

**Department of Commerce
Economic and Statistical Analysis Budget**

**FY 2007 Annual Performance Plan
Bureau of Economic Analysis**

Strategic Goals and Plans:

BEA Mission Statement

The Bureau of Economic Analysis promotes a better understanding of the U.S. economy by providing the most timely, relevant, and accurate economic accounts data in an objective and cost-effective manner.

The Bureau of Economic Analysis is a principal Federal statistical agency and is a part of the Economics and Statistics Administration within the U.S. Department of Commerce (DOC). The DOC has established a set of goals and objectives for its agencies and programs. These goals and objectives are outlined in *U.S. Department of Commerce Strategic Plan for FY 2004—FY 2009: American Jobs, American Values*. The six performance measures and targets described in this section relate to BEA. No formal measures are presented for ESA. The policy nature of ESA's work makes tracking and reporting formal measures neither useful nor efficient.

**U.S. Department of Commerce Strategic Plan
related to the Bureau of Economic Analysis**

Strategic Goal 1:

“Provide the information and tools to maximize U.S. competitiveness and enable economic growth for American industries, workers, and consumers.”

Objective 1.3:

“Enhance the supply of key economic and demographic data to support effective decision-making of policymakers, businesses, and the American public.”

The BEA mission is directly linked to the DOC performance goal for objective 1.3 above. The BEA 5-year Strategic Plan is derived from the DOC goal and objective and serves as BEA’s detailed guide for achieving its goals and meeting its performance measures. With the rapid and widespread changes in the size and complexity of the U.S. economy, BEA must be able to adapt and change in order to continue to accurately capture the U.S. economy. While the Strategic Plan outlines specific requirements for improving the work done at BEA, it is a fluid document. It allows BEA to adjust to changing demands and needs, while also providing a plan for accomplishing its overall goals and objectives.

The BEA Strategic Plan establishes the Agency’s mission and four primary objectives, which are consistent with the goals set out for BEA by the Economics and Statistics Administration and the Department of Commerce. The four objectives derived directly from the BEA mission are identified below.

Objective 1: CUSTOMERS. Make BEA’s economic accounts and services more responsive to the needs of its customers and partners.

Objective 2: EMPLOYEES. Attract, develop, and retain a highly qualified, diverse workforce prepared to innovate and improve BEA’s statistics.

Objective 3: RESOURCES. Upgrade resource management to support BEA’s mission.

Objective 4: STATISTICS. Upgrade BEA’s economic statistics by improving statistical methodologies and source data and by using new technologies.

Its mission and these four objectives drive BEA. Over one hundred sixty detailed milestones were developed from the mission statement and objectives and include input from BEA staff, BEA Advisory Committee members, Congress, other statistical agencies, and users. These milestones provide a plan for BEA managers and staff to implement the changes needed to ensure that BEA

estimates are as timely, relevant, and accurate as they can be. The plan includes milestones over a 5-year timeframe to provide senior staff and managers a sufficient time horizon for planning appropriate resource and staff allocation. BEA managers and staff are held accountable for progress made toward achieving milestones, which map directly to their performance plans. The BEA Strategic Plan is reviewed and updated by senior staff twice a year. Staff and the public are invited annually to review and comment on the Plan, and the final version is posted on the BEA Web site.

BEA is one of the world's leading statistical agencies. Although it is a relatively small agency, BEA produces some of the most closely watched economic statistics that inform the decisions made by government officials, business leaders, and individual households. BEA's economic statistics, which provide a comprehensive, up-to-date picture of the U.S. economy, are key ingredients to critical decisions affecting monetary policy, tax and budget projections, and business investment plans.

The cornerstone of BEA's statistics is the national income and product accounts (NIPAs), which feature estimates of gross domestic product (GDP) and related measures. The GDP was recognized by the Department of Commerce as its greatest achievement of the 20th century and has been ranked as one of the three most influential measures that affect U.S. financial markets. Since the NIPAs were first developed in the aftermath of the Great Depression, BEA has developed and extended its estimates to cover a wide range of economic activities. Today, BEA prepares national, regional, industry, and international accounts that present essential information on key issues such as economic growth, regional economic development, interindustry relationships, and the Nation's position in the world economy.

