

December 2002

# RESULTS-ORIENTED MANAGEMENT

## Agency Crosscutting Actions and Plans in Drug Control, Family Poverty, Financial Institution Regulation, and Public Health Systems





Highlights of [GAO-03-320](#), a report to the Committee on Governmental Affairs, U.S. Senate

### Why GAO Did This Study

GAO’s work has repeatedly shown that mission fragmentation and program overlap are widespread in the federal government. Implementation of federal crosscutting programs is often characterized by numerous individual agency efforts that are implemented with little apparent regard for the presence and efforts of related activities. GAO has in the past offered possible approaches for managing crosscutting programs, and has stated that the Government Performance and Results Act could provide a framework for addressing crosscutting efforts.

GAO was asked to examine the actions and plans agencies reported in addressing the crosscutting issues of drug control, family poverty, financial institution regulation, and public health systems. GAO reviewed the fiscal year 2001 performance reports and fiscal year 2003 performance plans for the major agencies involved in these issues.

## RESULTS-ORIENTED MANAGEMENT

# Agency Crosscutting Actions and Plans in Drug Control, Family Poverty, Financial Institution Regulation, and Public Health Systems

### What GAO Found

GAO did not independently verify or assess the information it obtained from agency performance reports and plans. On the basis of the reports and plans, GAO found the following:

- Most agencies involved in the crosscutting issues discussed coordination with other agencies in their performance reports and plans, although the extent of coordination and level of detail provided varied considerably.
- Most of the agencies we reviewed reported mixed progress in achieving their fiscal year 2001 goals—meeting some goals, missing others, or not reporting on progress. Some of the agencies that did not meet their goals provided reasonable explanations and/or strategies that appeared reasonably linked to meeting the goals in the future.
- The agencies GAO reviewed generally planned to pursue goals in fiscal year 2003 similar to those in 2001, although some agencies added new goals, dropped existing goals, or dropped goals altogether. Many agencies discussed strategies that appeared to be reasonably linked to achieving their fiscal year 2003 goals.

### Agencies Involved in Crosscutting Areas Show Opportunities for Coordination

Agency involved	Crosscutting program areas			
	Drug control	Family poverty	Financial institution regulation	Public health systems
Agriculture		✓		✓
Federal Reserve			✓	
Federal Deposit Insurance Corporation			✓	
HHS		✓		✓
HUD		✓		
Labor		✓		
Justice	✓			
National Credit Union Administration			✓	
State	✓			
Transportation	✓			
Treasury	✓			
Comptroller of the Currency			✓	
Office of Thrift Supervision			✓	

Source: GAO analysis.

[www.gao.gov/cgi-bin/getrpt?GAO-03-320](http://www.gao.gov/cgi-bin/getrpt?GAO-03-320).

To view the full report, including the scope and methodology, click on the link above. For more information, contact Patricia A. Dalton at (202)-512-6806.

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# Contents

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## Letter

	1
Background	2
Scope and Methodology	4
Results in Brief	6
Agencies Involved in Crosscutting Areas Show Opportunities for Coordination	8
Drug Control	9
Family Poverty	12
Financial Institution Regulation	16
Public Health Systems	20
Concluding Observations	23
Agency Comments and Our Evaluation	23

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## Appendixes

<b>Appendix I: Drug Control</b>	26
<b>Appendix II: Family Poverty</b>	34
<b>Appendix III: Financial Institution Regulation</b>	45
<b>Appendix IV: Public Health Systems</b>	59
<b>Appendix V: GAO Contact and Staff Acknowledgments</b>	71

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## Tables

Table 1: Agencies Reviewed for Each Crosscutting Program Area	8
Table 2: Coordination Efforts among Agencies Involved in Drug Control as Discussed in Their Fiscal Year 2001 Performance Reports and Fiscal Year 2003 Performance Plans	26
Table 3: Agencies' Reported Progress and Strategies for Achieving Goals in Drug Control as Discussed in Their Fiscal Year 2001 Performance Reports	28
Table 4: Table 4: Agencies' Expected Progress and Strategies for Achieving Goals in Drug Control as Discussed in Their Fiscal Year 2003 Performance Plans	31
Table 5: Reliability of Performance Data Reported by Agencies Involved in Drug Control as Discussed in Their Fiscal Year 2001 Performance Reports	33
Table 6: Coordination Efforts among Agencies Involved in Family Poverty as Discussed in Their Fiscal Year 2001 Performance Reports and Fiscal Year 2003 Performance Plans	34

Table 7: Agencies' Reported Progress and Strategies for Achieving Goals in Family Poverty as Discussed in Their Fiscal Year 2001 Performance Reports	36
Table 8: Agencies' Expected Progress and Strategies for Achieving Goals in Family Poverty as Discussed in Their Fiscal Year 2003 Performance Plans	40
Table 9: Reliability of Performance Data reported by Agencies Involved in Family Poverty as Discussed in Their Fiscal Year 2001 Performance Reports	43
Table 10: Coordination Efforts among Agencies Involved in Financial Institution Regulation as Discussed in Their Fiscal Year 2001 Performance Reports and Fiscal Year 2003 Performance Plans	45
Table 11: Agencies' Reported Progress and Strategies for Achieving Goals in Financial Institution Regulation as Discussed in Their Fiscal Year 2001 Performance Reports	48
Table 12: Agencies' Expected Progress and Strategies for Achieving Goals in Financial Institution Regulation as Discussed in Their Fiscal Year 2003 Performance Plans	52
Table 13: Reliability of Performance Data Reported by Agencies Involved in Financial Institution Regulation as Discussed in Their Fiscal Year 2001 Performance Reports	58
Table 14: Coordination Efforts among Agencies Involved in Public Health Systems as Discussed in Their Fiscal Year 2001 Performance Reports and Fiscal Year 2003 Performance Plans	59
Table 15: Agencies' Reported Progress and Strategies for Achieving Goals in Public Health Systems as Discussed in Their Fiscal Year 2001 Performance Reports	61
Table 16: Agencies' Expected Progress and Strategies for Achieving Goals in Public Health Systems as Discussed in Their Fiscal Year 2003 Performance Plans	65
Table 17: Reliability of Performance Data Reported by Agencies Involved in Public Health Systems as Discussed in Their Fiscal Year 2001 Performance Reports	68

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**Abbreviations**

ACF	Administration for Children and Families
ACD	Advisory Committee to the Director
AETC	AIDS education and training center
CACFP	Child and Adult Care Food Program
CDC	Centers for Disease Control and Prevention
CIA	Central Intelligence Agency
CMS	Centers for Medicare and Medicaid Services
CRA	Community Reinvestment Act
DEA	Drug Enforcement Administration
DTO	drug trafficking organization
EPA	Environmental Protection Agency
EZ/EC	empowerment zone/enterprise communities
FBI	Federal Bureau of Investigation
FDA	Food and Drug Administration
FDIC	Federal Deposit Insurance Corporation
FDICIA	Federal Deposit Insurance Corporation Improvement Act
FFEIC	Federal Financial Institutions Examination Council
HHS	Department of Health and Human Services
HRSA	Health Resources and Services Administration
HUD	Department of Housing and Urban Development
IC	Institutes and Centers
INS	Immigration and Naturalization Service
NCUA	National Credit Union Administration
NIH	National Institutes of Health
OCC	Office of the Comptroller of the Currency
OCDETF	Organized Crime Drug Enforcement Task Force
OMB	Office of Management and Budget
ONDCP	Office of National Drug Control Policy
OTS	Office of Thrift Supervision
PDTO	priority targeted drug trafficking organizations
SBP	School Breakfast Program
SCHIP	State Children's Health Insurance Program
SFSP	Summer Food Service Program
TANF	Temporary Assistance for Needy Families
USAID	U.S. Agency for International Development
VA	Department of Veterans Affairs
WIA	Workforce Investment Act
WIC	Women, Infants, and Children Program
WtW	Welfare-to-Work

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**Contents**

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United States General Accounting Office  
Washington, D.C. 20548

December 20, 2002

The Honorable Joseph I. Lieberman  
Chairman  
The Honorable Fred Thompson  
Ranking Minority Member  
Committee on Governmental Affairs  
United States Senate

Although federal programs have been designed for different purposes or targeted for different population groups, coordination among federal programs with related responsibilities is essential to efficiently and effectively meet national concerns. Uncoordinated program efforts can waste scarce funds, confuse and frustrate program customers, and limit the overall effectiveness of the federal effort. A focus on results, as envisioned by the Government Performance and Results Act of 1993 (Results Act), implies that federal programs contributing to the same or similar results should be closely coordinated to ensure that goals are consistent and, as appropriate, program efforts are mutually reinforcing. This means that federal agencies are to look beyond their organizational boundaries and coordinate with other agencies to ensure that their efforts are aligned.

This report is in response to your request that we examine the actions and plans agencies reported in addressing the crosscutting program areas you identified: drug control, family poverty, financial institution regulation, and public health systems. Specifically, for each of the crosscutting program areas the objectives of this report were to describe (1) the major agencies involved, (2) the type of coordination these agencies discussed in their performance reports and plans, (3) the progress these agencies reported in their fiscal year 2001 performance reports and, for unmet goals, whether the agencies provide explanations and strategies that are reasonably linked to achieving the unmet goals in the future, (4) the progress these agencies planned to make in fiscal year 2003 and whether agencies describe strategies that are reasonably linked to achieving their goals, and (5) how agencies discussed the completeness, reliability, and credibility of their performance data, known shortcomings in the data, and strategies for addressing those shortcomings. In fulfilling the request, except as otherwise noted, we reviewed the fiscal year 2001 performance report and fiscal year 2003 performance plan required by the Results Act for the major agencies involved in these crosscutting areas. The Department of Defense was not included in this review since it had not issued its combined performance report and performance plan.

