



# APPENDICES

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## PERFORMANCE AND RESOURCE TABLES

To make the report more useful, this FY 2010 Performance and Accountability Report (PAR) reports on targets and measures from the FY 2011 Annual Performance Plan (APP), that more accurately reflects updated targets of each performance measure. Individual bureau-specific APPs can be found on the Department Web site at [http://www.osec.doc.gov/bmi/budget/budgetsub\\_perf\\_strategicplans.htm](http://www.osec.doc.gov/bmi/budget/budgetsub_perf_strategicplans.htm). The resource tables with the performance tables are also combined to make the information easier to follow.

The following tables provide an array of information that previously was shown in separate tables. The information should help the reader clearly understand the resources expended for each Strategic Goal, Objective, and Performance Outcome/Objective.

The system of reporting does not currently allow the Department to report on resources at the performance measure level, but it is the Department's hope to develop this capability in the future. Unless otherwise noted, funding includes reimbursable amounts. For a given year, it is important to note that if a performance measure has been exceeded (more than 125 percent of target), the status box for that year will be shaded blue. If a performance measure has been met (100 to 125 percent of target), the box is shaded green. The status box for a measure that was slightly below target (95 to 99 percent of the target) is shaded yellow, while the box for a measure that was definitely not met is shaded red. In addition, in FY 2008 OMB introduced a new category, "improved but not met." In those cases, the box is shaded orange. No targets that were in the form of text (e.g., a series of milestones met) would ever be considered exceeded since they cannot be quantified.

The information in the tables will follow the following format:

- Strategic Goal and Resources
- Objective and Resources
- Performance Outcome/Objective and Resources
- Performance Measure

Note: Unless otherwise indicated, measures that do not have FY 2010 targets are not included in any count in this document. FY 2010 resources for each performance outcome/objective may be estimates and may be updated in the budget for FY 2012. FY 2009 resources may have been updated since the FY 2009 PAR.

Target and performance data are tracked back to FY 2001 where available. If a measure was developed after FY 2001, actual performance data is shown back to the year that the measure first appeared.

FTE = Full-time equivalent employment. All dollar amounts shown are in millions, unless otherwise indicated.

## STRATEGIC GOAL 1

*Maximize U.S. competitiveness and enable economic growth for American industries, workers, and consumers*

STRATEGIC GOAL 1 TOTAL RESOURCES <sup>1</sup> (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$2,015.1	\$1,809.6	\$1,842.1	\$1,857.3	\$2,018.6	\$2,096.1	\$2,214.9	\$2,643.8	\$4,804.4	\$7,580.3
FTE	13,914	11,916	11,265	11,475	11,953	12,223	11,637	12,107	29,294	96,720

<sup>1</sup> From FY 2002-FY 2009, prior year amounts differ from previous PARs because the Department decided in FY 2010 to include all reimbursable amounts that applied to performance measures, and in FY 2008, the Department and NIST shifted the performance outcome, "Raise the productivity and competitiveness of small manufacturers (NIST)" from Strategic Goal 2 to Strategic Goal 1, becoming Strategic Objective 1.4.

### STRATEGIC OBJECTIVE 1.1

*Foster domestic economic development as well as export opportunities*

OBJECTIVE 1.1 RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$756.9	\$677.5	\$645.0	\$633.2	\$625.6	\$614.1	\$646.9	\$643.4	\$792.9	\$675.3
FTE	2,240	1,990	2,013	1,869	1,908	1,849	1,704	1,615	1,576	1,572

**PERFORMANCE OUTCOME: Promote private investment and job creation in economically distressed communities (EDA)**

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding <sup>1</sup>	\$362.3	\$296.6	\$258.3	\$254.8	\$212.5	\$208.3	\$223.9	\$229.7	\$306.3	\$211.9
FTE	165	155	149	137	139	128	132	129	129	164

<sup>1</sup> Actuals reflect direct obligations for economic development assistance programs (EDAP) and salaries and expenses (S&E); totals do not include one-time, disaster investments, or reimbursable funding.

EDA PERFORMANCE MEASURE				
MEASURE: Private investment leveraged – 9 year totals (in millions) <sup>1</sup>				
Year	Status	Actual		Target
FY 2010	Met	\$2,758		\$2,410
FY 2009	Met	\$2,228		\$2,040
FY 2008	Exceeded	\$4,173		\$2,080
FY 2007	Exceeded	\$1,937		\$1,350
FY 2006	Exceeded	\$2,331		\$1,162

<sup>1</sup> EDA tracks the results of its investments and jobs created/retained at 3, 6, and 9 year periods. The FY 2010 actual is a result of investments made in FY 2001. Since EDA did not begin tracking results until FY 1997 in this format, 9 year results are not available for the years prior to FY 2006.

EDA PERFORMANCE MEASURE			
MEASURE: Private investment leveraged – 6 year totals (in millions) <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Exceeded	\$2,281	\$818
FY 2009	Met	\$855	\$810
FY 2008	Exceeded	\$1,393	\$970
FY 2007	Exceeded	\$2,118	\$1,200
FY 2006	Met	\$1,059	\$1,020
FY 2005	Exceeded	\$1,781	\$1,040
FY 2004	Exceeded	\$1,740	\$650
FY 2003	Exceeded	\$2,475	\$581

<sup>1</sup> This is the 6 year result measure. FY 2010 actuals are the result of investments made in FY 2004.

EDA PERFORMANCE MEASURE			
MEASURE: Private investment leveraged – 3 year totals (in millions) <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Exceeded	\$1,544	\$259
FY 2009	Exceeded	\$484	\$265
FY 2008	Exceeded	\$1,013	\$270
FY 2007	Exceeded	\$810	\$330
FY 2006	Exceeded	\$1,669	\$320
FY 2005	Exceeded	\$1,791	\$390
FY 2004	Exceeded	\$947	\$480
FY 2003	Exceeded	\$1,251	\$400
FY 2002	Exceeded	\$640	\$420
FY 2001	Exceeded	\$971	\$130

<sup>1</sup> This is the 3 year result measure. FY 2010 actuals are the result of investments made in FY 2007.

EDA PERFORMANCE MEASURE			
MEASURE: Jobs created/retained – 9 year totals <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Not Met	66,527	72,000
FY 2009	Not Met	45,866	56,500
FY 2008	Met	57,701	56,900
FY 2007	Exceeded	73,559	54,000
FY 2006	Met	50,546	50,400

<sup>1</sup> EDA tracks the results of its investments and jobs created/retained at 3, 6, and 9 year periods. The FY 2010 actual is a result of investments made in FY 2001. Since EDA did not begin tracking results until FY 1997 in this format, 9 year results are not available for the years prior to FY 2006.

APPENDIX A: PERFORMANCE AND RESOURCE TABLES

EDA PERFORMANCE MEASURE			
MEASURE: Jobs created/retained – 6 year totals <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Met	26,695	22,427
FY 2009	Met	24,533	22,900
FY 2008	Met	30,719	28,900
FY 2007	Exceeded	49,806	36,000
FY 2006	Exceeded	42,958	28,200
FY 2005	Exceeded	47,374	28,400
FY 2004	Exceeded	68,109	27,000
FY 2003	Exceeded	47,607	25,200

<sup>1</sup> This is the 6 year result measure. FY 2010 actuals are the result of investments made in FY 2004.

EDA PERFORMANCE MEASURE			
MEASURE: Jobs created/retained – 3 year totals <sup>1</sup>			
Year	Status	Actual	Target
FY 2009	Exceeded	9,159	6,628
FY 2009	Exceeded	9,137	7,019
FY 2008	Exceeded	14,819	7,227
FY 2007	Exceeded	16,274	8,999
FY 2006	Exceeded	11,833	9,170
FY 2005	Exceeded	19,672	11,500
FY 2004	Exceeded	21,901	14,400
FY 2003	Exceeded	39,841	11,300
FY 2002	Exceeded	29,912	11,300
FY 2001	Exceeded	12,898	5,400

<sup>1</sup> This is the 3 year result measure. FY 2010 actuals are the result of investments made in FY 2007.

**PERFORMANCE OUTCOME: Improve community capacity to achieve and sustain economic growth (EDA)**

<b>PERFORMANCE OUTCOME RESOURCES</b> <i>(Dollars in Millions)</i>										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding <sup>1</sup>	\$76.7	\$68.8	\$67.3	\$67.3	\$68.0	\$72.1	\$83.5	\$82.5	\$120.4	\$81.1
FTE	89	84	80	80	74	32	33	32	32	41

<sup>1</sup> Actuals reflect direct obligations for EDAP and S&E; totals do not include one-time, disaster investments, or reimbursable funding.

<b>EDA PERFORMANCE MEASURE</b>			
<b>MEASURE: Percentage of economic development districts (EDD) and Indian tribes implementing economic development projects from the comprehensive economic development strategy (CEDS) that lead to private investment and jobs</b>			
Year	Status	Actual	Target
FY 2010	Not Met	89%	95%
FY 2009	Slightly Below	93%	95%
FY 2008	Slightly Below	92%	95%
FY 2007	Met	95%	95%
FY 2006	Met	96%	95%
FY 2005	Met	97%	95%
FY 2004	Met	95%	95%
FY 2003	Met	99%	95%

<b>EDA PERFORMANCE MEASURE</b>			
<b>MEASURE: Percentage of sub-state jurisdiction members actively participating in the economic development district (EDD) program</b>			
Year	Status	Actual	Target
FY 2010	Slightly Below	87%	89-93%
FY 2009	Met	92%	89-93%
FY 2008	Met	90%	89-93%
FY 2007	Met	92%	89-93%
FY 2006	Met	90%	89-93%
FY 2005	Met	91%	89-93%
FY 2004	Met	90%	89-93%
FY 2003	Met	97%	89-93%
FY 2002	Met	95%	93%
FY 2001	Met	92%	85%

APPENDIX A: PERFORMANCE AND RESOURCE TABLES

EDA PERFORMANCE MEASURE			
MEASURE: Percentage of University Center clients taking action as a result of the assistance facilitated by the University Center			
Year	Status	Actual	Target
FY 2010	Met	76%	75%
FY 2009	Not Met	70%	75%
FY 2008	Met	80%	75%
FY 2007	Met	84%	75%
FY 2006	Met	76%	75%
FY 2005	Met	79%	75%
FY 2004	Met	78%	75%
FY 2003	Met	78%	75%

EDA PERFORMANCE MEASURE			
MEASURE: Percentage of those actions taken by University Center clients that achieved the expected results			
Year	Status	Actual	Target
FY 2010	Met	90%	80%
FY 2009	Met	92%	80%
FY 2008	Met	84%	80%
FY 2007	Met	89%	80%
FY 2006	Met	82%	80%
FY 2005	Met	87%	80%
FY 2004	Met	88%	80%
FY 2003	Met	86%	80%

EDA PERFORMANCE MEASURE			
MEASURE: Percentage of Trade Adjustment Assistance Center (TAAC) clients taking action as a result of the assistance facilitated by the TAACs			
Year	Status	Actual	Target
FY 2010	Not Met	82%	90%
FY 2009	Slightly Below	88%	90%
FY 2008	Met	92%	90%
FY 2007	Met	99%	90%
FY 2006	Met	90%	90%
FY 2005	Met	99%	90%
FY 2004	Met	90%	90%
FY 2003	Met	92%	90%



EDA PERFORMANCE MEASURE			
MEASURE: Percentage of those actions taken by Trade Adjustment Assistance Center clients that achieved the expected results			
Year	Status	Actual	Target
FY 2010	Met	100%	95%
FY 2009	Slightly Below	93%	95%
FY 2008	Met	95%	95%
FY 2007	Met	95%	95%
FY 2006	Met	96%	95%
FY 2005	Met	97%	95%
FY 2004	Met	98%	95%
FY 2003	Met	98%	95%

**PERFORMANCE OUTCOME: Increase access to the marketplace and financing for minority-owned businesses (MBDA)**

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$27.9	\$28.3	\$29.0	\$28.7	\$29.8	\$29.8	\$29.9	\$28.5	\$30.1	\$31.5
FTE	90	92	92	92	96	94	94	75	82	89

MBDA PERFORMANCE MEASURE			
MEASURE: Dollar value of contract awards obtained (billions)			
Year	Status	Actual	Target
FY 2010	Exceeded	\$1.50	\$1.00
FY 2009	Exceeded	\$2.12	\$0.90
FY 2008	Met	\$0.91	\$0.90
FY 2007	Exceeded	\$1.20	\$0.85
FY 2006	Exceeded	\$1.17	\$0.85
FY 2005	Exceeded	\$1.10	\$0.80
FY 2004	Met	\$0.95	\$0.80
FY 2003	Not Met	\$0.70	\$1.00
FY 2002	Exceeded	\$1.30	\$1.00
FY 2001	Exceeded	\$1.60	\$0.70

MBDA PERFORMANCE MEASURE			
MEASURE: Percent increase in client gross receipts			
Year	Status	Actual	Target
FY 2010	Met	6.0%	6.0%
FY 2009	Met	6.0%	6.0%
FY 2008	Met	6.0%	6.0%
FY 2007	Met	5.0%	5.0%
FY 2006	Met	6.0%	5.0%
FY 2005	Exceeded	15.0%	5.0%

APPENDIX A: PERFORMANCE AND RESOURCE TABLES

MBDA PERFORMANCE MEASURE			
MEASURE: Dollar value of financial awards obtained (billions)			
Year	Status	Actual	Target
FY 2010	Exceeded	\$1.80	\$0.60
FY 2009	Exceeded	\$0.91	\$0.50
FY 2008	Exceeded	\$1.09	\$0.50
FY 2007	Met	\$0.55	\$0.45
FY 2006	Not Met	\$0.41	\$0.45
FY 2005	Met	\$0.50	\$0.45
FY 2004	Exceeded	\$0.60	\$0.40
FY 2003	Met	\$0.40	\$0.40
FY 2002	Met	\$0.40	\$0.40
FY 2001	Not Met	\$0.60	\$1.00

MBDA PERFORMANCE MEASURE			
MEASURE: Number of new job opportunities created			
Year	Status	Actual	Target
FY 2010	Exceeded	5,845	4,000
FY 2009	Met	4,134	3,000
FY 2008	Exceeded	4,603	3,000
FY 2007	Exceeded	3,506	2,050
FY 2006	Exceeded	4,254	1,800
FY 2005	Exceeded	2,270	1,800

MBDA PERFORMANCE MEASURE			
MEASURE: Satisfaction rating for the American Customer Satisfaction Index (ACSI) <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	N/A	N/A	N/A
FY 2009	Not Met	67%	75%
FY 2008	N/A	N/A	N/A
FY 2007	Exceeded	4.0%	3.0%
FY 2006	N/A	N/A	N/A
FY 2005	Exceeded	13.0%	5.0%

<sup>1</sup> The ACSI survey only occurs in odd years, so data does not appear in FY 2010, FY 2008, and FY 2006.

MBDA PERFORMANCE MEASURE			
MEASURE: Cumulative economic impact			
Year	Status	Actual	Target
FY 2010	Exceeded	\$22.7B	\$16B

**PERFORMANCE OUTCOME: Strengthen U.S. competitiveness in domestic and international markets (ITA)**

<b>PERFORMANCE OUTCOME RESOURCES</b> <i>(Dollars in Millions)</i>										
	FY 2001 Actual	FY 2002 Actual <sup>1</sup>	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$161.0	\$208.5	\$72.7	\$56.0	\$62.6	\$52.1	\$59.0	\$44.8	\$53.0	\$54.5
FTE	1,038	1,236	402	287	264	257	243	228	213	227

<sup>1</sup> In FY 2005, ITA reorganized its performance structure, reducing the number of outcomes from four to two outcomes for this strategic objective. FY 2002 actuals shown here reflect the level for the “Strengthen U.S. industries” outcome and the two discontinued outcomes.

<b>ITA PERFORMANCE MEASURE</b>				
<b>MEASURE: Annual cost savings resulting from the adoption of Manufacturing and Services (MAS) recommendations contained in MAS studies and analysis</b>				
Year	Status	Actual	Target	
FY 2010	Exceeded	\$647M	\$350M	
FY 2009	Exceeded	\$552M	\$350M	
FY 2008	Exceeded	\$455M	\$350M	
FY 2007	Exceeded	\$413M	\$168M	
FY 2006	Not Met	\$287M	\$350M	

<b>ITA PERFORMANCE MEASURE</b>				
<b>MEASURE: Percent of industry-specific trade barriers addressed that were removed or prevented</b>				
Year	Status	Actual	Target	
FY 2010	Met	35%	30%	
FY 2009	Exceeded	30%	20%	
FY 2008	Exceeded	29%	15%	

<b>ITA PERFORMANCE MEASURE</b>				
<b>MEASURE: Percent of industry-specific trade barrier milestones completed</b>				
Year	Status	Actual	Target	
FY 2010	Exceeded	75%	55%	
FY 2009	Exceeded	72%	55%	
FY 2008	Exceeded	73%	55%	
FY 2007	Not Met	54%	85%	
FY 2006	Slightly Below	81%	85%	

ITA PERFORMANCE MEASURE			
MEASURE: Percent of agreement milestones completed			
Year	Status	Actual	Target
FY 2010	Met	100%	100%
FY 2009	Not Met	23%	100%
FY 2008	Not Met	70%	100%
FY 2007	Exceeded	100%	70%
FY 2006	Exceeded	100%	70%

**PERFORMANCE OUTCOME: Broaden and deepen U.S. exporter base (ITA)**

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual <sup>1</sup>	FY 2009 Actual	FY 2010 Actual
Funding	\$129.0	\$75.3	\$217.7	\$226.4	\$252.7	\$251.8	\$250.6	\$257.9	\$283.1	\$296.3
FTE	858	423	1,290	1,273	1,335	1,338	1,202	1,151	1,120	1,051

<sup>1</sup> For FY 2008, funding includes \$23.0M previously for the discontinued outcome, "Increase exports to commercially significant markets including FTA countries, China, and India."

ITA PERFORMANCE MEASURE			
MEASURE: Export success firms/active clients (CS overall effectiveness)			
Year	Status	Actual	Target
FY 2010	Exceeded	29.1%	11.0%
FY 2009	Exceeded	23.3%	10.50%

ITA PERFORMANCE MEASURE			
MEASURE: US&FCS small and medium-sized enterprises (SME) new-to-export (NTE)/total change in SME exporters (CS SME NTE effectiveness)			
Year	Status	Actual	Target
FY 2010	Not Met	2.28%	12.74%
FY 2009	Exceeded	15.22%	12.37%

ITA PERFORMANCE MEASURE			
MEASURE: Number of SME new-to-market (NTM) firms/number of SME firms exporting to two to nine foreign markets (NTM effectiveness)			
Year	Status	Actual	Target
FY 2010	Not Met	3.11%	3.92%
FY 2009	Not Met	3.49%	3.81%

ITA PERFORMANCE MEASURE			
MEASURE: Commercial diplomacy success (cases) (annual)			
Year	Status	Actual	Target
FY 2010	Not Met	112	166
FY 2009	Met	196	162
FY 2008	Met	181	160

ITA PERFORMANCE MEASURE			
MEASURE: Increase in the percent of small and medium-sized firms that export			
Year	Status	Actual	Target
FY 2010	Exceeded	6.42%	2.80%
FY 2009	Exceeded	4.69%	2.75%

ITA PERFORMANCE MEASURE			
MEASURE: Percentage of advocacy bids won			
Year	Status	Actual	Target
FY 2010	Not Met	9%	17%
FY 2009	N/A	11%	N/A

STRATEGIC OBJECTIVE 1.2

*Advance responsible economic growth and trade while protecting American security*

OBJECTIVE 1.2 RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$126.9	\$157.4	\$164.9	\$168.5	\$192.6	\$205.6	\$199.2	\$199.8	\$210.5	229.0
FTE	733	929	940	975	998	986	912	849	881	923

PERFORMANCE OUTCOME: Identify and resolve unfair trade practices (ITA)

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$68.0	\$92.8	\$88.1	\$94.6	\$115.8	\$123.5	\$118.2	\$123.5	\$125.2	\$126.5
FTE	360	571	574	610	638	633	544	496	528	559

ITA PERFORMANCE MEASURE				
MEASURE: Percent reduction in trade distorting foreign subsidy programs				
Year	Status	Actual	Target	
FY 2010	Met	1.7%	> 1.5%	
FY 2009	Exceeded	1.8%	> 1%	
FY 2008	Exceeded	1.6%	>0.5%	

ITA PERFORMANCE MEASURE				
MEASURE: Percent of AD/CVD determinations issued within statutory and/or regulatory deadlines				
Year	Status	Actual	Target	
FY 2010	Met	94%	90%	
FY 2009	Slightly Below	86%	90%	
FY 2008	Met	90%	90%	

ITA PERFORMANCE MEASURE				
MEASURE: Percent of ministerial errors in IA's dumping and subsidy calculations				
Year	Status	Actual	Target	
FY 2010	Exceeded	7.9%	< 10%	
FY 2009	Exceeded	8%	< 11%	
FY 2008	Met	10%	< 12%	

ITA PERFORMANCE MEASURE			
MEASURE: Percentage of market access and compliance cases resolved successfully			
Year	Status	Actual	Target
FY 2010	Met	58%	50%
FY 2009	Exceeded	61%	35%
FY 2008	Met	39%	35%
FY 2007	Exceeded	54%	25%
FY 2006	Exceeded	46%	25%

ITA PERFORMANCE MEASURE			
MEASURE: Value of market access and compliance cases resolved successfully			
Year	Status	Actual	Target
FY 2010	Exceeded	\$21.4B	\$2.5B
FY 2009	Exceeded	\$25.4B	\$2.0B
FY 2008	Exceeded	\$12.3B	\$1.5B

**PERFORMANCE OUTCOME: Maintain and strengthen an adaptable and effective U.S. export control and treaty compliance system (BIS)**

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$53.6	\$58.7	\$68.4	\$67.7	\$71.3	\$73.0	\$70.4	\$66.1	\$73.3	\$89.9
FTE	342	328	336	335	330	309	324	310	310	320

BIS PERFORMANCE MEASURE			
MEASURE: Percent of licenses requiring interagency referral referred within 9 days			
Year	Status	Actual	Target
FY 2010	Slightly Below	90%	95%
FY 2009	Met	99%	95%
FY 2008	Met	98%	95%
FY 2007	Met	98%	95%
FY 2006	Met	98%	95%

BIS PERFORMANCE MEASURE			
MEASURE: Median processing time for new regime regulations (months)			
Year	Status	Actual	Target
FY 2010	Met	3.0	3.0
FY 2009	Exceeded	2.0	3.0
FY 2008	Exceeded	2.0	3.0
FY 2007	Exceeded	2.0	3.0
FY 2006	Met	2.5	3.0
FY 2005	Exceeded	1.0	3.0
FY 2004	Exceeded	2.0	3.0
FY 2003	Not Met	7.0	3.0

BIS PERFORMANCE MEASURE			
MEASURE: Percent of attendees rating seminars highly			
Year	Status	Actual	Target
FY 2010	Met	94%	85%
FY 2009	Met	93%	85%
FY 2008	Met	93%	85%
FY 2007	Met	90%	85%
FY 2006	Met	90%	85%

BIS PERFORMANCE MEASURE			
MEASURE: Percent of declarations received from U.S. industry in accordance with CWC regulations (time lines) that are processed, certified, and submitted to the State Department in time so the United States can meet its treaty obligations			
Year	Status	Actual	Target
FY 2010	Met	100%	100%
FY 2009	Met	100%	100%
FY 2008	Met	100%	100%
FY 2007	Met	100%	100%
FY 2006	Met	100%	100%



BIS PERFORMANCE MEASURE			
MEASURE: Number of actions that result in a deterrence or prevention of a violation and cases which result in a criminal and/or administrative charge			
Year	Status	Actual	Target
FY 2010	Slightly Below	806	850
FY 2009	Met	876	850
FY 2008	Exceeded	881	675
FY 2007	Exceeded	930	450
FY 2006	Exceeded	872	350
FY 2005	Exceeded	583	275
FY 2004	Met	310	250
FY 2003	Exceeded	250	85
FY 2002	Met	82	75
FY 2001	Met	81	70

BIS PERFORMANCE MEASURE			
MEASURE: Percent of shipped transactions in compliance with the licensing requirements of the Export Administration Regulations (EAR)			
Year	Status	Actual	Target
FY 2010	Met	98%	95%
FY 2009	Met	96%	95%
FY 2008	Met	87%	87%

BIS PERFORMANCE MEASURE			
MEASURE: Percentage of post-shipment verifications completed and categorized above the "unfavorable" classification			
Year	Status	Actual	Target
FY 2010	Met	256 PSVs/93%	260 PSVs/85%
FY 2009	Met	314PSVs/88%	260 PSVs/85%
FY 2008	Met	136 PSVs/93%	215 PSVs/80%

**PERFORMANCE OUTCOME: Integrate non-U.S. actors to create a more effective global export control and treaty compliance system (BIS)**

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$1.6	\$1.8	\$4.4	\$2.7	\$1.8	\$2.8	\$4.6	\$5.1	\$5.6	\$5.7
FTE	13	13	13	13	13	13	13	12	12	13

BIS PERFORMANCE MEASURE			
MEASURE: Number of end-use checks completed			
Year	Status	Actual	Target
FY 2010	Not Met	708	850
FY 2009	Not Met	737	850
FY 2008	Not Met	490	850
FY 2007	Met	854	850
FY 2006	Exceeded	942	700

**PERFORMANCE OUTCOME: Ensure continued U.S. technology leadership in industries that are essential to national security (BIS)**

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$3.7	\$4.1	\$4.0	\$3.5	\$3.7	\$6.3	\$6.0	\$5.1	\$6.4	\$6.9
FTE	18	17	17	17	17	31	31	31	31	31

BIS PERFORMANCE MEASURE			
MEASURE: Percent of industry assessments resulting in BIS determination, within three months of completion, on whether to revise export controls			
Year	Status	Actual	Target
FY 2010	Met	100%	100%
FY 2009	Met	100%	100%
FY 2008	Met	100%	100%
FY 2007	Met	100%	100%
FY 2006	N/A	N/A <sup>1</sup>	100%

<sup>1</sup> No assessments fell within the metric timeframe in FY 2006. BIS completed two industry assessments late in the fourth quarter of FY 2006, thus not meeting the three month window (before the end of the fiscal year) to make a final determination on revising export controls. This was the first year this measure was in place. Industry assessment data will be available in subsequent fiscal years.