President's Management Agenda

The Office of Management and Budget established five government-wide initiatives for reforming the management of government and improving the performance of federal programs. These five initiatives, known collectively as the President's Management Agenda (PMA), focus on areas of need and opportunity in government management and seek to hold agencies accountable to the American public. ESA's progress, both at headquarters and BEA, toward achieving success in these five initiatives is currently reviewed quarterly by senior management at the Department of Commerce. This section of the Annual Performance Plan defines major accomplishments made on each of the five initiatives of the PMA in the last year.

Human Capital: During FY 2005, ESA headquarters developed and successfully implemented a plan to streamline headquarters staff by 20%. Using management tools to include the early-out/buy-out programs, ESA was able to meet this goal without a reduction-in-force. BEA focused on human capital priorities by: (1) implementing its plans to make employees individually accountable for the successes or failures of the agency, and (2) developing competency models of its mission critical occupations. All employees' performance appraisals were updated in FY 2005 to more closely link employee contributions to organizational goals and to clearly differentiate performance requirements under the performance-based pay system. In addition, BEA has completed the second year of a multi-year project to define competency models for BEA core occupations by defining competency models for economists and

accountants two of the mission critical occupations at BEA. BEA also continually evaluates future human capital needs, and it is implementing recruitment and succession plans that ensure specialized knowledge remains at BEA.

Competitive Sourcing: ESA headquarters has maintained a balance between commercial and inherently governmental positions that is on par with organizations of similar mission and size. The vast majority of the BEA population is made up of economists and accountants that perform inherently governmental work, limiting the services BEA can provide through a contractor. The BEA workforce's primary duties are focused on measuring the U.S. economy. When appropriate, other services are contracted out to the private sector and Federal agencies that can provide them more efficiently. For example, BEA contracts with the International Trade Administration for human resources, National Institute of Standards and Technology for accounting services, and National Oceanic and Atmospheric Administration for procurement services. ESA and BEA continue to work with the Department to explore ways to fully participate in competitive sourcing activities such as feasibility studies.

Financial Performance: ESA headquarters and BEA continue to receive clean financial audits and participate fully with the Department in activities to improve financial performance. ESA continues to work with the Department to accelerate various financial reporting deadlines. ESA has completed reviews of pricing structures for its fee sale products, reviewed and refreshed its methodology for establishing overhead rates for inter-agency agreements, and reviewed existing inter-agency agreements for compliance with appropriate laws and regulations.

E-Government: Though there are no major information technology initiatives at headquarters, ESA headquarters continues to participate in all Departmental E-Government initiatives. BEA has continued to meet E-Government standards. BEA has an effective Enterprise Architecture, which is fully integrated into the Bureau's capital planning and investment processes. The BEA Estimation IT System has an OMB-approved business case including an ongoing, comprehensive operational analysis of system components. All upgrades to system components adhere to cost/schedule/performance targets. BEA has worked hard in FY 2005 to meet the public's needs by increasing electronic access to historical data through interactive data tables, expanding electronic reporting options for surveys, and continuing to secure IT infrastructure and confidential survey data. BEA has implemented an E-Government plan, and the Inspector General has verified the effective security of all BEA systems. BEA optimized its infrastructure disaster recovery capability and added a hot-mirrored backup Web site.

Budget and Performance Integration: ESA headquarters continued its successful streamlining efforts to improve performance and efficiencies. During FY 2005, BEA continued many of the budget performance and integration processes that helped it to rank in the top five percent of federal programs assessed by the OMB Program Assessment Rating Tool (PART). In addition, BEA has begun to link individual employee performance with the budget-related performance measures derived from the milestones in the Strategic Plan. The annually updated BEA Strategic Plan lays out milestones for the agency based upon budgeted resources. BEA's organizational units developed specific operating plans, which detail the resources and tasks required for accomplishing each

Strategic Plan milestone. Performance appraisals of all employees, including the SES and managers, now reference these operating plans and provide a direct link to the performance reporting of the agency.

Program Evaluations

Program Assessment Rating Tool (PART): The Office of Management and Budget evaluated BEA using the PART in FY 2002 and FY 2003, and BEA was awarded the highest rating of “Effective.” Its score of 92 ranks it within the top 5 percent of all federal programs reviewed and it remains the highest score in the Department of Commerce. BEA received high marks in each of the four areas evaluated: Program Purpose and Design, Strategic Planning, Program Management, and Program Results/Accountability.