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## Background

Our work has repeatedly shown that mission fragmentation and program overlap are widespread in the federal government.<sup>1</sup> In 1998 and 1999, we found that this situation existed in 12 federal mission areas, ranging from agriculture to natural resources and environment. We also identified, in 1998 and 1999, 8 new areas of program overlap, including 50 programs for the homeless that were administered by 8 federal agencies. These programs provided services for the homeless that appeared to be similar. For example, 23 programs operated by 4 agencies offered housing services, and 26 programs administered by 6 agencies offered food and nutrition services. Although our work indicates that the potential for inefficiency and waste exists, it also shows areas where the intentional participation by multiple agencies may be a reasonable response to a complex public problem. In either situation, implementation of federal crosscutting programs is often characterized by numerous individual agency efforts that are implemented with little apparent regard for the presence of efforts of related activities.

In our past work, we have offered several possible approaches for better managing crosscutting programs—such as improved coordination, integration, and consolidation—to ensure that crosscutting goals are consistent; program efforts are mutually reinforcing; and, where appropriate, common or complementary performance measures are used as a basis for management. One of our oft-cited proposals is to consolidate the fragmented federal system to ensure the safety and quality of food.

Perhaps most important, however, we have stated that the Results Act could provide the Office of Management and Budget (OMB), agencies, and Congress with a structured framework for addressing crosscutting program efforts. OMB, for example, could use the governmentwide performance plan, which is a key component of this framework, to integrate expected agency-level performance. It could also be used to more clearly relate and address the contributions of alternative federal strategies. Agencies, in turn, could use the annual performance planning cycle and subsequent annual performance reports to highlight crosscutting program efforts and to provide evidence of the coordination of those efforts.

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<sup>1</sup>See U.S. General Accounting Office, *Managing for Results: Using the Results Act to Address Mission Fragmentation and Program Overlap*, GAO/AIMD-97-146 (Washington, D.C.: Aug. 29, 1997) and U.S. General Accounting Office, *Managing for Results: Barriers to Interagency Coordination*, GAO/GGD-00-106 (Washington, D.C.: Mar. 29, 2000).



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OMB guidance to agencies on the Results Act states that, at a minimum, an agency's annual plan should identify those programs or activities that are being undertaken with other agencies to achieve a common purpose or objective, that is, interagency and cross-cutting programs. This identification need cover only programs and activities that represent a significant agency effort. An agency should also review the fiscal year 2003 performance plans of other agencies participating with it in a crosscutting program or activity to ensure that related performance goals and indicators for a crosscutting program are consistent and harmonious. As appropriate, agencies should modify performance goals to bring about greater synergy and interagency support in achieving mutual goals.<sup>2</sup>

In April 2002, as part of its spring budget planning guidance to agencies for preparing the President's fiscal year 2004 budget request, OMB stated that it is working to develop uniform evaluation metrics, or "common measures" for programs with similar goals. OMB asked agencies to work with OMB staff to develop evaluation metrics for several major crosscutting, governmentwide functions as part of their September budget submissions. According to OMB, such measures can help raise important questions and help inform decisions about how to direct funding and how to improve performance in specific programs. OMB's common measures initiative initially focused on the following crosscutting program areas:

- low-income housing assistance,
- job training and employment,
- wildland fire management,
- flood mitigation,
- disaster insurance, and
- health.

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<sup>2</sup>OMB Circular A-11, section 220.3g.

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We recently reported that one of the purposes of the Reports Consolidation Act of 2000 is to improve the quality of agency financial and performance data.<sup>3</sup> We found that only 5 of the 24 CFO Act agencies' fiscal year 2000 performance reports included assessments of the completeness and reliability of their performance data in their transmittal letters. The other 19 agencies discussed, at least to some degree, the quality of their performance data elsewhere in their performance reports.

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## Scope and Methodology

To address these objectives, we first defined the scope of each crosscutting program area as follows:

- Drug control focuses on major federal efforts to control the supply of illegal drugs through interdiction and seizure, eradication, and arrests.
- Family poverty focuses on major federal efforts to address the needs of families in poverty through programs aimed at enhancing family independence and well-being. We focused on agencies that provide key support and transition tools associated with the income, health, and food support and assistance to poor families.
- Financial institution regulation focuses on major federal efforts to supervise and regulate depository institutions. Supervision involves monitoring, inspecting, and examining depository institutions to assess their condition and their compliance with relevant laws and regulations. Regulation of depository institutions involves making and issuing specific regulations and guidelines governing the structure and conduct of banking.
- Public health systems focuses on major federal efforts to prevent and control infectious diseases within the United States.

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<sup>3</sup>U.S. General Accounting Office, *Performance Reporting: Few Agencies Reported on the Completeness and Reliability of Performance Data*, [GAO-02-372](#) (Washington, D.C.: Apr. 26, 2002).

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To identify the agencies involved in each area we relied on our previous work and confirmed the agencies involved by reviewing the fiscal year 2001 Results Act performance report and fiscal year 2003 Results Act performance plans for each agency identified as contributing to the crosscutting program area. To address the remaining objectives, we reviewed the fiscal year 2001 performance reports and fiscal year 2003 performance plans and used criteria contained in the Reports Consolidation Act of 2000 and OMB guidance. The act requires that an agency's performance report include a transmittal letter from the agency head containing, in addition to any other content, an assessment of the completeness and reliability of the performance and financial data used in the report. It also requires that the assessment describe any material inadequacies in the completeness and reliability of the data and the actions the agency can take and is taking to resolve such inadequacies.<sup>4</sup>

OMB guidance states that agency annual plans should include a description of how the agency intends to verify and validate the measured values of actual performance. The means used should be sufficiently credible and specific to support the general accuracy and reliability of the performance information that is recorded, collected, and reported.<sup>5</sup>

We did not include any changes or modifications the agencies may have made to the reports or plans after they were issued, except in cases in which agency comments provided information from a published update to a report or plan. Furthermore, because of the scope and timing of this review, information on the progress agencies may have made in addressing their management challenges during fiscal year 2002 was not yet available.

We did not independently verify or assess the information we obtained from agency performance reports and plans. Also, that an agency chose not to discuss its efforts to coordinate in these crosscutting areas in its performance reports or plans does not necessarily mean that the agency is not coordinating with the appropriate agencies.

We conducted our review from September through November 2002, in accordance with generally accepted government auditing standards.

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<sup>4</sup>31 U.S.C. § 3516(e).

<sup>5</sup>OMB Circular A-11, section 220.5a.

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## Results in Brief

Our review of agency performance reports and plans for the four crosscutting areas revealed that there are multiple players within these areas pursuing similar or complementary goals and strategies, suggesting significant opportunities for coordination to achieve common objectives. As we have reported previously, agencies could use the annual performance planning cycle to ensure that crosscutting goals are consistent; program efforts are mutually reinforcing; and, where appropriate, common or complementary performance measures are used as a basis for management. Annual performance reports and plans could then serve as a vehicle to highlight crosscutting program efforts and to provide evidence of the coordination of those efforts.

We found most agencies identified the agencies with which they coordinated on the crosscutting areas in their performance reports and plans, although the specific areas of coordination and level of detail provided varied considerably. For example, the Department of Transportation stated that the Coast Guard worked with the Office of National Drug Control Policy (ONDCP) and the U.S. Customs Service to finalize an interagency study of the deterrent effect that interdiction has on drug trafficking organizations. In contrast, in the area of family poverty, the Department of Agriculture and the Centers for Medicare and Medicaid Services (CMS), a component of the Department of Health and Human Services (HHS), stated that they coordinated with other agencies, but did not specify the agencies or the types of coordination efforts.

The progress agencies reported in meeting their fiscal year 2001 performance goals across the four crosscutting areas also varied considerably. Of the agencies we reviewed, the National Institutes of Health (NIH) in the area of public health systems and the National Credit Union Administration (NCUA) and the Office of Thrift Supervision (OTS) in the area of financial institution regulation reported meeting all of their goals in these areas. However, most of the agencies we reviewed reported mixed progress in achieving their fiscal year 2001 goals. For example, CMS reported meeting two goals, partially meeting one goal, and not meeting a fourth goal related to family poverty. Some of the agencies were unable to report on progress against specific targets—either because, like the Department of Housing and Urban Development (HUD), they were establishing baselines for new measures or because, like the Administration for Children and Families (ACF), there were delays in receiving performance data from state and local partner agencies.

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Some of the agencies that did not meet one or more of their fiscal year 2001 performance goals, such as the Department of Labor in the area of family poverty, provided reasonable explanations as well as strategies that appear reasonably linked to meeting the goals in the future. The Food and Drug Administration (FDA), a component of HHS, provided a reasonable explanation for not meeting one of its goal related to public health systems, but did not discuss any strategies for achieving the goal in the future.

The agencies we reviewed generally planned to pursue goals in fiscal year 2003 that were similar to those they pursued in fiscal year 2001, with targets adjusted to reflect either higher or lower levels of performance than were planned for fiscal year 2001. Some agencies added new goals, modified existing goals, or dropped goals altogether from their fiscal year 2003 performance plans. Many agencies discussed strategies for achieving their fiscal year 2003 goals that appeared to be reasonably linked to the performance goals to be achieved. Others, such as NIH and the Health Resources and Services Administration (HRSA) components of HHS in the area of public health systems did not discuss any strategies for achieving their fiscal year 2003 goals.

Eight of the 12 agencies we reviewed for all the crosscutting areas—Agriculture, Housing and Urban Development, Justice, Labor, Transportation, and Treasury, and OCC and OTS—commented on the overall quality and reliability of the data in their performance reports. For example, the Secretary’s message in the Department of the Treasury’s fiscal year 2001 performance report stated that, as required by the Reports Consolidation Act of 2000, the Secretary had assessed the data in the report and determined that the data were reliable and complete with noted exceptions. Beyond such overarching statements, we also found more detailed discussion of the completeness, reliability, and credibility of the performance data reported. For example, Transportation reported its data verification and validation procedures for each of its performance measures. In contrast, the Department of State in the area of drug control and the Board of Governors of the Federal Reserve System (the Board), the Federal Deposit Insurance Corporation (FDIC), and NCUA in the area of financial institution regulation did not discuss potential shortcomings to their data or whether the data used in their performance reports were complete, reliable, and credible.

## Agencies Involved in Crosscutting Areas Show Opportunities for Coordination

As shown in table 1, multiple agencies are involved in each of the crosscutting program areas we reviewed.

