically, for goals 1, 2, and 3—our external goals—we present performance results for the three annual measures that we assess at the goal level. Most teams and units also contributed to meeting the targets for the agencywide measures that were discussed earlier in this report.

Goal 1's Strategic Objectives and Targets

Our first strategic goal upholds our mission to support the Congress in carrying out its constitutional responsibilities by focusing on work that helps address the current and emerging challenges affecting the well-being and financial security of the American people and American communities. Our strategic objectives under this goal are to provide information that will help address

- the health needs of an aging and diverse population;
- lifelong learning to enhance U.S. competitiveness;
- benefits and protections for workers, families, and children;
- financial security for an aging population;
- a responsive, fair, and effective system of justice;
- the promotion of viable communities;
- responsible stewardship of natural resources and the environment; and
- a safe, secure, and effective national physical infrastructure.

These objectives, along with the performance goals and key efforts that support them, are discussed fully in our strategic plan, which is available on our Web site at http://www.gao.gov. The work supporting these objectives was performed primarily by headquarters and field office staff in the following teams: Education, Workforce, and Income Security; Financial Markets and Community Investment; Health Care; Homeland Security and Justice; Natural Resources and Environment; and Physical Infrastructure.

In line with our performance goals and key efforts, goal 1 staff reviewed in fiscal year 2007 a variety of programs affecting the nation's students and schools, employees and workplaces, health providers and patients, and social service providers and recipients. In addition, goal 1 staff performed work for our congressional clients related to improving the nation's law enforcement systems and federal agencies' ability to prevent and respond to terrorism and other major crimes. Table 27 provides examples of work we conducted in support of goal 1 in fiscal year 2007.

Table 27: Selected Work Under Goal 1 in Fiscal Year 2007

Financial benefits	Our work influenced legislation requiring states to implement electronic benefit transfer in place of paper coupons to reduce fraud and abuse in the Food Stamp Program. This action resulted in an estimated $3.4 billion in cumulative financial benefits from fiscal years 2005 through 2009.
Nonfinancial benefits	In 2001, we designated the United States Postal Service (USPS) transformation as a high-risk area because its financial outlook had significantly deteriorated and it lacked a comprehensive plan to address financial, operational, and human capital challenges. Since then, USPS developed a transformation plan, and the Congress enacted comprehensive postal reform legislation in the areas of rate setting, regulatory oversight, and financial transparency. In 2007 we removed the USPS transformation from our high-risk list.
Testimonies	In a series of testimonies, we examined trends in the use of mortgages insured by the Federal Housing Administration (FHA), FHA's risk management, and the implications of a legislative proposal to overhaul the agency's products and processes. Our work informed congressional debate on the benefits and risks of FHA modernization legislation under consideration.

Source: GAO.

The financial benefits reported for this goal in fiscal year 2007 totaled $12.9 billion, which missed the target of $20.2 billion by about $7.3 billion. This was due in large part to the work in goal 1 supporting goals 2 and 3 and the even more highly matrixed nature of our work. For example, a financial benefit of $5.4 billion related to the United States Postal Service payment of post-retirement health care costs, which was reported by goal3, could have just as well been reported in goal 1 given the joint nature of the teams' work. Table 28 provides a summary of goal 1's performance results and targets. Figure 1 provides a snapshot of the net costs associated with goal 1 work relative to the organization as a whole.

Table 28: Strategic Goal 1's Annual Performance Results and Targets

Performance measures	2004 actual	2005 actual	2006 actual	2007 actual	2008 target	2009 target
Financial benefits (dollars in billions)	$26.6	$15.6	$22.0	$12.9	$13.8	$12.7
Nonfinancial benefits	252	277	268	238	238	238
Testimonies	85	88	97	125	84	77

Source: GAO.

Figure 1: Goal 1 Net Cost of Operations in Fiscal Year 2007
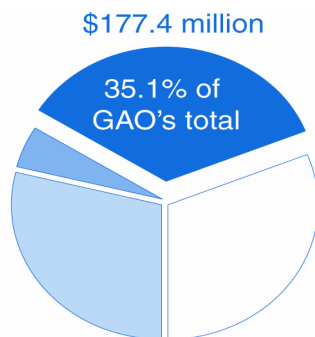
$177.4 million

35.1% of GAO's total

Source: GAO.

To accomplish our work under these strategic objectives in fiscal year 2009, we will conduct engagements, audits, analyses, and evaluations of programs at major federal agencies, such as the Departments of Agriculture, Education, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, and Transportation and develop reports and testimonies on the efficacy and soundness of programs they administer. For example, during fiscal years 2008 and 2009, we anticipate conducting work related to

- federal oversight of food safety;
- the oversight of energy policy, including the collection of oil royalties produced from federal lands;
- climate change policies and programs;
- the management of wildland fires
- the Medicare Part D prescription drug benefit program;
- hospital-acquired infections and drug resistant TB;
- the quality and care in nursing homes
- small business lending and business development programs;
- implementation of Federal Housing Administration reforms;
- new mortgage lending and the secondary market;
- rental housing assistance to low income and homeless populations
- the Pension Benefit Guaranty Corporation's single-employer insurance program;
- coal mine operators' emergency response plans;
- support for and oversight of school improvement efforts;
- disability programs administered by Veterans Affairs and the Social Security Administration;
- bilingual voting
- transportation financing and safety programs;
- airline congestion and delays;
- air traffic control modernization;
- managing, securing, and constructing federal real property;
- progress made in transitioning to digital television;
- crime victims rights;
- federal efforts to combat gangs; and
- Civil Rights Division priorities in the Department of Justice.

Goal 2's Strategic Objectives and Targets

The federal government is working to promote foreign policy goals, sound trade polices, and other strategies to advance the interests of the United States and its allies while also seeking to anticipate and address emerging threats to the nation's security and economy. Given the importance of these efforts, our second strategic goal focuses on helping the Congress and the federal government respond to changing security threats and the challenges of global interdependence. Our strategic objectives under this goal are to support the congressional and federal efforts to

- protect and secure the homeland from threats and disasters;
- ensure military capabilities and readiness;
- advance and protect U.S. international interests; and
- respond to the impact of global market forces on U.S. economic and security interests.

These objectives, along with the performance goals and key efforts that support them, are discussed fully in our strategic plan, which is available on our Web site at http://www.gao.gov. The work supporting these objectives is performed primarily by headquarters and field staff in the following teams: Acquisition and Sourcing Management, Defense Capabilities and Management, and International Affairs and Trade. In addition, the work supporting some performance goals and key efforts is performed by headquarters and field staff from the Information Technology, Homeland Security and Justice, Financial Markets and Community Investment, and Natural Resources and Environment teams.

To accomplish our work in fiscal year 2007 under these strategic objectives, we conducted engagements and audits that involved fieldwork related to programs that took us across multiple continents, including Europe, Africa, Asia, South America, and North America. As in the past, we developed reports, testimonies, and briefings on our work. Table 29 provides examples of work we conducted in support of goal 2.

Table 29: Selected Work Under Goal 2 in Fiscal Year 2007

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Financial benefits	Our work highlighted the risks associated with developing and implementing the Army's Future Combat System. Citing the risks we reported and preserving the ability for DOD to change course, the Congress cut the system's budget request by $254 million.
Nonfinancial benefits	Among the challenges the Department of Defense (DOD) faced in overseeing contractors on the battlefield was the lack of visibility over the number of contractors supporting deployed forces and the services that the contractors provide. In response to our work, DOD implemented a system designed to provide commanders this information and appointed a DOD focal point to improve the agency's management and oversight of contractors assisting the troops.
Testimonies	Our September 2007 benchmark report and related testimonies found that the Iraqi government had not met most of its 18 key legislative, security, and economic benchmarks. The Departments of State and Defense agreed with our recommendations to improve the quality of information provided to the Congress on the progress being made in meeting these benchmarks.

Source: GAO.

The financial benefits reported for this goal in fiscal year 2007 totaled $10.3 billion, exceeding the target of $9.8 billion. Among other things, these accomplishments stemmed from engagements related to better allocating resources to fund new military capabilities, streamlining our embassy presence overseas, and reducing funding for the Millennium Challenge Corporation, which oversees a foreign assistance program. Table 30 presents our performance results and targets for strategic goal 2. Figure 2 illustrates the net costs associated with goal 2 work relative to the organization as a whole.