Unit Cost Measures: At the request of the Department of Commerce and the Office and Management and Budget (OMB), BEA has developed an experimental cost index that measures the cost of producing and improving the GDP relative to 1997. Improving the accuracy and reliability of BEA estimates is of major importance to users. With a rapidly changing economy, BEA continually seeks better ways to measure the entire economy, often with partial or scant data to inform its measurements. This experimental cost index seeks to capture the efficiency of BEA through a measure of the cost per budget dollar of producing and improving GDP. BEA has completed its evaluation of its efficiency measure and has developed additional measures to address the efficiency of delivering economic data to users and completing survey forms. BEA will continue to refine the proposed efficiency measures for its statistical products and will work with the Department of Commerce and OMB to improve them.

Customer Satisfaction Survey: BEA conducts an annual survey of its users to monitor their satisfaction with BEA products and services. This survey is critical to BEA’s success since users are the final arbiters of the timeliness, relevance, and accuracy of BEA data. Recent improvements in BEA’s economic accounts and accessibility have been recognized in the survey with increased satisfaction by users. The FY 2005 survey found high levels of satisfaction by users, scoring 4.4 on a 5-point scale. BEA strives to continue to increase this level of satisfaction with ongoing upgrades to the accounts and investments in the information technology systems that make more data more easily available in user-friendly formats. In addition to the customer satisfaction survey, BEA monitors its contacts with users. The chart below lists a number of ways BEA interacts with its users.

BEA USER MEASURES: FY 2003–FY 2007					
Measures	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Estimate	FY 2007 Estimate
Press Releases (both scheduled and unscheduled)	56	62	60	62	62
<i>Survey of Current Business:</i>					
- Articles	57	55	68	65	65
- Statistical pages	1,774	1,628	1,921	1,800	1,800
Publications, other than the <i>Survey</i>	6	3	9	6	6
BEA's Web site - www.bea.gov					
- Page views (monthly average)	1,514,529	2,140,903	4,333,343	4,500,000	4,550,000
- Unique visitors (monthly average)	116,677	131,661	149,610	159,000	174,000
- Downloads (annual)	3,381,319	3,682,630	5,274,660	5,500,000	6,000,000

Management Challenges

BEA faces three challenges to its mission:

1. **Measuring a constantly changing economy** – The U.S. economy is in constant flux. BEA is challenged to understand the structural changes in the economy, to improve measurement methodologies, and to locate and incorporate data sources to capture the changes. Its challenge is to continue to keep pace with these changes in order to provide the Nation with the most timely, relevant, and accurate economic statistics possible.
2. **Integrating Federal economic accounts** – The demand for greater consistency among the various economic accounts in a decentralized statistical system is growing among users of Federal economic statistics. The Federal agencies responsible for the production of U.S. economic accounts must continue to work together to integrate the accounts by harmonizing definitions, methodologies, and analytical techniques in order to provide consistent estimates to users.

3. **Building and developing a skilled workforce** – BEA is its people. The quality of BEA statistics is dependent on the knowledge and skills of its staff. With the increasing complexity of the changing economy, the demands on BEA staff to be at the leading edge of economic change and to provide for innovative measurement solutions are also increasing. BEA must continue to prepare its employees for these challenges.