**Table 1: Agencies Reviewed for Each Crosscutting Program Area**

Agency involved <sup>a</sup>	Crosscutting program areas			
	Drug control <sup>b</sup>	Family poverty	Financial institution regulation	Public health systems
Agriculture		✓		✓
Federal Reserve <sup>c</sup>			✓	
FDIC			✓	
HHS <sup>d</sup>		✓		✓
HUD		✓		
Labor		✓		
Justice	✓			
NCUA			✓	
State	✓			
Transportation <sup>e</sup>	✓			
Treasury <sup>f</sup>	✓			
OCC			✓	
OTS			✓	

Source: GAO analysis.

<sup>a</sup>Although our review focused primarily on department-level reports and plans, in some cases our review also focused on bureau-level sections of the reports and plans as indicated in the notes that follow.

<sup>b</sup>ONDCP is an executive office of the President and is not required to issue a performance plan or report under the Results Act. Instead, we reviewed the following ONDCP documents for this analysis: *2002 Final Report on the 1998 National Drug Control Strategy*; *Performance Measures of Effectiveness: 2000 Report*; *The National Drug Control Strategy, Fiscal Year 2003 Budget Summary*; and *The National Drug Control Strategy: 2001 Annual Report*.

<sup>c</sup>The Board believes that it is not covered under the Results Act, but it has chosen to voluntarily comply with the act. The Board issued both its performance report and performance plans biannually rather than annually to reflect its budget process, which occurs biannually.

<sup>d</sup>Within HHS, we looked at ACF and CMS for family poverty and the Centers for Disease Control and Prevention, CMS, FDA, HRSA, and NIH for public health.

<sup>e</sup>Within Transportation, we looked at the Coast Guard in the area of drug control.

<sup>f</sup>Within Treasury, we looked at the Customs Service in the area of drug control.

The discussion of the crosscutting areas below summarizes detailed information contained in the tables that appear in appendixes I through IV.

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## Drug Control

Fourteen million Americans use illegal drugs regularly, and drug-related illness, death, and crime cost the nation approximately \$110 billion annually. From 1990 through 1997, there were more than 100,000 drug-induced deaths in the United States.<sup>6</sup> Despite U.S. and Colombian efforts, the illegal narcotics threat from Colombia continues to grow and become more complex. From 1995 through 1999, coca cultivation and cocaine production in Colombia more than doubled and Colombia became a major supplier of the heroin consumed in the United States. Moreover, over time, the drug threat has become more difficult to address.<sup>7</sup> ONDCP was established by the Anti-Drug Abuse Act of 1988 to set policies, priorities, and objectives for the nation's drug control program. The Director of ONDCP is charged with producing the National Drug Control Strategy, which directs the nation's antidrug efforts and establishes a budget and guidelines for cooperation among federal, state, and local entities. ONDCP's *2001 Annual Report* discussed two strategic goals that pertain to controlling the supply of drugs that enter the United States, including (1) "shielding U.S. borders from the drug threat" and (2) "reducing the supply of illegal drugs." ONDCP reported two performance goals under the strategic goals—reduce the rate of illicit drug flow through transit zones and reduce the shipment rate of illicit drugs from arrival zones and supply zones.

For fiscal year 2001, all the agencies we reviewed—Justice, State, Transportation, and Treasury—discussed coordination with other agencies in the area of drug control, although the level of detail varied. For example, Transportation stated that the Coast Guard worked with ONDCP and Customs to finalize an interagency study of the deterrent effect that interdiction has on drug trafficking organizations. Also, Justice reported that it collaborated with Transportation to prosecute cases that relate to maritime drug smuggling. In contrast, State identified the lead and partner agencies it coordinated with to accomplish its goals, but it did not discuss specific coordination efforts. None of the agencies distinguished between coordination efforts that occurred in fiscal year 2001 and those that were planned for fiscal year 2003.

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<sup>6</sup>U.S. General Accounting Office, *Drug Control: Assets DOD Contributes to Reducing the Illegal Drug Supply Have Declined*, [GAO/NSIAD-00-9](#) (Washington, D.C.: Dec. 21, 1999).

<sup>7</sup>U.S. General Accounting Office, *Drug Control: U.S. Assistance to Colombia Will Take Years to Produce Results*, [GAO-01-26](#) (Washington, D.C.: Oct. 17, 2000).

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None of the agencies reported having met all of their goals and measures relating to drug control in fiscal year 2001. Customs reported that it met eight of its nine measures for seizures of cocaine, marijuana, and heroin. Customs reported that it did not meet its target for number of marijuana seizures. State reported that it met the targets for its goal of increasing foreign governments' effectiveness in dissolving major drug trafficking organizations and prosecuting and convicting major traffickers. For the other goal—increasing foreign governments' effectiveness in reducing the cultivation of coca, opium poppy, and marijuana—State did not meet two of its four targets. For its two measures, Transportation reported that it did not establish a target for one, the amount of drugs that are seized or destroyed at sea, and it did not meet its target for the other, the seizure rate for cocaine that is shipped through the transit zone. Justice reported that it exceeded the target for one measure—number of priority drug trafficking organizations dismantled or disrupted by the Drug Enforcement Administration (DEA)—and did not meet one of two targets for the second measure—the number of drug trafficking organizations dismantled by the Federal Bureau of Investigation (FBI).

The four agencies we reviewed—Justice, State, Transportation, and Treasury—provided explanations for not meeting their fiscal year 2001 goals that appeared reasonable. For example, Customs which is under Treasury stated that although it did not meet its target for the number of marijuana seizures, it seized more pounds of marijuana in fiscal year 2001 than in any other year. Customs stated that it believes that the number of seizures dropped because of an overall increase in sizes of marijuana loads. Furthermore, it stated that the heightened state of alert on the border following the events of September 11, 2001, might have deterred the entrance into the country of hundreds of smaller, personal-sized loads. However, none of the agencies discussed strategies for achieving the unmet goals and measures in the future.

According to their fiscal year 2003 performance plans, the agencies we reviewed expected to make progress on goals similar to those established for fiscal year 2001. All of Treasury's performance targets were adjusted to reflect higher anticipated levels of performance. Justice and State reflected a mixture of higher and lower anticipated levels of performance. Although its goals remained the same, Transportation had measures that differed from those reported in fiscal year 2001. Justice and Transportation provided strategies that appear reasonably linked to achieving their goals for fiscal year 2003. For the goal of reducing the supply and use of drugs in the United States, Justice stated that the nine Organized Crime Drug



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Enforcement Task Force (OCDETF) teams would coordinate to develop a national priority target list of the most significant drug and money laundering organizations. As drug organizations are dismantled and more organizations are identified, the OCDETF teams will monitor their progress and modify the target list. To achieve its target for the amount of drugs seized or destroyed at sea—Transportation stated that the Coast Guard will (1) operate along maritime routes to deter attempts to smuggle drugs and (2) finalize an interagency study that focuses on the deterrent impact that interdiction has on drug trafficking organizations. Customs did not discuss any strategies for achieving its fiscal year 2003 goals. State provided only general statements about how it planned to achieve its fiscal year 2003 goals.

Justice, Transportation, and Treasury each commented on the overall quality and reliability of its data. For example, in its combined report and plan, Justice states that to ensure that data contained in this document are reliable, each reporting component was surveyed to ensure that the data reported met the OMB standard for data reliability. Data that did not meet this standard were not included in the report and plan. These agencies also discussed the quality of specific performance data in their fiscal year 2001 performance reports to various degrees. In its fiscal year 2001 performance report, Justice provided a discussion of data verification and validation for each performance measure. For example, for the measure of drug trafficking organizations dismantled by the FBI, an FBI field manager reviewed and approved data that were entered into the system and the data were verified through the FBI's inspection process. Transportation reported that it used data entry software to ensure data quality and consistency by employing selection lists and logic checks. Also, Transportation stated that internal analysis and review of published data by external parties helps identify errors. Furthermore, Customs reported on the completeness, reliability, and credibility of its performance data by discussing how it verifies the data for each performance measure. State did not report on the completeness, reliability, and credibility of its performance data.

While Justice, Transportation, and Treasury acknowledged shortcomings in their performance data, they did not report steps to resolve or minimize these shortcomings. Justice reported one shortcoming which was the need to improve its reporting system for one measure—number of priority drug trafficking organizations dismantled or disrupted by DEA. Transportation stated that although data verification and validation occurs several times in the data reporting process, a potential limitation to the accuracy of its data

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could stem from data duplication and coding errors. Customs reported that while its data could be considered reliable, the data could be subject to input errors or duplicative reporting not identified by reviewers. State did not report on shortcomings in its performance data.

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## Family Poverty

Federal government agencies have major programs aimed at supporting families classified as poor. For example, HHS's Temporary Assistance for Needy Families (TANF) program makes \$16.8 billion in federal funds available to states each year.<sup>8</sup> While TANF delegates wide discretion to the states to design and implement the program, it does specify four broad program goals that focus on children and families:

- providing assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;
- ending the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
- preventing and reducing the incidence of out-of-wedlock pregnancies; and
- encouraging the formation and maintenance of two-parent families.<sup>9</sup>

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<sup>8</sup>Although the TANF block grant program was due to expire on September 30, 2002, Congress provided for an extension of the program until January 11, 2003. By that time, Congress must either reauthorize the program or provide for an additional extension.

<sup>9</sup>U.S. General Accounting Office, *Welfare Reform: Data Available to Assess TANF's Progress*, [GAO-01-298](#) (Washington, D.C.: Feb. 28, 2001).