**STRATEGIC OBJECTIVE 1.3**

*Advance key economic and demographic data that support effective decision-making of policymakers, businesses, and the American public*

<b>OBJECTIVE 1.3 RESOURCES</b> <i>(Dollars in Millions)</i>										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$1,024.9	\$866.2	\$920.9	\$1,008.7	\$1,097.7	\$1,164.5	\$1,261.5	\$1,709.4	\$3,688.4	\$6,549.3
FTE	10,854	8,908	8,223	8,563	8,976	9,321	8,954	9,575	26,767	94,146

**PERFORMANCE OUTCOME: Provide benchmark measures of the U.S. population, economy, and governments (ESA/CENSUS)**

<b>PERFORMANCE OUTCOME RESOURCES<sup>1</sup></b> <i>(Dollars in Millions)</i>										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$967.0	\$799.5	\$846.9	\$314.5	\$340.5	\$373.5	\$468.7	\$917.9	\$2,873.8	\$5,703.9
FTE	10,380	8,420	7,729	8,038	8,433	8,778	8,418	3,072	20,007	87,418

<sup>1</sup> In FY 2008, Census split the outcome, "Meet the needs of policymakers, businesses, non-profit organizations, and the public for current and benchmark measures of the U.S. population, economy and governments," into this outcome and performance outcome, "Provide current measures of the U.S. population, economy, and governments." Funds for FY 2003 are shown in this outcome and reflect both outcomes. FTE for years prior to FY 2008 are shown in this outcome and reflect both outcomes.

<b>ESA/CENSUS PERFORMANCE MEASURE</b>			
<b>MEASURE: Correct street features in the TIGER (geographic) database (number of counties completed) to more effectively support Census Bureau censuses and surveys, facilitate the geographic partnerships between federal, state, local and tribal governments, and support the E-Government initiative in the President's Management Agenda</b>			
Year	Status	Actual	Target
FY 2010	Exceeded	Increased TIGER update submissions electronically by 51%	Increase TIGER update submissions electronically by 10%
FY 2009	Met	Completed	Complete updates to eligible counties in the United States, Puerto Rico, and Island Areas
FY 2008	Met	320	320
FY 2007	Met	737	690
FY 2006	Met	700	700
FY 2005	Met	623	610
FY 2004	Met	602	600
FY 2003	Met	250	250

ESA/CENSUS PERFORMANCE MEASURE			
MEASURE: Complete key activities for cyclical census programs on time to support effective decision-making by policymakers, businesses, and the public and meet constitutional and legislative mandates			
Year	Status	Actual	Target
FY 2010	Met	At least 90% of key prep activities completed on time	At least 90% of key prep activities completed on time
FY 2009	Met	At least 90% of key prep activities completed on time	At least 90% of key prep activities completed on time
FY 2008	Not Met	Some of the planned dress rehearsal activities were cancelled	At least 90% of key prep activities completed on time
FY 2007	Met	>90% of key prep activities completed on time	At least 90% of key prep activities completed on time
FY 2006	Met	100% of activities completed on time	At least 90% of key prep activities completed on time
FY 2005	Met	Activities completed on time	Various activities with different dates

ESA/CENSUS PERFORMANCE MEASURE			
MEASURE: Meet or exceed the overall federal score of customer satisfaction on the E-Government American Customer Satisfaction Index (ACSI) <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Not Met	Score was lower in 2 of 4 quarters	Meet or exceed overall federal score
FY 2009	Not Met	68.0	75.2
FY 2008	Not Met	66.0	73.9
FY 2007	Met	74.0	71.0
FY 2006	Met	72.0	71.3
FY 2005	Met	73.0	73.0
FY 2004	Slightly Below	71.0	72.0

<sup>1</sup> This measure applies to the second outcome as well, "Provide current measures of the U.S. population, economy, and governments."

**PERFORMANCE OUTCOME: Provide current measures of the U.S. population, economy, and governments (ESA/CENSUS)**

PERFORMANCE OUTCOME RESOURCES <sup>1</sup> (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	N/A	N/A	N/A	\$615.6	\$673.1	\$705.4	\$705.8	\$703.1	\$715.9	\$733.1
FTE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5,979	6,231	6,187

<sup>1</sup> In FY 2008, Census split the outcome, "Meet the needs of policymakers, businesses, non-profit organizations, and the public for current and benchmark measures of the U.S. population, economy, and governments," into this outcome and performance outcome, "Provide benchmark measures of the U.S. population, economy, and governments." Funds for FY 2003 and FTE from years prior to FY 2008 are shown in the previous outcome and reflect both outcomes.

APPENDIX A: PERFORMANCE AND RESOURCE TABLES

ESA/CENSUS PERFORMANCE MEASURE			
MEASURE: Achieve pre-determined collection rates for Census Bureau censuses and surveys in order to provide statistically reliable data to support effective decision-making of policymakers, businesses, and the public			
Year	Status	Actual	Target
FY 2010	Met	Met percentages	At least 90% of key censuses and surveys meet/exceed collection rates/levels of reliability
FY 2009	Met	Met percentages	At least 90% of key censuses and surveys meet/exceed collection rates/levels of reliability
FY 2008	Met	Met percentages	At least 90% of key censuses and surveys meet/exceed collection rates/levels of reliability
FY 2007	Met	Met percentages	At least 90% of key censuses and surveys meet/exceed collection rates/levels of reliability
FY 2006	Met	Met percentages	At least 90% of key censuses and surveys meet/exceed collection rates/levels of reliability
FY 2005	Met	Met percentages	Various %s – see FY 2006 APP
FY 2004	Met	Met percentages	Various %s – see FY 2005 APP
FY 2003	Met	Met percentages	Various %s – see FY 2004 APP

ESA/CENSUS PERFORMANCE MEASURE			
MEASURE: Release data products for key Census Bureau programs on time to support effective decision-making of policymakers, businesses, and the public			
Year	Status	Actual	Target
FY 2010	Met	1) 100% of Economic Indicators released on time 2) At least 90% of other key census and survey data released on time	1) 100% of Economic Indicators released on time 2) At least 90% of other key census and survey data released on time
FY 2009	Met	1) 100% of Economic Indicators released on time 2) At least 90% of key prep activities completed on time	1) 100% of Economic Indicators released on time 2) At least 90% of key prep activities completed on time
FY 2008	Met	1) 100% of Economic Indicators released on time 2) At least 90% of key prep activities completed on time	1) 100% of Economic Indicators released on time 2) At least 90% of key prep activities completed on time
FY 2007	Met	1) 100% of Economic Indicators released on time 2) At least 90% of other key censuses and surveys data released on time	1) 100% of Economic Indicators released on time 2) At least 90% of other key censuses and surveys data released on time
FY 2006	Met	1) 100% of Economic Indicators 2) 100% of other products	1) 100% of Economic Indicators released on time 2) At least 90% of other key censuses and surveys data released on time
FY 2005	Met	22 products	22 products
FY 2004	Exceeded	10 products	7 products
FY 2003	Not Met	2 products	3 products
FY 2002	Met	Maintained FY 2009 time	Maintained FY 2009 time
FY 2001	Met	Maintained FY 2009 time	Maintained FY 2009 time

**PERFORMANCE OUTCOME: Provide timely, relevant, and accurate economic statistics (ESA/BEA)**

<b>PERFORMANCE OUTCOME RESOURCES</b> <i>(Dollars in Millions)</i>										
	<b>FY 2001 Actual</b>	<b>FY 2002 Actual</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Actual</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Actual</b>
Funding	\$57.9	\$66.7	\$74.0	\$78.6	\$84.1	\$85.6	\$87.0	\$88.4	\$98.7	\$112.3
FTE	474	488	494	525	543	543	536	524	529	541

<b>ESA/BEA PERFORMANCE MEASURE</b>			
<b>MEASURE: Timeliness: Reliability of delivery of economic data (number of scheduled releases issued on time)</b>			
<b>Year</b>	<b>Status</b>	<b>Actual</b>	<b>Target</b>
<b>FY 2010</b>	<b>Exceeded</b>	61	55
<b>FY 2009</b>	<b>Met</b>	56	57
<b>FY 2008</b>	<b>Met</b>	57 <sup>1</sup>	58
<b>FY 2007</b>	<b>Met</b>	54	54
<b>FY 2006</b>	<b>Met</b>	54	54
<b>FY 2005</b>	<b>Met</b>	54	54
<b>FY 2004</b>	<b>Met</b>	54	54
<b>FY 2003</b>	<b>Met</b>	48	48
<b>FY 2002</b>	<b>Met</b>	50	50
<b>FY 2001</b>	<b>Met</b>	100%	100%

<sup>1</sup> In FY 2008, the Annual Industry Accounts statistical release was rescheduled from December 13, 2007 to January 29, 2008, in order to include important information from the Census 2006 Annual Survey of Manufactures (ASM). By delaying this release, BEA was able to provide a better product for BEA's data users, so this measure is considered "Met."

<b>ESA/BEA PERFORMANCE MEASURE</b>			
<b>MEASURE: Relevance: Customer satisfaction with quality of products and services (mean rating on a 5-point scale)</b>			
<b>Year</b>	<b>Status</b>	<b>Actual</b>	<b>Target</b>
<b>FY 2010</b>	<b>Met</b>	4.4	> 4.0
<b>FY 2009</b>	<b>Met</b>	4.2	> 4.0
<b>FY 2008</b>	<b>Met</b>	4.2	> 4.0
<b>FY 2007</b>	<b>Met</b>	4.3	> 4.0
<b>FY 2006</b>	<b>Met</b>	4.2	> 4.0
<b>FY 2005</b>	<b>Met</b>	4.4	> 4.0
<b>FY 2004</b>	<b>Met</b>	4.3	> 4.0
<b>FY 2003</b>	<b>Met</b>	4.4	> 4.0
<b>FY 2002</b>	<b>Met</b>	4.3	> 4.0
<b>FY 2001</b>	<b>N/A</b>	N/A <sup>1</sup>	> 4.0

<sup>1</sup> Due to budget constraints, the FY 2001 survey was postponed until FY 2002.

ESA/BEA PERFORMANCE MEASURE			
MEASURE: Accuracy: Percent of GDP estimates correct			
Year	Status	Actual	Target
FY 2010	Met	88%	> 85%
FY 2009	Met	88%	> 85%
FY 2008	Met	94%	> 85%
FY 2007	Met	93%	> 85%
FY 2006	Met	96%	> 85%
FY 2005	Met	96%	> 85%
FY 2004	Met	88%	> 85%
FY 2003	Met	88%	> 85%

ESA/BEA PERFORMANCE MEASURE			
MEASURE: Improving GDP and the economic accounts <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Met	All strategic plan milestones completed	Completion of strategic plan milestones
FY 2009	Met	Completed all major milestones	Completion of strategic plan milestones
FY 2008	Met	Completed all major milestones	Completion of strategic plan milestones
FY 2007	Met	Completed all major milestones	Completion of strategic plan milestones
FY 2006	Met	Completed all major milestones	Completion of strategic plan milestones
FY 2005	Met	Completed all major milestones	Completion of strategic plan milestones
FY 2004	Met	Completed all major milestones	Completion of strategic plan milestones
FY 2003	Met	Completed all major milestones	Completion of strategic plan milestones

<sup>1</sup> The BEA Strategic Plan and a report card of completed milestones are available in "About BEA" on [www.bea.gov](http://www.bea.gov).

STRATEGIC OBJECTIVE 1.4

*Position manufacturers to compete in a global economy*

OBJECTIVE 1.4 RESOURCES <sup>1</sup> (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding <sup>2</sup>	\$106.4	\$108.5	\$111.3	\$46.9	\$102.7	\$111.9	\$107.3	\$91.2	\$112.6	\$126.7
FTE	87	89	89	68	71	67	67	68	70	79

<sup>1</sup> There is only one outcome for this objective, so a separate Performance Outcome Resources table does not appear.  
<sup>2</sup> Performance actuals for this outcome lagged at least six months. Therefore, beginning with the FY 2005 PAR, NIST shifted to a format in which NIST reports actuals one year later. This data lag, coupled with the timeline for producing the PAR, precludes the reporting of actual FY 2010 data. With the exception of the number of clients, the data reported in the current year PAR are an estimate based on three-quarters of actual client reported impacts and one-quarter estimated client impacts.

**PERFORMANCE OUTCOME: Increase the productivity, profitability, and competitiveness of manufacturers (NIST)**

NIST PERFORMANCE MEASURE			
MEASURE: Number of clients served by MEP centers receiving federal funding			
Year	Status	Actual	Target
FY 2010	Exceeded	32,926 from FY 2009 funding	25,500 from FY 2009 funding
FY 2009	Exceeded	31,961 from FY 2008 funding	14,500 from FY 2008 funding
FY 2008	Exceeded	28,004 from FY 2007 funding	21,237 from FY 2007 funding
FY 2007	Exceeded	24,722 from FY 2006 funding	16,440 from FY 2006 funding
FY 2006	Slightly Below	16,448 from FY 2005 funding	16,640 from FY 2005 funding
FY 2005	Exceeded	16,090 from FY 2004 funding	6,517 from FY 2004 funding
FY 2004	Met	18,422 from FY 2003 funding	16,684 from FY 2003 funding
FY 2003	Not Met	18,748 from FY 2002 funding	21,543 from FY 2002 funding

NIST PERFORMANCE MEASURE			
MEASURE: Increased sales attributed to MEP centers receiving federal funding			
Year	Status	Actual	Target
FY 2010	Met	\$2,085M from FY 2009 funding <sup>1</sup>	\$2,000M from FY 2009 funding
FY 2009	Exceeded	\$3,610M from FY 2008 funding	\$630M from FY 2008 funding
FY 2008	Exceeded	\$5,600M from FY 2007 funding	\$630M from FY 2007 funding
FY 2007	Exceeded	\$3,100M from FY 2006 funding	\$591M from FY 2006 funding
FY 2006	Exceeded	\$2,842M from FY 2005 funding	\$591M from FY 2005 funding
FY 2005	Exceeded	\$1,889M from FY 2004 funding	\$228M from FY 2004 funding
FY 2004	Exceeded	\$1,483M from FY 2003 funding	\$522M from FY 2003 funding
FY 2003	Exceeded	\$953M from FY 2002 funding	\$728M from FY 2002 funding
FY 2002	Not Met	\$636M from FY 2001 funding	\$708M from FY 2001 funding
FY 2001	Met	\$698M from FY 2000 funding	\$670M from FY 2000 funding

<sup>1</sup> Estimate.



NIST PERFORMANCE MEASURE			
MEASURE: Capital investment attributed to MEP centers receiving federal funding			
Year	Status	Actual	Target
FY 2010	Exceeded	\$1,565M from FY 2009 funding <sup>1</sup>	\$1,000M from FY 2009 funding
FY 2009	Exceeded	\$1,710M from FY 2008 funding	\$485M from FY 2008 funding
FY 2008	Exceeded	\$2,190M from FY 2007 funding	\$955M from FY 2007 funding
FY 2007	Exceeded	\$1,650M from FY 2006 funding	\$740M from FY 2006 funding
FY 2006	Exceeded	\$2,248M from FY 2005 funding	\$740M from FY 2005 funding
FY 2005	Exceeded	\$941M from FY 2004 funding	\$285M from FY 2004 funding
FY 2004	Exceeded	\$912M from FY 2003 funding	\$559M from FY 2003 funding
FY 2003	Met	\$940M from FY 2002 funding	\$910M from FY 2002 funding
FY 2002	Not Met	\$680M from FY 2001 funding	\$913M from FY 2001 funding
FY 2001	Met	\$873M from FY 2000 funding	\$864M from FY 2000 funding

<sup>1</sup> Estimate.

NIST PERFORMANCE MEASURE			
MEASURE: Cost savings attributed to MEP centers receiving federal funding			
Year	Status	Actual	Target
FY 2010	Met	\$1,149M from FY 2009 funding <sup>1</sup>	\$1,000M from FY 2009 funding
FY 2009	Exceeded	\$1,410M from FY 2008 funding	\$330M from FY 2008 funding
FY 2008	Exceeded	\$1,440M from FY 2007 funding	\$521M from FY 2007 funding
FY 2007	Exceeded	\$1,100M from FY 2006 funding	\$405M from FY 2006 funding
FY 2006	Exceeded	\$1,304M from FY 2005 funding	\$405M from FY 2005 funding
FY 2005	Exceeded	\$721M from FY 2004 funding	\$156M from FY 2004 funding
FY 2004	Exceeded	\$586M from FY 2003 funding	\$353M from FY 2003 funding
FY 2003	Exceeded	\$681M from FY 2002 funding	\$497M from FY 2002 funding
FY 2002	Not Met	\$442M from FY 2001 funding	\$576M from FY 2001 funding
FY 2001	Not Met	\$482M from FY 2000 funding	\$545M from FY 2000 funding

<sup>1</sup> Estimate.

## STRATEGIC GOAL 2

*Promote U.S. innovation and industrial competitiveness*

STRATEGIC GOAL 2 TOTAL RESOURCES <sup>1</sup> (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$1,837.6	\$2,000.7	\$2,130.0	\$2,100.9	\$2,354.1	\$2,607.6	\$3,698.3	\$3,701.2	\$3,912.1	\$7,334.2
FTE	9,597	9,979	9,985	10,004	9,951	10,523	11,358	12,096	12,768	12,664

<sup>1</sup> Prior year amounts differ from previous PARs because the Department and NIST shifted the outcome, "Raise the productivity and competitiveness of small manufacturers (NIST)" from Strategic Goal 2 to Strategic Goal 1 beginning in FY 2008.

### STRATEGIC OBJECTIVE 2.1

*Advance measurement science and standards that drive technological change*

OBJECTIVE 2.1 RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$712.6	\$805.0	\$841.5	\$783.2	\$775.8	\$862.3	\$783.7	\$836.3	\$894.5	\$973.4
FTE	3,120	3,142	3,153	3,041	2,867	2,829	2,824	2,866	2,912	2,935

**PERFORMANCE OUTCOME: Promote innovation, facilitate trade, and ensure public safety and security by strengthening the Nation's measurement and standards infrastructure (NIST)**

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$502.1	\$579.2	\$614.1	\$576.8	\$621.6	\$762.4	\$662.4	\$759.3	\$812.4	\$850.1
FTE	2,685	2,707	2,725	2,672	2,503	2,550	2,566	2,673	2,721	2,734

NIST PERFORMANCE MEASURE			
MEASURE: Qualitative assessment and review of technical quality and merit using peer review			
Year	Status	Actual	Target
FY 2010	Met	Completed	Complete annual peer review
FY 2009	Met	Completed	Complete annual peer review
FY 2008	Met	Completed	Complete annual peer review
FY 2007	Met	Completed	Complete annual peer review
FY 2006	Met	Completed	Complete annual peer review
FY 2005	Met	Completed	Complete annual peer review
FY 2004	Met	Completed	Complete annual peer review
FY 2003	Met	Completed	Complete annual peer review
FY 2002	Met	Completed	Complete annual peer review
FY 2001	Met	Completed	Complete annual peer review

NIST PERFORMANCE MEASURE			
MEASURE: Citation impact of NIST-authored publications			
Year	Status	Actual	Target
FY 2010	Met	> 1.1 <sup>1</sup>	> 1.1
FY 2009	Met	> 1.1	> 1.1
FY 2008	Met	> 1.1	> 1.1
FY 2007	Met	>1.1	>1.1

<sup>1</sup> Actual for this measure lags nine months. The actual shown here is based on FY 2009 data.

