

Bureau of the Census

The U. S. Census Bureau serves as the leading source of quality data about the nation's people and economy. To deliver high value, the Census Bureau must target measurement on those trends and segments of our population and economy most critical to continued American success and prosperity.

The Census Bureau's FY 2005 budget request will enable it to achieve its four performance goals. The Census Bureau plans to continue its cyclical programs, which set the benchmark for critical national data. These programs include the Economic Census and the Census of Governments, conducted every five years. The gradual ramp up to the re-engineered 2010 Census will continue. The 2010 Census preparations include focusing on early testing and development efforts, improving the accuracy of map feature locations, and continuing the American Community Survey. Underlying these censuses, and assuring the continued high quality of the on-going current surveys, is the cyclical Demographic Surveys Sample Redesign activity. Samples used in the surveys are re-identified every decade after the Decennial Census to assure that they are actually representative of the American population. This is an activity the Census Bureau conducts on behalf of all federal statistical agencies with support from these agencies.

In addition to these cyclical changes in activity, the Census Bureau is requesting funding in FY 2005 to launch new program specific initiatives that will significantly improve the breadth and quality of the information it collects and provides to the country. The Census Bureau has carefully identified major segments of our economy and population that are not currently adequately measured. This gap hinders effective policy and decision-making across a broad spectrum of interests. The Census Bureau believes the investment will yield tremendous gains in understanding complex interactions affecting millions of people and jobs.

The Census Bureau is funded through the following appropriations:

The **Salaries and Expenses** appropriation provides for monthly, quarterly, and annual surveys, as well as other programs. The Census Bureau's current population and housing surveys and analysis provide detailed and integrated information on the social, demographic, economic, and housing conditions of the U.S. These programs are used for planning by both the public and private sectors.

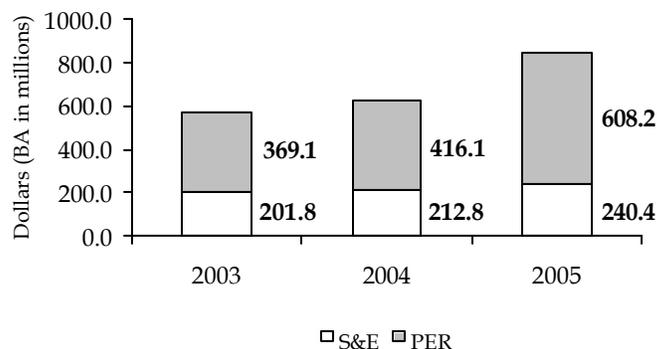
The **Survey of Program Dynamics (SPD)** was established and funded through mandatory appropriations by the Personal Responsibility and Work Opportunity Reconciliation Act of FY 1996 (P.L. 108-89, Extended). The SPD provides policy makers with socioeconomic data to evaluate the impact of the welfare reforms on recipients of assistance under State welfare programs.

The **State Children's Health Insurance Program (SCHIP)** was established and funded through mandatory appropriations by The Medicare, Medicaid and State Children's Health Insurance Program Bill (P.L. 106-113). The program will produce statistically reliable annual state data on the number of low-income children who do not have health insurance coverage. Data from the SCHIP are used to allocate funds to states based on statistics from the March Income Supplement to the Current Population Survey (CPS).

The **Periodic Censuses and Programs** appropriation funds the Decennial Census conducted every ten years, the Economic Census and the Census of Governments, which are conducted every five years, and other programs.

The **Working Capital Fund** is a non-appropriated account used to finance services within the Census Bureau. These services are more efficiently performed on a centralized basis and include reimbursable work Census performs for other Federal agencies, state and local governments, foreign governments, and the private sector.