Table 30: Strategic Goal 2's Annual Performance Results and Targets

Performance measures	2004 actual	2005 actual	2006 actual	2007 actual	2008 target	2009 target
Financial benefits (dollars in billions)	$9.7	$12.9	$12.0	$10.3	$11.3	$11.3
Nonfinancial benefits	369	365	449	468	322	322
Testimonies	70	42	68	73	69	62

Source: GAO.

Figure 2: Goal 2 Net Cost of Operations in Fiscal Year 2007
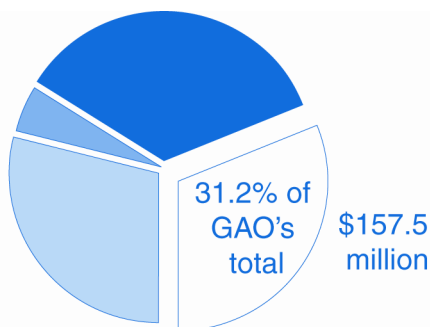
31.2% of GAO's total $157.5 million

Source: GAO.

To accomplish our work under these strategic objectives in fiscal year 2009, we will conduct engagements and audits that involve fieldwork related to domestic and international programs in Africa, Asia, Europe, North America, and South America. As in the past, we will develop reports, testimonies, and briefings on our work. For example, during fiscal years 2008 and 2009, we anticipate conducting work related to

- stabilizing and rebuilding Iraq and Afghanistan and other post conflict areas;
- readiness of the military services;
- DOD's strategic human capital plan to share and improve its civilian employee workforce;
- DOD's management of business transformation and progress in addressing defense activities and programs at high risk of waste, fraud, and abuse;
- defense infrastructure and inventory management;
- Department of Defense (DOD) weapon system acquisition;
- the Future Combat Systems program;
- protecting critical U.S. technologies from risk of exploitation;
- DOD and National Aeronautics and Space Administration contracting;
- DOD and prime contractor policies and practices for quality assurance and quality control;
- the nation's nuclear weapons stockpile;
- federal efforts to prevent nuclear smuggling;
- efforts to combat terrorism abroad, including terrorist sanctuaries along the Afghan-Pakistan border and in Africa;
- U.S. programs to ensure free and fair trade, including China trade enforcement;
- building the capacity of foreign governments' security forces;
- U.S. development and humanitarian assistance programs related to refugees, food aid, and basic education
- counter-narcotics efforts in Columbia and Central America;
- passport processing delays and other passport and visa management and security procedures;
- surface transportation security;
- implementation of the Secure Border Initiative;
- sharing of homeland security information with border communities;
- implementation of lessons learned from Hurricane Katrina
- the subprime mortgage market's impact on credit markets;
- federal oversight of hybrid financial products;
- assessing the impact of complex financial products marketed to seniors;

- National Flood Insurance program reauthorization; and
- examining the feasibility of an optional federal regulator for insurance.

Goal 3's Strategic Objectives and Targets

Our third strategic goal focuses on the collaborative and integrated elements needed for the federal government to achieve results. The work under this goal highlights the intergovernmental relationships that are necessary to achieve national goals. Our multiyear (fiscal years 2007-2012) strategic objectives under this goal are to

- reexamine the federal government's role in achieving evolving national objectives;
- support the transformation to results-oriented, high-performing government;
- support congressional oversight of key management challenges and program risks to improving federal operations and ensuring accountability; and
- analyze the government's fiscal position and strengthen approaches for addressing the current and projected fiscal gap.

These objectives, along with the performance goals and key efforts that support them, are discussed fully in our strategic plan, which is available on our Web site at http://www.gao.gov. The work supporting these objectives is performed primarily by headquarters and field staff from the Applied Research and Methods, Financial Management and Assurance, Information Technology, and Strategic Issues teams. In addition, the work supporting some performance goals and key efforts is performed by headquarters and field staff from the Acquisition and Sourcing Management and Natural Resources and Environment teams. This goal also includes our bid protest and appropriations law work, which is performed by staff in General Counsel, and our fraud investigations, which are conducted by staff from the Financial Management and Assurance team.

The work under this goal highlights the intergovernmental relationships that are necessary to achieve national goals. Table 31 provides examples of work conducted in support of goal 3 in fiscal year 2007.

Table 31: Selected Work Under Goal 3 in Fiscal Year 2007

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Financial Benefits	In response to our work, agencies such as DOD, the Department of Transportation (DOT), and United States Department of Agriculture (USDA) have improved their oversight of information technology (IT) investments resulting in a reduction in their planned IT expenditures of more than $1.3 billion. For example, USDA coordinated its various IT investment boards and narrowed the scope of information system projects to reduce risk and increase efficiency.
Nonfinancial Benefits	We made several recommendations to the Internal Revenue Service (IRS) to improve its efforts to reduce the tax gap. For example, we recommended that IRS set a long-term voluntary compliance goal to help measure the success of its compliance efforts. In its 2007 budget justification, IRS established a goal of 85 percent voluntary compliance by 2009.
Testimonies	Our work related to the Federal Emergency Management Agency's (FEMA) Individual and Households Program identified from $600 million to $1.4 billion in improper or potentially fraudulent financial assistance payments made by FEMA following hurricanes Katrina and Rita. We referred thousands of cases we considered potentially improper and fraudulent to the Katrina Fraud Task Force for appropriate criminal investigation.

Source: GAO.

The financial benefits reported for this goal in fiscal year 2007 totaled $22.8 billion, more than double our target of $10.0 billion. These efforts included work that led to reductions in planned IT expenditures at several federal agencies, the termination of the NASA space launch initiative, and improved collections of federal nontax and criminal debts. Table 32 below provides a summary of goal 3's performance results and targets. Figure 3 also provides a snapshot of the net costs associated with goal 3 relative to the organization as a whole.

Table 32: Strategic Goal 3's Annual Performance Results and Targets

Performance measures	2004 actual	2005 actual	2006 actual	2007 actual	2008 target	2009 target
Financial benefits (dollars in billions)	$7.6	$11.0	$17.0	$22.8	$14.9	$16.0
Nonfinancial benefits	576	767	625	648	590	590
Testimonies	60	47	73	74	67	61

Source: GAO.

Figure 3: Goal 3 Net Cost of Operations for Fiscal Year 2007

29.0% of GAO's total

$146.6 million
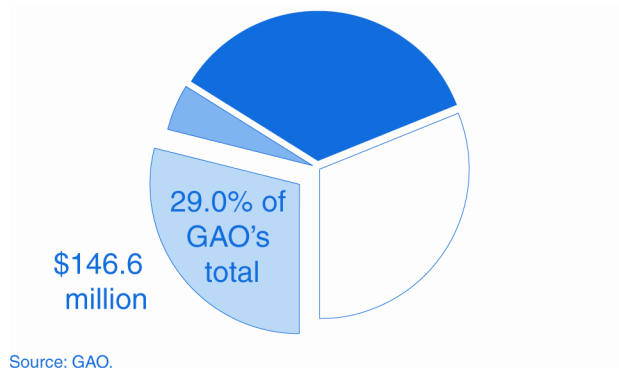
Source: GAO.

To accomplish our work under these four objectives, we plan to conduct audits, evaluations, and analyses in response to congressional requests and to carry out work initiatives under the Comptroller General's authority. As in the past, we will develop reports, testimonies, and briefings on our work. For example, during fiscal years 2008 and 2009, we anticipate conducting work related to

- the nation's long-term fiscal challenge;
- 2010 Census plans;
- evaluating tax credits and policies;
- reducing the gap between taxes owed and taxes collected;
- fiscal relief to states during future economic downturns;
- making efficient use of federal grant funds;
- continued efforts to help the Gulf Coast recover from the 2005 hurricanes;
- lessons learned from creating Chief Operating Officer and Chief Management Officer positions;
- adjudicating bid protest and Board of Contract Appeals filings;
- the annual consolidated financial audit of the federal government;
- the annual financial audits of the Internal Revenue Service, the Securities and Exchange Commission, and the Federal Deposit Insurance Corporation;

- financial system and physical security vulnerabilities;
- federal accounting and auditing standards
- federal financial management systems and improvement;
- federal agency improper payments;
- federal IG oversight efforts;
- federal research on nanotechnologies;
- federal agencies' information security policies and procedures;
- the Internal Revenue Service's business systems modernization;
- the Department of Homeland Security's privacy policy;
- the National Archives' electronic records;
- the Department of Veterans Affairs' IT realignment effort;
- critical cyber infrastructure; and
- border security and immigration control IT programs.