NIST PERFORMANCE MEASURE			
MEASURE: Peer-reviewed technical publications produced			
Year	Status	Actual	Target
FY 2010	Slightly Below	1,243	1,300
FY 2009	Met	1,463	1,275
FY 2008	Met	1,271	1,100
FY 2007	Met	1,272	1,100
FY 2006	Met	1,163	1,100
FY 2005	Met	1,148	1,100
FY 2004	Not Met	1,070	1,300

NIST PERFORMANCE MEASURE			
MEASURE: Standard Reference Materials (SRM) sold <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Met	31,667	31,000
FY 2009	Slightly Below	29,769	31,000
FY 2008	Met	33,373	31,000
FY 2007	Met	32,614	30,000
FY 2006	Met	31,195	30,000
FY 2005	Met	32,163	29,500
FY 2004	Met	30,490	29,500
FY 2003	Not Met	1,214	1,360
FY 2002	Met	1,353	1,350
FY 2001	Met	1,335	1,315

<sup>1</sup> From FY 2000-FY 2003 this was SRMs available.

APPENDIX A: PERFORMANCE AND RESOURCE TABLES

NIST PERFORMANCE MEASURE			
MEASURE: NIST-maintained datasets downloaded			
Year	Status	Actual	Target
FY 2010	Met	24,956,000	24,500,000 <sup>1</sup>
FY 2009	Met	226,000,000	200,000,000
FY 2008	Exceeded	195,500,000	130,000,000
FY 2007	Exceeded	130,000,000	80,000,000
FY 2006	Met	94,371,001	80,000,000
FY 2005	Met	93,305,136	80,000,000
FY 2004	Exceeded	73,601,352	56,000,000

<sup>1</sup> Beginning in FY 2010, NIST has revised the methodology for this measure by excluding the hundreds of millions of annual downloads associated with Web-based, time-related services which dominated the total number of downloads in previous years. This adjusted measure will more clearly demonstrate the use of NIST's other online datasets covering scientific and technical databases throughout the NIST laboratories.

NIST PERFORMANCE MEASURE			
MEASURE: Number of calibration tests performed <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Met	17,697	15,000
FY 2009	Met	18,609	15,000
FY 2008	Exceeded	25,944	12,000
FY 2007	Exceeded	27,489	12,000
FY 2006	Met	3,026	2,700
FY 2005	Met	3,145	2,700
FY 2004	Met	3,376	2,800
FY 2003	Met	3,194	2,900
FY 2002	Met	2,924	2,900
FY 2001	Met	3,192	3,100

<sup>1</sup> From FY 2000-FY 2006, this measure reflected the number of items tested, an amount considerably lower than the number of items performed.

**PERFORMANCE OUTCOME:** Promote U.S. competitiveness by directing federal investment and R&D into areas of critical national need that support, promote, and accelerate high-risk, high-reward research and innovation in the United States (NIST)

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$54.5	\$50.2	\$77.3
FTE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	71	72	80

NIST PERFORMANCE MEASURE			
MEASURE: Cumulative number of TIP projects funded			
Year	Status	Actual	Target
FY 2010	Met	29	25
FY 2009	Met	9	9

**PERFORMANCE OUTCOME:** Increase public access to worldwide scientific and technical information through improved acquisition and dissemination activities (NTIS)

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$34.7	\$27.7	\$27.7	\$19.2	\$15.9	\$27.2	\$27.9	\$22.5	\$31.9	\$46.0
FTE	196	186	181	165	157	144	131	122	119	121

NTIS PERFORMANCE MEASURE			
MEASURE: Number of updated items available (annual)			
Year	Status	Actual	Target
FY 2010	Exceeded	969,473	765,000
FY 2009	Met	893,138	745,000
FY 2008	Met	813,775	725,000
FY 2007	Met	744,322	665,000
FY 2006	Met	673,807	660,000
FY 2005	Met	658,138	530,000
FY 2004	Met	553,235	525,000
FY 2003	Met	530,910	520,000
FY 2002	Met	514,129	510,000

APPENDIX A: PERFORMANCE AND RESOURCE TABLES

NTIS PERFORMANCE MEASURE			
MEASURE: Number of information products disseminated (annual)			
Year	Status	Actual	Target
FY 2010	Exceeded	50,333,206	33,000,000
FY 2009	Exceeded	49,430,840	32,850,000
FY 2008	Met	32,267,167	32,100,000
FY 2007	Met	32,027,113	27,100,000
FY 2006	Met	30,616,338	27,000,000
FY 2005	Met	26,772,015	25,800,000
FY 2004	Exceeded	25,476,424	18,000,000
FY 2003	Exceeded	29,134,050	17,000,000
FY 2002	Met	16,074,862	16,000,000

NTIS PERFORMANCE MEASURE			
MEASURE: Customer satisfaction			
Year	Status	Actual	Target
FY 2010	Met	98%	95-98%
FY 2009	Met	98%	95-98%
FY 2008	Met	96%	95-98%
FY 2007	Met	98%	95-98%
FY 2006	Met	98%	95-98%
FY 2005	Met	98%	98%
FY 2004	Slightly Below	96%	98%
FY 2003	Slightly Below	97%	98%
FY 2002	Met	98%	97%

The Department discontinued the following outcome (and its corresponding measures) in FY 2007. However, since the funding amounts factor into the total for this objective and strategic goal, this PAR shows those amounts for informational purposes. Measures and targets for previous years appear in the FY 2007 PAR.

**PERFORMANCE OUTCOME: Accelerate private investment in and development of high-risk, broad-impact technologies (NIST)**

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$175.8	\$198.1	\$199.7	\$187.2	\$138.3	\$72.7	\$93.4	N/A	N/A	N/A
FTE	239	249	247	204	207	135	127	N/A	N/A	N/A

STRATEGIC OBJECTIVE 2.2

*Protect intellectual property and improve the patent and trademark system*

OBJECTIVE 2.2 RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$1,007.5	\$1,099.5	\$1,190.9	\$1,233.3	\$1,508.4	\$1,674.4	\$1,766.4	\$1,852.5	\$1,856.4	\$1,939.0
FTE	6,258	6,593	6,581	6,694	6,825	7,446	8,291	8,962	9,594	9,431

**PERFORMANCE OUTCOME: Optimize patent quality and timeliness (USPTO)**

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$887.3	\$976.6	\$1,019.6	\$1,059.3	\$1,245.8	\$1,347.9	\$1,506.8	1,616.1	1,629.2	\$1,702.2
FTE	5,316	5,720	5,815	5,899	6,021	5,994	7,073	7,934	8,565	8,446

USPTO PERFORMANCE MEASURE				
MEASURE: Final rejection/allowance compliance rate				
Year	Status	Actual	Target	
FY 2010	Met	96.3%	94.5% <sup>1</sup>	
FY 2009	Met	94.4%	N/A	

<sup>1</sup>The USPTO is seeking input from stakeholders on how quality should be measured. A Federal Register Notice has been published, asking for stakeholders' comments on quality. New quality measures will be introduced based on this feedback. In the meantime, the Agency shifted resources from end-process review to place more emphasis on front-end quality and reviewing non-final actions in order to prevent unnecessary re-work. This approach also allows the Agency to focus on final disposition of applications including final rejections.

USPTO PERFORMANCE MEASURE				
MEASURE: Non-final in-process examination compliance rate				
Year	Status	Actual	Target	
FY 2010	Met	94.9%	94.0% <sup>1</sup>	
FY 2009	Met	93.6%	N/A	

<sup>1</sup>The USPTO is seeking input from stakeholders on how quality should be measured. A Federal Register Notice has been published, asking for stakeholders' comments on quality. New quality measures will be introduced based on this feedback. In the meantime, the Agency shifted resources from end-process review to place more emphasis on front-end quality and reviewing non-final actions in order to prevent unnecessary re-work. This approach also allows the Agency to focus on final disposition of applications including final rejections.

APPENDIX A: PERFORMANCE AND RESOURCE TABLES

USPTO PERFORMANCE MEASURE			
MEASURE: Patent average first action pendency (months)			
Year	Status	Actual	Target
FY 2010	Slightly Below	25.7	25.4
FY 2009	Met	25.8	27.5
FY 2008	Met	25.6	26.9
FY 2007	Not Met	25.3	23.7
FY 2006	Slightly Below	22.6	22.0
FY 2005	Met	21.1	21.3
FY 2004	Met	20.2	20.2
FY 2003	Met	18.3	18.4
FY 2002	Not Met	16.7	14.7
FY 2001	Not Met	14.4	13.9

USPTO PERFORMANCE MEASURE			
MEASURE: Patent average total pendency (months)			
Year	Status	Actual	Target
FY 2010	Slightly Below	35.3	34.8
FY 2009	Met	34.6	37.9
FY 2008	Met	32.2	34.7
FY 2007	Met	31.9	33.0
FY 2006	Met	31.1	31.3
FY 2005	Met	29.1	31.0
FY 2004	Met	27.6	29.8
FY 2003	Met	26.7	27.7
FY 2002	Met	24.0	26.5
FY 2001	Met	24.7	26.2

USPTO PERFORMANCE MEASURE			
MEASURE: Patent applications filed electronically			
Year	Status	Actual	Target
FY 2010	Slightly Below	89.5%	90.0%
FY 2009	Met	82.4%	80.0%
FY 2008	Met	71.7%	69.0%
FY 2007	Met	49.3%	40.0%
FY 2006	Exceeded	14.2%	10.0%
FY 2005	Improved But Not Met	2.2%	4.0%
FY 2004	Improved But Not Met	1.5%	2.0%
FY 2003	Not Met	1.3%	2.0%



**PERFORMANCE OUTCOME: Optimize trademark quality and timeliness (USPTO)**

<b>PERFORMANCE OUTCOME RESOURCES</b> <i>(Dollars in Millions)</i>										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$120.2	\$122.9	\$119.4	\$112.0	\$144.9	\$149.6	\$191.2	\$190.7	\$184.0	\$183.1
FTE	942	873	719	693	730	665	897	887	890	840

<b>USPTO PERFORMANCE MEASURE</b>				
<b>MEASURE: Trademark first action compliance rate</b>				
Year	Status	Actual	Target	
FY 2010	Met	96.6%	95.5%	
FY 2009	Met	96.4%	95.5%	
FY 2008	Met	95.8%	95.5%	
FY 2007	Met	95.9%	95.5%	
FY 2006	Met	95.7%	93.5%	
FY 2005	Met	95.3%	92.5%	
FY 2004	Met	92.1%	91.7%	

<b>USPTO PERFORMANCE MEASURE</b>				
<b>MEASURE: Trademark final compliance rate</b>				
Year	Status	Actual	Target	
FY 2010	Slightly Below	96.8%	97.0%	
FY 2009	Met	97.6%	97.0%	

<b>USPTO PERFORMANCE MEASURE</b>				
<b>MEASURE: Trademark first action pendency (months)</b>				
Year	Status	Actual	Target	
FY 2010	Met	3.0	2.5–3.5	
FY 2009	Met	2.7	2.5–3.5	
FY 2008	Met	3.0	2.5–3.5	
FY 2007	Met	2.9	3.7	
FY 2006	Met	4.8	5.3	
FY 2005	Met	6.3	6.4	
FY 2004	Not Met	6.6	5.4	
FY 2003	Not Met	5.4	3.0	
FY 2002	Not Met	4.3	3.0	
FY 2001	Exceeded	2.7	6.6	

USPTO PERFORMANCE MEASURE			
MEASURE: Trademark average total pendency excluding suspended and inter partes proceedings (months)			
Year	Status	Actual	Target
FY 2010	Met	10.5	13.0
FY 2009	Met	11.2	13.0
FY 2008	Met	11.8	14.3

USPTO PERFORMANCE MEASURE			
MEASURE: Trademark applications processed electronically			
Year	Status	Actual	Target
FY 2010	Met	68.1%	65.0%
FY 2009	Met	62.0%	62.0%

**PERFORMANCE OUTCOME: Provide domestic and global leadership to improve intellectual property policy, protection, and enforcement worldwide (USPTO)\***

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	N/A	N/A	\$51.9	\$62.0	\$117.7	\$176.9	\$68.4	\$45.7	\$43.2	\$48.7
FTE	N/A	N/A	47	102	74	787	321	141	139	145

USPTO PERFORMANCE MEASURE			
MEASURE: Percentage of prioritized countries that have implemented at least 75% of action steps in the country-specific action plans toward progress along following dimensions:			
<ol style="list-style-type: none"> <li>1. Institutional improvements of IP office administration for advancing IPR</li> <li>2. Institutional improvements of IP enforcement entities</li> <li>3. Improvements in IP laws and regulations</li> <li>4. Establishment of government-to-government cooperative mechanisms</li> </ol>			
Year	Status	Actual	Target
FY 2010	Exceeded	75%	50%

\* Prior to FY 2010, this outcome was known as "Improve intellectual property and enforcement domestically and abroad."

STRATEGIC OBJECTIVE 2.3

*Advance global e-commerce as well as telecommunications and information services*

OBJECTIVE 2.3 RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual <sup>1</sup>	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$117.5	\$96.2	\$97.6	\$84.4	\$69.9	\$70.9	\$1,148.2	\$1,012.4	\$1,161.2	\$4,421.8
FTE	219	244	251	269	259	248	243	268	262	298

<sup>1</sup> In FY 2007, \$1,070.3 was provided to the newly formed Digital Television and Public Safety Program.

**PERFORMANCE OUTCOME:** Ensure that the allocation of radio spectrum provides the greatest benefit to all people (NTIA)

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$21.5	\$23.4	\$24.5	\$28.5	\$30.4	\$36.8	\$38.9	\$35.8	\$37.3	\$35.8
FTE	133	141	147	159	169	162	154	168	162	171 <sup>1</sup>

<sup>1</sup> Estimate.

NTIA PERFORMANCE MEASURE			
MEASURE: Frequency assignment processing time (days)			
Year	Status	Actual	Target
FY 2010	Met	9	9 or fewer
FY 2009	Met	9	9 or fewer
FY 2008	Met	9	9 or fewer
FY 2007	Met	9	9 or fewer
FY 2006	Met	9	9 or fewer
FY 2005	Met	10	12
FY 2004	Met	<12	12
FY 2003	Met	15	15

NTIA PERFORMANCE MEASURE			
MEASURE: Certification request processing time (months)			
Year	Status	Actual	Target
FY 2010	Exceeded	.9	2 or fewer
FY 2009	Met	2	2 or fewer
FY 2008	Met	2	2 or fewer
FY 2007	Met	4	4 or fewer
FY 2006	Met	4	4 or fewer

APPENDIX A: PERFORMANCE AND RESOURCE TABLES

NTIA PERFORMANCE MEASURE			
MEASURE: Space system coordination request processing time			
Year	Status	Actual	Target
FY 2010	Exceeded	100%	90% in 14 days or fewer
FY 2009	Met	98%	90% in 14 days or fewer
FY 2008	Met	95%	90% in 14 days or fewer
FY 2007	Met	97%	80% in 14 days or fewer
FY 2006	Met	95%	80% in 14 days or fewer

NTIA PERFORMANCE MEASURE			
MEASURE: Spectrum plans and policies processing time			
Year	Status	Actual	Target
FY 2010	Exceeded	11.6 days	Comments in 15 days or fewer
FY 2009	Exceeded	11 days	Comments in 15 days or fewer
FY 2008	Met	13.3 days	Comments in 15 days or fewer
FY 2007	Met	13.3 days	Comments in 15 days or fewer
FY 2006	Met	13 days	Comments in 15 days or fewer

NTIA PERFORMANCE MEASURE			
MEASURE: Milestones completed from the implementation plan of the President's Spectrum Policy Initiative			
Year	Status	Actual	Target
FY 2010	Exceeded	16 milestones	11 milestones
FY 2009	Met	14 milestones	14 milestones
FY 2008	Met	22 milestones	22 milestones
FY 2007	Met	23 out of 29 milestones	23 out of 29 milestones
FY 2006	Met	18 out of 22 milestones	18 out of 22 milestones

**PERFORMANCE OUTCOME: Promote the availability, and support new sources, of advanced telecommunications and information services (NTIA)**

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual <sup>1</sup>	FY 2003 Actual <sup>1</sup>	FY 2004 Actual <sup>1</sup>	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$96.0	\$72.8	\$73.1	\$55.9	\$39.5	\$34.1	\$1,109.3	\$976.6	\$1,046.7	\$97.9
FTE	86	103	104	110	90	86	89	100	93	72 <sup>2</sup>

<sup>1</sup> Amounts for FYs 2002-2004 include those for the discontinued outcome "Increase competition within the telecommunications sector and promote universal access to telecommunications services for all Americans."

<sup>2</sup> Estimate.

NTIA PERFORMANCE MEASURE			
MEASURE: Support new telecom and information technology by advocating Administration views in number of FCC docket filings, and Congressional and other proceedings			
Year	Status	Actual	Target
FY 2010	Exceeded	17 dockets and proceedings	5 dockets and proceedings
FY 2009	Exceeded	12 dockets and proceedings	5 dockets and proceedings
FY 2008	Exceeded	11 dockets and proceedings	5 dockets and proceedings
FY 2007	Exceeded	8 dockets and proceedings	5 dockets and proceedings
FY 2006	Exceeded	12 dockets and proceedings	5 dockets and proceedings
FY 2005	Met	5 dockets and proceedings	5 dockets and proceedings

NTIA PERFORMANCE MEASURE			
MEASURE: Number of Web site views for research publications <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Exceeded	928,000/quarter	240,000/quarter
FY 2009	Met	225,000/quarter	225,000/quarter
FY 2008	Exceeded	127,000/month	75,000/month
FY 2007	Exceeded	105,000/month	75,000/month
FY 2006	Exceeded	94,000/month	75,000/month

<sup>1</sup> In FY 2009, data collection was changed from monthly to quarterly. There was no change in the measure and the amounts are comparable to previous years.

The Department added the following outcome in FY 2009 as a result of the influx of Recovery Act funding. Targets and actuals will not appear until FY 2011, however, funding began in FY 2009 and continued through FY 2010. Therefore the funding and FTE amounts are shown here while targets and actuals will appear in the FY 2011 PAR.

**PERFORMANCE OUTCOME: Ensure the effective implementation of the Broadband Technology Opportunities Program (NTIA)**

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$77.2	\$4,288.1
FTE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7	55

## STRATEGIC GOAL 3

### *Promote environmental stewardship*

STRATEGIC GOAL 3 TOTAL RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$3,254.8	\$3,398.4	\$3,458.6	\$3,802.0	\$4,064.0	\$4,306.5	\$4,187.8	\$4,234.4	\$5,158.0	\$5,781.7
FTE	11,473	11,585	11,898	11,868	11,918	12,896	11,933	12,637	12,031	11,709

## STRATEGIC OBJECTIVE 3.1

### *Protect, restore, and manage the use of coastal and ocean resources*

OBJECTIVE 3.1 RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$1,504.0	\$1,334.2	\$1,314.9	\$1,268.5	\$1,379.5	\$1,363.2	\$1,295.1	\$1,354.1	\$1,603.1	\$1,778.4
FTE	3,913	3,042	3,361	3,611	3,479	3,670	3,029	3,068	3,426	3,243

NOAA PERFORMANCE MEASURE				
MEASURE: Fish stock sustainability index (FSSI)				
Year	Status	Actual	Target	
FY 2010	Met	582.5	580	
FY 2009	Met	565.5	548.5	
FY 2008	Met	535	530.5	
FY 2007	Met	524	505	

NOAA PERFORMANCE MEASURE				
MEASURE: Percentage of living marine resources with adequate population assessments and forecasts				
Year	Status	Actual	Target	
FY 2010	Met	34.7%	34.3% <sup>1</sup>	
FY 2009	Met	43.9%	42.1%	
FY 2008	Slightly Below	40.3%	41.1%	
FY 2007	Met	40.8%	40.0%	
FY 2006	Not Met	38.8%	41.3%	

<sup>1</sup> The drop in the target percentage is due to an increase of 125 protected living marine resource stocks, raising the total number of stocks from 478 to 603.

NOAA PERFORMANCE MEASURE			
MEASURE: Number of protected species designated as threatened, endangered, or depleted with stable or increasing population levels			
Year	Status	Actual	Target
FY 2010	Met	29	25
FY 2009	Met	25	22
FY 2008	Met	24	22
FY 2007	Met	26	26
FY 2006	Met	26	24

NOAA PERFORMANCE MEASURE			
MEASURE: Number of habitat acres restored (annual/cumulative) <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Not Met	6,907/65,881	8,875 /67,849
FY 2009	Met	9,232/58,974	9,000/58,742
FY 2008	Exceeded	11,254/49,742	9,000/47,488
FY 2007	Met	5,974/38,488	5,000/37,514
FY 2006	Exceeded	7,598/32,514	4,500/29,416
FY 2005	Exceeded	8,333/24,916	4,500/21,083
FY 2004	Exceeded	5,563/16,583	3,700/14,780
FY 2003	Exceeded	5,200/11,020	2,829

<sup>1</sup> Determination of whether target was met or exceeded is based on annual amount, since that is what was done in that year.

NOAA PERFORMANCE MEASURE			
MEASURE: Annual number of coastal, marine, and Great Lakes ecological characterizations that meet management needs			
Year	Status	Actual	Target
FY 2010	Slightly Below	48	50
FY 2009	Met	50	50
FY 2008	Met	45	45
FY 2007	Met	27	27
FY 2006	Met	62	53

NOAA PERFORMANCE MEASURE			
MEASURE: Cumulative number of coastal, marine, and Great Lakes issue-based forecasting capabilities developed and used for management			
Year	Status	Actual	Target
FY 2010	Met	42	42
FY 2009	Met	41	41
FY 2008	Met	38	38
FY 2007	Met	35	35
FY 2006	Met	31	31

NOAA PERFORMANCE MEASURE			
MEASURE: Percentage of tools, technologies, and information services that are used by NOAA partners/customers to improve ecosystem-based management			
Year	Status	Actual	Target
FY 2010	Met	88%	86%
FY 2009	Met	86%	86%
FY 2008	Met	86%	86%
FY 2007	Met	85%	85%

NOAA PERFORMANCE MEASURE			
MEASURE: Annual number of coastal, marine, and Great Lakes habitat acres acquired or designated for long-term protection			
Year	Status	Actual	Target
FY 2010	Met	2,000 <sup>1</sup>	2,000
FY 2009	Met	2,247	2,000
FY 2008	Exceeded	6,219	2,000
FY 2007	Exceeded	3,020	2,000
FY 2006	Exceeded	> 86,000,000 <sup>2</sup>	200,137

<sup>1</sup> Estimate.

<sup>2</sup> The large FY 2006 actual reflects the new Northwest Hawaiian Islands Marine National Monument.



## STRATEGIC OBJECTIVE 3.2

*Advance understanding of climate variability and change*

OBJECTIVE 3.2 RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding FTE	\$238.8 693	\$312.0 785	\$347.5 625	\$239.5 603	\$256.9 599	\$236.1 665	\$244.5 457	\$271.8 523	\$370.0 556	\$343.3 544

NOAA PERFORMANCE MEASURE			
MEASURE: U.S. temperature forecasts (cumulative skill score computed over the regions where predictions are made)			
Year	Status	Actual	Target
FY 2010	Not Met	18	24
FY 2009	Exceeded	27.5	20
FY 2008	Exceeded	26	19
FY 2007	Exceeded	29	19
FY 2006	Exceeded	25	18
FY 2005	Met	19	18
FY 2004	Not Met	17	21
FY 2003	Not Met	17	20
FY 2002	Not Met	18	20
FY 2001	Met	20	20

NOAA PERFORMANCE MEASURE			
MEASURE: Uncertainty in the magnitude of the North American carbon uptake			
Year	Status	Actual	Target
FY 2010	Not Met	0.45 GtC/year <sup>1</sup>	0.40 GtC/year
FY 2009	Met	0.40 GtC/year	0.30 GtC/year
FY 2008	Met	0.40 GtC/year	0.40 GtC/year
FY 2007	Met	0.40 GtC/year	0.40 GtC/year
FY 2006	Met	0.40 GtC/year	0.40 GtC/year
FY 2005	Met	0.40 GtC/year	0.48 GtC/year
FY 2004	Met	0.50 GtC/year	0.70 GtC/year
FY 2003	Not Met	0.80 GtC/year	0.50 GtC/year

<sup>1</sup> Estimate.