Summary of Targets and Performance Measures for BEA

Measure	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Target	FY 2005 Actual	FY 2006 Target	FY 2007 Target
Timeliness: Reliability of Delivery of Economic Data (Number of Scheduled Releases Issued on Time)	50 of 50	48 of 48	54 of 54	54 of 54	54 of 54	54 of 54	TBD
Relevance: Customer Satisfaction with Quality of Products and Services (Mean Rating on a 5-Point Scale)	4.3	4.4	4.3	Greater than 4.0	4.4	Greater than 4.0	Greater than 4.0
Accuracy: Percent of GDP Estimates Correct	83%	88%	88%	Greater than 85%	96%	Greater than 85%	Greater than 85%
Budget-Related: Improving GDP and the Economic Accounts	Developed new measures to address gaps and updated BEA's accounts; designed prototype of new quarterly survey of international services; developed new pilot estimates that provide better integration with other accounts.	BEA completed all major Strategic Plan milestones related to improving the economic accounts.	Successfully completed all major Strategic Plan milestones related to improving the quality of the economic accounts.	Successful completion of related Strategic Plan milestones.	BEA completed all major Strategic Plan milestones related to improving the economic accounts.	Successful completion of related Strategic Plan milestones.	Successful completion of related Strategic Plan milestones.
Budget-Related: Accelerating Economic Estimates	New	BEA completed all major Strategic Plan milestones related to accelerating economic estimates.	Successfully completed all major Strategic Plan milestones related to efforts to accelerate economic estimates.	Successful completion of related Strategic Plan milestones.	BEA completed all major Strategic Plan milestones related to accelerating economic estimates.	Successful completion of related Strategic Plan milestones.	Successful completion of related Strategic Plan milestones.
Budget-Related: Meeting U.S. International Obligations	New	BEA completed all major Strategic Plan milestones related to meeting U.S. international obligations.	Successfully completed all major Strategic Plan milestones related to meeting international commitments as funded in FY 2003.	Successful completion of related Strategic Plan milestones.	BEA completed all major Strategic Plan milestones related to meeting international obligations.	Successful completion of related Strategic Plan milestones.	Successful completion of related Strategic Plan milestones.

Resource Requirements Summary
(Dollars in millions. Funding amounts reflect total obligations.)
Information Technology (IT)
Full-Time Equivalent (FTE)

Performance Goal 1: Promote a better understanding of the U.S. economy by providing the most timely, relevant, and accurate economic data in an objective and cost-effective manner.

	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Enacted	FY 07 Base	Increase / (Decrease)	FY 07 Request
Grand Total								
Salaries and Expenses	64.2	72.4	77.1	82.4	84.8	84.7	0	84.7
Total Funding ¹	66.7	74.3	78.8	84.1	86.7	86.6	0	86.6
Direct	62.5	70.6	75.1	80.0	79.9	80.5	0	80.5
Reimbursable ²	4.2	3.7	3.6	4.1	6.8	6.1	0	6.1
IT Funding ³	10.2	10.4	11.1	13.3	13.4	13.6	0	13.6
FTE ²	488	494	525	543	567	564	0	564

¹ Reimbursable include ESA, BEA, and STAT–USA revolving fund.

² Total FTE includes ESA, BEA, and STAT–USA FTE.

³ ESA/BEA IT funding is included in total funding

Skill Summary:

Economists, accountants, statisticians, and IT specialists

Performance Measures for FY 2007

BEA has established six performance measures to monitor its progress toward meeting its objectives and operating goals. The first three performance measures track overall agency performance with respect to the agency’s mission to provide timely, relevant, and accurate economic data. These three measures include the reliability of on-time delivery of economic data, customer satisfaction with the quality and relevance of products and services, and the accuracy of the GDP estimate. The final three measures are directly related to BEA budget initiatives and track BEA’s progress toward meeting its commitments to the President, Congress, and the American public when initiative funds are provided.

Measure 1a—Timeliness: Reliability of Delivery of Economic Data (Number of Scheduled Releases Issued on Time)

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Target ¹	50 of 50	48 of 48	54 of 54	54 of 54	54 of 54	TBD
Actual	50 of 50	48 of 48	54 of 54	54 of 54		

¹Target for out years cannot be determined until BEA releases its final schedule, with OMB approval, in the fall of the preceding year.

The importance of BEA data as an ingredient for sound economic decision making requires BEA to deliver data into the hands of decisionmakers and other data users not only quickly but also reliably—that is, on schedule. Since instituting this performance measure, BEA has consistently met its target of releasing economic data on schedule and on time. BEA has made significant improvements in its information processing systems that have enabled it to continue to post its principal economic indicators on the BEA Web site at release time, as well as upload volumes of supporting documentation and tables that were previously unavailable until days after the release—a move applauded by our data users. In addition, BEA has begun a new email subscription service that allows users to sign up to receive prompt e-mail delivery of GDP, international trade, state personal income, gross state product, local area personal income, and other major economic measures at the time of their release. BEA met its FY 2005 performance measure and released 54 of 54 release on time and on schedule.