Goal 4's Strategic Objectives

The focus of our fourth strategic goal is to make GAO a model organization. For us, this means that our work is driven by our external clients and internal customers, our managers exhibit the characteristics of leadership and management excellence, our employees are devoted to ensuring quality in our work process and products through continuous improvement, and our agency is regarded by current and potential employees as an excellent place to work. Our strategic objectives under this goal are to

- improve client and customer satisfaction and stakeholder relationships,
- lead strategically to achieve enhanced results,
- leverage our institutional knowledge and experience,
- enhance GAO's business and management processes, and
- become a professional services employer of choice.

These objectives, along with the performance goals and key efforts that support them, are discussed fully in our strategic plan, which is available on our Web site at http://www.gao.gov.
The work supporting goal 4 was performed under the direction of the Chief Administrative Officer with assistance on specific key efforts being provided by staff from the Applied Research and Methods team and from offices such as Strategic Planning and External Liaison, Congressional Relations, Opportunity and Inclusiveness, Quality and Continuous Improvement, and Public Affairs. To accomplish our work under goal 4, we performed internal studies and completed projects that further the strategic goal. Table 33 provides examples of work conducted in support of Goal 4 in fiscal year 2007.

Table 33: Selected Work Under Goal 4 in Fiscal Year 2007

Enhancing client service	We completed a pilot of e-dissemination of products to our congressional clients to enhance the quality and timeliness of service. During fiscal year 2007, we avoided approximately $48,800 in costs for the 51 reports issued. Based on the cost effectiveness of e-dissemination and the positive client feedback we recently fully implemented e-dissemination for the majority of our products.
Converting to a new financial management system	We completed preparations and testing for conversion as of the new fiscal year to our new financial management system, GAO Delphi. We are able to take advantage of DOT's Enterprise Service Center expertise and economies of scale for select accounting functions, allowing our staff to transition to a greater focus on analysis and customer service.
Improving work life programs	We increased our support for several of our work life programs and services that help our employees to balance work and personal life. These initiatives included increasing the capacity of the headquarters day care center through expansion of the physical facility, enhancing the Student Loan Repayment Program to support more applicants, and increasing our approval of telework applications by 200 percent.
Updating our external website	We launched a new version of www.gao.gov, implementing numerous recommendations resulting from an independent review. We improved our navigation and searching capabilities, and incorporated the reviewer's principles and methodology into our standards and processes.

Source: GAO.

Figure 4 illustrates the net costs associated with goal 4 relative to the organization as a whole.

Figure 4: Goal 4 Net Cost of Operations in Fiscal Year 2007

$23.9 million

4.7% of GAO's total
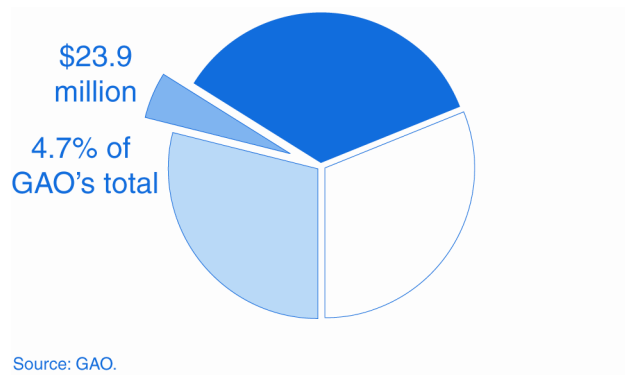
Source: GAO.

During fiscal years 2008 and 2009, we anticipate conducting work related to

- technology and alternative media for communicating our work;
- internal customer and employee satisfaction surveys;
- collaborating with other accountability organizations;
- workforce plan and budget improvements;
- the human capital strategic plan update;
- recruiting, hiring, and retention strategies and processes;
- human capital systems;
- personnel exchanges with the public and private sectors;
- enterprise architecture efforts;
- Web-based data, tools, and processes;

- applied research tools and methods;
- management information systems upgrades;
- external peer review;
- compensation and performance management systems;
- student intern development;
- emergency preparedness planning;
- government standard identity card (Smartcard) technology; and
- the security education and awareness program.

Management Challenges

The Comptroller General, the Executive Committee, and our senior executives identify management challenges through our strategic planning, management, and budgeting processes. We monitor our progress in addressing the challenges through our annual performance and accountability process. Under strategic goal 4, we establish performance goals focused on each of our management challenges, track our progress in completing the key efforts for those performance goals quarterly, and report each year on our progress toward meeting the performance goals.

For fiscal year 2009, we plan to continue addressing three management challenges—physical security, information security, and human capital. We anticipate that we may need to continue to address all three of these management challenges in future years because they are evolving and will continually require us to identify ways to adapt and improve. We revisit the challenges each year and refine them when appropriate. When we believe we have sufficiently addressed these challenges, we will remove them from our list. We will report any changes as we monitor and report on our progress in addressing the challenges through our annual performance and accountability process. The following sections describe our recent and planned efforts to address these challenges.

Physical Security Challenge

We continue to take essential actions to protect our people and our assets to ensure continuity of agency operations. The domestic and international climate demands that we constantly assess our physical security profile and seek ways to improve and strengthen it. For example, we took positive steps in fiscal year 2007 to strengthen our policies and operations by centralizing all previously established planning efforts into the "Continuity Program Document" and "Continuity Program Support Documents" to ensure a more effective response to any event. We continued to ensure better external communications and information-sharing through coordination with sister agencies in the legislative branch, executive branch agencies, and local law enforcement to formalize program strategy and concepts of operations for contingency planning efforts. We also improved our internal communications capability by developing and refining the emergency notification system, and launching an emergency preparedness Website on our intranet. To upgrade and enhance our technical capabilities we relocated and activated our Security Operations Center and the adjacent Emergency Operations Center, and have implemented incremental improvements to our Integrated Electronic Security System, including installation of intrusion detection systems and infrastructure enhancements necessary for continued system upgrades.

We plan similar efforts throughout fiscal years 2008 and 2009; however, we will need to complete other initiatives in order to remove this challenge from our list. In fiscal year 2008, we plan to make progress in implementing the Integrated Electronic Security System by installing card readers that comply with Homeland Security Presidential Directive 12. In addition, the Office of Emergency Preparedness plans to launch a formal test training and exercise program for continuity of operations in coordination with the legislative and executive branches and local law enforcement. We will also continue to refine the emergency notification system and emergency preparedness Website to further enhance internal communications. Work will commence under a contract to carry out a security assessment of our current security programs and associated risks to personnel, property, and information.

Information Security Challenge

Information systems security continues to be a critical activity in ensuring our information systems and assets are effectively protected and free from compromise. Given the constantly evolving nature of threats to information systems and assets, information security will continue to be a management challenge for us and all government and private sector entities at least through fiscal year 2009. In fiscal year 2007, we established a wide range of goals and embarked on numerous initiatives to address information systems security. For example, we identified a desktop encryption product and deployed it to workstations containing high risk data; increased our capability to screen Internet traffic against potential threats; enhanced centralized auditing of network servers and devices by implementing an enterprise event correlation application; updated our information security procedures to maintain compliance with new federal guidance; and improved communications and restoration capabilities at our disaster recovery operations to reduce our risks; and developed and disseminated an integrated information security awareness education and training program.

In fiscal year 2008, some of the most significant efforts planned to address the information security challenge include focusing on data protection encryption and identity management to better control access to our internal network and information; increasing the centralized auditing and monitoring of network servers and devices to better secure our computing assets within the agency; including recurring presentations by senior management and focused role-based instructions in our security awareness training program; responding to new and updated security guidance from the National Institute of Standards and Technology and the Office of Management and Budget; and refining our security processes and procedures, enhancing our contingency operations, and improving our overall ability to respond to changing threats by implementing appropriate new technologies to reduce or manage risks. Some of these efforts will continue into fiscal year 2009.