CENSUS Funding



Summary of Appropriations

Funding Levels

	2003	2004	2005	Increase
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>(Decrease)</u>
Discretionary Appropriations				
Salaries and Expenses	\$181,810	\$192,761	\$220,425	\$27,664
Periodic Censuses and Programs	369,067	431,464	608,171	176,707
Total Discretionary Appropriation	<u>550,877</u>	<u>624,225</u>	<u>828,596</u>	<u>204,371</u>
Unobligated balance rescission, PCP	0	(15,414)	0	15,414
Permanent Appropriation				
Survey of Program Dynamics	10,000	10,000	10,000	0
State Children's Health Insurance Program	10,000	10,000	10,000	0
Budget Authority				
Salaries and Expenses	201,810	212,761	240,425	27,664
Periodic Censuses and Programs	369,067	416,050	608,171	176,707
TOTAL BUDGET AUTHORITY	<u>570,877</u>	<u>628,811</u>	<u>848,596</u>	<u>219,785</u>
FTE				
Salaries and Expenses	1,812	2,240	2,344	104
Periodic Censuses and Programs	3,076	3,313	5,114	1,801
Total, Discretionary FTE	<u>4,888</u>	<u>5,553</u>	<u>7,458</u>	<u>1,905</u>
Mandatory	192	290	290	0
Working Capital Fund	2,649	3,086	2,755	(331)
Total FTE	<u>7,729</u>	<u>8,929</u>	<u>10,503</u>	<u>1,574</u>

Highlights of Budget Changes

Appropriation: Salaries and Expenses

Summary of Requirements

	Detailed		Summary	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2004 Appropriation			2,240	\$192,761
Adjustments to Base				
Adjustments				
Full year cost of FY 2003 E-Business Initiative				655
Other Changes				
2004 Pay raise		\$3,301		
2005 Pay raise		1,543		
Payment to the Working Capital Fund		114		
Within Grade Increase		1,371		
Change in compensable day		(509)		
Civil Service Retirement System(CSRS)		(93)		
Federal Employees' Retirement System(FERS)		143		
Thrift Savings Plan		49		
Federal Insurance Contributions Act (FICA) -OASDI		61		
Health insurance		1,349		
Employees' Compensation Fund		(128)		
Travel:				
Per diem		24		
Mileage		(11)		
Rental payments to GSA		312		
Printing and reproduction		10		
Other services:				
Working Capital Fund		1,069		
CAMS		325		
General Pricing Level Adjustment:				
Transportation of things		3		
Communications, Utilities & misc.		8		
Other services		374		
Supplies and materials		19		
Equipment		15		
Subtotal, other cost changes			0	9,349
TOTAL, ADJUSTMENTS TO BASE			0	10,004
2005 Base			2,240	202,765
Program Changes			104	17,660
2005 APPROPRIATION			2,344	220,425

Comparison by Activity

	2004 Currently Avail.		2005 Base		2005 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
DIRECT OBLIGATIONS								
Current surveys and statistics								
Current economic statistics	1,406	\$131,414	1,406	\$138,236	1,510	\$155,896	104	\$17,660
Current demographic statistics	788	57,884	788	60,795	788	60,795	0	0
Survey development & data serv.	46	3,463	46	3,734	46	3,734	0	0
Subtotal, Discretionary Obligations	2,240	192,761	2,240	202,765	2,344	220,425	104	17,660
Survey of Program Dynamics	119	10,000	119	10,000	119	10,000	0	0
Children's Health Insurance Program	171	10,000	171	10,000	171	10,000	0	0
TOTAL DIRECT OBLIGATIONS	2,530	212,761	2,530	222,765	2,634	240,425	104	17,660
Less Permanent Appropriation	(290)	(20,000)	(290)	(20,000)	(290)	(20,000)	0	0
TOTAL DISCRETIONARY BA	2,240	192,761	2,240	202,765	2,344	220,425	104	17,660
APPROPRIATION								

Highlights of Program Changes

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
Current Economic Statistics	1,406	\$138,236	+104	+\$17,660
Improved Measurement of Services			+39	+\$4,000

The first phase of this initiative included activities in the FY 2003 budget request for the Improved Measurement of Services in the New Economy initiative. The second phase of this initiative provides the Bureau of Economic Analysis with new key source data on the service sector needed to improve critical quarterly and annual estimates of our Nation's GDP. This initiative expands annual coverage of services industries by 95 industries, increases coverage of the new quarterly principal economic indicator of service industry activity, and provides annual merchandise line data for selected retail and wholesale trade industries. This expansion provides a comprehensive framework for gathering information on services and improves the periodicity and detail of service sector statistics.