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In addition, Agriculture's Food Stamp Program helps low-income individuals and families obtain a more nutritious diet by supplementing their incomes with food stamp benefits. Agriculture's Food and Nutrition Service and the states jointly implement the Food Stamp Program, which provided about \$15 billion in benefits to over 17 million low-income individuals in the United States during fiscal year 2000.<sup>10</sup> In 1998, Congress passed the Workforce Investment Act (WIA) to consolidate services of many employment and training programs, mandating that states and localities use a centralized service delivery structure—the one-stop center system—to provide most federally funded employment and training assistance. We previously reported that several challenges, including program differences between TANF and WIA and different information systems used by welfare and workforce agencies, inhibit state and local coordination efforts.<sup>11</sup> For example, different program definitions, such as what constitutes work, as well as complex reporting requirements under TANF and WIA hamper state and local coordination efforts. Though some states and localities have found creative ways to work around these issues, the differences remain barriers to coordination for many others. For example, antiquated welfare and workforce information systems are often not equipped to share data with each other, and as a result, sometimes one-stop center staff members have to enter the same client data into two separate systems. Although HHS and Labor have each provided some assistance to the states on how to coordinate services, available guidance has not specifically addressed the challenges that many continue to face. Moreover, HHS and Labor have not addressed differences in program definitions and reporting requirements under TANF and WIA. To address the obstacles to coordination, we recommended that HHS and Labor work together to develop ways to jointly disseminate information on how some states and localities have taken advantage of the flexibility afforded to them under TANF and WIA to pursue coordination strategies to address some of these obstacles to coordination. We also recommended that HHS and Labor, either individually or jointly, promote research that would examine the role of coordinated service delivery on outcomes of TANF clients.

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<sup>10</sup>U.S. General Accounting Office, *Food Stamp Program: Program Integrity and Participation Challenges*, [GAO-01-881T](#) (Washington, D.C.: June 27, 2001).

<sup>11</sup>U.S. General Accounting Office, *Workforce Investment Act: States and Localities Increasingly Coordinate Services for TANF Clients, but Better Information Needed on Effective Approaches*, [GAO-02-696](#) (Washington, D.C.: July 3, 2002).

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The agencies we reviewed generally discussed in their performance reports and plans their efforts to coordinate with other federal agencies on programs that address family poverty. Three major interagency task forces bring all of the agencies we reviewed, plus others, together to coordinate on such programs: (1) the Interagency Council on the Homeless, which includes such federal entities as HUD, HHS, Agriculture, Commerce, Education, Energy, Justice, Labor, Defense, Transportation, Veterans Affairs, the Social Security Administration, the Federal Emergency Management Agency, the General Services Administration, and the U.S. Postal Service, (2) OMB's Workforce Investment Act Committee, which includes HUD, Labor, HHS, and Education, to address the nation's employment issues, and (3) the Workforce Excellence Network, which comprises Education, HHS, and Labor, conducts two major national conferences each year, in which Labor is able to "showcase" its best WIA programs. In addition, three of the five agencies we reviewed identified individual coordination efforts outside these task forces and specified the programs on which they coordinated. For example, HHS's ACF reported that it works with Labor in Welfare-to-Work (WtW) and WIA efforts, Transportation in their Access to Jobs program, Education in providing education and training services, and HUD in providing housing assistance. Agriculture and HHS's CMS stated that they coordinated with other agencies, but did not specify the agencies or the types of coordination efforts.

The agencies we reviewed reported varied progress in achieving their fiscal year 2001 goals and measures. For example, CMS reported meeting two goals, partially meeting one goal, and not meeting a fourth goal related to family poverty. For its goal of promoting self-sufficiency and asset development, HUD reported meeting the targets for seven of its performance indicators, missing or expecting to miss six targets, not having enough data for one target, and establishing baselines for 4 of its 18 performance indicators. Incomplete data prevented Agriculture, ACF, and HUD from reporting on all of their measures. For example, ACF was unable to report on its progress for 18 of its 23 performance indicators related to three of its goals linked to family poverty due to the time lag in receiving and validating data from states, localities, and other program partners. However, ACF was able to report that it fell short in achieving its targets for the 5 performance indicators related to two of its goals: improving the quality of child care and the Head Start Health Status program.

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All of the agencies provided explanations that appeared reasonable for not meeting their goals. For example, ACF reported that two factors contributed to its failure to meet two of the three targets for its goal of improving Head Start Health Status: (1) a high student turnover rate hindered the students' receipt of health care despite Head Start's medical referrals and (2) Medicaid's inability to cover dental and mental health treatment for Head Start students prevented them from receiving proper care. In addition, these agencies generally provided strategies that appeared reasonably linked to achieving the unmet goals in the future. For example, Labor outlined strategies to address its two unmet goals relating to higher wages for and retention of WtW participants in the workforce and increasing the number of child care apprenticeship programs and apprentices. Specifically, Labor proposed making retention of WtW participants more attractive by increasing grantees' use of tax credits and continuing the Pathways to Advancement pilot project, which subsidizes employers, upgrades and advances current TANF "alumni," and validates data at the program level, among other strategies.

For their fiscal year 2003 plan, the agencies we reviewed generally set goals similar to those established for fiscal year 2001, but increased the targets to reflect anticipated higher levels of performance. The exception to this consistency was HUD, which reported that the draft of its updated strategic plan for fiscal years 2000 through 2006 affected the fiscal year 2003 performance plan framework. The new framework introduced eight strategic goals, two of which addressed family poverty. Objectives included helping families in public and assisted housing make progress toward self-sufficiency and become homeowners, ending chronic homelessness in 10 years, and helping homeless individuals and families move to permanent housing. Four of the five agencies we reviewed—Agriculture, ACF, HUD, and Labor—provided reasonable strategies for achieving at least one of their fiscal year 2003 goals related to family poverty. For example, Labor lists departmentwide means and strategies for meeting all of its goals, most of which are to continue or improve preexisting efforts. Following the list, Labor describes eight significant new or enhanced efforts in fiscal year 2003. For its goal of having states develop a baseline and methodology for measuring the immunization of 2-year-old children under Medicaid, CMS discusses time frames for the development of each state's baseline measure and reporting methodology, but it does not describe specific strategies for how it intends to achieve its targets for this area.

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All of the agencies we reviewed addressed data quality issues in some form, although the degree to which such issues were addressed varied. Three of the five agencies—Agriculture, HUD, and Labor—included a broad statement at the beginning or end of their reports or plans stating that the reported data were generally reliable. Because all of the agencies we reviewed rely on data from the states and other grantees to report on performance for at least one of their goals, they reported on the difficulty of obtaining quality data in a timely manner. However, all of the agencies reported that they have methods for reviewing the performance data for consistency and completeness. For example, CMS stated that it had built-in quality assurance checks, technical consultants, and a review of data by CMS personnel. In addition, the agencies generally acknowledged shortcomings in the data and discussed steps they were taking to resolve or minimize the shortcomings. For example, HUD reported that it is discontinuing or updating the 18 performance indicators we reviewed in its fiscal year 2001 report because of its inability to address data reliability issues and because the connection between the indicators and the outcome measure was unknown, among other reasons. For the estimated data, HUD stated that accurate numbers would be reported in its fiscal year 2002 performance report if adjustments were necessary.

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## Financial Institution Regulation

Financial regulation of depository institutions in the United States is a highly complex system. Federal responsibilities for regulation and supervision are assigned to five federal regulators: FDIC, the Board of Governors of the Federal Reserve System,<sup>12</sup> NCUA, OCC, and OTS.<sup>13</sup> FDIC is the primary federal regulator and supervisor for federally insured state-chartered banks that are not members of the Federal Reserve System and for state savings banks whose deposits are federally insured. The Board is the federal regulator and supervisor for bank-holding companies and is the primary federal regulator for state-chartered banks that are members of the Federal Reserve System. OCC is the primary regulator of federally chartered banks or national banks. OTS is the primary regulator of all federal and state-chartered thrifts whose deposits are federally insured and

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<sup>12</sup>The Board believes that it is not covered under the Results Act, but it has chosen to voluntarily comply with the act. The Board issued both its performance report and performance plans biannually rather than annually to reflect its budget process, which occurs biannually.

<sup>13</sup>State-chartered banks are supervised jointly by their respective federal regulators and the state bank regulator.

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their holding companies. NCUA is the primary federal regulator for credit unions.

A primary objective of federal depository institution regulators is to ensure the safe and sound practices and operations of individual depository institutions through regulation and supervision.<sup>14</sup> Regulation of depository institutions involves making and issuing specific regulations and guidelines governing the structure and conduct of banking. Supervision involves the monitoring, inspecting, and examining of depository institutions to assess their condition and their compliance with relevant laws and regulations. Each federal depository regulator is responsible for its respective institutions; for example, the Board examines and regulates state member banks and OCC examines and regulates national banks.

Although the Board, FDIC, OCC, OTS, and NCUA are responsible for specific depository institutions, all of the agencies have similar oversight responsibilities for developing and implementing regulations, conducting examinations and off-site monitoring, and taking enforcement actions for those institutions that are under their respective purview. To ensure that depository institutions are receiving consistent treatment in examinations, enforcement actions, and regulatory decisions, coordination among the regulators is essential. In 1979, Congress established the Federal Financial Institutions Examination Council (FFIEC) to promote uniformity in the supervision of depository institutions by the Board, FDIC, NCUA, OCC, and OTS. It is a formal interagency body empowered to prescribe uniform principles, standards, and report forms for the federal examination of financial institutions and to make recommendations to promote uniformity in the supervision of financial institutions.

Generally, the performance reports and plans of the federal depository institutions regulators discussed possible coordination on crosscutting goals.<sup>15</sup> The performance reports and plans of FDIC, OCC, and OTS described the types of coordination that they conduct with the other regulators. The Board's 2002-2003 plan includes a section on interagency

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<sup>14</sup>FDIC and the Board have other responsibilities in addition to their supervision and regulation functions. For example, FDIC is responsible for federal deposit insurance funds. The Board's responsibilities include monetary policy development and implementation and payments and settlements' system operation and oversight.

<sup>15</sup>We reviewed OCC and OTS's fiscal year 2002 performance plans instead of their fiscal year 2003 performance plans because their fiscal year 2003 plans were still in draft form.

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coordination of crosscutting issues. For instance, the section of the plan entitled, “Interagency Coordination of Crosscutting Issues” stated that the Board formally coordinates with other federal depository institution regulators through the FFIEC and its participation with the Results Act Financial Institutions Regulatory Working Group, a coordinating committee of the depository institution regulators to address and report on issues of mutual concern. The performance report and plan of NCUA did not include any discussion of coordination efforts with the other federal depository institution regulators.