Human Capital Challenge

Competition for talent among knowledge-based organizations is rising as the demographics of the workforce shift to a younger and less experienced workforce and knowledge and skill gaps occur— particularly at mid and more senior levels—as a result of retirements. The need to sustain a knowledge—and skills-based workforce is critical as it is this workforce that make it possible for us to deliver the results and performance expected by our clients and customers. We anticipate that

our ability to maintain the right mix of experienced and knowledgeable staff to carry out our engagements and meet our clients' needs will be an ongoing challenge in fiscal years 2008 and 2009. We are facing unusual circumstances because of continuity and succession concerns resulting from downsizing and reduced hiring in the 1990s.

Currently, over 42 percent of our analysts and related staff have fewer than 5 years of agency experience, making learning and development—as well as leadership—of this staff of paramount importance. This has resulted in some cultural challenges as our workforce evolves into a multi-generational population with many diverse interests, needs, and attitudes. This is an area upon which we will focus in the upcoming fiscal years, given the potential for changing turnover dynamics and the likelihood of greater mobility among this workforce.

Recruiting, rewarding, and retaining a highly qualified, high-performing, and diverse workforce in today's competitive environment remains one of our most important challenges. In fiscal year 2007, we began implementation of enhancements to our recruitment and hiring activities which were recommended after an extensive 2006 review of our recruiting programs and best practice research. We also addressed learning and development in fiscal year 2007, completing an evaluation of our leadership development programs and making recommendations to our Learning Board and Executive Committee for a comprehensive program to enhance the ability of staff at all levels to prepare for leadership roles.

As a result of the 2006 annual review by our Office of Opportunity and Inclusiveness of our employees' performance appraisal data, a trend was detected showing an increasing gap in the performance rating averages of African Americans and Caucasians at all mission analysts' band levels. To address this challenge we awarded a contract in fiscal year 2007 for an African American Performance Study by an external consultant. The consultant will analyze the data from 2002 through 2006; assess and compare skills, assignments, engagement roles, training, education, and recruiting practices for African Americans and Caucasians; and identify best practices internally and externally that might assist in reducing the gap. Mindful of our obligations under labor relations law, our staff will develop an action plan for addressing the findings and recommendations of this study.

At the end of fiscal year 2007, our Band I and Band II analysts elected the GAO Employees Organization, International Federation of Professional and Technical Engineers as their exclusive representative in dealing with our management on the terms and conditions of their employment. In accordance with labor relations law, we postponed work on several initiatives regarding our current performance and pay programs and also maintained absolute neutrality during the election period. With the outcome of the union vote, our management is committed to working cooperatively with employee union representatives to forge a positive labor management relationship.

While we have made progress in addressing human capital issues, human capital will remain a management challenge for fiscal years 2008 and 2009. Some of our planned initiatives may be subject to collective bargaining as they may affect the terms and conditions of bargaining unit employees. Some of the most significant efforts planned in this area for fiscal years 2008 and 2009 are

- working cooperatively and productively with the newly elected labor union to establish our first collective bargaining agreement;
- completing implementation of the recruitment task team recommendations;

- implementing a structured leadership development program to prepare managerial talent;
- implementing an aggressive hiring strategy to rebuild our workforce and acquire needed talents and skills;
- focusing on the workforce impact of cultural issues created by generational issues as well as diversity in general;
- instituting better, more comprehensive human capital metrics;
- providing more transparency and knowledge of the market-based compensation process; and
- improving the efficiency and effectiveness of the Human Capital Office in support of these human capital initiatives.

Mitigating External Factors That Could Affect Our Performance

Several external factors could affect the achievement of our performance goals, including the amount of resources we receive, shifts in the content and volume of our work, and national and international developments. Limitations imposed on our work by other organizations or limitations on the ability of other federal agencies to make the improvements we recommend are additional factors that could affect the achievement of our goals.

As the Congress focuses on unpredictable events—such as terrorism, natural disasters, and military conflicts and threats abroad—the mix of work we are asked to undertake may change, diverting our resources from some strategic objectives and performance goals. We can and do mitigate the impact of these events on the achievement of our goals in various ways. For example in fiscal year 2007, we:

- stayed abreast of current events (such as vulnerabilities in the nation's food supply system, the quality of health facilities and services for soldiers returning from military conflicts abroad, and fraud and abuse plaguing disaster assistance programs) and communicated frequently with our congressional clients in order to be alert to possibilities that could shift the Congress's priorities or trigger new priorities;
- quickly redirected our resources when appropriate (i.e., to respond to a record number of requests for our senior executives to testify on our current and past work covering a wide range of topics such as the Iraq war and the global war on terrorism) so that we could deal with major changes as they occurred;
- maintained broad-based staff expertise (i.e., in our Social Security, health care financing, and homeland security areas) so that we could readily address emerging needs; and
- initiated evaluations under the Comptroller General's authority on a limited number of selected topics topics, including the status of Iraq's reconstruction efforts, our 21st century challenges and high-risk work, and our fiscal challenges discussions.

We will continue to take steps like these in fiscal year 2009 to help us address in a timely manner the congresses changing and often unanticipated, need for information.

We are experiencing heavy demand from the Congress for work in a number of subject areas, including monitoring the progress of the global war on terrorism and the continuing challenges it presents; exploring economic issues facing U.S. financial markets and American consumers, such as concerns facing the subprime mortgage market; analyzing where funds are being spent through off-budget vehicles such as tax expenditures, and continuing our work on disaster relief issues, such as reviews of the reconstruction of areas ravaged by hurricanes Katrina and Rita. Yet, our resources have declined: adjusted for inflation, our budget authority, in real terms has experienced a

steady decline since fiscal year 2003. Similarly, our FTE usage for fiscal year 2008 is projected at 3,100—our lowest this decade. We are requesting funds in fiscal year 2009 to restore our FTEs to 3,251—about the size of GAO before we began experiencing funding constraints in fiscal year 2003. Our ability to effectively manage increased congressional demand could have an impact on our ability to meet our performance targets and satisfy congressional requests for our work. We will continue to manage the Congress's requests in order to minimize any negative impact on our ability to meet its needs. However, if the Congress continues to rely on us to provide assistance in these and other areas, the growing imbalance between our workload and our available resources must be addressed. Over time, the consistently high performance that the Congress expects of us will simply be unsustainable if our workload continues to grow while our resources continue to lag.

Given large current federal budget deficits and the nation's long-range fiscal imbalance, the Congress is likely to place increasing emphasis on fiscal constraint. While it is unclear how we will ultimately be affected, it is reasonable to assume that any attempt to exercise additional budgetary discipline in the legislative branch will include our agency. As a result, while we believe that we submit reasonable and responsible budget requests and we know that the return on investment that we generate is unparalleled, we must plan and prepare for the possibility of significant and recurring constraints on the resources made available to the agency. In addition, as we stated previously, almost 80 percent of our budget is composed of people-related costs, and any serious budget situation will have an impact on our human capital policies and practices. This, in turn, will have an impact on our ability to serve the Congress and meet our performance targets. While, as noted above, the nature and extent of any such budget constraints cannot be determined at the present time, our executive team is engaged in a range of related planning activities. It is both appropriate and prudent for us to engage in such planning. At the same time, we are hopeful that the Congress will recognize that performance-based budgeting concepts would support providing additional resources to entities with prudent budget requests and proven performance results. If the Congress employs such an approach, we should be in a good position to continue to provide a high rate of return on the resources invested in the agency.

A growing area for us involves our work on bid protests. As required by law, our General Counsel's office prepares Comptroller General procurement law decisions that resolve protests filed by disappointed bidders. These bidders challenge the way individual federal procurements are being conducted or how the contracts were awarded. In recent years, we have experienced an increase in the number of bid protests that have been filed. For example, the number of protest filings in fiscal year 2007 was 23 percent higher than the number filed in fiscal year 2001 and 6 percent higher than the number filed in fiscal 2006. A comparison of the first quarter of the fiscal year 2007 and 2008 protest filings shows that protest filings continue to increase; in fact they increased 12 percent from fiscal year 2007 to fiscal year 2008.