Electronic Government	+6	+\$3,300
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This initiative responds to business demands for e-government services by permitting businesses to file electronically in most of the 100 economic surveys conducted by the Census Bureau. This initiative also provides new tools for collecting data and improving data quality. The Census Bureau expects electronic reporting to increase response rates in our principal economic indicators, and we estimate that we can reduce the annual business-reporting burden by at least 5 percent or 50,000 hours starting in FY 2006, with an additional 5 percent reduction through FY 2008.

Improve Quality and Accelerate Release of Trade Statistics	+59	+\$10,360
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This initiative will provide support for the legislatively mandated use of the Automated Export System (AES) to improve the U.S. Government's ability to enhance national security and better enforce export control laws to prevent the unauthorized export of munitions and advanced technology goods. It will provide more timely and accurate trade statistics to meet business and government needs. This initiative strives to achieve the full and complete use of AES by the trade community for all U.S. export shipments.

Appropriation: Periodic Censuses and Programs

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	ETE	Amount	ETE	Amount
2004 Appropriation			3,313	\$431,464
Adjustments to Base				
Adjustments				
Restoration of Rescissions				136
Restoration of FY 2004 deobligations				12,163
Other Changes				
2004 Pay raise		\$2,437		
2005 Pay raise		1,061		
Within grade step increases		3,553		
Change in compensable day		(348)		
Civil Service Retirement System(CSRS)		(67)		
Federal Employees' Retirement System(FERS)		102		
Thrift Savings Plan		35		
Federal Insurance Contributions Act (FICA) -OASDI		43		
Health insurance		945		
Employees' Compensation Fund		(789)		
Travel				
Per diem		17		
Mileage		(6)		
Rent payments to GSA		225		
Printing and reproduction		4		
General Pricing Level Adjustment:				
Transportation of things		1		
Communications, Utilities & misc.		16		
Other services		387		
Supplies		24		
Equipment		45		
Subtotal, other cost changes			0	7,685
Less Amount Absorbed				(4,212)
TOTAL, ADJUSTMENTS TO BASE			0	15,772
2005 Base			3,313	447,236
Program Changes			1,801	163,859
Total Requirements			5,114	611,095
Recoveries of prior year obligations				(2,924)
2005 APPROPRIATION			5,114	608,171

Comparison by Activity

	2004 Currently Avail.		2005 Base		2005 Estimate		Increase / Decrease	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
DIRECT OBLIGATIONS								
Economic statistics programs:								
Economic censuses	547	\$73,088	559	\$78,036	494	\$68,533	(65)	(\$9,503)
Census of governments	67	6,266	67	6,545	49	5,213	(18)	(1,332)
Subtotal, Economic statistics	614	79,354	626	84,581	543	73,746	(83)	(10,835)
Demographic statistics programs:								
Intercensal demographics estimates	88	9,356	88	9,754	97	10,984	9	1,230
2000 Decennial census	0	9,500	0	0	0	0	0	0
2010 Decennial census	2,140	264,677	2,128	260,214	4,022	434,918	1,894	174,704
Subtotal, Demographic statistics	2,228	283,533	2,216	269,968	4,119	445,902	1,903	175,934
Demographic surveys sample redesign	66	12,975	66	13,452	47	12,212	(19)	(1,240)
Electronic Information Collection	21	6,472	21	6,641	21	6,641	0	0
Geographic support	384	40,136	384	41,600	384	41,600	0	0
Data processing system	0	30,772	0	30,994	0	30,994	0	0
Suitland Federal Center Office Space	0	23,117	0	0	0	0	0	0
Construction								
TOTAL DIRECT OBLIGATIONS	3,313	476,359	3,313	447,236	5,114	611,095	1,801	163,859
FINANCING								
Unobligated balance, start of year	0	(48,146)	0	0	0	0	0	0
Recovery of prior obligations	0	(12,163)	0	(2,924)	0	(2,924)	0	0
Subtotal, financing	0	(60,309)	0	(2,924)	0	(2,924)	0	0
TOTAL BUDGET AUTHORITY	3,313	416,050	3,313	444,312	5,114	608,171	1,801	163,859
Unobligated balance, rescission		15,414						
TOTAL APPROPRIATION	3,313	431,464						