NOAA PERFORMANCE MEASURE			
MEASURE: Uncertainty in model simulations of the influence of aerosols on climate			
Year	Status	Actual	Target
FY 2010	Met	18% improvement	15% improvement
FY 2009	Met	20% improvement	20% improvement
FY 2008	Met	15% improvement	15% improvement
FY 2007	Met	10% improvement	10% improvement
FY 2006	Met	10% improvement	Establish 10% improvement

NOAA PERFORMANCE MEASURE			
MEASURE: Error in global measurement of sea surface temperature			
Year	Status	Actual	Target
FY 2010	Met	0.50°C	0.53°C
FY 2009	Met	0.50°C	0.50°C
FY 2008	Met	0.50°C	0.50°C
FY 2007	Not Met	0.53°C	0.50°C
FY 2006	Not Met	0.53°C	0.50°C

NOAA PERFORMANCE MEASURE			
MEASURE: Regionally focused climate impacts and adaptation studies communicated to decisionmakers			
Year	Status	Actual	Target
FY 2010	Met	41 assessments/evaluations	41 assessments/evaluations
FY 2009	Met	37 assessments/evaluations	37 assessments/evaluations
FY 2008	Met	37 assessments/evaluations	35 assessments/evaluations
FY 2007	Met	32 assessments/evaluations	32 assessments/evaluations
FY 2006	Met	33 assessments/evaluations	32 assessments/evaluations

**STRATEGIC OBJECTIVE 3.3**

*Provide accurate and timely weather and water information*

<b>OBJECTIVE 3.3 RESOURCES</b> <i>(Dollars in Millions)</i>										
	<b>FY 2001 Actual</b>	<b>FY 2002 Actual</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Actual</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Actual</b>
Funding	\$1,376.0	\$1,188.8	\$1,284.1	\$883.6	\$898.1	\$926.8	\$946.7	\$927.6	\$1,010.8	\$1,213.3
FTE	5,997	5,100	4,912	4,760	4,654	4,907	4,708	5,241	4,687	4,627

<b>NOAA PERFORMANCE MEASURE</b>			
<b>MEASURE: Percentage of U.S. coastal states and territories demonstrating 20% or more annual improvement in resilience capacity to weather and climate hazards (%/year)</b>			
<b>Year</b>	<b>Status</b>	<b>Actual</b>	<b>Target</b>
<b>FY 2010</b>	<b>Met</b>	29%	29%

<b>NOAA PERFORMANCE MEASURE</b>			
<b>MEASURE: Severe weather warnings for tornadoes (storm-based) – Lead time (minutes)<sup>1</sup></b>			
<b>Year</b>	<b>Status</b>	<b>Actual</b>	<b>Target</b>
<b>FY 2010</b>	<b>Met</b>	14 <sup>2</sup>	12
<b>FY 2009</b>	<b>Met</b>	12	12
<b>FY 2008</b>	<b>Exceeded</b>	14	11
<b>FY 2007</b>	<b>Met</b>	14	13
<b>FY 2006</b>	<b>Met</b>	13	13
<b>FY 2005</b>	<b>Met</b>	13	13
<b>FY 2004</b>	<b>Met</b>	13	12
<b>FY 2003</b>	<b>Met</b>	13	12
<b>FY 2002</b>	<b>Met</b>	12	11
<b>FY 2001</b>	<b>Not Met</b>	10	13

<sup>1</sup> Prior to FY 2008, these warnings were county-based rather than storm-based.

<sup>2</sup> Estimate.

APPENDIX A: PERFORMANCE AND RESOURCE TABLES

NOAA PERFORMANCE MEASURE			
MEASURE: Severe weather warnings for tornadoes (storm-based) – Accuracy (%) <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Met	74% <sup>2</sup>	70%
FY 2009	Slightly Below	66%	69%
FY 2008	Met	72%	67%
FY 2007	Met	80%	76%
FY 2006	Slightly Below	75%	76%
FY 2005	Met	76%	73%
FY 2004	Met	75%	72%
FY 2003	Met	79%	72%
FY 2002	Met	76%	69%
FY 2001	Slightly Below	67%	68%

<sup>1</sup> Prior to FY 2008, these warnings were county-based rather than storm-based.

<sup>2</sup> Estimate.

NOAA PERFORMANCE MEASURE			
MEASURE: Severe weather warnings for tornadoes (storm-based) – False alarm rate (%) <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Slightly Below	74% <sup>2</sup>	72%
FY 2009	Not Met	77%	72%
FY 2008	Met	75%	74%
FY 2007	Met	75%	75%
FY 2006	Slightly Below	79%	75%
FY 2005	Slightly Below	77%	73%
FY 2004	Improved But Not Met	74%	70%
FY 2003	Not Met	76%	72%
FY 2002	Slightly Below	73%	71%
FY 2001	Met	73%	73%

<sup>1</sup> Prior to FY 2008, these warnings were county-based rather than storm-based.

<sup>2</sup> Estimate.

NOAA PERFORMANCE MEASURE			
MEASURE: Severe weather warnings for flash floods (storm-based) – Lead time (minutes)			
Year	Status	Actual	Target
FY 2010	Exceeded	76	38 <sup>1</sup>
FY 2009	Exceeded	73	49
FY 2008	Exceeded	77	48
FY 2007	Exceeded	61	48
FY 2006	Met	49	48
FY 2005	Met	54	48
FY 2004	Improved But Not Met	47	50
FY 2003	Not Met	41	47
FY 2002	Met	52	45
FY 2001	Met	46	45

<sup>1</sup> Beginning in FY 2008, NOAA shifted to a storm-based method of forecast as opposed to a county-based method. The reason for this change was to reduce the area warned to provide more specific information to emergency responders and the public. By reducing the areal coverage of our flash flood warnings, the emergency management community can more effectively target mitigation and response efforts. This new storm-based verification methodology is more stringent and results in lower metric scores for lead time and accuracy for flash floods. Flash flood performance data using this new verification methodology was computed beginning in FY 2008 with actuals and targets being reported from FY 2010 onward.

NOAA PERFORMANCE MEASURE			
MEASURE: Severe weather warnings for flash floods (storm-based) – Accuracy (%)			
Year	Status	Actual	Target
FY 2010	Met	82%	72% <sup>1</sup>
FY 2009	Met	91%	90%
FY 2008	Met	91%	90%
FY 2007	Met	91%	89%
FY 2006	Met	89%	89%
FY 2005	Met	89%	89%
FY 2004	Met	89%	88%
FY 2003	Met	89%	87%
FY 2002	Met	89%	86%
FY 2001	Met	86%	86%

<sup>1</sup> Beginning in FY 2008, NOAA shifted to a storm-based method of forecast as opposed to a county-based method. The reason for this change was to reduce the area warned to provide more specific information to emergency responders and the public. By reducing the areal coverage of our flash flood warnings, the emergency management community can more effectively target mitigation and response efforts. This new storm-based verification methodology is more stringent and results in lower metric scores for lead time and accuracy for flash floods. Flash flood performance data using this new verification methodology was computed beginning in FY 2008 with actuals and targets being reported from FY 2010 onward.

APPENDIX A: PERFORMANCE AND RESOURCE TABLES

NOAA PERFORMANCE MEASURE			
MEASURE: Hurricane forecast track error (48 hours) (nautical miles) <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Exceeded	70 <sup>2</sup>	107
FY 2009	Met	86	108
FY 2008	Exceeded	86	110
FY 2007	Met	97	110
FY 2006	Met	97	111
FY 2005	Met	101	128
FY 2004	Exceeded	94	129
FY 2003	Met	107	130
FY 2002	Met	122	142

<sup>1</sup> Beginning in FY 2007, NOAA reported the previous year's results because data is not available until February and good estimates cannot be determined.

<sup>2</sup> Reflects FY 2009 target and actual results. FY 2010 results not available until February 2011.

NOAA PERFORMANCE MEASURE			
MEASURE: Hurricane forecast intensity error (48 hours) (difference in knots) <sup>1</sup>			
Year	Status	Actual	Target
FY 2010	Not Met	18 <sup>2</sup>	13
FY 2009	Slightly Below	14	13

<sup>1</sup> NOAA reports the previous year's results because data is not available until February and good estimates cannot be determined.

<sup>2</sup> Reflects FY 2009 target and actual results. FY 2010 results not available until February 2011.

NOAA PERFORMANCE MEASURE			
MEASURE: Accuracy (%) (threat score) of day 1 precipitation forecasts			
Year	Status	Actual	Target
FY 2010	Met	35%	30%
FY 2009	Met	30%	29%
FY 2008	Met	33%	29%
FY 2007	Met	31%	29%
FY 2006	Met	30%	28%
FY 2005	Met	29%	27%
FY 2004	Met	29%	25%
FY 2003	Met	29%	25%
FY 2002	Exceeded	26%	17%
FY 2001	Not Met	19%	22%

NOAA PERFORMANCE MEASURE			
MEASURE: Winter storm warnings – Lead time (hours)			
Year	Status	Actual	Target
FY 2010	Exceeded	21	15
FY 2009	Met	18	16
FY 2008	Met	17	15
FY 2007	Exceeded	19	15
FY 2006	Met	17	15
FY 2005	Met	17	15
FY 2004	Met	15	14
FY 2003	Met	14	13
FY 2002	Met	13	13
FY 2001	Met	13	13

NOAA PERFORMANCE MEASURE			
MEASURE: Winter storm warnings – Accuracy (%)			
Year	Status	Actual	Target
FY 2010	Met	90%	90%
FY 2009	Slightly Below	90%	91%
FY 2008	Slightly Below	89%	90%
FY 2007	Met	92%	90%
FY 2006	Slightly Below	89%	90%
FY 2005	Met	91%	90%
FY 2004	Met	91%	89%
FY 2003	Met	90%	88%
FY 2002	Met	89%	86%
FY 2001	Met	90%	86%

STRATEGIC OBJECTIVE 3.4

*Support safe, efficient, and environmentally sound commercial navigation*

OBJECTIVE 3.4 RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding FTE	\$136.0 870	\$249.9 942	\$261.6 1,004	\$192.8 716	\$175.0 749	\$198.7 774	\$189.4 691	\$195.0 774	\$240.2 738	254.3 710

NOAA PERFORMANCE MEASURE				
MEASURE: Reduce the hydrographic survey backlog within navigationally significant areas (square nautical miles surveyed per year)				
Year	Status	Actual	Target	
FY 2010	Not Met	4,395	5,160	
FY 2009	Met	3,219	3,000	
FY 2008	Not Met	2,127	2,500	
FY 2007	Exceeded	3,198	1,350	
FY 2006	Met	2,851	2,500	
FY 2005	Met	3,079	2,700	
FY 2004	Improved But Not Met	2,070	2,290	
FY 2003	Not Met	1,762	2,100	

NOAA PERFORMANCE MEASURE				
MEASURE: Percentage of U.S. counties rated as fully enabled or substantially enabled with accurate positioning capacity				
Year	Status	Actual	Target	
FY 2010	Met	79.0%	74.0%	
FY 2009	Met	72.0%	69.0%	
FY 2008	Met	60.2%	60.0%	
FY 2007	Met	51.6%	49.0%	
FY 2006	Met	43.3%	39.0%	
FY 2005	Met	32.2%	28.0%	



NOAA PERFORMANCE MEASURE			
MEASURE: Marine wind speed accuracy (%)			
Year	Status	Actual	Target
FY 2010	Met	74%	69%
FY 2009	Met	73%	69%
FY 2008	Met	72%	68%
FY 2007	Met	73%	68%
FY 2006	Not Met	55%	58%
FY 2005	Met	57%	57%
FY 2004	Met	57%	57%
FY 2003	Met	57%	54%

NOAA PERFORMANCE MEASURE			
MEASURE: Marine wave height accuracy (%)			
Year	Status	Actual	Target
FY 2010	Met	75%	74%
FY 2009	Met	77%	74%
FY 2008	Met	77%	73%
FY 2007	Met	78%	73%
FY 2006	Met	70%	68%
FY 2005	Met	67%	67%
FY 2004	Not Met	67%	69%
FY 2003	Met	71%	66%

NOAA PERFORMANCE MEASURE			
MEASURE: Aviation forecast accuracy for ceiling/visibility (3 mile/1,000 feet or less) (%) <sup>1,2</sup>			
Year	Status	Actual	Target
FY 2010	Met	66%	65%
FY 2009	Slightly Below	63%	64%
FY 2008	Slightly Below	62%	63%
FY 2007	Met	62%	62%
FY 2006	Not Met	43%	47%
FY 2005	Met	46%	46%
FY 2004	Slightly Below	45%	46%
FY 2003	Met	48%	45%
FY 2002	Not Met	13%	18%
FY 2001	Not Met	18%	21%

<sup>1</sup> From FY 2000-FY 2002, NOAA used a different method to calculate accuracy—targets were significantly lower than the current method.

<sup>2</sup> From FY 2007 on, the aviation measures were redefined to cover the IFR (Instrument Flight Rule) airspace instead of the limited IFR range of 5,000 feet to three miles. This change was to increase the usefulness of the measure to the general and commercial aviation communities. This change required the measures to be re-baselined. While the numbers for accuracy and FAR appear to be reversed when comparing earlier years, they are actually measuring different things.

NOAA PERFORMANCE MEASURE			
MEASURE: Aviation forecast FAR for ceiling/visibility (3 miles/1,000 feet or less) (%) <sup>1,2</sup>			
Year	Status	Actual	Target
FY 2010	Met	36%	42%
FY 2009	Met	38%	43%
FY 2008	Met	39%	44%
FY 2007	Met	40%	45%
FY 2006	Met	64%	65%
FY 2005	Met	63%	68%
FY 2004	Met	65%	70%
FY 2003	Met	64%	71%
FY 2002	Met	58%	52%
FY 2001	Met	51%	51%

<sup>1</sup> From FY 2000-FY 2002, NOAA used a different method to calculate false alarm rate—targets were significantly lower than the current method.

<sup>2</sup> From FY 2007 on, the aviation measures were redefined to cover the IFR (Instrument Flight Rule) airspace instead of the limited IFR range of 5,000 feet to three miles. This change was to increase the usefulness of the measure to the general and commercial aviation communities. This change required the measures to be re-baselined. While the numbers for accuracy and FAR appear to be reversed when comparing earlier years, they are actually measuring different things.

**MISSION SUPPORT OBJECTIVE: Provide critical support for NOAA’s mission (NOAA)\***

PERFORMANCE OBJECTIVE RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	N/A	\$313.5	\$250.5	\$1,217.6	\$1,354.5	\$1,581.7	\$1,512.1	\$1,485.9	\$1,933.9	\$2,192.4
FTE	N/A	1,716	1,996	2,178	2,437	2,880	3,048	3,031	2,624	2,585

\* There are no GPRA measures for the Mission Support objective, since the activities of this objective support the outcomes of the four other NOAA objectives.

## MANAGEMENT INTEGRATION GOAL

*Achieve organizational and management excellence*

MANAGEMENT INTEGRATION GOAL RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$60.6	\$70.1	\$71.2	\$72.8	\$70.9	\$71.8	\$72.2	\$67.7	\$80.9	\$94.0
FTE	310	319	326	309	292	315	302	297	294	341

**PERFORMANCE OUTCOME: Ensure effective resource stewardship in support of the Department’s programs (DM)**

PERFORMANCE OUTCOME RESOURCES <sup>1</sup> (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$40.7	\$49.2	\$49.2	\$51.8	\$49.5	\$49.3	\$49.6	\$36.9	\$43.1	\$46.6
FTE	171	183	186	181	177	177	178	173	164	188

<sup>1</sup> In FY 2008, DM split its one performance outcome into three separate outcomes. All funding for FY 2001-FY 2007 is shown in this outcome. FTE is not split among the three outcomes.

DM PERFORMANCE MEASURE			
MEASURE: Provide accurate and timely financial information and conform to federal standards, laws, and regulations governing accounting and financial management			
Year	Status	Actual	Target
FY 2010	Not Met	<ul style="list-style-type: none"> <li>One significant deficiency was not eliminated</li> <li>Completed FY 2010 A-123 assessment of internal controls</li> </ul>	<ul style="list-style-type: none"> <li>Eliminate any significant deficiency within 1 year of determination</li> <li>Complete FY 2010 A-123 assessment of internal controls</li> </ul>
FY 2009	Not Met	<ul style="list-style-type: none"> <li>Completed FY 2009 A-123 assessment of internal controls for financial reporting</li> </ul>	<ul style="list-style-type: none"> <li>Eliminate any significant deficiency within 1 year of determination</li> <li>Complete FY 2009 A-123 assessment of internal controls</li> </ul>
FY 2008	Not Met	<ul style="list-style-type: none"> <li>The Department closed 70% of prior year financial systems audit findings</li> <li>Significant deficiency was not eliminated</li> <li>Completed FY 2008 A-123 assessment of internal controls for financial reporting</li> </ul>	<ul style="list-style-type: none"> <li>Eliminate any significant deficiency within 1 year of determination</li> <li>Complete FY 2008 A-123 assessment of internal controls</li> </ul>
FY 2007	Not Met	<ul style="list-style-type: none"> <li>Significant deficiency was not eliminated</li> <li>Completed assessment of internal controls</li> <li>Completed migration of Commerce Business System</li> </ul>	<ul style="list-style-type: none"> <li>Eliminate any significant deficiency within 1 year of determination</li> <li>Complete internal control and document review</li> <li>Complete FY 2007 A-123 assessment of internal controls</li> <li>Migrate Commerce Business System (CBS) to an all Web-based architecture</li> </ul>
FY 2006	Not Met	Reportable condition not eliminated	<ul style="list-style-type: none"> <li>Eliminate any reportable condition within 1 year of determination</li> <li>95% of management with access to the CRS have financial data/reports by the 15th of month</li> </ul>
FY 2005	Not Met	Reportable condition not eliminated	Eliminate any reportable condition
FY 2004	Met	100%	100%
FY 2003	Met	100%	100%
FY 2002	Met	100%	100%
FY 2001	Met	100%	100%

APPENDIX A: PERFORMANCE AND RESOURCE TABLES

DM PERFORMANCE MEASURE			
MEASURE: Effectively use commercial services management			
Year	Status	Actual	Target
FY 2010	N/A	<ul style="list-style-type: none"> <li>Maintained and monitored existing activities, however, no new cost comparisons were permitted under this year's appropriation language, therefore the result is considered not applicable</li> </ul>	<ul style="list-style-type: none"> <li>Increase use of competition by 2%, measured by procurement dollars awarded</li> <li>Decrease procurement dollars awarded on a cost-reimbursement, time and materials, and labor hours contracts by 10%</li> </ul>
FY 2009	Met	<ul style="list-style-type: none"> <li>Due to change in Administration, all new competitive sourcing comparisons have been placed on hold. The same is true for the Green Plan.</li> <li>2009 FAIR Act Inventory filed timely with OMB</li> </ul>	Use business process re-engineering or similar initiatives to identify operational efficiency and effectiveness opportunities
FY 2008	Met	Completed several feasibility studies in FY 2008 and planned several more for FY 2009	Use business process re-engineering, feasibility studies, and/or similar initiatives to identify operational efficiency and effectiveness opportunities
FY 2007	Met	Bureaus identified FY 2008 feasibility studies which were submitted as part of the Green Plan <sup>1</sup>	Update and/or continue to implement FY 2006 plan to conduct feasibility studies of Department commercial functions to determine potential new competitions/studies in the outyears
FY 2006	Met	Green Plan <sup>1</sup> submitted to OMB on 9/28/2006	Finalize new green competition plan based on 08/2005 CFO council outcome
FY 2005	Met	Feasibility studies nominated for 168 FTE	Complete feasibility studies for 168 FTE to determine 2005-2006 studies
FY 2004	Met	New FAIR inventory guidance developed	Multi-year plan under development
FY 2003	Not Met	Completed competitions on 6.6%	Complete competitions on 10%
FY 2002	Not Met	Completed competitions on 1%	Complete competitions on 5%
FY 2001	Met	Commercial inventory – submitted 6/30/2001	Commercial inventory – completed by 6/30/2001

<sup>1</sup> Green Plan will lay out the Departmental short and long-range plans to conduct feasibility studies of all major commercial (and available) functions and will identify approved FY 2006-2007 competitions.

DM PERFORMANCE MEASURE			
MEASURE: Obligate funds through performance-based contracting (% of eligible service contracting \$)			
Year	Status	Actual	Target
FY 2010	Not Met	37%	50%
FY 2009	Improved But Not Met	45%	50%
FY 2008	Not Met	28%	50%
FY 2007	Not Met	28%	40%
FY 2006	Not Met	30%	50%
FY 2005	Not Met	< 50%	50%
FY 2004	Met	42%	40%
FY 2003	Not Met	24%	30%
FY 2002	Met	31%	25%
FY 2001	Met	25%	10%

**PERFORMANCE OUTCOME: Ensure retention of highly qualified staff in mission-critical positions (DM)**

<b>PERFORMANCE OUTCOME RESOURCES<sup>1</sup></b> <i>(Dollars in Millions)</i>										
	<b>FY 2001 Actual</b>	<b>FY 2002 Actual</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Actual</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Actual</b>
Funding	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$2.1	\$2.1	\$2.1
FTE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

<sup>1</sup> In FY 2008, DM split its one performance outcome into three separate outcomes. All funding for FY 2002-FY 2007 is shown in the first outcome "Ensure effective resource stewardship in support of the Department's programs." All FTE is shown in the first outcome.