The 2008 Consolidated Appropriations Act established a permanent Government Accountability Office Contract Appeals Board to hear appeals involving contracts of legislative branch agencies. The Act also gives GAO the authority to hear protests filed by the Transportation Security Administration, for which GAO previously did not have jurisdiction.

The DOD Authorization bill, which passed Congress, was presented to the President for signature, and is expected to be enacted in the near future, contains two provisions that will expand GAO's bid protest jurisdiction. One provision gives GAO exclusive jurisdiction to hear protests of task and delivery orders valued at more than $10 million issued by federal agencies. The authority sunsets after 3 years.

In fiscal year 2005 the Congress enacted legislation that expanded our authority to allow certain representatives of affected government employees to protest when the private sector wins a private-public competition. The second provision in the pending bill further expands protest rights for federal employees in an A-76 competition by allowing "any one individual" who represents the affected employees, as well as by the agency tender official to protest at GAO, regardless of the size of the organization subject to the A-76 competition.

Another external factor is the extent to which we can obtain access to certain types of information. With concerns about operational security being unusually high at home and abroad, we may have more difficulty obtaining information and reporting on sensitive issues. Historically, our auditing and information gathering have been limited whenever the intelligence community is involved. In addition, we have not had the authority to access or inspect records or other materials held by other countries or, generally, by the multinational institutions that the United States works with to protect its interests. Consequently, our ability to fully assess the progress being made in addressing national and homeland security issues may be hampered. Also, we anticipate that more of our reports may be subject to classification reviews than in the past, which means that the public dissemination of these products may be limited. We plan to work with the Congress to identify both legislative and nonlegislative opportunities for strengthening our access authority as necessary and appropriate.

Data Quality and Program Evaulation

Verifying and Validating Performance Data

Each year, we measure our performance by evaluating our annual performance on measures that cover the outcomes and outputs related to our work results, client service, and management of our people. To assess our performance, we used performance data that were complete and actual (rather than projected) for almost all of our performance measures. We believe the data to be reliable because we followed the verification and validation procedures described here to ensure the data's quality.

The Annual Performance Measures below contain information on the specific sources of the data for our annual performance measures and multiyear qualitative performance goals, procedures for independently verifying and validating these data, and the limitations of this data.

Results Measures

 Financial Benefits

Definition and background

Our work—including our findings and recommendations—may produce benefits to the federal government that can be estimated in dollar terms. These benefits can result in better services to the public, changes to statutes or regulations, or improved government business operations. A financial benefit is an estimate of the federal monetary effect of agency or congressional actions. These financial benefits generally result from work that we completed over the past several years. The funds made available as a result of the actions taken in response to our work may be used to reduce government expenditures, increase revenues, or reallocate funds to other areas. Financial benefits included in our performance measures are net benefits—that is, estimates of financial benefits that

have been reduced by the costs associated with taking the action that we recommended. We convert all estimates involving past and future years to their net present value and use actual dollars to represent estimates involving only the current year. Financial benefit amounts vary depending on the nature of the benefit, and we can claim financial benefits over multiple years based on a single agency or congressional action.

Financial benefits are linked to specific recommendations or other work. To claim that financial benefits have been achieved, our staff must file an accomplishment report documenting that (1) the actions taken as a result of our work have been completed or substantially completed, (2) the actions generally were taken within 2 fiscal years prior to the filing of the accomplishment report, (3) a cause-and-effect relationship exists between the benefits reported and our recommendation or work performed, and (4) estimates of financial benefits were based on information obtained from non-GAO sources. Prior to fiscal year 2002, we limited the period over which the benefits from an accomplishment could be accrued to no more than 2 years. Beginning in fiscal year 2002, we extended the period to 5 years for certain types of accomplishments known to have multiyear effects, such as those associated with multiyear reductions in longer-term projects, changes embodied in law, program terminations, or sales of government assets yielding multiyear financial benefits. Financial benefits can be claimed for past or future years. For financial benefits involving events that occur on a regular but infrequent basis—such as the decennial census—we may extend the measurement period until the event occurs in order to compute the associated financial benefits using GAO's present value calculator.

Managing directors decide when their staff can claim financial benefits. A managing director may choose to claim a financial benefit all in 1 year or decide to claim it over several years, especially if the benefit spans future years and the managing director wants greater precision as to the amount of the benefit.

Data sources

Our Accomplishment Reporting System provides the data for this measure. Teams use this Web-based data system to prepare, review, and approve accomplishments and forward them to our Quality and Continuous Improvement office (QCI) for its review. Once accomplishment reports are approved, they are compiled by QCI, which annually tabulates total financial benefits agencywide and by goal.

Verification and validation

Our policies and procedures require us to use the Accomplishment Reporting System to record the financial benefits that result from our work. They also provide guidance on estimating those financial benefits. The team identifies when a financial benefit has occurred as a result of our work. The team develops estimates based on non-GAO sources, such as the agency that acted on our work, a congressional committee, or the Congressional Budget Office, and files accomplishment reports based on those estimates. When non-GAO estimates are not readily available, teams may use GAO estimates—developed in consultation with our experts, such as the Chief Economist, Chief Actuary, or Chief Statistician, and corroborated with a knowledgeable program official from the executive agency involved. The estimates are reduced by significant identifiable offsetting costs. The team develops workpapers to support accomplishments with evidence that meets our evidence

standard, supervisors review the workpapers, and an independent person within GAO reviews the accomplishment report. The team's managing director or director is authorized to approve financial accomplishment reports with benefits of less than $100 million.

The team forwards the report to QCI, which reviews all accomplishment reports and approves accomplishment reports claiming benefits of $100 million or more. QCI provides summary data on approved financial benefits to team managers, who check the data on a regular basis to make sure that approved accomplishments submitted by their staff have been accurately recorded. Our Engagement Reporting System also contains accomplishment data for the fiscal year. In fiscal year 2007, QCI approved accomplishment reports covering 94 percent of the dollar value of financial benefits we reported.

Every year, our Office of Inspector General (IG) reviews accomplishment reports that claim benefits of $500 million or more. For fiscal year 2007, the IG reviewed accomplishment reports covering 74 percent of the dollar value of financial benefits we reported. In addition, on a periodic basis, the IG independently tests compliance with our process for claiming financial benefits of less than $500 million. For example, the IG reviewed fiscal year 2006 financial benefits of $100 million or more and found our reporting process to be sound overall. However, the IG improvements to the clarity of certain policies related to reporting financial accomplishments and the documentation supporting selected accomplishment reports. We clarified our guidance and updated our policy manual in fiscal year 2007.

Data limitations

Not every financial benefit from our work can be readily estimated or documented as attributable to our work. As a result, the amount of financial benefits is a conservative estimate. Estimates are based on information from non-GAO sources and are based on both objective and subjective data, and as a result, professional judgment is required in reviewing accomplishment reports. We feel that the verification and validation steps that we take minimize any adverse impact from this limitation.

Nonfinancial Benefits

Definition and background

Our work—including our findings and recommendations—may produce benefits to the federal government that cannot be estimated in dollar terms. These nonfinancial benefits can result in better services to the public, changes to statutes or regulations, or improved government business operations. Nonfinancial benefits generally result from work that we completed over the past several years.

Nonfinancial benefits are linked to specific recommendations or other work that we completed over several years. To claim that nonfinancial benefits have been achieved, staff must file an accomplishment report that documents that (1) the actions taken as a result of our work have been completed or substantially completed, (2) the actions generally were taken within the past 2 fiscal years of filing the accomplishment report, and (3) a cause-and-effect relationship exists between the benefits reported and our recommendation or work performed.

Data sources

Our Accomplishment Reporting System provides the data for this measure. Teams use this automated system to prepare, review, and approve accomplishments and forward them to QCI for its review. Once accomplishment reports are approved, they are compiled by QCI, which annually tabulates total other (nonfinancial) benefits agencywide and by goal.