Highlights of Program Changes

	Base		Increase / Decrease	
	FTE	Amount	FTE	Amount
Economic Census	559	\$78,036	-65	-\$9,503

The Economic Census provides data on manufacturing, mining, retail and wholesale trade and service industries, construction, and transportation. The censuses are conducted every fifth year, for calendar years ending in two and seven. The focus in FY 2005 is on accelerated release of data products to support the Bureau of Economic Analysis, a 20% increase in the Economic Census data products, and activities related to planning the content of forms for the 2007 Economic Census.

Census of Governments	67	\$6,545	-18	-\$1,332
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The Census of Governments is the only source of comprehensive and uniformly classified data about the economic activities of state and local governments. The census collects state and local government data on taxes, tax valuations, governmental receipts, expenditures, indebtedness, and number of employees. This census is taken every fifth year for calendar years ending in two and seven. FY 2005 is the first year in the five-year cycle of the 2007 Census of Governments and focuses on census planning and content determination.

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Intercensal Demographic Estimates	88	\$9,754	+9	+\$1,230

In FY 2005, the program will continue to improve its estimates of international migration at a sub-national level. Title 13, Section 181 of the U.S. Code requires the Census Bureau to produce annual data on the population size and certain population characteristics (age, race, ethnicity, and sex) for the nation, states, counties, and local units of government with a population of 50,000 or more. This law also requires the Census Bureau to produce biennial estimates of total population for all local units of general-purpose government, regardless of their size. Further, the law specifies the use of such estimates by federal agencies when allocating federal benefits to states, counties, and local units of government when they are based on population size. About \$200 billion in federal funds is distributed annually to states and other areas based in part on intercensal estimates. These estimates of the geographic distribution of the population are also used for decisions about state and local government services, planning utility services, redefining metropolitan areas, and locating retail outlets and manufacturing establishments. With these estimates, state and local planners will have the information they need to make informed decisions about program needs and service delivery and federal program managers will have the data necessary to make informed decisions about policy issues and allocating federal funds.

2010 Decennial Census.	2,128	\$260,214	+1,894	+\$174,704
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In order to take advantage of Census 2000 assessments and build on improvements made for Census 2000, the Census Bureau has begun a major testing and development process for the next decennial census. The reengineered plan for the 2010 Census features three key components that focus on reducing operational risks, improving accuracy, providing more relevant data, and containing cost:

- Establishing an early and multi-year planning and development process that will allow the Census Bureau to fully test major elements of a simplified, streamlined census designed to collect the basic “short form” data needed to fulfill important constitutional and legal mandates.
- Implementing the American Community Survey (ACS) to collect long form data on an on-going basis rather than waiting for once-a-decade decennial long form data; and
- Enhancing the Census Bureau’s geographic database and associated address list, referred to as MAF/TIGER, by replacing the internally developed MAF/TIGER system with one that uses street and address information from state, local, and tribal governments, Global Positioning System technology, and aerial photography to update and improve the address and street information gathered manually at great expense for Census 2000.