<b>DM PERFORMANCE MEASURE</b>			
<b>MEASURE: Acquire and maintain diverse and highly qualified staff in mission-critical occupations</b>			
<b>Year</b>	<b>Status</b>	<b>Actual</b>	<b>Target</b>
<b>FY 2010</b>	<b>Met</b>	<ul style="list-style-type: none"> <li>Produced competency models for four mission-critical occupations</li> <li>Established hiring process baseline at 133 days</li> <li>Trained 98 ALDP, ELDP, and APCP participants via leadership development programs, and 181 employees via the Careers in Motion Program</li> <li>Integrated Commerce Learning Center in program administration to enhance measurement of results</li> </ul>	<ul style="list-style-type: none"> <li>Have new competency models in place for three mission-critical occupations for use in workforce recruitment, training, and development activities</li> <li>Meet or exceed the 80-day hiring goals mandated by OPM</li> <li>Train up to 50-70 participants on leadership development programs via ALDP, ELDP, and APCP, and 180-200 participants via Careers in Motion</li> <li>Integrate Commerce Learning Center in program administration to enhance tracking and progress monitoring</li> </ul>
<b>FY 2009</b>	<b>Exceeded</b>	<ul style="list-style-type: none"> <li>Competency models in place for four series including budget analyst, meteorologist, oceanographer, and hydrologist</li> <li>Average time to fill of 31 days for non-SES candidates</li> <li>100 trainees graduated from leadership development programs</li> <li>Department employees nationwide applied to ALDP</li> </ul>	<ul style="list-style-type: none"> <li>Have new competency models in place for three mission-critical occupations for use in workforce recruitment, training, and development activities</li> <li>Meet or exceed the 45-day hiring goals mandated by OPM</li> <li>Train up to 50-60 participants on leadership development programs via ALDP, ELDP, and APCP</li> <li>Open ALDP to Department employees nationwide</li> </ul>
<b>FY 2008</b>	<b>Exceeded</b>	<ul style="list-style-type: none"> <li>Delivered a total of four competency models for the economist, acquisition, mathematical statistician, and chemist series</li> <li>Exceeded the OPM 45-day-time-to-hire standard with an average fill time of 31 days for non-SES vacancies</li> </ul>	<ul style="list-style-type: none"> <li>Have new competency models in place for three mission-critical occupations for use in applicant selections and training and development decisions</li> <li>Meet or exceed the 45-day hiring goals mandated by OPM</li> </ul>
<b>FY 2007</b>	<b>Met</b>	<ul style="list-style-type: none"> <li>Trained post-secondary internship program applicants to increase applicant pools</li> <li>Trained managers to make better hiring decisions</li> <li>Trained employees in project management to close skill gaps</li> </ul>	<ul style="list-style-type: none"> <li>Improve recruitment strategies via targeted activities</li> <li>Assist managers in making better selections</li> <li>Close skill gaps</li> </ul>
<b>FY 2006</b>	<b>Met</b>	<ul style="list-style-type: none"> <li>Marketed job vacancies to organizations via automated hiring system</li> <li>Participated in career fairs and special programs</li> <li>Conducted training of managers and employees</li> </ul>	<ul style="list-style-type: none"> <li>Improve recruitment strategies via targeted activities</li> <li>Assist managers in making better selections</li> <li>Close skill gaps</li> </ul>
<b>FY 2005</b>	<b>Met</b>	<ul style="list-style-type: none"> <li>Improved from 28 to 29%</li> <li>Maintained 30 day fill-time</li> </ul>	<ul style="list-style-type: none"> <li>Improve representation in underrepresented groups</li> <li>Maintain 30 day fill-time</li> </ul>

**PERFORMANCE OUTCOME: Acquire and manage technology resources to support program goals (DM)**

<b>PERFORMANCE OUTCOME RESOURCES<sup>1</sup></b> <i>(Dollars in Millions)</i>										
	<b>FY 2001 Actual</b>	<b>FY 2002 Actual</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Actual</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Actual</b>	<b>FY 2008 Actual</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Actual</b>
Funding	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$3.7	\$7.6	\$9.1
FTE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

<sup>1</sup> In FY 2008, DM split its one performance outcome into three separate outcomes. All funding for FY 2002-FY 2007 is shown in the first outcome "Ensure effective resource stewardship in support of the Department's programs." All FTE is shown in the first outcome.

<b>DM PERFORMANCE MEASURE</b>			
<b>MEASURE: Improve the management of information technology</b>			
<b>Year</b>	<b>Status</b>	<b>Actual</b>	<b>Target</b>
<b>FY 2009</b>	<b>Met</b>	<ul style="list-style-type: none"> <li>For the year, IT investments had cost/schedule overruns and performance shortfalls averaging less than 10%</li> <li>Completed security assessments and vulnerability assessments for all operating units. Submitted findings and recommendations to operating units and OCIO for review</li> <li>Implemented cybersecurity development program and graduated 20 candidates from the Department's first class. Enrolled candidates in the program's second class. More than eight candidates have obtained or are planning to obtain security-related certifications.</li> <li>Deployed national security and emergency network in the development environment. Received official approval to connect from Defense Intelligence Agency.</li> </ul>	<ul style="list-style-type: none"> <li>IT investments have cost/schedule overruns and performance shortfalls averaging less than 10%</li> <li>Perform IT security compliance review of all operating units, and 10 FISMA systems in CSAM</li> <li>Deploy an enterprise-wide role-based cybersecurity training program</li> <li>Deploy national security and emergency network initial operating capability</li> </ul>
<b>FY 2009</b>	<b>Met</b>	<ul style="list-style-type: none"> <li>Cost/schedule overruns/performance shortfalls averaged under 10%</li> <li>CSAM C&amp;A enhancements were deployed</li> <li>IT security compliance in all operating units and five FISMA systems in CSAM were reviewed</li> </ul>	<ul style="list-style-type: none"> <li>Cost/schedule overruns/performance shortfalls less than 10%</li> <li>All national-critical and mission-critical systems certified and accredited with acceptable, quality documentation in place</li> </ul>
<b>FY 2008</b>	<b>Met</b>	<ul style="list-style-type: none"> <li>Cost/schedule overruns/performance shortfalls less than 10%</li> <li>All national-critical and mission-critical systems certified and accredited with acceptable, quality documentation in place</li> </ul>	<ul style="list-style-type: none"> <li>Cost/schedule overruns/performance shortfalls less than 10%</li> <li>All national-critical and mission-critical systems certified and accredited with acceptable, quality documentation in place</li> </ul>
<b>FY 2007</b>	<b>Met</b>	<ul style="list-style-type: none"> <li>Cost/schedule overruns/performance shortfalls less than 10%.</li> <li>All national-critical and mission-critical systems certified and accredited</li> </ul>	<ul style="list-style-type: none"> <li>Cost/schedule overruns/performance shortfalls less than 10%</li> <li>All national-critical and mission-critical systems certified and accredited</li> </ul>
<b>FY 2006</b>	<b>Met</b>	<ul style="list-style-type: none"> <li>Cost overruns and performance shortfalls less than 10%</li> <li>All national-critical and mission-critical systems certified and accredited</li> </ul>	<ul style="list-style-type: none"> <li>Cost/schedule overruns/performance shortfalls less than 10%</li> <li>All national-critical and mission-critical systems certified and accredited</li> </ul>
<b>FY 2005</b>	<b>Met</b>	<ul style="list-style-type: none"> <li>Cost overruns and performance shortfalls less than 10%</li> </ul>	<ul style="list-style-type: none"> <li>Cost overruns and performance shortfalls less than 10%</li> </ul>

**PERFORMANCE OUTCOME:** Promote improvements to Department programs and operations by identifying and completing work that (1) promotes integrity, efficiency, and effectiveness; and (2) prevents and detects fraud, waste, and abuse (OIG)

PERFORMANCE OUTCOME RESOURCES (Dollars in Millions)										
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual
Funding	\$19.9	\$20.9	\$22.0	\$21.0	\$21.4	\$22.5	\$22.6	\$25.0	\$28.1	\$36.2
FTE	139	136	140	128	115	138	124	124	114	161

OIG PERFORMANCE MEASURE				
MEASURE: Percentage of OIG recommendations accepted by Departmental and bureau management				
Year	Status	Actual	Target	
FY 2010	Met	95%	95%	
FY 2009	Met	97%	95%	
FY 2008	Met	100%	95%	
FY 2007	Met	96%	95%	
FY 2006	Met	96%	95%	
FY 2005	Met	99%	90%	
FY 2004	Met	98%	90%	
FY 2003	Met	97%	90%	

OIG PERFORMANCE MEASURE				
MEASURE: Dollar value of financial benefits identified by the OIG				
Year	Status	Actual	Target	
FY 2010	Exceeded	\$47.8M	\$38.0M	
FY 2009	Exceeded	\$126.9M	\$32.0M	
FY 2008	Exceeded	\$113.0M	\$28.0M	
FY 2007	Exceeded	\$51.7M	\$29.6M	
FY 2006	Met	\$34.2M	\$30.0M	
FY 2005	Exceeded	\$32.0M	\$23.0M	
FY 2004	Exceeded	\$26.0M	\$20.0M	
FY 2003	Exceeded	\$43.3M	\$20.0M	

OIG PERFORMANCE MEASURE				
MEASURE: Percentage of criminal and civil matters that are accepted for prosecution				
Year	Status	Actual	Target	
FY 2010	Not Met	42%	75%	
FY 2009	Met	78%	63%	
FY 2008	Met	73%	63%	
FY 2007	Met	73%	63%	
FY 2006	Exceeded	91%	63%	
FY 2005	Exceeded	81%	62%	
FY 2004	Exceeded	67%	50%	
FY 2003	Met	50%	50%	

STAKEHOLDERS AND CROSSCUTTING PROGRAMS

The Department has numerous crosscutting programs involving multiple bureaus: other federal, state, and local agencies; foreign government; and private enterprise. Federal programs dealing with economic and technological development, the natural environment, international trade, and demographic and economic statistics play a major role in advancing the welfare of all Americans. The Department continues to work with other government agencies in furthering efforts in these areas for the American public. Examples of crosscutting programs external to the Department’s bureaus include the following federal, state, local, and international agencies:

DEPARTMENT OF COMMERCE BUREAU ACTIVITIES	OTHER FEDERAL AGENCIES AND ORGANIZATIONS <sup>1</sup>	
Chemical Weapons Convention compliance	Department of Agriculture	National Science Foundation
Defense industrial base activities	Department of Defense	Small Business Administration
Economic development	Department of Education	U.S. Postal Service
Economic distress and recovery efforts	Department of Energy	Agency for Health Care Research and Quality
Environmental programs	Department of Health and Human Services	Customs/Border and Transportation Security/Homeland Security
Export controls	Department of Homeland Security	Federal Aviation Administration
Homeland security	Department of Housing and Urban Development	Federal Bureau of Investigation
Improvements to the environment	Department of Justice	Food and Drug Administration
Market access/improvements	Department of Labor	Bureau of Justice Statistics
Measurements and standards	Department of State	National Institutes of Health
Minority-owned business development	Department of Transportation	Bureau of Transportation Statistics
Patents and trademarks and intellectual property	Department of the Treasury	U.S. Coast Guard
Research	Agency for International Development	Delta Regional Authority
Telecommunications	Appalachian Regional Commission	Indian Tribes
Technology transfer	Central Intelligence Agency	States
Tracking the U.S. economy through GDP and other statistics	Environmental Protection Agency	Other Countries and Organizations
Trade policies	Federal Communications Commission	European Patent Office
	National Aeronautics and Space Administration	

<sup>1</sup> Note: This is not an all-inclusive listing.



## THE INSPECTOR GENERAL'S STATEMENT OF MANAGEMENT CHALLENGES

**A**s FY 2011 begins, advancing economic growth and creating job opportunities remain two of the Department of Commerce's overarching goals. For the upcoming fiscal year, the Department plans to spend about \$9 billion on a wide range of programs and initiatives to meet these objectives, and the Office of Inspector General (OIG) continues to support its efforts through our audits, evaluations, and investigations. In late November 2010, we will issue our annual report on the Department's top management challenges which will be addressed in the FY 2011 PAR. The purpose of the report is to identify what we consider, from our oversight perspective, the most significant management and performance issues facing the Department in the coming fiscal year.

In the November 2010 report, we will identify eight management challenges. Several of these challenges are longstanding concerns. They include strengthening Department-wide information security, managing the cost and technical performance of the National Oceanic and Atmospheric Administration's (NOAA) environmental satellite acquisition programs, and reducing patent and trademark application backlogs. At the same time, the Department must address new concerns, such as overseeing the rapid disbursement of billions of dollars to stimulate the economy as a result of the American Recovery and Reinvestment Act (ARRA) of 2009. We are performing an ongoing body of work, and planning additional efforts, to help the Department effectively manage these and other emerging issues. The table on the following page compares the FY 2011 management challenges with those identified in FY 2010.

Additionally, as required by the Office of Management and Budget (OMB) Circular A-136, our top management challenges report from FY 2010 briefly assessed the Department's progress in addressing the challenges identified. This appendix contains a summary of the challenges from FY 2010 along with the Department's response describing the actions it has taken. Our FY 2010 management challenge report is available on our Web site at [www.oig.doc.gov](http://www.oig.doc.gov).

The management challenges are not easily resolved; they may require the Department or its operating units to invest in new technologies or substantially change such areas as procedures, program activities, or organizational culture. To completely address a management challenge typically takes several fiscal years. The Department has been proactive in its efforts to address several challenges we have identified in previous years. For example, we recognize the commitment of the Secretary and his staff to the Office of the Secretary's restructuring initiatives, including establishing new leadership positions for performance management and program evaluation. Additionally, the Secretary recently began a comprehensive review of Department-wide acquisition processes to identify ways to strengthen and improve the quality of its acquisitions. While these initiatives should help to improve performance accountability, sustained leadership attention is needed to ensure desired results are achieved.

We welcome the opportunity to discuss these challenges and any comments you might have.

*Inspector General  
Todd J. Zinser*

*Continued on next page*

COMPARISON OF FY 2011 AND FY 2010 TOP MANAGEMENT CHALLENGES		
CHALLENGE	FY 2011	FY 2010
Department-wide: Strengthening Information Security	✓	✓
NOAA: Development and Acquisition of Environmental Satellite Programs	✓	✓
Department-wide: Managing Acquisition and Contract Operations <sup>1</sup>	✓	✓
ARRA: Enhancing Accountability and Transparency	✓	✓
USPTO: Improving the Efficiency of the Patent Office and Mitigating Financial Vulnerabilities	✓	✓
NOAA: Protecting Environment while Promoting Fishing Industry	✓	
Department-wide: Commerce Headquarters Renovation	✓	✓
Census: 2020 Decennial Planning	✓	✓
Census: Mitigate Issues with the 2010 Decennial		✓
Department-wide: Centralized Management and Oversight		✓
NOAA: Headquarters Leadership Structure		✓
Department-wide: Major Systems Acquisitions		✓
Department-wide: Grant and Contract Management Workforce		✓

<sup>1</sup> This FY 2011 challenge combines elements from two FY 2010 challenges: Major Systems Acquisitions and Grant and Contract Management Workforce.

**TOP MANAGEMENT CHALLENGES FOR FY 2010**

**Challenge 1: Decennial Census – Mitigate Issues with the 2010 Decennial While Addressing Future Census Challenges**

The mission of the 2010 Census—to succeed in counting each of the over 300 million people in more than 130 million households in the United States once, only once, and in the right place—is a massive undertaking with many moving parts. With a projected life-cycle cost estimate of \$14.7 billion, the Bureau must integrate 44 separate operations (with a total of some 9,400 program- and project-level activities).

U.S. residents have by now received their forms, and the Census Bureau has built an extensive communications campaign and partnership program to encourage a prompt and accurate decennial response. The rate at which responses are returned will be critical in determining the overall cost of the census. Households that do not mail back forms will be visited by an enumerator during nonresponse follow-up (NRFU) operations. The most expensive decennial operation, NRFU is now estimated to cost \$2.3 billion. The Bureau cannot predict with certainty the public's response rate and thus the total number of housing units that will have to be visited during this phase. Census estimates that costs will increase by about \$85 million for every percentage point of addresses that census takers have to visit.

While much of the Bureau's plan appears to be on schedule, the efficiency and accuracy of NRFU are at some risk, and final decennial costs remain uncertain. The Bureau's ability to manage NRFU effectively, and thus control its cost, hinges on two systems: the paper-based operations control system (PBOCS) and the Decennial Applicant, Personnel, and Payroll System (DAPPS). Described by the Bureau as the "nerve center" of its field offices, PBOCS manages enumerator assignments and provides current information on enumerator productivity. DAPPS supports recruiting, applicant, personnel, and payroll processing and is therefore also critical to the smooth functioning of NRFU. Both systems support smaller early field operations such as those in rural areas where Census leaves a form

for households to mail back (known as update/leave), doorstep interviews occurring in places such as Native American reservations (update/enumerate), and counting residents living in group situations and nontraditional households (group quarters enumeration, service-based enumeration, and enumeration of transitory locations). Both systems have experienced problems in testing and, more importantly, during field operations.

Census is on a very tight schedule to complete the PBOCS capabilities needed for NRFU and to resolve existing problems. Once NRFU begins, the system has no margin for error. Yet PBOCS development and testing remain behind schedule, and frequent outages and slow performance are impacting early operations. If not revamped for NRFU, these problems place the schedule and cost of this massive operation at serious risk. As a core requirement with a high level of uncertainty late in the decennial life cycle, PBOCS is one of the most significant decennial challenges facing the Department. While DAPPS also experienced outages and slow performance in early operations, a recent hardware upgrade appears to have significantly improved performance.

To contain decennial costs, better management of census fieldwork is essential. We found inefficiencies in wages, travel, and training during the address canvassing operation. Given the significantly larger scale of NRFU, Census must have effective internal controls in place and ensure that managers meticulously follow them during this operation.

Calendar year 2010 is also a critical time for the 2020 Census. The Bureau must begin to develop its 2020 decennial Census plans even though its workforce is already stretched thin by 2010 operations. Our work throughout the decade demonstrates that Census needs to identify more cost-effective approaches to the decennial and seriously consider using such alternatives as administrative records, the Internet, and targeted address canvassing. These and other possible approaches could contain costs while increasing accuracy and efficiency.

## **Challenge 2: IT Security – Continue Enhancing the Department’s Ability to Defend its Systems and Data Against Increasing Cyber Security Threats**

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Cyber attacks and other security threats persistently challenge the Department in ensuring information confidentiality, integrity, and availability. Commerce continues to invest in and otherwise enhance IT security, but more work is needed. The annual *Performance and Accountability Report* has reported IT security as a material weakness since FY 2001. Based on our FY 2009 FISMA assessments, we again recommended—and the Department agreed—that the material weakness remain until more improvements are made.

We completed two United States Patent and Trademark Office (USPTO) assessments during this reporting period. While both revealed improvements, we did not have sufficient evidence of consistent, effective security practices to support removing USPTO’s IT security material weakness. However, USPTO’s management concluded that IT security issues had been resolved and did not report the material weakness in its FY 2009 PAR.

Our evaluations have focused on the Department’s process for planning, implementing, and assessing security controls, including continuous monitoring, for the more than 300 systems employed by various operating units (including USPTO), each with its own management structure. We found deficiencies in security planning (including defining security requirements and implementing controls), assessments (leaving risks inadequately understood), vulnerability remediation (through required plans of action and milestones), and continuous monitoring. In recent years we have increased our efforts to independently assess technical security controls and have consistently found vulnerabilities requiring remediation.

We also found, in an FY 2009 audit, that the Department needs to improve the development, guidance, and performance management of its IT security workforce. The Department has taken positive steps in response, including plans to enhance employee development and training as well as to require professional certifications for employees with significant IT security responsibilities.

### **Challenge 3: NOAA Environmental Satellites – Effectively Manage Technical, Budgetary, and Governance Issues Surrounding the Acquisition of NOAA’s Two Environmental Satellite Systems**

The National Oceanic and Atmospheric Administration (NOAA) is modernizing its environmental monitoring capabilities, in part by spending an estimated total of nearly \$20 billion on two critical satellite systems: the Joint Polar Satellite System (JPSS) and the Geostationary Operational Environmental Satellite-R Series (GOES-R). Both JPSS' predecessor program, the National Polar-orbiting Operational Environmental Satellite System (NPOESS), and GOES-R have a history of cost overruns, schedule delays, and reduced performance capabilities.

As a result of the fall 2009 decision to significantly restructure the NPOESS program, JPSS was established as NOAA's component of the polar environmental satellite system, which is designed to provide global environmental data to monitor Earth, support the Nation's economy, and protect lives and property. JPSS is intended to meet a portion of the requirements originally established under the NPOESS program. NPOESS was managed jointly by NOAA, the National Aeronautics and Space Administration (NASA), and the Department of Defense, with NOAA and Defense equally sharing NPOESS costs. Under the restructuring, NOAA/NASA and Defense will acquire satellites separately. The life-cycle cost estimate for JPSS is \$11.9 billion.

At its 1995 inception, NPOESS planned to purchase six satellites at a \$6.5 billion cost, with a first launch in 2008. But problems with a key sensor raised costs and delayed the date of the first launch, even as the number of satellites in the system was reduced to four. In March 2009, with estimated life-cycle costs totaling \$14 billion, the first launch was delayed to 2014 because of continuing sensor problems; the NASA-led NPOESS Preparatory Project (NPP) launch date was also delayed, from 2010 to 2011. NPP was planned as a risk-reduction effort to test NPOESS' new instruments in flight, but will now be used operationally as a gap-filler between the current NOAA polar-orbiting operational environmental satellite and the first JPSS satellite.

The transition to the restructured program will continue into FY 2011. The JPSS program will continue to develop instruments needed to fulfill NOAA's responsibilities. The JPSS management structure will be similar to GOES-R, in which NOAA manages the overall program with assistance from NASA. NOAA will acquire two JPSS satellites and will continue climate sensor acquisitions under the NOAA climate program. Defense is evaluating the best approach for maintaining continuity of its polar satellites. It is critical that NOAA and Defense implement their satellite programs on schedule to reduce the risk of gaps in coverage.

Budget increases, capability reductions, and delays have also plagued the GOES-R program. The projected cost has increased from \$6.2 billion to \$7.7 billion; a major sensor was removed; the number of satellites to be purchased was reduced from four to two; and the launch readiness dates for the first two satellites have slipped by 6 months to October 2015 and February 2017. The GOES-R system is intended to offer an uninterrupted flow of high-quality data for short-range weather forecasting and warning, as well as provide climate research data through 2028. Working with NASA, NOAA is responsible for managing the entire program and for acquiring the ground segment, which is used to control satellite operations and to generate and distribute instrument data products.

According to program documentation, overall GOES-R program acquisition is on track and within budget to meet the revised launch schedule. However, any further delays in the satellite's launch readiness will increase NOAA's risk of not meeting its requirement to have an on-orbit spare and two operational GOES satellites available to monitor the Pacific and Atlantic basins in 2015.

Both the JPSS and GOES-R programs will continue to require close oversight to minimize further disruption to programs and prevent any satellite coverage gaps, which could compromise the United States' ability to forecast weather and monitor climate. Such a compromise would have serious consequences for the Nation's safety and security.

#### **Challenge 4: American Recovery and Reinvestment Act – Meet the Challenges of Accountability and Transparency with Effective Oversight of Program Performance, Compliance, Spending, and Reporting**

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The Department continues to implement programs under the American Recovery and Reinvestment Act (ARRA) of 2009, which provided Commerce with \$7.9 billion. The Office of Inspector General (OIG) ARRA oversight priorities include agency and recipient reporting, the Broadband Technology Opportunities Program (BTOP), and National Institute of Standards and Technology (NIST) and NOAA construction contracts and grants.

The sheer amount of ARRA money received by the Department, coupled with the act's unique requirements, makes ensuring appropriate spending—while also providing economic stimulus as quickly as possible—a particular challenge. The Department's operating units must spend funds appropriately with little time to prepare for the many new and expanded programs, grants, and contracts established under the act.