Verification and validation

Our policies and procedures require us to use the Accomplishment Reporting System to record the nonfinancial benefits that result from our findings and recommendations. Staff in the teams file accomplishment reports to claim that benefits have resulted from their work. The team develops workpapers to support accomplishments with evidence that meets our evidence standard. Supervisors review the workpapers; an independent person within GAO reviews the accomplishment report; and the team's managing director or director approves the accomplishment report to ensure the appropriateness of the claimed accomplishment, including attribution to our work.

The team forwards the report to QCI, where it is reviewed for appropriateness. QCI provides summary data on nonfinancial benefits to team managers, who check the data on a regular basis to make sure that approved accomplishments from their staff have been accurately recorded. Additionally, on a periodic basis, the IG independently tests compliance with our process for claiming nonfinancial benefits. For example, the IG tested this process in fiscal year 2005 and found it to be reasonable. The IG also recommended actions to strengthen documentation of our nonfinancial benefits and to encourage the timely processing of the supporting accomplishment reports.

Data limitations

The data may be underreported because we cannot always document a direct cause-and-effect relationship between our work and benefits it produced. However, we feel that this is not a significant limitation on the data because the data represent a conservative measure of our overall contribution toward improving government.

Percentage of Products with Recommendations

Definition and background

We measure the percentage of our written products (chapter and letter reports and numbered correspondence) issued in the fiscal year that included at least one recommendation. We make recommendations that specify actions that can be taken to improve federal operations or programs. We strive for recommendations that are directed at resolving the cause of identified problems; that are addressed to parties who have the authority to act; and that are specific, feasible, and cost-effective. Some products we issue contain no recommendations and are strictly informational in nature.

We track the percentage of our written products that are issued during the fiscal year and contain recommendations. This indicator recognizes that our products do not always include recommendations and that the Congress and agencies often find such informational reports just as useful as those that contain recommendations. For example, informational reports, which do not contain recommendations, can help to bring about significant financial and nonfinancial benefits.

Data sources

Our Documents Database records recommendations as they are issued. The database is updated daily. As our staff monitor implementation of recommendations, they submit updated information to the database.

Verification and validation

Through a formal process, each team identifies the number of recommendations included in each product and an external contractor enters them into a database. We provide our managers with reports on the recommendations being tracked to help ensure that all recommendations have been captured and that each recommendation has been completely and accurately stated. Additionally, on a periodic basis, the IG independently tests the teams' compliance with our policies and procedures related to this performance measure. For example, during fiscal year 2006, the IG tested and determined that our process for determining the percentage of written products with recommendations was reasonable. The IG also recommended actions to improve the process for developing, compiling, and reporting these statistics. We have implemented the IG's recommendations for fiscal year 2007. Since then, we have used the same procedures to compute and report this measure.

Data limitations

This measure is a conservative estimate of the extent to which we assist the Congress and federal agencies because not all products and services we provide lead to recommendations. For example, the Congress may request information on federal programs that is purely descriptive or analytical and does not lend itself to recommendations.

Past Recommendations Implemented

Definition and background

We make recommendations designed to improve the operations of the federal government. For our work to produce financial or nonfinancial benefits, the Congress or federal agencies must implement these recommendations. As part of our audit responsibilities under generally accepted government auditing standards, we follow up on recommendations we have made and report to the Congress on their status. Experience has shown that it takes time for some recommendations to be implemented. For this reason, this measure is the percentage rate of implementation of recommendations made 4 years prior to a given fiscal year (e.g., the fiscal year 2007 implementation rate is the percentage of recommendations made in fiscal year 2003 products that were implemented by the end of fiscal year 2007). Experience has shown that if a recommendation has not been implemented within 4 years, it is not likely to be implemented.

This measure assesses action on recommendations made 4 years previously, rather than the results of our activities during the fiscal year in which the data are reported. For example, the cumulative percentage of recommendations made in fiscal year 2003 that were implemented in the ensuing years is as follows: 18 percent by the end of the first year (fiscal year 2004), 32 percent by the end of the second year (fiscal year 2005), 43 percent by the end of the third year (fiscal year 2006), and 82 percent by the end of the fourth year (fiscal year 2007).

Data sources

Our Documents Database records recommendations as they are issued. The database is updated daily. As our staff monitor implementation of recommendations, they submit updated information to the database.

Verification and validation

Through a formal process, each team identifies the number of recommendations included in each product, and an external contractor enters them into a database.

Policies and procedures specify that our staff must verify, with sufficient supporting documentation, that an agency's reported actions are adequately being implemented. Staff update the status of the recommendations on a periodic basis. To accomplish this, our staff may interview agency officials, obtain agency documents, access agency databases, or obtain information from an agency's inspector general. Recommendations that are reported as implemented are reviewed by a senior executive in the unit and by QCI.

Summary data are provided to the units that issued the recommendations. The units check the data regularly to make sure that the recommendations they have reported as implemented have been accurately recorded. We also provide to the Congress a database with the status of recommendations that have not been implemented, and we maintain a publicly available database of open recommendations that is updated daily.

Additionally, on a periodic basis, the IG independently tests our process for calculating the percentage of recommendations implemented for a given fiscal year. For example, the IG determined that our process was reasonable for calculating the percentage of recommendations that had been made in our fiscal year 2002 products and implemented by the end of fiscal year 2006. The IG also recommended actions to improve the process for developing, compiling and reporting this statistic. In fiscal year 2007, we implemented the IG's recommendation for calculating the per-centage of recommendations that had been made in fiscal year 2003 products and implemented by the end of fiscal year 2007.

Data limitations

The data may be underreported because sometimes a recommendation may require more than 4 years to implement. We also may not count cases in which a recommendation is partially implemented. However, we feel that this is not a significant limitation to the data because the data represent a conservative measure of our overall contribution toward improving government.

Client Measures

Testimonies

Definition and background

The Congress may ask us to testify at hearings on various issues, and these hearings are the basis for this measure. Participation in hearings is one of our most important forms of communication with the Congress, and the number of hearings at which we testify reflects the importance and value of

our institutional knowledge in assisting congressional decision making. When multiple GAO witnesses with separate testimonies appear at a single hearing, we count this as a single testimony. We do not count statements submitted for the record when a GAO witness does not appear.

Data sources

The data on hearings at which we testified are compiled in our congressional hearing system managed by staff in Congressional Relations.

Verification and validation

The units responding to requests for testimony are responsible for entering data in the Congressional Hearing System. After a GAO witness has testified at a hearing, Congressional Relations verifies that the data in the system are correct and records the hearing as one at which we testified. Congressional Relations provides weekly status reports to unit managers, who check to make sure that the data are complete and accurate. Additionally, on a periodic basis, the IG independently examines the process for recording the number of hearings at which we testified. For example, the IG determined that our process for recording hearings during fiscal year 2006 was reasonable. In fiscal year 2007, we followed the same process for recording hearings.

Data limitations

This measure does not include statements for the record that we prepare for congressional hearings. Also, this measure may be influenced by factors other than the quality of our performance in any specific year. The number of hearings held each year depends on the Congress's agenda, and the number of times we are asked to testify may reflect congressional interest in work in progress as well as work completed that year or the previous year. To mitigate this limitation, we try to adjust our target to reflect cyclical changes in the congressional schedule. We also outreach to our clients on a continuing basis to increase their awareness of our readiness to participate in hearings.

Timeliness

Definition and background

The likelihood that our products will be used is enhanced if they are delivered when needed to support congressional and agency decision making. To determine whether our products are timely, we compute the proportion of favorable responses to questions related to timeliness from our electronic client feedback survey. Because our products often have multiple requesters, we often survey more than one congressional staff person per product. Thus, we base our timeliness result on the number of surveys sent out during the fiscal year. We send a survey to key staff working for the requesters of our testimony statements and a survey to requesters of our more significant written products—specifically, engagements assigned an interest level of "high" by our senior management and those requiring an investment of 500 GAO staff days or more. One question on each survey asks the respondent whether the product was delivered on time. When a product that meets our survey criteria is released to the public, we electronically send relevant congressional staff an e-mail message containing a link to a survey. When this link is accessed, the survey recipient is asked to respond to the questions using a five-point scale—strongly agree, generally agree, neither agree nor disagree, generally disagree, strongly disagree—or choose "not applicable/no answer." For this measure, favorable responses are "strongly agree" and "generally agree."