In 2001 and 2002, the federal depository institution regulators jointly issued guidance or regulations on a number of occasions. For example, the regulators often jointly issue guidance in areas such as the risks of brokered and other rate-sensitive deposits, temporary balance sheet growth, clarification on the accounting and reporting for loans held for sale, and consumer privacy. In addition, earlier this year, the federal depository institution regulators jointly issued proposed regulations to implement section 326 of the USA Patriot Act on customer identification. In 2001, they jointly issued guidelines on safeguarding confidential customer information.

On the basis of their fiscal year 2001 performance reports, all the federal depository institution regulators reported they made progress in achieving their fiscal year 2001 goals for the supervision and regulation function. The Board, FDIC, and OCC each reported meeting all of their goals except for one related to the examinations of depository institutions that were due for a safety and soundness examination in 2001. However, each of the three agencies provided a reasonable explanation for not achieving the goal. FDIC was unable to examine 11 banks that were scheduled for an examination for the following reasons: some institutions merged or converted their charters, some institutions moved into or changed their capital categories requiring a change in examination intervals, and one institution converted its information system. The Board did not meet its goal because it failed to complete 17 bank examinations, as required by statute and on the basis of their financial condition in 2001, but the Board provided an appropriate reason for the delay—scheduling problems with state bank regulatory agencies. The Board reported that it is implementing a new scheduling system that will partially resolve these problems. NCUA reported it generally met its performance goals, although out of its four strategic goals, it missed one out of five outcome goals for two and was unable to report on most of the outcome goals for another. OTS reported meeting all of its goals.



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On the basis of their fiscal year 2003 performance plans, three of the five federal depository institution regulators designed strategies to achieve their performance goals that appear to be reasonable. Similar to the fiscal year 2001 performance reports, the performance goals focused on the scheduling of examinations under specific time frames, enforcement actions, and reviewing compliance with consumer protection statutes relating to consumer financial transactions. The Board's performance plan outlined strategies that appeared reasonably linked to achieving its goals and objectives for promoting a safe, sound, competitive, and accessible banking system. For example, the Board's plan proposed focusing on the areas of highest risk, promoting sound risk management practices, understanding and accommodating the effects of financial innovation and technology, improving international banking and supervisory practices, and refining and strengthening the foreign bank organizations program, among other strategies. The FDIC performance plan included a strategy for achieving its planned performance goals that also appeared reasonable. For example, FDIC plans to analyze examination-related data collected in the System of Uniform Reporting of Compliance and Community Reinvestment Act (CRA) Examination to determine whether it achieved targeted performance levels during the reporting period. In its performance plan, OCC discussed strategies for each of its strategic goals. OTS discussed general strategies, which were not clearly linked to particular performance goals.

Of the five regulators, only the performance reports of OCC and OTS commented on the completeness, reliability, and credibility of the data for the supervision and regulation function. OCC's performance report for fiscal year 2001 concluded the data were accurate for some of the performance measurements used in the report. In its fiscal year 2001 performance report, OTS concluded that the data for its performance measures met standards for accuracy and auditability. The performance reports issued by the Board, FDIC, and NCUA did not discuss whether the performance data for the supervision and regulation areas used in the reports were complete, reliable, and credible. None of their performance reports commented on the potential shortcomings of these data.

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## Public Health Systems

Broadly speaking, federal involvement in the area of public health systems encompasses a mix of efforts to maintain the health of a diverse population, such as directly providing health services, regulating prescription drugs, or paying for medical services provided to the aged and the needy. In this report, we focused one aspect of the public health system—federal efforts to prevent and control infectious diseases within the United States. The spread of infectious diseases is a public health problem once thought to be largely under control. However, outbreaks over the last decade illustrate that infectious diseases remain a serious public health threat.<sup>16</sup> For example, foodborne disease in the United States annually causes an estimated 76 million illnesses, 325,000 hospitalizations, and about 5,000 deaths, according to the Centers for Disease Control and Prevention (CDC).<sup>17</sup> The resurgence of some infectious diseases is particularly alarming because previously effective forms of control are breaking down. For example, some pathogens (disease-causing organisms) have become resistant to antibiotics used to bring them under control or have developed strains that no longer respond to the antibiotics. The need for concerted efforts to prevent such diseases is critical to reducing this threat to the public. We have previously reported on various aspects of protecting public health, such as ensuring the vaccination of children through the Vaccines for Children program<sup>18</sup> and limitations in several of CDC's foodborne disease surveillance systems.<sup>19</sup>

Agriculture and each of the five components of HHS we reviewed—CDC, CMS, FDA, HRSA, and NIH—discussed in their performance reports and performance plans coordination efforts with other agencies related to preventing infectious diseases. For example, CDC reported that it coordinated with (1) Agriculture and FDA on its food safety programs, (2) HRSA, CMS, FDA, and NIH, among others, on its immunization

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<sup>16</sup> U.S. General Accounting Office, *Emerging Infectious Diseases: Consensus on Needed Laboratory Capacity Could Strengthen Surveillance*, [GAO/HEHS-99-26](#) (Washington, D.C.: Feb. 5, 1999).

<sup>17</sup> U.S. General Accounting Office, *Food Safety: CDC Is Working to Address Limitations in Several of Its Foodborne Disease Surveillance Systems*, [GAO-01-973](#) (Washington, D.C.: Sept. 7, 2001).

<sup>18</sup> U.S. General Accounting Office, *Vaccines for Children: Reexamination of Program Goals and Implementation Needed to Ensure Vaccination*, [GAO/PEMD-95-22](#) (Washington, D.C.: June 15, 1995).

<sup>19</sup> [GAO-01-973](#).

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objectives, and (3) NIH and FDA on the development of new diagnostic and treatment tools and better vaccines for tuberculosis. Also, Agriculture reported that it coordinated with HHS and the Environmental Protection Agency regarding the goal to protect the public health by reducing the incidence of foodborne illnesses. However, none of the agencies discussed specific details about the coordination.

According to its combined fiscal year 2001 performance report and fiscal year 2003 performance plan, NIH was the only agency that reported achieving its public health systems goal—to develop new or improved approaches for preventing or delaying the onset or progression of disease and disability. Agriculture, FDA, and CDC each reported missing some of its performance targets. In addition, CDC, CMS, and HRSA lacked data to report on some or all of their performance goals for fiscal year 2001. For example, HRSA indicated that the performance data for its goal—increase the proportion of the national AIDS education and training center (AETC) interventions provided to minority health care providers—will not be collected until February 2003. Three agencies—CDC, FDA, and Agriculture—provided explanations for not meeting a measure or goal that appeared reasonable. For example, FDA reported that it missed its target—inspect 90 percent of high-risk domestic food establishments each year—because the agency purposefully diverted resources for these inspections to focus on the even greater threat of bovine spongiform encephalopathy that was breaking out in Europe at the time. None of these agencies discussed strategies to achieve the unmet goals in the future.

For fiscal year 2003, HHS's CDC, CMS, FDA, and HRSA, and Agriculture, reported they expect to make progress on goals that were generally the same as those they reported on in fiscal year 2001. NIH developed two new subgoals for its goal of developing new or improved approaches to preventing or delaying the onset or progression of disease and disability, but did not indicate targets for the new goals. CDC developed a new goal of conducting research to identify and assess community-based prevention interventions. HRSA plans to drop one of its goals—“increase the number of minority health care and social service providers who receive training in AETCs”—because measuring the percentage of training interventions provided to minority health providers was determined to be a more accurate and appropriate method to measure the program's progress in training health care providers. CMS and HRSA reported that they expected to achieve higher levels of performance for all of their targets. CDC, FDA, and Agriculture planned for a mixture of higher and lower levels of performance in fiscal year 2003.

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Agriculture and three of the five HHS components we reviewed discussed strategies that appeared reasonably linked to achieving their fiscal year 2003 goals. For example, Agriculture reported that its performance goal—create a coordinated national and international food safety risk management system to ensure safety of U.S. meat and poultry—has a set of specifically outlined strategies to follow in order to accomplish the goal, including (1) develop national performance standards for ready-to-eat meat and poultry items, (2) ensure food safety requirements are followed by monitoring slaughter and process plants, and (3) increase reviews of foreign inspection systems to ensure the safety of imported meat, poultry, and egg products. In contrast, NIH and HRSA did not discuss strategies for achieving their fiscal year 2003 goals.

Agriculture and NIH commented on the overall quality and reliability of the performance data in their fiscal year 2001 performance reports. For example, NIH progress toward meeting its goals was assessed by its GPRA Assessment Working Group, which reviewed the performance data. In addition, CDC, CMS, and Agriculture discussed aspects of data quality for each of their performance measures. For example, CDC's combined report and plan addresses data verification and validation for each data source corresponding to each goal. FDA and HRSA discussed narrow aspects of data quality for certain measures.

FDA and HRSA acknowledged shortcomings in their performance data and reported steps to resolve or minimize those shortcomings. For example, FDA stated that existing public health data systems are not adequate to provide accurate and comprehensive baseline data needed to draw direct relationships between FDA's regulatory activities and changes in the number and types of foodborne illnesses that occur annually in the United States. Therefore, through coordination with CDC and Agriculture, FDA reported developing an improved food safety surveillance program called FoodNet. HRSA reported limitations related to its HIV/AIDS data collection efforts. For example, the reporting system that holds the data contains duplicate data about individuals that prevents accurate conclusions from being made. To minimize the limitations, HRSA reported it allows grantees the option of participating in a client-level reporting system. CDC and CMS acknowledged shortcomings in their data but did not discuss steps to minimize the shortcomings. NIH and Agriculture did not discuss any limitations to their performance data in the area of public health systems.

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## Concluding Observations

We have previously stated that the Results Act could provide OMB, agencies, and Congress with a structured framework for addressing crosscutting program efforts. In its guidance, OMB clearly encourages agencies to use their performance plans as a tool to communicate and coordinate with other agencies on programs being undertaken for common purposes to ensure that related performance goals and indicators are consistent and harmonious. We have also stated that the Results Act could also be used as a vehicle to more clearly relate and address the contributions of alternative federal strategies. The President's common measures initiative, by developing metrics that can be used to compare the performance of different agencies contributing to common objectives, appears to be a step in this direction.