As of March 31, 2010, the Department had obligated approximately \$2.8 billion and spent approximately \$890 million. Although spending volumes are relatively low, all funds must be obligated by September 30, 2010. The need to distribute funds quickly to communities and businesses increases the risks of fraud, waste, and abuse in both ARRA-funded activities and those Department operations with more traditional funding mechanisms. ARRA operating units need sufficient resources to ensure that programs deliver as intended, while providing oversight to guard against misuse of funds.

The ARRA substantially increases the Department's contracting and grants workload, particularly at NIST and NOAA, whose grants and contracts offices must manage not only the more than \$1.4 billion they received under ARRA, but the \$4.7-billion BTOP program as well. NTIA relies on NIST and NOAA for grants administration because it does not have its own staff and systems for this purpose. Such increases place added pressure on these operating units to hire and retain qualified personnel.

The ARRA provided a relatively significant funding increase for NIST and NOAA construction projects. To complete them successfully, NIST and NOAA need to dedicate construction managers across ARRA grants, contracts, and regular appropriation-funded projects. Our oversight will focus on this high-risk area, including assessments of compliance with contract and grant requirements and project results.

We recently reviewed the adequacy of key IT and operational controls of the primary (source) grants, contracts, and/or financial systems for Census, the Economic Development Administration (EDA), NIST, NOAA, and NTIA to determine whether their controls ensure that the Department reports posted on *Recovery.gov* are complete, accurate, and reliable. Generally, the Department systems we reviewed had adequate data input/edit controls. However, the lack of automated data transmission or interfaces from the grants systems to the Department's financial system could lead to errors.

Without additional automation, it will be more difficult for Department operating units to effectively manage their own reporting with the increased volume of grants and contracts. Ensuring complete and accurate recipient reporting will also be difficult. Additional automation would add reporting process efficiencies and would decrease the risks of reporting errors and delays.

We identified several concerns in the BTOP pre-award process and expressed concern with whether NTIA has identified and obtained needed resources to execute a grant program of BTOP's magnitude in the ARRA's timeframe. According to the act, BTOP must spend all of its \$4.7 billion in grant funding by September 30, 2010. Over the next 6 months, NTIA must address several challenges as it concurrently monitors first-round grant awards and issues new awards. Challenges include (1) coordinating with other federal organizations supporting contract and grants management and (2) overseeing contractors implementing BTOP. In the next semiannual period, we will issue a report detailing our concerns with BTOP's program management and pre-award process.

### Challenge 5: USPTO – Address the Patent Office’s Resource and Process Issues

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With an enacted budget of \$1.7 billion in FY 2010 and a \$2 billion FY 2011 budget request for patent operations, USPTO continues to struggle with increasing patent backlogs and the need to improve patent examination efficiency and quality.

Since FY 2000, the number of patent examiners has more than doubled, from 2,900 to 6,200. But the length of time to process a patent has increased 40 percent from 25 to 35 months. Further, the backlog of applications awaiting review increased 139 percent, from 308,000 to 736,000.

Over the years, USPTO has increased the number of patent examiners to address the growing backlog; however, simply adding to the workforce will not suffice. USPTO must consider how to reform and reengineer various components of the patent application process and must update its IT systems to ensure timely and high-quality application review.

USPTO must also address funding mechanisms and fee structure challenges. USPTO is now funded entirely by application, maintenance, and other fees paid by patent and trademark applicants and owners. Congress sets many of the fees legislatively and establishes a ceiling, through the appropriations process, for the maximum amount of fees USPTO can spend in a given year. For FY 2011, the Administration proposes a 15-percent increase in certain patent fees to generate additional revenue to cover operating expenses. It also proposes that USPTO have authority to set fees and to establish an operating reserve to manage operations on a multiyear basis.

In November 2008, our *Top Management Challenges* report suggested that USPTO's unique financing structure could become increasingly risky. Subsequent downturns in the U.S. and global economies quickly showed the structure's vulnerabilities. In the President's FY 2009 budget, USPTO estimated that it would collect over \$1.8 billion in patent fees. However, by the end of that year, patent fee collections totaled just over \$1.6 billion. Multiple factors contributed to the difference, including a reduction in the number of patent applications filed and a decline in maintenance fees collected for existing patents. To align expenses with actual patent fee collections, USPTO deferred hiring patent examiners and curtailed or suspended overtime and training. USPTO currently projects a FY 2010 surplus, but does not have authority to spend above its legislatively mandated appropriation ceiling.

Potential fee shortfalls and fluctuations introduce inherent instability to the funding structure. This unstable structure increases the risk to USPTO's ability to operate effectively in current and future years, and its capacity to ensure that America's intellectual property (IP) system encourages investment in innovation and contributes to a strong global economy. More immediately, USPTO may not be able to process as many patent applications, which will add to the backlog instead of working toward reducing it. In effect, fewer maintenance fees will be available to collect in the future because fewer patents are being issued today.

The Under Secretary of Commerce for IP, who is also the Director of USPTO, has publicly acknowledged these and other difficulties. A 5-year plan in the President's FY 2011 budget sets forth bold goals, such as reducing the time it takes for initial patent application review to 10 months (from the present 26 months) by FY 2013. Similarly, by FY 2014, USPTO's goal to decide a patent application is 20 months, down from the present 35.

## OTHER ISSUES REQUIRING SIGNIFICANT MANAGEMENT ATTENTION

### Centralized Management and Oversight

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It will be a complex, but necessary, organizational challenge for the Department to establish consistent internal operations to support all of its operating units. However, by doing so, it will be better positioned to provide efficient and reliable support to the Secretary's priorities. The Department needs to continue its efforts to centralize management and oversight in order to make the whole organization more efficient, consistent, and productive. The Department's operating units have long-standing and independent business models, cultures, and practices. This decentralized structure has created obstacles to Department efforts to integrate and administer internal processes like financial services, human resources, grant and contract management, and major acquisitions.

For example, the administrative management structure of the Department gives its Chief Information Officer (CIO) little authority over the IT security operations of the Department's operating units, making the cyber security challenge (Challenge 2, above) even more difficult to manage. In addition, prior to the ARRA, the Department awarded an average of \$1.5 billion in grants to over 1,600 recipients annually and approximately \$2 billion in contracts to nearly 6,000 contractors annually. Yet the Department's Office of Acquisition Management has similarly limited authority over the various operating units' grants and procurement offices, resulting in inconsistent approaches to grant and contract management across the Department and adding to the difficulty in overseeing the effectiveness of these operations and programs.

Efforts to achieve greater consistency have been slow. To illustrate, grants are managed by three of the Department's seven grant-making agencies, which cross-service the other grant agencies using three different IT systems. The Department has been working since 2003 to migrate all Department grants management operations to NOAA's Grants Online system, but this effort is not projected to be completed until 2011.

### Major Systems Acquisition

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In a related challenge, the Department and its operating units must develop effective processes for planning, managing, and overseeing major system acquisitions. In FY 2010, the Department plans to spend \$3 billion on IT investments (excluding grants). The lack of cohesive policies and procedures for program and project management and oversight has contributed to many of these acquisitions—such as the decennial handheld computers, as well as the NPOESS and GOES-R environmental satellite programs—becoming mired in cost overruns and developmental delays. This weakness also leaves the Department without adequate visibility into progress and risks on major system acquisitions, which results in costly delays in identifying and correcting problems.

The Department has not been successful in updating its policies and oversight approach for major systems acquisition. The effort was begun in 2006 in response to OIG and GAO recommendations, and while some improvements in Departmental oversight have been made, formal policies and governance have yet to be established. The Deputy Secretary recently convened a steering committee to develop a Department-wide major investment oversight policy. Developing formal, unified policies and procedures for complicated acquisitions will ultimately save time, money, and effort for all the Department's operating units. The Department must exercise effective oversight to ensure system acquisitions are adequately planned and conducted according to best practices, and that they meet their cost, schedule and performance goals.

## Contracts and Grants Management Workforce

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Sufficient contracts and grants management workforce staffing has been a long-standing issue for the Department. Now, primarily as a result of the ARRA, the Department and its operating units issue more grants and contracts than ever.

According to Department data, more than 1,500 Commerce employees hold certifications in various acquisition positions. While the Department does not track the number of grants personnel, we recently conducted a survey of the sufficiency and qualifications of the Recovery Act acquisition and grants workforce. Based on our survey, the grants workforce for the five Department operating units receiving ARRA funding totaled over 800 employees. This includes grant officers, grants program managers, and grants specialists.

Despite these numbers, however, a serious shortage of skilled, specially trained staff hampers the Department's ability to appropriately issue and oversee grants and contracts. To ensure that grants and contracts are issued effectively and funds are properly spent, the Department must build up the size and skill of this workforce and improve its oversight processes.

## NOAA Headquarters Leadership Structure

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NOAA continues to face the challenge of carrying out its multifaceted mission to understand and predict changes in Earth's environment and to conserve and manage coastal and marine resources to meet our Nation's economic, environmental, and recreational needs. NOAA is realigning its headquarters leadership structure to streamline decision making and provide greater policy-level attention to day-to-day management and oversight of its programs. The realignment is intended to provide additional strategic guidance and leadership direction for NOAA's stewardship responsibilities, including fisheries.

One of the key mission components is management, research, and services related to the protection and rational use of living marine resources. Our 2008 *Top Management Challenges* report discussed NOAA's need to balance conservation and commercial fishing. Over the past 18 months, we have issued several reports that demonstrate, in particular, the difficulty of achieving this balance. In a 2009 report, we evaluated a series of issues regarding the work and scientific methods of the National Marine Fisheries Service's (NMFS) Northeast Fisheries Science Center. In 2010, we issued three reports on the programs and operations of the Office of Law Enforcement within NMFS and NOAA's Office of General Counsel for Enforcement and Litigation.

## Department Headquarters Renovation

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The Department's headquarters, the General Services Administration (GSA)-owned Herbert C. Hoover Building in Washington, D.C., is undergoing an extensive renovation. The renovation will take about 13 years and is estimated to cost almost \$960 million. The project is being funded mostly by GSA and the ARRA. Because of its scale, the renovation has the potential to disrupt Commerce operations and affect its workforce. Accordingly, the Department has a primary interest in ensuring that the renovation is completed on time, within budget, and free of fraud. To meet this goal, Commerce and GSA need to provide comprehensive oversight throughout the project's life cycle.



**THE DEPARTMENT'S STATEMENT ON ACTIONS TAKEN  
TO ADDRESS THE FY 2010 TOP MANAGEMENT CHALLENGES**

Each year, the OIG reviews the Department's and its component bureaus' program activities to ensure that the management, financial, and operational activities are sound and meet the requirements of the Chief Financial Officers (CFO) Act and the Government Performance and Results Act (GPRA).

The emphasis by the President, the Office of Management and Budget (OMB), and Congress on improved government accountability underscores the Department's resolve to enhance transparency within the Department while promoting improved efficiency and effectiveness. Progress in these endeavors requires strong commitment from the Department's senior leadership and staff at all levels.

The following are descriptions of Departmental and bureau actions to address the management challenges identified by the IG.

**TOP MANAGEMENT CHALLENGES FOR FY 2010**

**Challenge 1: Decennial Census – Mitigate Issues with the 2010 Decennial While Addressing Future Census Challenges**

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The PBOCS received daily executive-level attention and review via the Application Readiness and Infrastructure Stability group as well as constant attention from the development team and technical contractors. In April, the Census Bureau implemented a number of fixes focusing on system stability with the help of high-level technical engineers from the vendors whose hardware and software comprise the PBOCS. The Census Bureau also developed and implemented a contingency system outside of the PBOCS to track the shipping of questionnaires from the local census offices to the Paper Data Capture Centers.

Since late May, the PBOCS was generally stable and highly productive for NRFU, NRFU re-interview, and the Vacant Delete Check (VDC) Operation. The Census Bureau checked in and data captured a total of more than 165 million questionnaires. The PBOCS VDC software was successfully used during field operations. VDC material printing and assignment preparation went smoothly, with many offices completing material printing on the first day. VDC production completed over 8.7 million VDC cases.

On June 18, after careful consideration of the risks and costs, the decision was made to move Field Verification to the contingency application developed in parallel with PBOCS. The contingency application was built on the control system that supported the Census Coverage Measurement Independent Listing operation and made use of specific modules of the Census 2000 Operations Control System that supported the Field Verification. This decision allowed PBOCS developers to concentrate on VDC. The Field Verification contingency was used successfully for the field operation.

Though the PBOCS system fell short in some areas, the Census Bureau completed the NRFU operation on time and under budget. Additionally, initial quality indicators from the re-interview program were all positive compared to Census 2000. The Census Bureau also would like to note that PBOCS was used quite successfully to assign and manage the work for a number of operations earlier this year: Enumeration of Remote Alaska, Group Quarters Advance Visit, Group Quarters Enumeration, Update/Leave, and Update/Enumerate. PBOCS reached a state of stability that allowed us to complete 2010 field operations successfully.

## Challenge 2: IT Security – Continue Enhancing the Department’s Ability to Defend Its Systems and Data Against Increasing Cyber Security Threats

The Department has continuously made strides in improving its IT security program over the years. In 2010, the Department developed an IT security strategic plan to strengthen its IT security infrastructure as an effort to institute a sustainable and consistent security practice to guard against the ever increasing cyber security threats. The following are some of the most significant IT security accomplishments achieved this year:

- Conducted rigorous IT security compliance reviews based on federal standards and guidelines, and previous OIG certification and accreditation recommendations; 90 percent of the Department’s 280 information systems have authority to operate status.
- Implemented monthly reviews of Departmental information systems utilizing information within the automated IT security tool, Cyber Security Assessment and Management (CSAM). CSAM tracks progress in authority to operate status, contingency plans and tests, and privacy threshold analysis. Used scorecards to develop quarterly trend analysis, and provided them to the Department’s CIO Council. Also implemented a Department-wide plans of action and milestones (POA&M) management monitoring program using CSAM. Dashboards are sent to operating unit CIOs tracking POA&M status. The implementation of this monitoring program has improved operating unit POA&M management.
- Worked with the Office of Financial Management to create the IT audit working group to address and resolve financial statements audit IT findings, develop enterprise-wide solutions, and prepare for future financial statements audits. The group developed and implemented a tracking and management procedure to provide monthly progress reports on the resolution of audit findings. By July 2010, the group reported nearly 84 percent of the 70 FY 2009 IT findings as closed.
- Addressed the findings and recommendations issued by the OIG in the *Commerce Should Take Steps to Strengthen Its IT Workforce*<sup>1</sup>, by developing and implementing a cyber security development program, a security role-based training program offered to candidates throughout the Department.
- Updated the IT security program policy by implementing a number of interim policies relating to areas such as remote access, password requirements, and peer-to-peer technology. Provided additional guidance on IT security roles and responsibilities in terms of the security authorization process and IT investment security authorization responsibilities.
- Coordinated with the Federation of Computer Incident Response Team (CIRT) and the U.S. Computer Emergency Readiness Team (US-CERT) at the Department of Homeland Security (DHS) to receive timely security alerts and notifications. As a result, the Department detected malicious cyber attacks against its network and developed plans to remediate and prevent potential threats and vulnerabilities.
- Signed a memorandum of agreement with DHS to begin implementing trusted Internet connections. The Department completed the compliance validation assessment for NOAA’s efforts. The majority of the Department’s operating units have completed a statement of work for the Managed Trusted Internet Protocol Service (MTIPS). MTIPS orders are expected to begin in FY 2011.

USPTO continues to work diligently with the OIG and the Department to improve the Agency’s overall IT security program. The OCIO revised IT Security policies and procedures to comply with new OMB FISMA guidance.

<sup>1</sup> *Commerce Should Take Steps to Strengthen Its IT Workforce* Final Audit Report No. 19569-1, September 2009.

### Challenge 3: NOAA Environmental Satellites – Effectively Manage Technical, Budgetary, and Governance Issues Surrounding the Acquisition of NOAA's Two Environmental Satellite Systems

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NOAA and NASA are developing a Management Control Plan for JPSS, modeled on the GOES-R plan, to ensure that the appropriate management and engineering oversight are applied to both. NOAA believes that both JPSS and GOES-R are on the path to achieve mission success through the following actions:

- **Alignment with a proven acquisition center.** JPSS and GOES-R are aligned with NASA's Goddard Space Flight Center as its acquisition center. By having NASA as NOAA's acquisition agent, NOAA will be implementing the satellite systems using the rigorous framework of NASA's disciplined, comprehensive strategic acquisition and program management process. NOAA structured acquisitions with significantly more direct government control with the government team supported by the depth and breadth of the technical and business resources of the NASA Goddard Space Flight Center. This construct builds upon the decades-long, successful partnership between NOAA and NASA.
- **Realistic budget at a cost confidence level of 80 percent.** JPSS and GOES-R are budgeted with sufficient resources to address known challenges as well as to address issues that may arise during development.
- **Clear lines of authority and responsibility (NOAA as lead with NASA as the acquisition agent).** Both JPSS and GOES-R are structured with clear lines of authority and accountability. Decision-making lies with the NOAA Deputy Under Secretary who receives technical and management input from NOAA and NASA. The JPSS programmatic decision-making has been streamlined to the NOAA Program Management Council which includes participation from senior executives at NASA Goddard Space Flight Center and NASA headquarters. The programs are structured so that technical and engineering decisions are dealt with by the technical experts at NASA Goddard Space Flight Center and the strategic direction is provided by a single organization—NOAA. Therefore decision-making is not stymied because of conflicting priorities and/or budgeting strategies.
- **Frequent independent reviews by technical teams.** The NPOESS Independent Review Team lead by Tom Young will continue to provide frequent and in-depth reviews of the JPSS and GOES-R programs. The teams will provide input at all significant stages of the programs and provide their assessments so that cost, schedule, and technical issues are addressed as efficiently as possible and communicated to all appropriate levels of authority.

### Challenge 4: American Recovery and Reinvestment Act – Meet the Challenges of Accountability and Transparency with Effective Oversight of Program Performance, Compliance, Spending, and Reporting

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NIST supports the Department as it determines and implements the appropriate solutions for the automated transfer of data from the bureaus to Department headquarters. NIST implemented an automated script to generate the Financial Activity Report data and to provide it to the NIST Budget Division, which must submit it manually to the Department. NIST has also implemented an automated reconciliation process for ARRA reporting.

NIST Business Systems Division began to repair a previously existing automated interface between NIST's Grants Management Information System (GMIS) and the NIST Core Financial System in the third quarter of FY 2009. The fix was fully deployed in early July 2010.

In addition, NIST implemented an automated data exchange for grants information between the NIST instance of its Core Financial System and NOAA's Grants Online system. This data exchange, which went live in early November 2009, is used for EDA and NTIA grants for which NOAA performs grants administration and NIST performs financial accounting functions.

The NIST Grants and Agreements Management Division (GAMD) implemented the ARRA Recipient Reporting Standard Operating Procedures (Procedures) on September 12, 2009. These Procedures were created prior to the first reporting cycle in *www.federalreporting.gov*. Among other ARRA reporting requirements, the Procedures define material omissions and significant reporting errors, including the necessary actions GAMD staff need to take when confronted with these issues. In addition, the Acquisition Management Division (AMD) at NIST, in response to ARRA, issued seven Standard Operating Procedures (SOP) in May and June 2009 to ensure AMD's compliance with the review and reporting requirements in ARRA. The SOPs have been reviewed and revised as needed when new guidance is issued by the Department or OMB. AMD's SOPs also include the definition of material omissions and significant reporting errors and the necessary action to be taken by AMD staff.

In order to ensure that the recipient's primary place of performance is captured for *usaspending.gov*, NIST has added the primary place of performance data field in its GMIS. This will mitigate any risk of inconsistencies between the data in *federalreporting.gov* and the data in *usaspending.gov*.

Due to the small size of the workload related to BTOP grants, NIST is not pursuing an automated means of reviewing the data at this time. NIST had hired seven contractors to work solely on ARRA awards. With this additional staff, the data review in *federalreporting.gov* will be more accurate since there is a small workload per staff member. If it is determined that subsequent rounds of BTOP awards will increase the workload to a point where there could be a risk of failure to validate the data, then an automated system will be considered. Currently, an automated system other than *federalreporting.gov* is not needed.

AMD also supports EDA and the National Technical Information Service (NTIS) with contracting services increasing the workload for AMD staff. Neither EDA nor NTIS has its own contracting staff. Due to the tremendous workload in FY 2010, AMD has awarded a contract for contract support for ARRA projects.

NTIA is in the process of finalizing integrated and responsive systems, tools, and technical assistance resources that will assist the recipients, BTOP staff, and NOAA/NIST to report and track projects. These systems include Grants Online, GMIS, the Management Dashboard Tool (MDT), the Correspondence Tracker, and the Post Award Monitoring System (PAM). NTIA also established a link on each grant Web page to post performance reports. The Grants Online and GMIS systems, used by NOAA and NIST respectively, allow NOAA and NIST to manage and administer grants and will be accessible by recipients and program staff through a PAM interface. PAM, launched in July 2010, serves as a workspace and database that houses document libraries for most recipient data and will enable the transfer of files between recipients and the BTOP Program Office. MDT was delivered in March 2010 and provides recipient-specific program and portfolio views of grant status for use by BTOP senior leadership and program management. Program staff will also be able to use MDT as a monitoring tool that synthesizes information from various databases into a single user interface. The Correspondence Tracker was used in pre-award and will be leveraged for tracking post-award communications as well. During final development and implementation, manual procedures are in place to support staff in fulfilling post award responsibilities.

### **Challenge 5: USPTO – Address the Patent Office's Resource and Process Issues**

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One of USPTO's strategic goals and USPTO's High Priority Performance Goal identifies USPTO's commitment to reducing the backlog of unexamined patent applications. USPTO must reduce the time it takes for first action and final action on a patent application below the respective FY 2009 levels of 25.8 months and 34.6 months by the end of FY 2011. More importantly, USPTO will reduce the backlog of unexamined patents below the FY 2009 level of 735,961 by the end of FY 2011. There are a number of challenges involved, including application filings which may be largely driven by the economy, improvements in process efficiencies, and the hiring of new examiners.

The following activities either have been or will be implemented to meet the management challenges to reform the patent application process, update IT systems, and reduce pendency:

- USPTO and its patent professional employee union have agreed to a new production crediting system that places its emphasis on complete and thorough initial examination, decreases redundancy, and encourages quicker resolution of issues in the patent application process. This fundamental design is aimed at improving quality and reducing rework, thereby resulting in a decrease in the application backlog and pendency.
- USPTO proposed a new patent examination initiative that will provide applicants greater control over the speed with which their applications are examined and promote greater efficiency in the patent examination process, thus allowing USPTO to deploy its resources to better meet the needs of innovators. Under the Three-Track initiative, an applicant may request: Track I: prioritized examination within 12 months; Track II: traditional examination under current procedures; or Track III: an applicant-controlled delay for up to 30 months prior to docketing for examination.
- USPTO is re-engineering its quality management program from top to bottom to focus on improving the process for obtaining the best prior art, as well as on improving the quality of the initial application and the entire examination and prosecution process. USPTO published requests for comments and conducted two public roundtable meetings soliciting input from the public with respect to methods that may be employed by applicants and USPTO to enhance the quality of issued patents, to identify appropriate indicia of quality, and to establish metrics for the measurement of the indicia. Based upon the inputs gathered, USPTO, in conjunction with Patent Policy Advisory Committee is now in the process of developing new quality metrics to be implemented in FY 2011. A key objective in the design of these new metrics is to place emphasis on monitoring quality at each major step in the prosecution and examination processes in order to reduce duplication of work and to increase examination efficiency and quality, and thereby reduce pendency.
- USPTO plans to hire, train, and retain highly skilled and diverse examiners. While continuing to draw candidates from traditional sources, it is expected that including IP experienced hires will assist in developing a balanced workforce, a lower attrition rate, and a faster transition to productivity for new hires. Recruiting candidates having significant IP experience will lead to a reduced training burden and increased ability to examine applications much sooner than a traditional hire.