Data sources

To identify the products that meet our survey criteria (all testimonies and other products that are high interest or involve 500 staff days or more), we run a query against GAO's Documents Database maintained by a contractor. To identify appropriate recipients of the survey for products meeting our criteria, we ask the engagement teams to provide in GAO's Product Numbering Database e-mail addresses for congressional staff serving as contacts on a product. Relevant information from both of these databases is fed into our Product by Product Survey Approval Database that is managed by QCI.

This database then combines product, survey recipient, and data from our Congressional Relations staff and creates an e-mail message with a Web link to a survey. (Congressional Relations staff serve as the GAO contacts for survey recipients.) The e-mail message also contains an embedded client password and unique client identifier to ensure that a recipient is linked with the appropriate survey. Our Congressional Feedback Database creates a survey record with the product title and number and captures the responses to every survey sent back to us electronically.

Verification and validation

QCI staff review a hard copy of a released GAO product or access its electronic version to check the accuracy of the addressee information in the Product by Product Survey Approval Database. QCI staff also check the congressional staff directory to ensure that survey recipients listed in the Product by Product Survey Approval Database appear there. In addition, our Congressional Relations staff review the list of survey recipients entered by the engagement teams and identify the most appropriate congressional staff person to receive a survey for each requester. Survey e-mail messages that are inadvertently sent with incorrect e-mail addresses automatically reappear in the survey approval system. When this happens, QCI staff correct any obvious typing errors and resend the e-mail message or contact the congressional staff person directly for the correct e-mail address and then resend the message. The IG also periodically reviews the timeliness performance measure and last reviewed it in fiscal year 2005—the last year before we began to use the independent feedback from the survey as a basis for determining our timeliness.

Data limitations

We do not measure the timeliness of all of our external products because we do not wish to place too much burden on busy congressional staff. Testimonies and written products that meet our criteria for this measure represent more than 50 percent of the congressionally requested products we issued during fiscal year 2007. We exclude from our timeliness measure low and medium interest reports requiring fewer than 500 staff days to complete, reports addressed to agency heads or commissions, some reports mandated by the Congress, classified reports, and reports completed under the Comptroller General's authority. Also, if a requester indicates that he or she does not want to complete any surveys, we will not send a survey to this person again, even though a product subsequently requested meets our criteria. The response rate for our client feedback survey is about 28 percent. We received comments from one or more people for about 54 percent of the products for which we sent surveys in fiscal year 2007.

People Measures

New Hire Rate

Definition and background

This performance measure is the ratio of the number of people hired to the number we planned to hire. Annually, we develop a workforce plan that takes into account projected workload changes, as well as other changes, such as retirements, other attrition, promotions, and skill gaps. The workforce plan for the upcoming year specifies the number of planned hires and, for each new hire, specifies the skill type and level. The plan is conveyed to each of our units to guide hiring throughout the year. Progress toward achieving the workforce plan is monitored monthly by the Chief Operating Officer and the Chief Administrative Officer. Adjustments to the workforce plan are made throughout the year, if necessary, to reflect changing needs and conditions.

Data sources

The Executive Committee approves the workforce plan. The workforce plan is coordinated and maintained by the Chief Administrative Office. Data on accessions—that is, new hires coming on board—is taken from a database that contains employee data from the Department of Agriculture's National Finance Center (NFC) database, which handles payroll and personnel data for GAO and other agencies.

Verification and validation

The Chief Administrative Office maintains a database that monitors and tracks all our hiring offers, declinations, and accessions. In coordination with our Human Capital Office, our Chief Administrative Office staff input workforce information supporting this measure into the Chief Administrative Office database. While the database is updated on a daily basis, monthly reports are provided to the Chief Operating Officer and the Chief Administrative Officer to monitor progress by GAO units in achieving workforce plan hiring targets. The Chief Administrative Office continuously monitors and reviews accessions maintained in the NFC data against its database to ensure consistency and to resolve discrepancies. The office follows up on any discrepancies. In addition, on a periodic basis, the IG examines our process for calculating the new hire rate. During fiscal year 2004, the IG independently reviewed this process and found it to be reasonable. The IG also recommended actions to improve the documentation of the process used to calculate this measure. We have implemented the IG's recommendations.

Data limitations

There is a lag of one to two pay periods (up to 4 weeks) before the NFC database reflects actual data. We generally allow sufficient time before requesting data for this measure to ensure that we get accurate results.

Retention Rate

Definition and background

We continuously strive to make GAO a place where people want to work. Once we have made an investment in hiring and training people, we would like to retain them. This measure is one indicator that we are attaining that objective and is the inverse of attrition. We calculate this measure by

taking 100 percent of the onboard strength minus the attrition rate, where attrition rate is defined as the number of separations divided by the average onboard strength. We calculate this measure with and without retirements.

Data sources

Data on retention—that is, people who are on board at the beginning of the fiscal year and are still here at the end of the fiscal year as well as the average number of people on board during the year—are taken from a Chief Administrative Office database that contains some data from the NFC database, which handles payroll and personnel data for GAO and other agencies.

Verification and validation

Chief Administrative Office staff continuously monitor and review accessions and attritions against the contents of their database that has NFC data and they follow up on any discrepancies. In addition, on a periodic basis, the IG examines our process for calculating the retention rate. During fiscal year 2004, the IG reviewed this process and found it to be reasonable. The IG also recommended actions to improve the documentation of the process used to calculate this measure. We have implemented the IG's recommendations.

Data limitations

See New hire rate, Data limitations.

Staff Development

Definition and background

One way that we measure how well we are doing and identify areas for improvement is through our annual employee feedback survey. This Web-based survey, which is conducted by an outside contractor to ensure the confidentiality of every respondent, is administered to all of our employees once a year. Through the survey, we encourage our staff to indicate what they think about GAO's overall operations, work environment, and organizational culture and how they rate our managers— from the immediate supervisor to the Executive Committee—on key aspects of their leadership styles. The survey consists of over 100 questions.

This measure is based on staff's favorable responses to three of the six questions related to staff development on our annual employee survey. This subset of questions was selected on the basis of senior management's judgment about the questions' relevance to the measure and specialists' knowledge about the development of indexes. Staff were asked to respond to three questions on a five-point scale or choose "no basis to judge/not applicable" or "no answer."

Data sources

These data come from our staff's responses to an annual Web-based survey. The survey questions we used for this measure ask staff how much positive or negative impact (1) external training and conferences and (2) on-the-job training had on their ability to do their jobs during the last 12 months. From the staff who expressed an opinion, we calculated the percentage of staff selecting the two categories that indicate satisfaction with or a favorable response to the question. For this measure, the favorable responses were either "very positive impact" or "generally positive impact." In addition,

the survey question asked how useful and relevant to your work did you find internal (Learning Center) training courses. From staff who expressed an opinion, we calculated the percentage of staff selecting the three categories that indicate satisfaction with or a favorable response to the question. For this measure, the favorable responses were "very greatly useful and relevant," "greatly useful and relevant," and "moderately useful and relevant."

Verification and validation

The employee feedback survey gathers staff opinions on a variety of topics. The survey is password protected, and only the outside contractor has access to passwords. In addition, when the survey instrument was developed, extensive focus groups and pretests were undertaken to refine the questions and provide definitions as needed. In fiscal year 2007, our response rate to this survey was about 74 percent, which indicates that its results are largely representative of the GAO population. In addition, many teams and work units conduct follow-on work to gain a better under-standing of the information from the survey.

In addition, on a periodic basis, the IG independently examines our process for calculating the percentage of favorable responses for staff development. The IG examined this process during fiscal year 2004 and found it to be reasonable. The IG also recommended actions to improve the documentation of the process used to calculate this measure. We have implemented the IG's recommendations.

Data limitations

The information contained in the survey is the self-reported opinions of staff expressed under conditions of confidentiality. Accordingly, there is no way to further validate those expressions of opinion.