Measure 1b—Relevance: Customer Satisfaction with Quality of Products and Services (Mean Rating on a 5-Point Scale)

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Target	Greater than 4.0					
Actual	4.3	4.4	4.3	4.4		

Customer satisfaction is a critical measure of BEA’s success in accomplishing its mission. This measure is at the core of providing relevant data to users. Achieving the targets of this measure requires BEA to provide the types of data needed by users. To measure levels of satisfaction, BEA conducts an annual mail and Internet survey of users. The survey asks respondents a series of questions about their use of and satisfaction with BEA products and services. In the FY 2005 survey of customer satisfaction, BEA scored a 4.4 out of a maximum 5.0, indicating users are very satisfied with the overall quality of BEA’s products and services. In general, respondents expressed satisfaction with the timeliness, relevance, and accuracy of BEA statistics, a top priority at BEA. The “Customer Satisfaction Survey Report, FY 2005” is available on the BEA Web site.

Measure 1c—Accuracy: Percent of GDP Estimates Correct

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Target	Greater than 82%	Greater than 84%	Greater than 84%	Greater than 85%	Greater than 85%	Greater than 85%
Actual	83%	88%	88%	96%		

This measure of BEA performance seeks to track the ability of BEA to accurately estimate its most important statistic, the gross domestic product (GDP). The measure is a composite index of six indicators of accuracy that are readily available to the public. These six indicators measure the accuracy of the GDP estimate with respect to (1) whether the economy is expanding or contracting, (2) whether the economy is growing faster or slower, (3) whether the economy is strong or weak, (4) the trend GDP growth rate, (5) the average quarterly GDP growth rate, and (6) the level of current-dollar GDP. These measures are applied using 3-year rolling averages to develop a single measure of the correctness of the GDP estimate. Three-year rolling averages were chosen because a) at least 12 quarters of estimates are needed for statistical reliability, b) BEA’s annual revisions cover 3 years, c) the impact of statistical improvements occur over time, and d) reasonable balance must be struck between statistical reliability and a measure of current performance. BEA exceeded this target with a score of 96 percent for FY 2005.

Measure 1d—Budget-Related: Improving GDP and the Economic Accounts

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Target	Develop new measures to address gaps in and update BEA's accounts; design new quarterly survey of international services; develop new pilot estimates that provide better integration with other accounts.	Successful completion of related Strategic Plan milestones, including benchmark and update of industry accounts, incorporate NAICS into regional accounts, and update international accounts.	Successful completion of related Strategic Plan milestones related to improving the quality of the economic accounts.	Successful completion of related Strategic Plan milestones.	Successful completion of related Strategic Plan milestones.	Successful completion of related Strategic Plan milestones.
Actual	Developed new measures to address gaps and updated BEA's accounts; designed prototype of new quarterly survey of international services; developed new pilot estimates that provide better integration with other accounts.	BEA completed all major Strategic Plan milestones related to improving the economic accounts.	Successfully completed all major Strategic Plan milestones related to improving the quality of the economic accounts.	BEA completed all major Strategic Plan milestones related to improving the economic accounts.		

BEA must continually update its economic accounts to keep pace with the increasingly complex and rapidly changing U.S. economy. Gross domestic product, balance of payments, state personal income, and other data series must be as timely, relevant, and accurate as possible to inform the decisions made by public and private leaders. The 5-year Strategic Plan lays out ambitious steps that BEA will take to achieve quality improvements in all of its accounts. Based on the Strategic Plan milestones, specific budget initiatives have been proposed for each year since FY 2002 for improving the accounts. The Strategic Plan also has successfully tracked BEA's progress toward achieving the milestones established for new initiatives and provided agency accountability. In FY 2005, BEA completed all of its major milestones related to improving GDP and the economic accounts.

Measure 1e—Budget-Related: Accelerating Economic Estimates

		FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Target	New		Successful completion of related Strategic Plan milestones, including accelerate the release of international trade estimates (with Census Bureau), GDP by industry, annual input-output tables, gross state product, and metropolitan area personal income.	Successful completion of related Strategic Plan milestones related to efforts to accelerate economic measures.	Successful completion of related Strategic Plan milestones.	Successful completion of related Strategic Plan milestones.	Successful completion of related Strategic Plan milestones.
Actual			BEA completed all major Strategic Plan milestones related to accelerating economic estimates.	Successfully completed all major Strategic Plan milestones related to efforts to accelerate economic estimates.	BEA completed all major Strategic Plan milestones related to accelerating economic estimates.		