Additional management challenges include funding authority that sustains operations on a multi-year basis and takes into account revenue fluctuations and the need to better align fees to costs. USPTO strategic goals cannot be achieved without a reliable and sustainable source of funding. To accomplish these goals USPTO must have the authority to set the fees necessary to recover the cost of operations, to spend fees collected on requirements-based operations, and to adapt and manage its funding requirements as changes occur in internal and external conditions.

USPTO does not have sufficient resources to reduce the patent application backlog and achieve the stated pendency goals without an increase in funding. The Agency is seeking legislative authority to implement an interim increase in patent fees to recover the cost of operations as defined in its requirements-based budgets. The interim fee increase is a bridge to provide the required resources until USPTO obtains fee-setting authority and develops a fee structure in cooperation with its stakeholders that will provide sufficient financial resources to support its multi-year performance goals and objectives. USPTO must have a means to ensure a sufficient and predictable revenue stream year over year. A temporary interim fee increase will not accomplish that goal.

## OTHER ISSUES REQUIRING SIGNIFICANT MANAGEMENT ATTENTION

**Centralized Management and Oversight**

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**NOTE:** *This Management Challenge crosses multiple functional boundaries within the Office of the Secretary. It would be inappropriate for OAM to answer on behalf of other offices within the Office of the Secretary, or for the CFO/Assistant Secretary for Administration (ASA).*

Provided below is a discussion of efforts to address this challenge within the context of the Acquisition and Grants functional areas.

**Stakeholder Perspective**

- Some acquisition customers are often confused by differing process requirements imposed by different Department Acquisition offices.
- Some acquisition customers are perplexed by differing customer service levels provided by differing Department Acquisition offices.
- Senior Departmental managers have differing perspectives on the roles and responsibilities of OAM.

**Background**

While the Department Senior Procurement Executive has responsibility for Departmental acquisitions and grants, she has extremely limited authority over the offices or employees who conduct these actions. This makes it difficult to implement Departmental initiatives desired by senior management. Bureau Acquisition and Grant offices report to bureau managers, not to the Department Senior Procurement Executive.

Acquisition service delivery and related customer service standards are similarly difficult to manage from a Departmental perspective. Because of her lack of authority over Department Acquisition and Grant offices, Bureau Acquisition and Grant office managers operate autonomously.

**Actions Taken**

OAM has contracted with the Logistics Management Institute to perform an acquisition improvement study to evaluate all aspects of the Department acquisition system and make appropriate recommendations. Part of their task is to evaluate and recommend an appropriate organizational and functional structure that can better meet Department needs.

**Major Systems Acquisitions**

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On June 18, 2010 Secretary Locke directed then Deputy Secretary Hightower and General Counsel Cameron Kerry to spearhead an immediate and comprehensive review of the acquisition processes across the Department. In his directive, he requested an evaluation of the current acquisition process to determine lessons learned, identify problems and inefficiencies with the current processes and implement best practices to ensure that effective processes are in place.

The Acquisition Council, chaired by Scott Quehl, CFO and Assistant Secretary for Administration, is leading this effort. In July 2010, the Department engaged LMI, a government consulting firm, to undertake an Acquisition Improvement Study. As part of the study

and overall improvement effort, the Department is focused on improvements in several critical areas, including but not limited to, requirements development, planning, workforce, and leveraging of spending across the Department.

### **Contracts and Grants Management Workforce**

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Acquisition and contract management has been a consistent watch list item for IGs and the Government Accountability Office (GAO), as related government spending has ballooned in recent years. Spending on contracts government-wide, for example, has more than doubled since 2000, from \$208 billion to \$538 billion in FY 2009, while the federal acquisition workforce has remained fairly constant. Roughly the same number of skilled professionals now oversees more than twice as many federal contract dollars as they did nine years ago, and the projects they support have greatly increased in complexity and risk. Shortfalls and failures in major systems acquisitions are all too common in federal programs. Contracts of all sizes and complexity are at risk for fraud and waste because of poor oversight and lax controls.

In FY 2009, implementation of the ARRA significantly increased the workload of the Department Acquisition and Grants workforces, straining an already over-burdened workforce to the breaking point.

FY 2010 has seen even further increases in both the amount and complexity of work required of the Acquisition and Grants workforces. OMB and Congressional requests for data, the submission of new reports, and other measures intended to increase transparency all consume available time and resources. Little of the data required to respond to these requests is available within existing information management systems. Without additional management support and resources, it is likely that the quality and timeliness of support provided to the Department by its operational contracting and grants offices will decline.

### ***Actions Taken***

Department Acquisition and Grants offices have worked closely with the Office of Human Resources Management (OHRM) to attract and hire additional employees, employing a variety of hiring authorities. All appropriate authorities (Direct Hire, Rehired Annuitants, Veteran Rehabilitation Act, etc.) are being utilized to bring contract specialists on board. The Department continues to struggle, as do other federal agencies, to identify and bring on board qualified candidates.

With the assistance of OHRM, OAM completed actions establishing a Department Federal Acquisition Intern program to attract and hire new employees into the Department acquisition workforce. The program developed was modeled after the Department's highly successful Financial Management Intern program, administered by the Office of Financial Management. This initiative is deemed essential to building the future acquisition workforce of the Department. Implementation of this initiative was planned for FY 2010; however, funding constraints precluded participation in this program by any Department bureaus. If additional funding is provided in FY 2011, OAM will again attempt to initiate a Federal Acquisition Intern program at the Department. OAM also completed the following actions:

- Updated and published the Commerce Acquisition Regulation, which establishes uniform acquisition policies and guidance that implement and supplement the Federal Acquisition Regulation;
- Prepared and disseminated acquisition guidance to enhance processes to more effectively execute and administer contracts such as Procurement Memoranda, Commerce Acquisition Manual (CAM) Chapters and a Department Administrative Order;
- Revised the Acquisition Career Management program to update training and certification requirements of the Federal Acquisition Certification programs for Contracting Officer Representatives (COR) to include the role of Task Manager and to emphasize the need to appoint CORs during the first stage of the acquisition planning process as they are key members of the acquisition team;

- Provided classroom and online training opportunities to the acquisition workforce for 21 different competency areas;
- Established guidance to define requirements and processes for certification under the Federal Acquisition Certification program for program/project managers, including those managing ARRA-funded projects;
- Provided policy and guidance for planning, awarding, and administering contractual actions and/or processing or administering interagency acquisitions involving funding provided in whole or in part under the ARRA;
- Provided guidance to ensure contracting offices conducted appropriate outreach activities and offered assistance to recipients of ARRA-funded contracts in meeting their reporting requirements, and tools to help contractors reduce the risk of miscoding or omitting required ARRA data;
- Developed an Acquisition Human Capital Plan which identifies the long-term recruitment, retention, and development needs of the acquisition workforce and a strategic action plan to address them;
- Revised the CAM chapter on the Purchase Card program to reflect best practices in oversight, including limiting card limits in excess of the micro-purchase limit to those individuals holding a Level I Contracting Officer warrant, establishing a formal oversight process, conducting oversight reviews, and utilizing the automated oversight tools available under the SmartPay2 contract and task order. Enhanced purchase card oversight to enable automated notifications to purchase card holders and their supervisors of any duplicate or split purchases. Awarded a task order to have a contractor conduct regular purchase card oversight reviews; and
- Conducted Acquisition Management Reviews to evaluate the effectiveness and efficiency of the contracting offices and provided suggestions to improve any noted weaknesses or deficiencies. These are the first such reviews performed in over 10 years.

As of August 26, 2010, a total of 1508 CORs, and 47 program/project managers have completed the requirements established in CAM chapter 1301.670 *Contracting Officer Representative Certification Program*, and CAM chapter 1301.671 *Program/Project Manager Certification Program* and have received Federal Acquisition Certification.

But success in these efforts will not be enough to improve the Department's overall acquisition operations without commensurate success in hiring and retaining a qualified acquisition workforce. The pool of applicants for these jobs is not large, and the looming retirement of some 50 percent of the current federal acquisition workforce over the next 10 years may well push shortages beyond the critical point. Working jointly, OAM and OHRM have developed a comprehensive human capital strategy that (1) taps into all available recruiting initiatives, (2) explicitly defines what acquisition skills and competencies are needed and how they will evolve over the short and long-term, and (3) offers professional development and other incentives to attract and keep qualified candidates.

But even if all of these measures succeed in attracting qualified candidates, the Department's Acquisition and Grants offices are limited in the number of employees they can hire by budgetary restrictions, and in NOAA's case, a statutory cap on overhead. While acquisition and grants processes can be continually improved, and current employees trained to acquire additional knowledge, the simple fact remains that the workforce has reached the point of workload saturation, and additional employees are required if the Department is to meet presidential mandates to improve the quality and effectiveness of the acquisitions and grants it awards and administers.

An important clarification that merits discussion is the OIG's statement that more than 1,500 Department employees hold certification in various acquisition positions, and more than 800 employees are included in the grants workforce. It must be noted that this number includes Department employees who work in program offices, developing requirements, and overseeing contract and grant performance. It does not reflect the true size of the workforce challenged to prepare, award, and administer



contracts and grants valued in billions of dollars annually. This much smaller workforce consists of only 263 employees working in Department Acquisition offices and 172 employees working in Department Grants offices.

### NOAA Headquarters Leadership Structure

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NOAA headquarters proposed a reorganization of senior leadership to: (1) streamline decision-making and increase accountability, and (2) to clearly delineate authority and responsibilities. Under the proposed reorganization, the three key functions of the Agency—conservation and management, environmental observation and prediction, and research and education—align directly to the two Assistant Secretaries and the Chief Scientist to ensure comprehensive policy development around these mission requirements. On December 11, 2009, Congress approved the reorganization proposal, and on July 14, 2010, the Department approved the Department Organization Order, the final step in the reorganization process.

The reorganization created the Principal Deputy Under Secretary for Oceans and Atmosphere, who focuses on implementing priorities across NOAA. NOAA now has two Assistant Secretaries: the Assistant Secretary for Conservation and Management who drives policy and programs related to stewardship responsibilities, and the Assistant Secretary for Environmental Observations and Predictions who will drive policy and programs related to observation capabilities and environmental data. In addition, the Chief Scientist position, which existed in past Administrations, has been recreated. Two additional key positions were also created: (1) the Director of Policy who will ensure better integration of the Under Secretary's policy and budget priorities, and (2) the Deputy Assistant Secretary for International Fisheries who will bridge the offices of NMFS and International Affairs and who will lead international fishery negotiations. Finally, the Deputy Under Secretary for Oceans and Atmosphere has been renamed as Deputy Under Secretary for Operations and will have authority to oversee NOAA operations critical to the Agency's management responsibilities and mission execution. The new structure allows for greater leadership-level attention on policy priorities and reduces the number of direct reports to the Under Secretary from 28 to 6, vastly improving efficiency at the highest levels.

As a result of these changes, NOAA has already experienced improved strategic guidance and leadership direction. The Assistant Secretary for Conservation and Management has played a key role in the Deepwater Horizon Spill Response, particularly related to gathering and communicating scientific information—one of NOAA Administrator Dr. Lubchenco's priorities for the Agency. In addition, the Ocean Policy Task Force is about to release its final recommendations. The Director of Policy, Assistant Secretaries, Chief Scientist, and others will be critical for ensuring NOAA engages fully in interagency coordination and coastal and marine spatial planning nationwide. Another strategic priority for NOAA—strengthening science across the Agency—will be overseen by the Chief Scientist.

NOAA also recently hired a new Assistant Administrator for NMFS. The Assistant Administrator has been instrumental in taking steps to improve NOAA enforcement efforts and relations with fishermen, particularly in the Northeast Region—the focus of the two recent OIG reports.

**Scientific Methods of the Northeast Fisheries Science Center.** The first report examined the quality of the science used to determine catch limits for New England commercial fisheries. Overall the Northeast Fisheries Science Center (NEFSC) was found to meet the “best available science” requirements of the Magnuson-Stevens Fishery Conservation and Management Act, but the report noted the industry's underlying lack of confidence in NOAA science in the Northeast Region. Therefore, the report recommendations focused on what NOAA can do to improve its relationship with the fishing industry.

To enhance the participation of the Northeast groundfish industry in the fisheries management process, the OIG recommended NMFS incorporate data from scientifically rigorous industry-based surveys into fishery management. In response, NEFSC assisted with the peer review of one such survey, the Northeast Area Monitoring and Assessment Program, conducted by the Atlantic States Marine Fisheries Commission. NEFSC is working with the survey managers to ensure that these data are available for stock assessments and to find permanent, secure funding for this work. NEFSC also continues to expand the use of electronic logbooks and to pilot electronic trip reporting to improve submission efficiency and timeliness of fishermen's catch data used by managers.

The OIG also saw the benefits of NEFSC's cooperative research program to the fishing industry and recommended that this effort be enhanced. Since that time, NEFSC has developed a five-year strategic plan with industry. The program's current focus is creating a gear technology network involving both academic scientists and industry to develop ways of fishing more efficiently and selectively.

In addition, the OIG recommended improved communication with industry through formal education, a better Web site, and improved outreach. NEFSC continues to provide instructors and speakers for the region's Marine Research Education Program. This is a classroom-based project for fishing professionals intended to foster leadership, break down historical barriers to cooperation, forge new areas of involvement for fishermen in the regulatory system, and fully engage the industry in the development of best available science.

**Review of NOAA Fisheries Enforcement Programs and Operations.** The second report on NOAA enforcement activities—requested by the Under Secretary—echoed the message of NOAA needing better communication and fair engagement with the fishing community. As a result of the OIG finding, NOAA has taken decisive action to control enforcement funds, create new regulations to justify penalty assessments, and freeze hiring until a detailed workforce analysis is completed, all in an effort to restore trust in this region. In addition, the Office of External Affairs Director—another new position in NOAA headquarters—has created a communications plan that aims to increase NOAA's transparency and rapport with fishermen, increase the frequency and improve the quality of interactions among fishermen and NOAA enforcement officers, increase public knowledge and understanding of fisheries and other regulations, and promote the biological and financial benefits of sustainable fishing. Of note, NOAA will hold a summit on law enforcement practices on August 3, 2010, to openly discuss these issues with the community.

NOAA is committed to improving relationships with fishermen, particularly in the Northeast Region, as a means to achieving a balance between conservation and commercial fishing. The improved management structure at NOAA headquarters has already allowed the Agency to promptly address the issues raised in the two IG reports and to engage with the fishery to address current issues. NOAA staff at all levels will continue to take steps to improve transparency and build trust with fishermen nationwide as an important component of sound fisheries management.

Specific actions related to the report on the Scientific Methods of the Northeast Fisheries Science Center:

- Both the Northeast Area Monitoring and Assessment Program survey and the Maine-New Hampshire survey are now conducted twice per year, complementing the NEFSC bottom trawl surveys by collecting data in coastal areas too shallow for the FSV HENRY B. BIGELOW—one of NMFS's primary fishery research vessels in the region.
- Cooperative research efforts, following successful development of a haddock excluder trawl for larger vessels through the program, field tested two smaller excluder trawls and a 500 horsepower-scaled excluder net built and made available for trial aboard southern New England vessels.
- In a project designed to address industry interest in better survey data for flatfish species, four southern New England vessels are testing survey nets designed to fish on rocky habitats. Three cruises were conducted in 2009, and two more are set for 2010. The results will help determine whether a regular, specialized survey for flatfishes is needed to improve data used for stock assessments.
- To improve education and outreach, NOAA has created a specialized Web site for groundfishermen and a newsletter for that industry sector; held telephone and in-person town meetings; appeared on local seafood-oriented radio programs; and conducted an extensive educational effort using small group instruction, hotlines, webinars, and conference calls to ensure understanding of new reporting and monitoring requirements. A revamped NEFSC Web site is expected to deploy in the fall of 2010.

Highlights of progress made related to the Review of NOAA Fisheries Enforcement Programs and Operations:

- The process for setting enforcement priorities will be completed in summer 2010 as scheduled and will be discussed during the August Enforcement Summit. The Enforcement Summit will provide a venue to gather stakeholder recommendations related to priority setting and approaches to enforcement services.
- On February 3, 2010, NOAA implemented a hiring freeze imposed on Special Agent positions, which remains in place. The workforce analysis team has been created and has completed their analysis phase. The team has prepared draft recommendations that continue to undergo refinement and internal review.
- In updating the National Enforcement Operation Manual, the NMFS Office of Law Enforcement is reviewing other agencies' approach to regulatory enforcement and has initiated initial document collection.
- The Office of General Counsel for Enforcement and Litigation is integrating their new electronic information system with the Office of Law Enforcement's electronic law enforcement information system. The interim combined monthly report was completed by July 7, 2010 on schedule. Going forward, the Office of Law Enforcement has contracted services to create the interface between the two systems.

### Department Headquarters Renovation

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Because of the scale of the Herbert C. Hoover Building (HCHB) Renovation Project, the renovation has the potential to disrupt Department operations and affect its workforce. Accordingly, the Department is working with the GSA to ensure the renovation is completed on time, within budget, and free of fraud.

As the renovation progresses, the OIG will continue oversight of the project management including coordination with GSA National Capital Region's IG and Public Buildings Services, Commerce's Office of Administrative Services, and the primary construction contractor (Gilbane-Grunley Joint Venture). The OIG completed its initial report and findings on the management of the HCHB Renovation Project on August 5, 2010. The Office of Administrative Services is working on a remediation plan to the OIG's recommendations regarding GSA Reimbursable Work Authorizations tracking process and a formal HCHB rent agreement between GSA and the Department.

The Department has instituted a balanced scorecard as a strategic and management system. The HCHB renovation is part of this scorecard. This will align the renovation project to the Department's vision and strategy, improve internal and external communications, and monitor performance against its strategic goals. The balance scorecard will view the HCHB Renovation Project from four perspectives:

- Financial;
- Schedule;
- Scope – changes from the baseline; and
- Customer – disruptive incident.

Continued interactions with the Department and GSA will continue throughout the project.

**IMPROPER PAYMENTS INFORMATION ACT (IPIA) OF 2002,  
AS AMENDED, REPORTING DETAILS**

**I**PIA of 2002, as amended by the Improper Payments Elimination and Recovery Act of 2010, was enacted to provide for estimates and reports of improper payments by federal agencies. The act requires that federal agencies estimate improper payments and report on actions to reduce them. A review of all programs and activities that the Department administers is required annually to assist in identifying and reporting improper payments. The Department has not identified any significant problems with improper payments; however, the Department recognizes the importance of maintaining adequate internal controls to ensure proper payments, and the Department's commitment to continuous improvement in the overall disbursement management process remains very strong. Each of the Department's payment offices has implemented procedures to detect and prevent improper payments. For FY 2011 and beyond, the Department will continue its efforts to ensure the integrity of its disbursements.

**I. Briefly describe the risk assessment(s) performed subsequent to completing its full program inventory. List the risk-susceptible programs (i.e., programs that have a significant risk of improper payments based on Office of Management and Budget (OMB) guidance thresholds) identified through its risk assessments. Be sure to include the programs previously identified in the former Section 57 of OMB Circular A-11, *Preparation, Submission, and Execution of the Budget* (now located in OMB Circular A-123, Appendix C, *Requirements for Effective Measurement and Remediation of Improper Payments*). Please highlight any changes to its risk assessment or its risk assessment results that occurred since its last report.**

The Department annually conducts an assessment of the effectiveness of internal control over financial reporting, in compliance with OMB Circular A-123, *Management's Responsibility for Internal Control*. The FY 2010 assessment included a review of internal controls over disbursement processes, which indicated that current internal controls over disbursement processes are sound.

Each of the Department's bureaus/reporting entities have completed or are performing, over a one to three-year period (depending on the size of the entity), improper payments risk assessments covering all of its programs/activities as required by OMB Circular A-123, Appendix C. These improper payments risk assessments of the entity's programs/activities also include assessments of the corporate control, procurement, and grants management environments, and will thereafter be updated or revised on a periodic basis. The improper payments program/activity risk assessments performed thus far revealed no risk-susceptible programs.

The results of Departmental assessments revealed no risk-susceptible programs, and demonstrated that, overall, the Department has strong internal controls over disbursement processes, the amount of improper payments by the Department is immaterial, and the risk of improper payments is low.

**II. Briefly describe the statistical sampling process conducted to estimate the improper payment rate for each program identified. Please highlight any changes to its statistical sampling process that have occurred since the last report in this section.**

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In FY 2010, the Department conducted a sampling process to draw and review random samples of disbursements greater than \$100 thousand from a Department-wide universe of disbursements. Grants, travel payments, bankcards/purchase cards, all procurement vehicles with other federal agencies, government bills of lading, and gifts and bequests were excluded from review. Each selected sample item was then subjected to a review of original invoices and supporting documentation to determine that the disbursement was accurate, made only once, and that the correct vendor was compensated. The results of the Department's review did not reveal any significant improper payments. The same results were achieved following a similar review in FY 2009. An estimated improper payment rate, accordingly, was deemed not necessary.

**III. Describe the Corrective Action Plans (CAP) for reducing the estimated rate and amount of improper payments for each type of root cause of error. Include in this discussion the corrective action(s) most likely to significantly reduce future improper payments due to each type of error an agency identifies. If efforts are ongoing, it is appropriate to include that information in this section, and to highlight current efforts, including key milestones.**

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The results of Departmental assessments demonstrate that, overall, the Department has strong internal controls over disbursement processes, the amount of improper payments by the Department is immaterial, and the risk of improper payments is low. While the Department, accordingly, does not have a need for CAPs for improper payments, the Department has, nevertheless, further enhanced its processes and is actively working with each of the Department's payment offices to identify and implement additional procedures to prevent and detect improper payments. In FY 2010, the Department continued with the bureaus' quarterly reporting of any improper payments to the Deputy Chief Financial Officer (CFO), along with identifying the nature and magnitude of any improper payments and identifying any necessary control enhancements.

The Department has additionally reviewed all financial statement audit findings/comments, and results of any other payment reviews, for indications of breaches of disbursement controls. None of these audit findings/comments or reviews have uncovered any significant problems with improper payments or the internal controls that surround disbursements.