The practical difficulties of conducting any survey may introduce errors, commonly referred to as nonsampling errors. These errors could result from, for example, respondents misinterpreting a question or data entry staff incorrectly entering data into a database used to analyze the survey responses. Such errors can introduce unwanted variability into the survey results. We took steps in the development of the survey to minimize nonsampling errors. Specifically, when we developed the survey instrument we held extensive focus groups and pretests to refine the questions and define terms used to decrease the chances that respondents would misunderstand the questions. We also limited the chances of introducing nonsampling errors by creating a Web-based survey for which respondents entered their answers directly into an electronic questionnaire. This approach eliminated the need to have the data keyed into a database by someone other than the respondent, thus removing an additional source of error.

Staff Utilization

Definition and background

This measure is based on staff's favorable responses to three of the six questions related to staff utilization on our annual employee survey. This subset of questions was selected on the basis of senior management's judgment about the questions' relevance to the measure and specialists' knowledge about the development of indexes. Staff were asked to respond to these three questions on a five-point scale or choose "no basis to judge/not applicable" or "no answer." (For background information about our entire employee feedback survey, see Staff development.)

Data sources

These data come from our staff's responses to an annual Web-based survey. The survey questions we used for this measure ask staff how often the following occurred in the last 12 months: (1) my job made good use of my skills; (2) GAO provided me with opportunities to do challenging work; and (3) in general, I was utilized effectively. From the staff who expressed an opinion, we calculated the percentage of staff selecting the two categories that indicate satisfaction with or a favorable response to the question. For this measure, the favorable responses were either "very positive impact" or "generally positive impact."

Verification and validation

See Staff development, Verification and validation.

Data limitations

See Staff development, Data limitations.

Leadership

Definition and background

This measure is based on staff's favorable responses to 10 of 20 questions related to six areas of leadership on our annual employee survey. This subset of questions was selected on the basis of senior management's judgment about the questions' relevance to the measure and specialists' knowledge about the development of indexes. Specifically, our calculation included responses to 1 of 4 questions related to empowerment, 2 of 4 questions related to trust, all 3 questions related to recognition, 1 of 3 questions related to decisiveness, 2 of 3 questions related to leading by example, and 1 of 3 questions related to work life. Staff were asked to respond to these 10 questions on a five-point scale or choose "no basis to judge/not applicable" or "no answer." (For background information about our entire employee feedback survey, see Staff development, Definition and background.)

Data sources

These data come from our staff's responses to an annual Web-based survey. The survey questions we used for this measure ask staff about empowerment, trust, recognition, decisiveness, leading by example, and work life as they pertain to the respondent's immediate supervisor. Specifically the survey asked staff the following questions about their immediate supervisor during the last 12 months: (1) gave me the opportunity to do what I do best; (2) treated me fairly; (3) acted with honesty and integrity toward me; (4) ensured that there was a clear link between my performance and recognition of it; (5) gave me the sense that my work is valued; (6) provided me meaningful incentives for high performance; (7) made decisions in a timely manner; (8) demonstrated GAO's core values of accountability, integrity, and reliability; (9) implemented change effectively; (10) dealt effectively with EEO and discrimination issues. From the staff who expressed an opinion, we calculated the percentage of staff selecting the two categories that indicate satisfaction with or a favorable response to the question. For this measure, the favorable responses were either "always or almost always" or "most of the time."

Verification and validation

See Staff development, Verification and validation.

Data limitations

See Staff development, Data limitations.

<u>Organizational Climate</u>

Definition and background
This measure is based on staff's favorable responses to 5 of the 13 questions related to organizational climate on our annual employee survey. This subset of questions was selected on the basis of senior management's judgment about the questions' relevance to the measure and specialists' knowledge about the development of indexes. Staff were asked to respond to these 5 questions on a five-point scale or choose "no basis to judge" or "no answer." (For background information about our entire employee feedback survey, see Staff development.)

Data sources

These data come from our staff's responses to an annual Web-based survey. The survey questions we used for this measure ask staff to think back over the last 12 months and indicate how strongly they agree or disagree with each of the following statements: (1) a spirit of cooperation and teamwork exists in my work unit; (2) I am treated fairly and with respect in my work unit; (3) my morale is good; (4) sufficient effort is made in my work unit to get the opinions and thinking of people who work here; and (5) overall, I am satisfied with my job at GAO. From the staff who expressed an opinion, we calculated the percentage of staff selecting the two categories that indicate satisfaction with or a favorable response to the question. For this measure, the favorable responses were either "strongly agree" or "generally agree."

Verification and validation

See Staff development, Verification and validation.

Data limitations

See Staff development, Data limitations.

Internal Operations Measures

<u>Help Get Job Done and Quality of Work Life</u>

Definition and background

To measure how well we are doing at delivering internal administrative services to our employees and identify areas for improvement, we conduct an annual Web-based survey in November. The customer satisfaction survey on administrative services, conducted by an outside contractor to ensure the confidentiality of every respondent, is administered to all of our employees once a year. Through the survey we encourage our staff to indicate how satisfied they are with 19 services that

help them get their jobs done and another 10 services that affect their quality of work life. As part of the survey, employees are asked to rate, on a scale of 1 (low) to 5 (high), those services that are important to them and that they have experience with or used recently. Then, for each selected service, employees are asked to indicate their level of satisfaction from 1 (low) to 5 (high), and provide a written reason for their rating and recommendations for improvement if desired. Based on employees' responses to these questions, we calculate a composite score.

Data sources

These data come from our staff's responses to an annual Web-based survey. To determine how satisfied GAO employees are with internal administrative services, we calculate composite scores for two measures. One measure reflects the satisfaction with the 19 services that help employees get their jobs done. These services include Internet and intranet services, information technology customer support, mail services, and voice communication services. The second measure reflects satisfaction with another 10 services that affect quality of work life. These services include assistance related to pay and benefits, building maintenance and security, and workplace safety and health. The composite score represents how employees rated their satisfaction with services in each of these areas relative to how they rated the importance of those services to them. The importance scores and satisfaction levels are both rated on a scale of 1 (low) and 5 (high).

Verification and validation

The satisfaction survey on administrative services is housed on a Web site maintained by an outside contractor, and only the contractor has the ability to link the survey results with individual staff. Our survey response rate was 48 percent in 2006. To ensure that the results are largely representative of the GAO population, we analyze the results by demographic representation (unit, tenure, location, band level, and job type). Each GAO unit responsible for administrative services conducts follow-on work, including analyzing written comments to gain a better understanding of the information from the survey. In addition, on a periodic basis, the IG independently assesses the internal operations performance measures. The IG examined the measures during fiscal year 2007 and found the measures reasonable. The IG also recommended actions to improve the measures' reliability and objectivity. We are in the process of implementing the IG's recommendations.

Data limitations

The information contained in the survey is the self-reported opinion of staff expressed under conditions of confidentiality. Accordingly, there is no way to further validate those expressions of opinion. We do not plan any actions to remedy this limitation because we feel it would violate the pledge of confidentiality that we make to our staff regarding the survey responses. The practical difficulties of conducting any survey may introduce errors, commonly referred to as nonsampling errors. These errors could result from, for example, respondents misinterpreting a question or entering their data incorrectly. Such errors can introduce unwanted variability into the survey results. We limit the chances of introducing nonsampling errors by using a Web-based survey for which respondents' enter their answers directly into an electronic questionnaire. This eliminates the need to have the data keyed into a database by someone other than the respondent.

Program Evaluation

To assess our progress toward our first three strategic goals and their objectives and to update them for our Strategic Plan, we evaluate actions taken by federal agencies and the Congress in response to our recommendations. The results of these evaluations are conveyed in this performance and accountability report as financial benefits and nonfinancial benefits that reflect the value of our work. In addition, we actively monitor the status of our open recommendations—those that remain valid but have not yet been implemented—and report our findings annually to the Congress and the public (http://www.gao.gov/openrecs.html). We use the results of that analysis to determine the need for further work in particular areas. For example, if an agency has not implemented a recommended action that we consider to be worthwhile, we may decide to pursue further action with agency officials or congressional committees, or we may decide to undertake additional work on the matter.

We also use our biennial high-risk update report to provide a status report on those major government operations considered high risk because of their vulnerabilities to fraud, waste, abuse, and mismanagement or the need for broad-based transformation. The report is a valuable evaluation and planning tool because it helps us to identify those areas where our continued efforts are needed to maintain the focus on important policy and management issues that the nation faces. (See www.gao.gov/docsearch/featured/ highrisk.html).