Activities in these areas are highly integrated, complement each other, and form the basis for reengineering the 2010 Census.

In FY 2005, the Census Bureau will continue its testing and development efforts to support the use of only the re-engineered short form in the 2010 Census; continue the full scale American Community Survey program, and continue a multi-year effort for correcting the accuracy of map feature locations for the Nation’s 3,233 counties.

Demographic Surveys Sample Redesign	66	\$13,452	-19	-\$1,240
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While the FY 2005 budgetary needs of the Demographic Surveys Sample Redesign program decrease, it is vital that this program be fully funded to complete essential activities. The most important activity is implementing the new samples for four national surveys. The second most important goal is improving the accuracy of the Census Bureau’s address database and increasing the efficiency with which it is updated, both of which require modifying the automated systems and procedures to collect address, map feature, and group quarters (GQ) information. In FY 2005, we also will begin preparations to shift the next Demographic Surveys Sample Redesign toward using the American Community Survey (ACS) and the continually updated Master Address File (MAF) to select samples, rather than relying only on the once-a-decade census.

Census Performance Measures

To achieve its mission, Census developed a Strategic Plan, featuring four strategic and performance goals: 1) meet the needs of policymakers, businesses, nonprofit organizations, and the public for current measures of the U.S. population, economy, and governments; 2) support the economic and political foundations of the United States by producing benchmark measures of the economy and population for the administration and equitable funding of federal, state, and local programs; 3) meet constitutional and legislative mandates by implementing a reengineered 2010 Census that is cost-effective, provides more timely data, improves coverage, and reduces operational risk; and 4) foster an environment that supports innovation, reduces respondent burden, and ensures individual privacy.

In addition to the four strategic and performance goals listed above, the Strategic Plan also contains an enabling goal that supports the Census Bureau's internal operations as well as the President's Management Agenda: Maintain a high quality and motivated workforce and provide the environment to support them.

The Census Bureau must target measurement on those trends and segments of our population and economy most critical to continued American success and prosperity. In FY 2005, the Census Bureau will focus activities in these areas through a variety of priority program efforts that continue and improve ongoing statistical programs. These include planning the 2010 Census, releasing Economic Census and Census of Governments data products, improving measures of Gross Domestic Product by improving measurement of the service sector of the economy, expanding electronic government by permitting businesses to file electronically in any one of almost 100 current economic surveys, and providing support for the Automated Export System and accelerating the release of foreign trade statistics. The following table shows the measures that the Census Bureau uses to gauge its performance. A more detailed description of these goals and measures is in the Census Bureau section of the Department of Commerce budget.

Performance Goals (Obligations) and Measures (Targets)

(Dollars in millions)

	2003 <u>Actual</u>	2004 <u>Estimate / Target</u>	2005 <u>Estimate / Target</u>
Goal 1: Meet the needs of policy makers, businesses and non-profit organizations, and the public for current measures of the U.S. population, economy, and governments	\$422.3	\$446.6	\$462.4
Collect data for the planned number of households for:			
(1) Current Population Survey (CPS)	New in FY 2005	New in FY 2005	54 K interviewed households / month from a planned sample of 60K households
(2) National Crime Victimization Survey (NCVS)	New in FY 2005	New in FY 2005	45 K interviewed households / period (2x a year) from a planned sample of 50K households
(3) American Housing Survey (AHS)	New in FY 2005	New in FY 2005	47.7 K interviewed households from a planned sample of 53K households
(4) Survey of Income and Program Participation (SIPP)	New in FY 2005	New in FY 2005	29.75 K interviewed households / wave (3x a year) from a planned sample of 42.5K households
Release data products from:			
(1) SIPP	1 product by 9/30/03	7 products by 9/30/04	2 products by 9/30/05
(2) CPS	1 product by 9/30/03	2 products by 9/30/04	12 products by 9/30/05
(3) CPS Supplements	New in FY 2005	New in FY 2005	6 products by 9/30/05
(4) AHS	New in FY 2005	New in FY 2005	1 product by 9/30/05