Some of the agencies we reviewed appear to be using their performance reports and plans as a vehicle to assist in collaborating and coordinating program areas that are crosscutting in nature. Those that provided more detailed information on the nature of their coordination provided greater confidence that they are working in concert with other agencies to achieve common objectives. Other agencies do not appear to be using their plans and reports to the extent they could to describe their coordination efforts to Congress, citizens, and other agencies.

Furthermore the quality of the performance information reported—how agencies explain unmet goals and discuss strategies for achieving performance goals in the future, and overall descriptions of the completeness, reliability, and credibility of the performance information reported—varied considerably. Although we found a number of agencies that provided detailed information about how they verify and validate individual measures, only 5 of the 10 agencies we reviewed for all the crosscutting areas commented on the overall quality and reliability of the data in their performance reports consistent with the requirements of the Reports Consolidation Act. Without such statements, performance information lacks the credibility needed to provide transparency of government operations so that Congress, program managers, and other decision makers can use the information.

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## Agency Comments and Our Evaluation

We sent drafts of this report to the respective agencies for comments. We received comments from Agriculture, the Board, FDIC, HHS, HUD, Labor, and Treasury, including OCC and OTS. The agencies generally agreed with

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our findings. The comments we received were mostly technical and we have incorporated them where appropriate.

Regarding drug control, Justice, through its Office of Legal Policy, commented that, as of November 2002, Justice had formalized increased cooperation with ONDCP on drug policy and operations.

Regarding public health systems, the NIH component of HHS commented that the prevention goal GAO looked at is one of five goals that together that give a comprehensive picture of the performance of NIH's research program. Furthermore, NIH commented that there are many formal and informal ways in which it coordinates its work in the prevention arena that are not reflected in its performance plan. For example, NIH cites the Next-Generation Smallpox Vaccine Initiative, an intradepartmental task force consisting of representatives from the Office of Public Health Policy, CDC, FDA, and NIH. We acknowledge this limitation in the scope and methodology section of the report.

Regarding family poverty, HUD commented that, although GAO's review focused on two of HUD's eight goals, it believes all of its goals and many of its indicators have an impact on family poverty. We do not dispute HUD's assertion that many of its goal address family poverty broadly. However, we focused on the goals that appeared to be most directly related to the scope we defined in our scope and methodology section.

Regarding financial institution regulation, FDIC commented that a lack of specific reference in the performance report regarding the completeness, reliability and credibility of the data should not lead to a negative inference.

We are sending copies of this report to the President, the Director of the Office of Management and Budget, the congressional leadership, other Members of Congress, and the heads of major departments and agencies. In addition, the report will be available at no charge on the GAO Web site at [http:// www.gao.gov](http://www.gao.gov).

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If you have any questions about this report, please contact me or Elizabeth Curda on (202) 512-6806 or [daltonp@gao.gov](mailto:daltonp@gao.gov). Major contributors to this report are listed in appendix V.

A handwritten signature in black ink that reads "Patricia A. Dalton". The signature is written in a cursive style with a large initial 'P' and a long, sweeping underline.

Patricia A. Dalton  
Director, Strategic Issues

# Drug Control

**Table 2: Coordination Efforts among Agencies Involved in Drug Control as Discussed in Their Fiscal Year 2001 Performance Reports and Fiscal Year 2003 Performance Plans**

Agency	What types of coordination among the relevant agencies associated with each crosscutting program were discussed in their fiscal year 2001 performance reports?	What types of coordination among the relevant agencies associated with each crosscutting program are discussed in their fiscal year 2003 performance plans?
Department of Justice <sup>a</sup>	Justice's combined report and plan provided a discussion of crosscutting activities for each performance goal. Justice stated that its annual goal—to reduce the threat, trafficking, and related violence of illegal drugs by disrupting drug trafficking organizations—had two performance goals under it. The two performance goals were (1) reduction in the supply and use of drugs within the United States and (2) disrupt and dismantle major drug trafficking criminal enterprises. Pertaining to the annual goal, Justice reported that it collaborated with the Office of National Drug Control Policy (ONDCP) and the intelligence community to support the work of the National Drug Intelligence Center. In order to achieve the two performance goals, Justice reported collaboration with the Department of Transportation to prosecute cases that relate to maritime drug smuggling. Justice reported that it coordinated with the Drug Enforcement Administration (DEA), the Federal Bureau of Investigation (FBI), the Internal Revenue Service, the U.S. Customs Service, and the Department of Defense to create the Special Operations Division that produces data analyses of priority targeted drug trafficking organizations (PDTO).	Justice makes no distinction between coordination efforts that occurred in fiscal year 2001 and those that are planned for fiscal year 2003.
Department of State	State's fiscal year 2001 performance report identified agencies with which it coordinated on two performance goals relating to drug control— (1) increase foreign governments' effectiveness in reducing the cultivation of coca, opium poppy, and marijuana and (2) increase foreign governments' effectiveness in dissolving major drug trafficking organizations and prosecuting and convicting major traffickers. For the first goal, State identified lead and partner agencies that it coordinated with to accomplish the goal, including the U.S. Agency for International Development (USAID), the Central Intelligence Agency (CIA), and DEA. Also, for the second goal, State identified lead and partner agencies such as USAID, DEA, Customs, Coast Guard, and CIA. The report did not discuss specific efforts on which State and the other listed agencies collaborated.	State reported no planned coordination efforts among agencies that relate to drug control for fiscal year 2003.



**Appendix I  
Drug Control**

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Agency	What types of coordination among the relevant agencies associated with each crosscutting program were discussed in their fiscal year 2001 performance reports?	What types of coordination among the relevant agencies associated with each crosscutting program are discussed in their fiscal year 2003 performance plans?
Department of Transportation <sup>b</sup>	<p>In its combined performance report and plan, Transportation reported coordinating with other agencies on issues related to drug control. It stated that the Coast Guard worked with ONDCP and Customs to finalize an interagency study of the deterrent effect that interdiction has on drug trafficking organizations. Also, the Coast Guard and Customs coordinated to provide in-depth law enforcement defense against drug traffickers. Defense provided detection and monitoring support, and provided ships to support interdiction efforts at sea. Transportation worked with Justice to coordinate drug intelligence. State provided diplomatic liaison with other countries and supported Transportation's efforts in bilateral agreements to counter drug smuggling.</p> <p>In addition, Transportation identified drug goals established by ONDCP. However, the link between the strategic goals from ONDCP and Transportation's performance measures was not clear.</p>	<p>Transportation makes no distinction between coordination efforts that occurred in fiscal year 2001 and those that are planned for fiscal year 2003.</p>
Department of the Treasury <sup>c</sup>	<p>In Treasury's report, it stated that Customs coordinated with the Immigration and Naturalization Service as well as other law enforcement and inspection agencies around and along the borders. In Customs' combined report and plan, it said that Customs coordinated with ONDCP and the International Crime Control Strategy.</p>	<p>Customs makes no distinction between coordination efforts that occurred in fiscal year 2001 and those that are planned for fiscal year 2003.</p>

Sources: Department of Justice, *FY 2001 Performance Report & FY 2002 Revised Final, FY 2003 Performance Plan* (Washington, D.C.: 2002); Department of State, *U.S. Department of State Program Performance Report Fiscal Year 2001* (Washington, D.C.: Mar. 2002); Department of State, *U.S. Department of State Performance Plan Fiscal Year 2003* (Washington, D.C.: Sept. 2002); Department of Transportation, *Department of Transportation Performance Plan Fiscal Year 2003 and Performance Report Fiscal Year 2001* (Washington, D.C.: Mar. 2002); Department of the Treasury, *Department of the Treasury Program Performance Report Fiscal Year 2001* (Washington, D.C.: 2002); United States Customs Service, *United States Customs Service Fiscal Year 2003 President's Budget Performance Plan and Report* (Washington, D.C.: Feb. 4, 2002).

<sup>a</sup>Justice issued a consolidated fiscal year 2001 performance report and fiscal year 2003 performance plan.

<sup>b</sup>Transportation issued a consolidated fiscal year 2001 performance report and fiscal year 2003 performance plan.

<sup>c</sup>The U.S. Customs Service, a bureau within the Department of the Treasury, issued a consolidated fiscal year 2001 performance report and fiscal year 2003 performance plan. Because Treasury did not issue a fiscal year 2003 departmentwide performance plan, we reviewed the consolidated report and plan for Customs and the fiscal year 2001 Treasury report.