BEA was challenged to accelerate the release of its major economic estimates in order to meet the demands of public and private sector users. To meet this challenge, BEA proposed a multiyear initiative to accelerate the release of its most valued indicators. This performance measure tracks BEA’s progress toward achieving these accelerations. With the support of the President and Congress, BEA has been able to complete an accelerated release schedule for some of the Nation’s most widely relied upon economic statistics, including: international trade in goods and services, GDP by industry, annual input-output accounts, state personal income, and an experimental acceleration in gross state product (GSP). In FY 2005, BEA completed all major Strategic Plan milestones related to accelerating economic estimates.

Measure 1f—Budget-Related: Meeting U.S. International Obligations

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Target	New	Successful completion of related Strategic Plan milestones, including assist Treasury in designing a survey of derivatives; incorporate estimates of short-term claims and long-term assets in accounts; and provide data for Special Data Dissemination Standard (SDDS) compliance.	Successful completion of related Strategic Plan milestones related to meeting international commitments as funded in FY 2003.	Successful completion of related Strategic Plan milestones.	Successful completion of related Strategic Plan milestones.	Successful completion of related Strategic Plan milestones.
Actual		BEA completed all major Strategic Plan milestones related to meeting U.S. international obligations.	Successfully completed all major Strategic Plan milestones related to meeting international commitments as funded in FY 2003.	BEA completed all major Strategic Plan milestones related to meeting international obligations.		

BEA is responsible for making its data series conform to standards agreed to by the United States Government with international organizations and other countries. Meeting these commitments is important to maintaining the United States’ leadership in economic measurement. Equally important, the statistical information required for these international commitments is useful to U.S. policymakers. This performance measure, introduced in FY 2003, monitors BEA’s progress in meeting milestones related to international commitments and provides accountability for a multiyear initiative to meet them. In FY 2005, BEA met all of the major milestones related to international obligations.

BEA Advisory Committee: Twice a year, the 13-member BEA Advisory Committee meets publicly to review and evaluate BEA statistics and programs. The committee advises the Director of BEA on matters related to the development and improvement of BEA’s national, regional, industry, and international economic accounts, especially in areas of new and rapidly growing economic activities. The committee also provides recommendations from the perspectives of the economics profession, business, and government.

Strategic Plan Evaluation: The BEA 5-year Strategic Plan is the most important evaluation of BEA programs and performance. The Strategic Plan is a detailed operating plan that guides BEA’s planning with over 160 ambitious milestones per year over a 5-year time frame. The plan is developed based on Department of Commerce goals and objectives as well as the mission and objectives set by

BEA. Managers are responsible for ensuring that the milestones are met since the milestones feed directly into the performance measures and budget requests of the Agency.

The publicly-available Strategic Plan is annually reviewed, and a report of successes is made available to the BEA Advisory Committee, Department of Commerce, Office of Management and Budget, Congress, and the public via the BEA Web site. The report clearly indicates which milestones were met and which were not met with an explanation as to why specific milestones were not accomplished. In FY 2004, BEA met all of its major milestones. BEA seeks to continue to meet its major milestones.

Crosscutting Activities

Intra-Department of Commerce:

The Bureau of the Census: The Census Bureau is one of the principal suppliers of source data used to compile BEA's economic accounts. ESA, BEA and Census representatives meet regularly to maintain an awareness of their joint and individual statistical concerns and to discuss cooperative strategies to advance matters of common interest. The availability of current source data from Census is a key factor in the scheduling of BEA release dates. BEA and the Census Bureau jointly release the monthly U.S. International Trade in Goods and Services estimates.

The International Trade Administration (ITA): ITA supports the development of the travel and tourism satellite accounts, which provide a detailed picture of the travel and tourism industries and their role in the U.S. economy. These accounts present estimates of the expenditures by tourists, or visitors, by type of commodity as well as estimates of output by travel and tourism industry. They also present estimates of the income generated by travel and tourism and estimates of employment in the travel and tourism industries.