	2003 <u>Actual</u>	2004 <u>Estimate / Target</u>	2005 <u>Estimate / Target</u>
Release principal economic indicators (PEI)	100% on time	100% on time	Release all 116 monthly & quarterly PEIs according to pre-announced time schedule
Release annual survey of manufacturers, the annual retail trade survey, the service annual survey, and the annual trade survey.	New in FY 2005	New in FY 2005	100% on time
Goal 2: Support the economic and political foundations of the United States by producing benchmark measures of the economy and population for the administration and equitable funding of Federal, state, and local programs.	\$206.7	\$111.9	\$96.9
Conduct the Economic Census (EC) and Census of Governments (COG)	Initial mail-out for the finance phase of the COG was completed in October. By 12/20/02, 5 million EC forms had been mailed	Mail 2002 survey of business owners forms by 7/31/04; 80% response rate for employment phase and 82% rate for finance phase	Prepare project plan for all phases of 2007 EC and COG by 9/30/05
Release Decennial Census data products	5 data products by 9/30/03	None	None
Release Census of Governments data products	1 of 2 data products released by 1/30/03	4 data products by 9/30/04	None
Release Economic Census products	None	Issue 650 EC data products by 12/30/04	Issue 1,027 EC data products by 9/30/05
Release population estimates and survey controls for all subgroups and geo-graphics	New in FY 2005	New in FY 2005	Improved American Community Survey controls released by 5/30/05 CPS Controls released each month in time for weighting monthly estimates
Introduce new Census 2000-based samples for the:			
(1) Consumer Expenditures Survey	New in FY 2005	New in FY 2005	Introduced by 11/30/2004
(2) Consumer Expenditures Survey diary	New in FY 2005	New in FY 2005	Introduced by 1/31/2005
(3) National Crime Victimization Survey	New in FY 2005	New in FY 2005	Introduced by 1/31/2005
(4) American Housing Survey - National	New in FY 2005	New in FY 2005	Introduced by 5/31/2005
Goal 3: Meet Constitutional and Legislative mandates by implementing a re-engineered 2010 Census that is cost-effective, provides more timely data, improves coverage accuracy, and reduces operational risk	\$144.7	\$264.4	\$434.9
Implement the American Community Survey (ACS)	Evaluation reports not released	92% response rate for ACS; Meet reliability requirements for annual state estimates	92% response rate for ACS; Measure typical characteristics reported by 10% of population for areas with pop. >65K
Implement MAF/TIGER modernization	Completed map features corrections of 250 counties by 9/30/03	Within 7.6 meters of 26.3% of counties by 9/30/04	Within 7.6 meters of 48% of counties by 9/30/05
Conduct early 2010 Census planning, development, and testing	Selected 2004 test sites by 12/31/02 Developed/documented design requirements for test by 12/31/02 Developed operational schedule for test by 9/30/03	Implement the following that support 2004 test: questionnaire content, mobile computing devices, coverage improvements, special place/group quarters, residence rules	Complete evaluations of 2004 test; Determine design requirements for 2006 test Complete prep and begin 2005 National Content Survey; Update relevant 2010 action plans

	2003 <u>Actual</u>	2004 <u>Estimate / Target</u>	2005 <u>Estimate / Target</u>
Goal 4: Support innovation, promote data use, minimize respondent burden, respect individual privacy, and ensure confidentiality	\$73.2	\$104.0	\$82.9
Response to the annual boundary and annexation survey	88%	83%	83%
Meet milestone dates for evaluating and expanding web-based technology solutions to include more functionality / business processes	100%	100%	100%
Segment score for overall customer satisfaction on the American Customer Satisfaction Index	New	72%	73%
* Total	\$846.9	\$926.9	\$1,077.1

* Total includes Working Capital Fund obligations.