**Appendix I  
Drug Control**

**Table 3: Agencies' Reported Progress and Strategies for Achieving Goals in Drug Control as Discussed in Their Fiscal Year 2001 Performance Reports**

Department or agency	What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?	If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?
Justice	<p>Justice reported two performance goals related to drug control: (1) reduce the supply and use of drugs in the United States and (2) disrupt and dismantle major drug trafficking organizations. Justice stated that the measure for the first goal was newly established for fiscal year 2002 when the baselines of estimates of the consumption amount of cocaine, heroin, methamphetamine, and marijuana were to be developed. According to the combined report and plan, Justice reported on two measures pertaining to the goal of disrupting and dismantling major drug trafficking organizations:</p> <ol style="list-style-type: none"> <li>1. number of PDTOs dismantled or disrupted by DEA and</li> <li>2. number of drug trafficking organizations dismantled by the FBI.</li> </ol> <p>Justice exceeded the target for the first measure. Justice exceeded one of the two targets for the second measure—the number of identified drug trafficking organizations linked to national PDTOs. Justice reported that it did not meet the other target—the number of drug trafficking organizations dismantled by the FBI.</p>	<p>According to its combined plan and report, Justice provided an explanation for not meeting the target for the measure of the number of drug trafficking organizations dismantled by the FBI that appeared reasonable. Justice stated that its rationale for not achieving the target was the need to address other priorities, resulting in a reduction of 91 special agent positions associated with counterdrug activities. However, the department did not discuss strategies to meet the measure in the future. Justice provided an overall strategy for achieving its fiscal year 2003 goals.</p>

**Appendix I  
Drug Control**

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<b>Department or agency</b>	<b>What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?</b>	<b>If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?</b>
State	<p>State reported that it exceeded four of six targets for the performance measures under the two goals related to drug control, which were</p> <ol style="list-style-type: none"> <li>1. increase foreign governments' effectiveness in reducing the cultivation of coca, opium poppy, and marijuana and</li> <li>2. increase foreign governments' effectiveness in dissolving major drug trafficking organizations and prosecuting and convicting major traffickers.</li> </ol> <p>For the first goal, State exceeded two targets:</p> <ol style="list-style-type: none"> <li>1. number of hectares of illicit opium under cultivation and</li> <li>2. number of prevention summits.</li> </ol> <p>State did not meet two other targets for the first goal:</p> <ol style="list-style-type: none"> <li>1. number of hectares of illicit coca under cultivation and</li> <li>2. number of hectares of marijuana under cultivation.</li> </ol> <p>Also, State exceeded both targets for the second goal:</p> <ol style="list-style-type: none"> <li>1. number of countries that ratified the 1988 United Nations Drug Convention and</li> <li>2. number of trained law enforcement personnel.</li> </ol>	<p>For the two performance targets not achieved, State provided an explanation that appeared reasonable. State reported that political strife and violence against eradication authorities in countries such as Colombia, Bolivia, and Peru hindered its drug eradication efforts. State did not provide specific strategies to meet the measures in the future.</p>

**Appendix I  
Drug Control**

*(Continued From Previous Page)*

Department or agency	What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?	If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?
Transportation	<p>Transportation reported four performance goals related to drug control that were derived from the Office of National Drug Control Policy:</p> <ol style="list-style-type: none"> <li>1. reduce the current drug use among 12-to 17-year-olds by 10 percent by the year 2005,</li> <li>2. reduce the current drug use among 18-year-olds and older by 10 percent by the year 2005,</li> <li>3. reduce the current drug use among 12-to 17-year-olds by 25 percent by the year 2008, and</li> <li>4. reduce the current drug use among 18-year-olds and older by 25 percent by the year 2008.</li> </ol> <p>The department did not provide a discussion of its progress in achieving these performance goals. Rather, it reported on two measures that are not clearly linked to the four ONDCP goals:</p> <ol style="list-style-type: none"> <li>1. the amount of drugs that are seized or destroyed at sea and</li> <li>2. the seizure rate for cocaine that is shipped through the transit zone.</li> </ol> <p>Transportation did not establish a target for the first measure. Transportation reported that it did not meet the target of 15 percent for the second measure.</p>	<p>In its combined report and plan, Transportation provided an explanation for not meeting the fiscal year 2001 performance target for the measure—seizure rate for cocaine that is shipped through the transit zone—that appeared reasonable. It stated that it did not meet the target of 15 percent for the measure because the previous years' increase in the total flow of cocaine through the transit zone had outpaced the increase in the Coast Guard's drug interdiction efforts. Transportation did not provide specific strategies for meeting this target in the future.</p>
Treasury	<p>In its combined performance plan and report, Customs reported on the performance goal to reduce the quantity of illegal drugs entering the United States. Customs exceeded eight of nine measures reflecting the thousands of pounds seized, number of seizures, and pounds of drugs per seizures for the following three drugs: cocaine, marijuana, and heroin. Customs reported that it did not meet the target for the number of marijuana seizures.</p>	<p>Treasury's fiscal year 2001 report provided an explanation for Customs not achieving the target for the number of marijuana seizures. Customs stated that, although it did not meet its target for the number of marijuana seizures, it seized more pounds of marijuana in fiscal year 2001 than in any other year. Customs stated it believes that the number of seizures dropped because of an overall increase in sizes of marijuana loads. Furthermore, it stated that the heightened state of alert on the border following the events of September 11, 2001, might have deterred the entrance into the country of hundreds of smaller, personal-sized loads. There is no discussion of strategies to meet the unmet measure in the future.</p>

Sources: Department of Justice, *FY 2001 Performance Report & FY 2002 Revised Final, FY 2003 Performance Plan* (Washington, D.C.: 2002); Department of State, *U.S. Department of State Program Performance Report Fiscal Year 2001* (Washington, D.C.: Mar. 2002); Department of Transportation, *Department of Transportation Performance Plan Fiscal Year 2003 and Performance Report Fiscal Year 2001* (Washington, D.C.: Mar. 2002); Department of the Treasury, *Department of the Treasury Program Performance Report Fiscal Year 2001* (Washington, D.C.: 2002); United States Customs Service, *United States Customs Service Fiscal Year 2003 President's Budget Performance Plan and Report* (Washington, D.C.: Feb. 4, 2002).

**Appendix I  
Drug Control**

**Table 4: Table 4: Agencies' Expected Progress and Strategies for Achieving Goals in Drug Control as Discussed in Their Fiscal Year 2003 Performance Plans**

Department or agency	What progress did the agencies expect to make in fiscal year 2003?	Do the agencies provide strategies that are reasonably linked to achieving fiscal year 2003 goals?
Justice	<p>Justice reports that it expects to continue to improve its performance on three performance measures under the two goals relating to drug control, which are (1) reduction in the supply of drugs in the United States, (2) number of dismantled/disrupted PDTOs, and (3) reduction in number of dismantled drug trafficking organizations that are U.S.-based.</p> <p>For the first goal of reducing the supply and use of drugs in the United States, Justice plans to establish a baseline for the measure—reduction in the supply of drugs entering the United States—in fiscal year 2002. In its plan, Justice developed the fiscal year 2003 target of reducing the supply of drugs entering the U.S. by 5 percent, but notes that the figure may be subject to change to reflect the fiscal year 2002 baseline.</p> <p>Pertaining to the second goal of dismantling/disrupting major drug trafficking criminal enterprises, Justice plans to achieve a 7 percent reduction in PDTOs by dismantling/disrupting 45 PDTOs. For the measure of dismantling drug trafficking organizations linked to national PDTOs, Justice states that it will identify 250 drug trafficking organizations and dismantle 13 of them.</p>	<p>Justice's discussion of strategies to achieve its fiscal year 2003 goals appears reasonably linked to achieving its fiscal year 2003 goals. For the goal of reducing the supply and use of drugs in the United States, Justice states that the nine Organized Crime Drug Enforcement Task Force (OCDETF) teams will coordinate to develop a national priority target list of the most significant drug and money-laundering organizations. As drug organizations are dismantled and more organizations are identified, the OCDETF teams will monitor their progress and modify the target list. Also, Justice plans to identify and attack the control and communications links that are important to PDTOs operations in order to achieve the second goal—disrupt and dismantle major drug trafficking criminal enterprises.</p>
State	<p>State's fiscal year 2003 performance plan indicates it will report on the same six measures as it did in fiscal year 2001 for the two goals aimed at reducing the entry of illegal drug in the United States:</p> <ol style="list-style-type: none"> <li>1. reduce foreign cultivation of opium poppies, coca, and marijuana and</li> <li>2. dissolve major DTOs and investigate, prosecute, and convict significant narcotics criminals.</li> </ol> <p>The targets for the measures indicate State's plans to further reduce the illegal drug supply by targeting drug production and by dismantling major drug trafficking organizations (DTOs).</p>	<p>In the fiscal year 2003 plan, State discusses strategies that appear reasonable in achieving its fiscal year 2003 goals. State reports on what it plans to emphasize for fiscal year 2003. Pertaining to the first goal—reduce foreign cultivation of opium poppies, coca, and marijuana—State plans to focus on the rebuilding of Afghanistan in areas such as reducing opium poppy cultivation. For the second goal—dissolve major DTOs and investigate, prosecute, and convict significant narcotics criminals—State plans to improve relationships with foreign governments' counternarcotics agencies. For example, State expects to dismantle the international drug cartels that supply the majority of the drugs entering the United States.</p>

**Appendix I  
Drug Control**

*(Continued From Previous Page)*

<b>Department or agency</b>	<b>What progress did the agencies expect to make in fiscal year 2003?</b>	<b>Do the agencies provide strategies that are reasonably linked to achieving fiscal year 2003 goals?</b>
Transportation	For fiscal year 2003, Transportation plans to report on one performance measure relating to the drug goal—amount of drugs seized or destroyed at sea. Transportation reports that it expects to seize or destroy 76 metric tons of drugs (cocaine, marijuana, methamphetamine, and heroin) at sea.	Transportation lists strategies that appear reasonable in achieving its fiscal year 2003 performance goal. For example, the Coast Guard plans to <ol style="list-style-type: none"> <li>1. operate along maritime routes to deter attempts to smuggle drugs and</li> <li>2. finalize an interagency study that focuses on the deterrent impact that interdiction has on DTOs.</li> </ol>
Treasury	<p>Customs reports that it plans to increase the targets for the same nine measures reported in fiscal year 2001 that relate to reducing the amount of illegal drugs entering the United States.</p> <p>In its combined report and plan, Customs states that it anticipates continued increase in maritime and air cargo smuggling and seizure activity. Also, Customs asserts that, because of increased security at U.S. ports of entry, it will be more difficult for traffickers to smuggle narcotics into the country which contributes to the decrease in seizures.</p>	Although Customs provides a lengthy discussion of the activities it has planned for fiscal year 2003 in the area “drug and other enforcement,” the discussion emphasizes terrorism prevention and does not specifically address strategies related to drug control.

Sources: Department of Justice, *FY 2001 Performance Report & FY 2002 Revised Final, FY 2003 Performance Plan* (Washington, D.C.: 2002); Department of State, *U.S. Department of State Performance Plan Fiscal Year 2003* (Washington, D.C.: Sept. 2002); Department of Transportation, *Department of Transportation Performance Plan Fiscal Year 2003 and Performance Report Fiscal Year 2001* (Washington, D.C.: Mar. 2002); United States Customs Service, *United States Customs Service Fiscal Year 2003 President's Budget Performance Plan and Report* (Washington, D.C.: Feb. 4, 2002).