Other Government Agencies:

The Bureau of Labor Statistics (BLS) and Internal Revenue Service (IRS): These two agencies are principal suppliers of source data used to compile BEA's economic accounts. BEA works closely with both agencies to stay apprised of joint and individual statistical problems and to cooperate in dealing with those concerns. The availability of current source data from BLS is a key factor in scheduling the release of BEA estimates. BEA and the Bureau of Labor Statistics have begun efforts to integrate their productivity accounts to create consistent definitions and methodologies.

Department of Energy (DOE) and Department of Labor (DOL): ESA policy staff work with various agencies to conduct a variety of economic studies. The most recent was a Congressionally-mandated (Consolidated Appropriations Act of 2005, P.L. 108-447) inter-

agency study on the impacts to industry of rising natural gas prices. ESA, in cooperation with the Departments of Energy and Labor, examined and prepared a study on the economic impact of natural gas prices to energy-intensive industries in the U.S.

Interagency Council on Statistical Policy (ICSP): Under the auspices of the Office of Management and Budget, BEA is a major participant in the ICSP, which works to improve collaborative activities of Federal statistical agencies. Activities of the ICSP have led to the standardization of data and concepts, transfers of technology, methodology exchange, collaborative research, process improvement, improved customer service, reduced respondent burden, and infrastructure sharing.

Federal Economic Statistics Advisory Committee (FESAC): The Committee presents advice and makes recommendations to BEA, the Census Bureau, and the Department of Labor's Bureau of Labor Statistics from the perspective of the professional economics and statistics community. The Committee examines the agencies' programs and provides advice on statistical methods, research needs, and other technical matters related to the collection, tabulation, and analysis of Federal economic statistics.

Federal Reserve Board (FRB): BEA works closely with the Federal Reserve Board to ensure consistency and quality of accounts. The FRB produces estimates of industrial production, flow of funds, and balance sheets in collaboration with BEA. BEA and the FRB are working on better integrating their economic accounts to provide data users with consistent sets of accounts that use similar definitions and methodologies.

Other agencies: To obtain source data for its economic accounts, BEA maintains close working relationships with statistics-producing agencies in most of the executive branch departments of the Government, including the Departments of Agriculture, Defense, Education, Energy, Health and Human Services, Labor, Transportation, and Treasury.

External Factors and Mitigating Strategies

With only a few exceptions, BEA is dependent on other government agencies and private organizations for the source data it uses to produce its economic accounts statistics. Thus, BEA's ability to provide timely, relevant, and accurate economic data, and to move forward with improvements in its economic accounts, is dependent on the quality and availability of that source data. BEA works closely with its statistical agency partners and other source data providers to obtain the best and most complete data possible. BEA also continually refines its estimation methods to improve its measures, especially in areas with source data deficiencies.

BEA Data Validation and Verification

BEA conducts an annual review of the Bureau’s performance data to ensure that it is complete and accurate. Significant deviations from the projected target, if any, are reviewed by the Director and actions are planned to address deficiencies.

The validation process is conducted in a manner similar to audit principles, which include data collection and verification of data. Data collected from independent sources and the BEA 5-year Strategic Plan are compared to actual outcomes in order to determine the success or failure of the Agency to meet its specified goals. All data are maintained and made publicly available for additional outside review.