**IV. Discuss payment recapture audit efforts, if applicable, including any contract types excluded from review and the justification for doing so; actions taken to recoup improper payments; and the business process changes and internal controls instituted and/or strengthened to prevent further occurrences.**

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In May 2010 and October 2010, payment recapture audits were completed for the Bureau of Industry and Security (BIS), and for the National Technical Information Service (NTIS). Contracts/obligations closed after September 30, 2005 greater than \$100 thousand were reviewed. Grants, travel payments, bankcards/purchase cards, all procurement vehicles with other federal agencies, government bills of lading, and gifts and bequests were excluded from review. The Department determined that, for the above categories of closed contracts/obligations that were excluded from review, the Department's costs for the payment recapture audit activities would likely exceed the benefits of a payment recapture audit. Vendor inquiries were performed for a sample of vendors to determine if the reporting entities had any open credits or debts with vendors. Of the \$11.6 million reviewed, \$6 thousand was identified for payment recapture. The following table presents a summary of the results of the Department's current year (CY) and prior years (PY) payment recapture audits.

(In Thousands)

Reporting Entity(s)	Amount Subject to Review for CY Reporting	Actual Amount Reviewed for CY Reporting	Amounts Identified for Payment Recapture for CY Reporting	Amounts Recaptured for CY Reporting	Amounts Identified for Recapture in PYs Reporting	Amounts Recaptured in PYs Reporting	Cumulative Amounts Identified for Recapture (CY and PYs Reporting)	Cumulative Amounts Recaptured (CY and PYs Reporting)
BIS	\$ 3,746	\$ 3,181	\$ -	\$ -	N/A	N/A	\$ -	\$ -
NTIS	\$ 9,603	\$ 8,402	\$ 6	\$ -	N/A	N/A	\$ 6	\$ -
EDA/S&E, and ITA	N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -
DM/S&E, DM/WCF, and ESA/BEA	N/A	N/A	N/A	N/A	\$ -	\$ -	\$ -	\$ -
Census Bureau, NIST, NOAA, and USPTO	N/A	N/A	N/A	N/A	\$ 96	\$ 96	\$ 96	\$ 96

**V. Describe the steps the agency has taken and plans to take (including time line) to ensure that agency managers (including the agency head) are held accountable for reducing and recovering improper payments.**

The Department has not identified any significant problems with improper payments; however, the Department recognizes the importance of maintaining adequate internal controls to ensure proper payments, and its commitment to continuous improvement in disbursement management processes remains very strong. The Department's CFO has responsibility for establishing policies and procedures for assessing Departmental and program risks of improper payments, taking actions to reduce those payments, and reporting the results of the actions to Departmental management for oversight and other actions as deemed appropriate. The CFO has designated the Deputy CFO to oversee initiatives related to reducing improper payments within the Department, and to work closely with the bureau CFOs in this area.

In FY 2010, the Department continued its reporting procedures that required quarterly reporting to the Department by its bureaus on any improper payments, identifying the nature and magnitude of any improper payments along with any necessary control enhancements to prevent further occurrences of the types of improper payments identified. The Department's analysis of the data collected from the bureaus shows that Department-wide improper payments were at or below two-tenths of one percent in FY 2010 and FY 2009. The bureau CFOs are accountable for internal controls over improper payments, and for monitoring and minimizing improper payments.

For FY 2011 and beyond, the Department will continue its efforts to ensure the integrity of its disbursements.

**VI. Describe whether the agency has the information systems and other infrastructure it needs to reduce improper payments to the levels the agency has targeted.**

The Department has ensured that internal controls, manual, as well as financial system, relating to payments are in place throughout the Department, and has reviewed all financial statement audit findings/comments and results of any other payment reviews for indications of breaches of disbursement controls. None of these audit findings/comments or reviews have uncovered any significant problems with improper payments or the internal controls that surround disbursements.

**VII. Describe any statutory or regulatory barriers which may limit agency corrective actions in reducing improper payments and actions taken by the agency to mitigate the barriers' effects.**

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The Department has not identified any significant barriers to-date, but will notify OMB and Congress of any barriers that inhibit actions to reduce improper payments if they occur.

**VIII. Additional comments, if any, on overall agency efforts, specific programs, best practices, or common challenges identified, as a result of IPIA implementation.**

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The Department's Disbursement Best Practices. The following are some examples of internal control procedures used by the Department's payment offices:

- Limited/controlled access to vendor files—access to basic vendor information (e.g., name, address, business size, etc.) is available to financial system users; access to banking information, however, is strictly limited by system security to certain Office of Finance staff.
- Controlled access to financial system accounts payable screens—authority to create, edit, approve, process, and amend payment records is limited to certain Office of Finance financial system users. Also, authority to add or revise records in the vendor database is limited to separate Office of Finance system users.
- Segregation of duties for financial system data entry and review prior to transmitting disbursement files to Treasury—data entry duties are assigned to technicians in the Office of Finance who do not have authority to review and process payments. Authority to approve and process payments is assigned to accountants in the Office of Finance. Both data entry and approval/processing of payments are separate functions from transmitting disbursement files to Treasury.
- Financial system edit reports highlight potential items that may result in improper payments (e.g., invoice amount and accrual amount are not the same). There is a daily Invoice Workload Report that displays open amounts (not closed by a payment) on all invoices. This report is reviewed and action is taken to resolve partially open invoices. Furthermore, system settings prevent a payment in excess of the amount of the invoice.
- Daily pre-payment audit of invoices for accuracy, and corrective actions prior to disbursement, thereby preventing improper payments from occurring.
- Financial system edit checks if the vendor's name on the payment does not agree with that on the obligation, or if the payment amount is greater than the obligation or accrual amount.
- The monthly vendor statement for purchase cards is interfaced into the financial system, thereby reducing data entry error.
- An accountant or supervisor reviews individual payments before releasing for payment, to help ensure that the correct banking information or payment addresses are used, and that the correct amount will be paid.
- Monthly post-payment random sample audits are performed for detection purposes.
- Contracts include a clause requiring the contractor to notify the contracting officer if the government overpays when making an invoice payment or a contract financing payment.

## SUMMARY OF FINANCIAL STATEMENT AUDIT AND MANAGEMENT ASSURANCES

**P**resented below is a summary of financial statement audit and management assurances for FY 2010. Table 1 relates to the Department's FY 2010 financial statement audit, which resulted in an unqualified opinion with no material weaknesses. Table 2 presents the number of material weaknesses reported by the Department under Section 2 of the Federal Managers' Financial Integrity Act (FMFIA)—either with regard to internal controls over operations or financial reporting—and Section 4, which relates to internal controls over financial management systems; as well as the Department's compliance with the Federal Financial Management Improvement Act (FFMIA).

The Department had one recurring material weakness under FMFIA, Section 2 relating to information technology (IT) certification and accreditation (C&A). Because of the significant progress that has been made in this area, this material weakness is considered resolved. IT security will, however, continue to receive focused attention internally due to its importance to the Department and its operating units.

**Table 1. Summary of Financial Statement Audit**

<b>Audit Opinion:</b>	• Unqualified
<b>Restatement:</b>	• No

  

Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Ending Balance
No Material Weaknesses	0	0	0	0	0
<b>Total Material Weaknesses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 2. Summary of Management Assurances**

EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING (FMFIA § 2)						
<b>Statement of Assurance:</b>	Unqualified					
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
No Material Weaknesses	0	0	0	0	0	0
<b>Total Material Weaknesses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
EFFECTIVENESS OF INTERNAL CONTROL OVER OPERATIONS (FMFIA § 2)						
<b>Statement of Assurance:</b>	Qualified					
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
IT Certification and Accreditation	1	0	1	0	0	0
<b>Total Material Weaknesses</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
CONFORMANCE WITH FINANCIAL MANAGEMENT SYSTEM REQUIREMENTS (FMFIA § 4)						
<b>Statement of Assurance:</b>	Systems conform with financial management system requirements					
Non-Conformances	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
No Non-Conformance Issues	0	0	0	0	0	0
<b>Total Non-Conformances</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
COMPLIANCE WITH FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT (FFMIA)						
	Agency			Auditor		
Overall Substantial Compliance	Yes			Yes		
1. System Requirements				Yes		
2. Accounting Standards				Yes		
3. USSGL at Transaction Level				Yes		



## GLOSSARY OF KEY ACRONYMS

ABBREVIATION	TITLE	ABBREVIATION	TITLE
<b>A</b>	<b>ACS</b> American Community Survey	<b>CIRT</b> Computer Incident Response Team	
	<b>ACSI</b> American Customer Satisfaction Index	<b>CNST</b> Center for Nanoscale Science and Technology (NIST)	
	<b>AD</b> Antidumping	<b>COOL</b> Commerce Opportunities Online	
	<b>ADP</b> Automated Data Processing	<b>COOP</b> Continuity of Operations Plan	
	<b>AHS</b> American Housing Survey	<b>COTR</b> Contracting Officer Technical Representative	
	<b>AML</b> Advanced Measurement Laboratory (NIST)	<b>CPD</b> Coastal Programs Division	
	<b>APP</b> Annual Performance Plan	<b>CPI</b> Consumer Price Index	
	<b>ARRA</b> American Recovery and Reinvestment Act of 2009	<b>CPS</b> Current Population Survey	
	<b>ASAP</b> Automated Standard Application for Payments	<b>CRADA</b> Cooperative Research and Development Agreements	
	<b>ATP</b> Advanced Technology Program (NIST)	<b>CSRS</b> Civil Service Retirement System	
	<b>ATS</b> Annual Trade Survey	<b>CSTL</b> Chemical Science and Technology Laboratory (NIST)	
	<b>AWIPS</b> Advanced Weather Interactive Processing System	<b>CVD</b> Countervailing Duty	
		<b>CWC</b> Chemical Weapons Convention	
<b>B</b>	<b>BAS</b> Boundary and Annexation Survey	<b>CWCIA</b> CWC Implementation Act	
	<b>BDC</b> Business Development Centers (MBDA)	<b>CZM</b> Coastal Zone Management (NOAA)	
	<b>BEA</b> Bureau of Economic Analysis	<b>CZMA</b> CZM Act	
	<b>BIS</b> Bureau of Industry and Security	<b>CZMP</b> CZM Program	
	<b>BLS</b> Bureau of Labor Statistics		
	<b>BNQP</b> Baldridge National Quality Program	<b>D</b>	
<b>C</b>	<b>CAMS</b> Commerce Administrative Management System	<b>DFI</b> Digital Freedom Initiative	
	<b>CBP</b> U.S. Customs and Border Protection	<b>DHS</b> U.S. Department of Homeland Security	
	<b>CCSPS</b> Climate Change Science Program Strategic Plan	<b>DM</b> Departmental Management	
	<b>CEDS</b> Comprehensive Economic Development Strategies	<b>DOJ</b> U.S. Department of Justice	
	<b>CEIP</b> Coastal Energy Impact Program (NOAA)	<b>DOL</b> U.S. Department of Labor	
	<b>CFO</b> Chief Financial Officer	<b>DOL/OLMS</b> DOL Online Labor Management System	
	<b>CFO/ASA</b> Chief Financial Officer and Assistant Secretary for Administration (OS)	<b>DPAS</b> Defense Priorities and Allocations System	
	<b>CIO</b> Chief Information Officer	<b>DSSR</b> Demographic Surveys Sample Redesign	
		<b>E</b>	
		<b>EAA</b> Export Administration Act	
		<b>EAR</b> Export Administration Regulations	
		<b>ECASS</b> Export Control Automated Support System	
		<b>EDA</b> Economic Development Administration	

APPENDIX F: GLOSSARY OF KEY ACRONYMS

ABBREVIATION	TITLE	ABBREVIATION	TITLE
<b>EDD</b>	Economic Development Districts	<b>G</b> <b>G&amp;B</b>	Gifts and Bequests (a fund that is part of DM)
<b>EEEL</b>	Electronics and Electrical Engineering Laboratory (NIST)	<b>GAAP</b>	Generally Accepted Accounting Principles
<b>EFT</b>	Electronic Funds Transfer	<b>GAO</b>	U.S. Government Accountability Office
<b>ELGP</b>	Emergency Oil and Gas and Steel Loan Guarantee Programs	<b>GDP</b>	Gross Domestic Product
<b>ENC</b>	Electronic Navigational Chart	<b>GFDL</b>	Geophysical Fluid Dynamics Laboratory (NOAA)
<b>ENSO</b>	El Niño/Southern Oscillation	<b>GLERL</b>	Great Lakes Environmental Research Laboratory
<b>EPO</b>	European Patent Office	<b>GPRA</b>	Government Performance and Results Act of 1993
<b>ESA</b>	Economics and Statistics Administration	<b>GPS</b>	Global Positioning System
<b>F</b> <b>FAIR</b>	Federal Activities Inventory Reform	<b>GSA</b>	U.S. General Services Administration
<b>FAR</b>	False Alarm Rate	<b>GSP</b>	Gross State Product
<b>FCC</b>	Federal Communications Commission	<b>GSS</b>	Geographic Support System
<b>FECA</b>	Federal Employees Compensation Act	<b>H</b> <b>HR</b>	Human Resources
<b>FEGLI</b>	Federal Employees Group Life Insurance Program	<b>HSS</b>	Heidke Skill Scores
<b>FEHB</b>	Federal Employees Health Benefit Program	<b>I</b> <b>IA</b>	Import Administration (ITA)
<b>FEMA</b>	Federal Emergency Management Agency	<b>ICANN</b>	Internet Corporation for Assigned Names and Numbers
<b>FERS</b>	Federal Employees Retirement System	<b>ICEP</b>	International Catalog Exhibition Program (ITA)
<b>FFMIA</b>	Federal Financial Management Improvement Act of 1996	<b>ICT</b>	Information and Communication Technology
<b>FICA</b>	Federal Insurance Contributions Act	<b>IDS</b>	Intrusion Detection Software
<b>FISMA</b>	Federal Information Security Management Act	<b>IFQ</b>	Individual Fishing Quota Direct Loans (NOAA)
<b>FMFIA</b>	Federal Managers' Financial Integrity Act of 1982	<b>IFW</b>	Image File Wrapper
<b>FMP</b>	Fishery Management Plan	<b>IP</b>	Intellectual Property
<b>FR</b>	Field Representative	<b>IP</b>	Internet Protocol
<b>FTA</b>	Free Trade Agreement	<b>IRAC</b>	Interdepartmental Radio Advisory Committee
<b>FTAA</b>	Free Trade Area of the Americas	<b>IRC</b>	Investment Review Committees
<b>FTE</b>	Full-Time Equivalent	<b>IRS</b>	Internal Revenue Service
<b>FVOG</b>	Fishing Vessel Obligation Guarantee Program (NOAA)	<b>ISI</b>	Institute for Scientific Information
<b>FWC</b>	Future Workers' Compensation	<b>IT</b>	Information Technology
<b>FY</b>	Fiscal-year		

APPENDIX F: GLOSSARY OF KEY ACRONYMS

ABBREVIATION	TITLE	ABBREVIATION	TITLE
<b>ITA</b>	International Trade Administration	<b>NIH</b>	National Institutes for Health
<b>ITL</b>	Information Technology Laboratory (NIST)	<b>NIPA</b>	National Income and Product Accounts
<b>ITS</b>	Institute for Telecommunication Sciences (NTIA)	<b>NIPC</b>	National Intellectual Property Law Enforcement Coordination Council
<b>ITU</b>	International Telecommunication Union	<b>NIST</b>	National Institute of Standards and Technology
<b>K</b>	<b>KSA</b> Knowledge, Skills, and Abilities	<b>NM</b>	Nautical Miles
<b>L</b>	<b>LMS</b> Learning Management System	<b>NMFS</b>	National Marine Fisheries Service (NOAA)
<b>M</b>	<b>MAF</b> Master Address File	<b>NOAA</b>	National Oceanic and Atmospheric Administration
	<b>MBDA</b> Minority Business Development Agency	<b>NOS</b>	National Ocean Service (NOAA)
	<b>MBEC</b> Minority Business Enterprise Centers (MBDA)	<b>NPV</b>	Net Present Value
	<b>MBE</b> Minority Business Enterprise	<b>NRC</b>	National Research Council
	<b>MBOC</b> Minority Business Opportunity Center (MBDA)	<b>NSRS</b>	National Spatial Reference System
	<b>MDCP</b> Market Development Cooperator Program (ITA)	<b>NTIA</b>	National Telecommunications and Information Administration
	<b>MED</b> Minority Enterprise Development	<b>NTIS</b>	National Technical Information Service
	<b>MEP</b> Manufacturing Extension Partnership (NIST)	<b>NWLON</b>	National Water Level Observation Network
	<b>MOU</b> Memorandum of Understanding	<b>O</b>	
	<b>MTS</b> U.S. Marine Transportation System	<b>OA</b>	Office of Audits (OIG)
<b>N</b>	<b>NABEC</b> Native American Business Enterprise Center (MBDA)	<b>OAM</b>	Office of Acquisition Management (OS)
	<b>NAICS</b> North American Industry Classification System	<b>OCAD</b>	Office of Compliance and Administration (OIG)
	<b>NAO</b> North Atlantic Oscillation	<b>OCS</b>	Office of Computer Services (Franchise Fund)
	<b>NAPA</b> National Academy of Public Administration	<b>OECD</b>	Organization for Economic Cooperation and Development
	<b>NASA</b> National Aeronautics and Space Administration	<b>OFM</b>	Office of Financial Management (OS)
	<b>NBS</b> National Bureau of Standards	<b>OFPP</b>	Office of Federal Procurement Policy
	<b>NCDC</b> National Climatic Data Center (NOAA)	<b>OHRM</b>	Office of Human Resources Management (OS)
	<b>NCNR</b> NIST Center for Neutron Research (NIST)	<b>OI</b>	Office of Investigations (OIG)
	<b>NERR</b> National Estuarine Research Reserve	<b>OIG</b>	Office of Inspector General (DM)
		<b>OIPE</b>	Office of Inspections and Program Evaluations (OIG)
		<b>OMB</b>	Office of Management and Budget
		<b>OPEM</b>	Office of Planning, Evaluation and Management (BIS)
		<b>OPM</b>	U.S. Office of Personnel Management

APPENDIX F: GLOSSARY OF KEY ACRONYMS

ABBREVIATION	TITLE	ABBREVIATION	TITLE
<b>OS</b>	Office of the Secretary (DM)	<b>S</b> <b>S&amp;E</b>	Salaries and Expenses
<b>OSDBU</b>	Office of Small and Disadvantaged Business Utilization (OS)	<b>S&amp;T</b>	Science and Technology
<b>OSE</b>	Office of Systems Evaluation (OIG)	<b>SAS</b>	Services Annual Survey
<b>OSM</b>	Office of Spectrum Management (NTIA)	<b>SAV</b>	Site Assistance Visits
<b>OSY</b>	Office of Security (OS)	<b>SBA</b>	U.S. Small Business Administration
<b>OTE</b>	Office of Technology Evaluation	<b>SBR</b>	Combined Statement of Budgetary Resources
<b>OTP</b>	Office of Technology Policy (TA)	<b>SCNP</b>	Consolidated Statement of Changes in Net Position
<b>P</b> <b>PALM</b>	Patent Application Location and Monitoring System	<b>SDDS</b>	Special Data Dissemination Standards
<b>PAR</b>	Performance and Accountability Report	<b>SES</b>	Senior Executive Service
<b>PART</b>	Program Assessment Rating Tool	<b>SIPP</b>	Survey of Income and Program Participation
<b>PBSA</b>	Performance-based Service Acquisitions	<b>SME</b>	Small and Medium-sized Enterprise
<b>PBSC</b>	Performance-based Service Contracting	<b>SNM</b>	Square Nautical Miles
<b>PBViews</b>	Panorama Business Views	<b>SPD</b>	Survey of Program Dynamics
<b>PKI</b>	Public Key Infrastructure	<b>SRD</b>	Standard Reference Data
<b>PMA</b>	President's Management Agenda	<b>SRM</b>	Standard Reference Materials
<b>PNA</b>	Pacific North America	<b>STEP</b>	Standard for the Exchange of Product Model Data
<b>PORTS®</b>	Physical Oceanographic Real-time System	<b>T</b> <b>3G</b>	Third Generation
<b>PP&amp;E</b>	Property, Plant, and Equipment, Net	<b>TA</b>	Technology Administration
<b>PPS</b>	Post-project Survey	<b>TAA</b>	Trade Adjustment Assistance Program (EDA)
<b>PRT</b>	Program Review Team (NOAA)	<b>TAAC</b>	Trade Adjustment Assistance Center
<b>PSV</b>	Post-shipment Verification	<b>TABD</b>	Trans-Atlantic Business Dialogue
<b>PTFP</b>	Public Telecommunications Facilities Program (NTIA)	<b>TCC</b>	Trade Compliance Center (ITA)
<b>Q</b> <b>QFR</b>	Quarterly Financial Report	<b>TECI</b>	Transshipment Country Export Control Initiative
<b>QPF</b>	Quantitative Precipitation Forecasts	<b>TIC</b>	Trade Information Center (ITA)
<b>QSS</b>	Quarterly Services Survey	<b>TIGER</b>	Topologically Integrated Geographic Encoding and Referencing System
<b>R</b> <b>R&amp;D</b>	Research and Development	<b>TIP</b>	Technology Innovation Program (NIST)
<b>RLF</b>	Revolving Loan Fund (EDA)	<b>TIS</b>	Trademark Information System
<b>ROP</b>	Reserve's Operations Plan (NOAA)	<b>TPA</b>	Trade Promotion Authority
		<b>TPC</b>	Tropical Prediction Center (NOAA)
		<b>TPCC</b>	Trade Promotion Coordinating Committee

ABBREVIATION	TITLE	ABBREVIATION	TITLE
<b>TRAM</b>	Trademark Reporting and Monitoring System	<b>V</b> <b>VCAT</b>	Visiting Committee on Advanced Technology
<b>Treasury</b>	U.S. Department of the Treasury	<b>VoIP</b>	Voice over Internet Protocol
<b>TROR</b>	Treasury Report on Receivables	<b>W</b> <b>WCF</b>	Working Capital Fund (DM)
<b>TRP</b>	Take Reduction Plan	<b>WMD</b>	Weapons of Mass Destruction
<b>TRT</b>	Take Reduction Team	<b>WTO</b>	World Trade Organization
<b>TSP</b>	Thrift Savings Plan		
<b>TVA</b>	Tennessee Valley Authority		
<b>U</b> <b>UAE</b>	United Arab Emirates		
<b>UC</b>	University Center		
<b>US&amp;FCS</b>	U.S. and Foreign Commercial Service		
<b>US/OTP</b>	Office of the Under Secretary/Office of Technology Policy (TA)		
<b>USCRN</b>	U.S. Climate Reference Network		
<b>USDA</b>	U.S. Department of Agriculture		
<b>USPTO</b>	U.S. Patent and Trademark Office		
<b>USTR</b>	Office of the U.S. Trade Representative		
<b>USWRP</b>	U.S. Weather Research Program		
<b>UWB</b>	Ultra-wideband		



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*To send comments or obtain additional information about this report, please email Bill Tatter at [btatter@doc.gov](mailto:btatter@doc.gov).*

AMERICAN JOBS, AMERICAN VALUES  
**STRATEGIC GOALS**

**GOAL 1**

Maximize U.S. Competitiveness and Enable Economic Growth  
for American Industries, Workers, and Consumers

**GOAL 2**

Promote U.S. Innovation and Industrial Competitiveness

**GOAL 3**

Promote Environmental Stewardship

**MANAGEMENT INTEGRATION GOAL**

Achieve Organizational and Management Excellence