Performance Measure	Data Source	Frequency	Data Storage	Internal Control Procedures	Data Limitations	Actions to Be Taken
1a. Timeliness: Reliability of Delivery of Economic Data (Number of Scheduled Releases Issued on Time)	A schedule of release dates for the calendar year is published each fall in the <i>Survey of Current Business</i> and is posted on the BEA Web site. BEA maintains a record of subsequent actual release dates.	Quarterly	BEA maintains the schedule of future release dates and the record of actual release dates. Both sets of information are available on the BEA Web site.	Scheduled and actual release dates are a matter of public record and can be verified via the Internet at <www.bea.gov>.	All releases may not be included in the published annual schedule because their release dates cannot be established that far in advance.	FY 2007 target will be added when it is made available to OMB and published in the <i>Survey of Current Business</i> in the fall of 2006.
1b. Relevance: Customer Satisfaction with Quality of Products and Services (Mean Rating on a 5-Point Scale)	Annual BEA customer satisfaction survey conducted by BEA.	Annually	BEA conducts the survey, compiles the results, and retains records of raw data and computations that lead to the final results. A report is written and made available to the public at <www.bea.gov>.	BEA provides a copy of the survey to the OMB, Budget Office of the Department of Commerce, and the Economics and Statistics Administration. The report is made available on the BEA Web site.	The customer satisfaction survey is voluntary and is conducted via the Web and mail. As a voluntary survey, responses are representative of those who choose to respond.	Survey will be conducted in FY 2007.
1c. Accuracy: Percent of GDP Estimates Correct	Data used for this measure are produced by BEA and made available in press releases; our monthly publication, the <i>Survey of Current Business</i> (SCB); and the Web site: www.bea.gov. Background research studies are published in the SCB.	Annually	The <i>Survey of Current Business</i> is published monthly and available online.	DOC has evaluated this measure and BEA has submitted a <i>Validation and Verification</i> report. The <i>Survey of Current Business</i> is a matter of public record and can be verified via the Internet or hardcopy.	The measure is the best single point estimation of the accuracy of GDP. Economic conditions, rather than statistical practices, could dramatically change the measure. In benchmark years, the calculation of the GDP revision is delayed until December.	Research to calculate the new measure will be conducted, following the completion of the annual revisions, in August 2006.

Performance Measure	Data Source	Frequency	Data Storage	Internal Control Procedures	Data Limitations	Actions to Be Taken
1d. Budget-Related: Improving GDP and the Economic Accounts	The BEA Strategic Plan provides annual milestones for this budget-related measure. At the end of each fiscal year, BEA evaluates and reports its progress in achieving the scheduled milestones.	Annually	BEA compiles and maintains data annually via the BEA Scorecard, available on the BEA Web site.	Internal review and analysis by BEA.	BEA's annual review and update of its Strategic Plan could result in changes to the milestones.	Milestones will be adjusted as necessary to match the BEA Strategic Plan.
1e. Budget-Related: Accelerating Economic Estimates	The BEA Strategic Plan provides annual milestones for this budget-related measure. At the end of each fiscal year, BEA evaluates and reports its progress in achieving the scheduled milestones.	Annually	BEA compiles and maintains data annually via the BEA Scorecard, available on the BEA Web site.	Internal review and analysis by BEA.	BEA's annual review and update of its Strategic Plan could result in changes to the milestones.	Milestones will be adjusted as necessary to match the BEA Strategic Plan.
1f. Budget-Related: Meeting U.S. International Obligations	The BEA Strategic Plan provides annual milestones for this budget-related measure. At the end of each fiscal year, BEA evaluates and reports its progress in achieving the scheduled milestones.	Annually	BEA compiles and maintains data annually via the BEA Scorecard, available on the BEA Web site.	Internal review and analysis by BEA.	BEA's annual review and update of its Strategic Plan could result in changes to the milestones.	Milestones will be adjusted as necessary to match the BEA Strategic Plan.

List of Supporting Documents

- Strategic Planning:
 - BEA's Mission, Vision, Values, and Role
 - www.bea.gov/bea/about/mission.htm
 - BEA Strategic Plan for FY 2006–FY 2010
 - www.bea.gov/bea/about/strategicplan2006_2010.pdf
 - BEA Strategic Plan Report Card for FY 2005
 - www.bea.gov/bea/about/FY05strat_plan_report_card.pdf

- Organizational Assessment:
 - Employees Rate BEA Among Top Federal Agencies, January 5, 2004
 - www.bea.gov/bea/newsrelarchive/2004/OASnewsrelease.pdf
 - BEA Organizational Assessment Survey, Results, 2003
 - www.bea.gov/bea/about/organizational-assess-results03.pdf

- Other Performance Related Links:
 - FY 2005 Customer Satisfaction Survey Report, October 2005
 - Report: www.bea.gov/bea/about/2005_CSSR.pdf
 - Release Dates for 2006
 - www.bea.gov/bea/newsrel/2006rd.htm
 - Composite Index of Accuracy:
 - www.bea.gov/bea/ARTICLES/2002/01january/0102reliablenipas.pdf
 - www.bea.gov/bea/ARTICLES/2005/02February/0205_NIPAs.pdf