**Appendix I  
Drug Control**

**Table 5: Reliability of Performance Data Reported by Agencies Involved in Drug Control as Discussed in Their Fiscal Year 2001 Performance Reports**

<b>Department or agency</b>	<b>How did the agencies discuss the completeness, reliability, and credibility of their performance data?</b>	<b>Are known shortcomings in the data acknowledged and steps to resolve or minimize the shortcomings described?</b>
Justice	Justice’s combined report and plan discusses data completeness, reliability, and credibility by addressing data verification and validation for each performance measure. The Chief of Operations Division at DEA validated the targets for the measure—number of dismantled or disrupted PDTOs by DEA. Also, for the measure of DTOs dismantled by the FBI, an FBI field manager reviewed and approved data that were entered into the system and the data was verified through the FBI’s inspection process.	Justice reported one shortcoming which was the need to improve its reporting system for the measure—number of PDTOs dismantled or disrupted by DEA. Justice did not discuss any plans to resolve this shortcoming.
State	State did not report on the completeness, reliability, and credibility of its performance data.	State did not report on shortcomings in its performance data.
Transportation	Regarding data quality, Transportation reported on the completeness, credibility, and reliability of its reported data by addressing data verification and validation. Data entry software ensures data quality and consistency by employing selection lists and logic checks. Internal analysis and review of published data by external parties help identify errors.	Transportation discussed shortcoming in its performance data. It stated that, although data verification and validation occurs several times in the data reporting process, a small but possible limitation to the accuracy of the data could stem from duplication and coding errors. Transportation did not provide specific steps to minimize this shortcoming.
Treasury	Customs reported on the completeness, reliability, and credibility of its performance data by discussing data verification for each performance measure. For example, the measure pertaining to seized narcotics is followed by a discussion on data verification. The discussion included identifying the Treasury Enforcement Communication System as the data source and stating that Customs personnel conduct periodic data reviews. In addition, Treasury’s fiscal year 2001 performance report stated that the report meets the standards for reliability established by the Office of Management and Budget.	In its report and plan, Customs acknowledged shortcomings, but did not discuss steps to minimize them. For example, Customs reported that while its data can be considered reliable, they can be subject to error, such as input errors or duplicative reporting not identified by reviewers. In Treasury’s performance report, it discussed initiatives to improve the quality of performance data. For example, Customs conducted its Self Inspections Program in fiscal year 2001, with managers performing self-assessments of methods, procedures, and performance measurements.

Sources: Department of Justice, *FY 2001 Performance Report & FY 2002 Revised Final, FY 2003 Performance Plan* (Washington, D.C.: 2002); Department of State, *U.S. Department of State Program Performance Report Fiscal Year 2001* (Washington, D.C.: Mar. 2002); Department of Transportation, *Department of Transportation Performance Plan Fiscal Year 2003 and Performance Report Fiscal Year 2001* (Washington, D.C.: Mar. 2002); Department of the Treasury, *Department of the Treasury Program Performance Report Fiscal Year 2001* (Washington, D.C.: 2002); United States Customs Service, *United States Customs Service Fiscal Year 2003 President’s Budget Performance Plan and Report* (Washington, D.C.: Feb. 4, 2002).

# Family Poverty

**Table 6: Coordination Efforts among Agencies Involved in Family Poverty as Discussed in Their Fiscal Year 2001 Performance Reports and Fiscal Year 2003 Performance Plans**

Agency	What types of coordination among the relevant agencies associated with each crosscutting program were discussed in their fiscal year 2001 performance reports?	What types of coordination among the relevant agencies associated with each crosscutting program are discussed in their fiscal year 2003 performance plans?
Department of Agriculture	<p>For the Food Stamp program, Agriculture’s fiscal year 2001 performance report mentions efforts to coordinate with other federal agencies, but does not specify the agencies. For example, Agriculture mentions (1) test projects to improve access to the program by combining the Food Stamp and Social Security application processes and (2) efforts to coordinate with other federal agencies to develop a web-based multiprogram eligibility pre-screening tool. Agriculture’s report does not discuss interagency coordination efforts for the other programs we looked at such as Special Supplemental Nutrition for Women, Infants and Children (WIC), National School Lunch, School Breakfast (SBP), Child and Adult Care Food (CACFP), and Summer Food Service (SFSP) programs.</p>	<p>Agriculture notes a strategy to coordinate with other federal agencies to seek long-term solutions to address world hunger and malnutrition but does not specify the agencies. Agriculture identifies strategies to improve its stewardship of federal nutrition assistance programs and mentions its efforts to work with state agencies but does not specifically mention its coordination efforts with other federal agencies.</p>
Department of Health and Human Services (HHS) <sup>a</sup>	<p>The Administration for Children and Families (ACF) within HHS reports it coordinates with the following departments: Labor in Welfare-to-Work Partnership and Workforce Investment Act efforts, Transportation in its Access to Jobs program, Education in providing education and training services, and Housing and Urban Development in providing housing assistance.</p> <p>The Centers for Medicare and Medicaid Services (CMS), a component of HHS that includes family poverty programs such as Medicaid and State Children’s Health Insurance Program (SCHIP), identifies its coordination efforts with other components within HHS, such as with the Centers for Disease Control (CDC). The report-plan also mentions coordination efforts with states, and other private groups and associations but does not provide information on collaboration with federal agencies.</p>	See previous column.



**Appendix II  
Family Poverty**

*(Continued From Previous Page)*

Agency	What types of coordination among the relevant agencies associated with each crosscutting program were discussed in their fiscal year 2001 performance reports?	What types of coordination among the relevant agencies associated with each crosscutting program are discussed in their fiscal year 2003 performance plans?
Department of Housing and Urban Development (HUD)	HUD reports it partners with HHS, the Department of Veterans' Affairs (VA), and "a number of agencies" in the Interagency Council on the Homeless to address homelessness. In addition, HUD attributes its success on this objective to the substantial support it receives from Labor and HHS in the measure of improving employment rates of entry-level job seekers in central cities. The Interagency Council on the Homeless includes the departments of HHS, Agriculture, Commerce, Education, Energy, Justice, Labor, Defense, Transportation, and VA; and the Social Security Administration, Federal Emergency Management Agency, General Services Administration, and the Postmaster General. HUD states that the purpose of the council is to minimize duplication and improve overall results by coordinating federal programs supporting homelessness.	In its plan, HUD describes a number of coordination efforts. HUD is a member of the Office of Management and Budget's Interagency Workforce Investment Act Committee, which brings Labor, HHS, and Education together to address the nation's employment issues. HUD states it will also continue to be involved in Labor's Workforce Investment Act Interagency Coordinating Committee. HUD reports it will collaborate with HHS and Labor in a number of initiatives including educating communities, organizations, and state and local agencies about the Workforce Investment Act and federal welfare regulations. Concerning its objective to end homelessness, HUD states it is a member of the Interagency Council on the Homeless.
Department of Labor (Labor)	Labor reports it is a part of the Workforce Excellence Network, comprising Education, HHS, and Labor. The Workforce Excellence Network conducts two major national conferences each year, in which Labor is able to "showcase" its best Workforce Investment Act (WIA) programs. In addition, at DOL's Summit on 21 <sup>st</sup> Century Workforce, the agency announced a joint proposal to work with the Department of Education on establishing a Job Corps distance-learning program.	Labor states it plans to engage Education, HUD, DOT, and Justice for support in its apprenticeship program. Labor reports it will continue to be a part of the OMB's Interagency Workforce Investment Act Committee, which brings HHS, HUD, Education, and Department of State together to develop and refine common performance measures to ensure optimal service delivery for programs under the WIA. Labor plans to be involved with the departments of Education and Defense's Education Activity program for Job Corps diploma attainment.

Sources: U.S. Department of Agriculture, *USDA Fiscal Year 2001 Annual Program Performance Report* (Washington, D.C.: Mar. 2002); U.S. Department of Agriculture, *USDA Fiscal Year 2003 Annual Performance Plan and Revised Plan for Fiscal Year 2002* (Washington, D.C.: Mar. 2002); Administration for Children and Families, *Administration for Children and Families: Fiscal Year 2003 Annual Performance Plan, Revised Final Fiscal Year 2002 Performance Plan, and Fiscal Year 2001 Annual Performance Report for the Government Performance and Results Act of 1993* (Washington, D.C.: Feb. 2002); The Centers for Medicare and Medicaid, *The Centers for Medicare & Medicaid Services: Annual Performance Plan/Annual Performance Report* (Washington, D.C.: 2002); U.S. Department of Housing and Urban Development, *U.S. Department of Housing and Urban Development: Fiscal Year 2001 Performance & Accountability Report* (Washington, D.C.: 2002); U.S. Department of Housing and Urban Development, *U.S. Department of Housing and Urban Development: Final Fiscal Year 2003 Annual Performance Plan* (Washington, D.C.: Apr. 2002); U.S. Department of Labor, *U.S. Department of Labor Annual Report Fiscal Year 2001, Report on Performance and Accountability* (Washington, D.C.: Feb. 27, 2002); U.S. Department of Labor, *United States Department of Labor Final Fiscal Year 2003 Annual Performance Plan* (Washington, D.C.: Feb. 4, 2002).

<sup>a</sup>The Department of Health and Human Services did not issue a consolidated fiscal year 2001 report or fiscal year 2003 performance plan for the entire agency but produced its fiscal year 2001 reports and fiscal year 2003 plans as a combined document for each component of the agency.

**Appendix II  
Family Poverty**

**Table 7: Agencies' Reported Progress and Strategies for Achieving Goals in Family Poverty as Discussed in Their Fiscal Year 2001 Performance Reports**

Department or agency	What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?	If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?
Agriculture	<p>Agriculture says the numbers in its report for fiscal year 2001 are based on projected results because states have not reported all of their data. Goals include expanding program access and benefit delivery for Food and Nutrition Service programs, such as Food Stamps and WIC. Agriculture reports that it anticipates meeting one goal and one of its six performance indicators it established for addressing family poverty.</p> <p>Goals Agriculture anticipates meeting included: (1) WIC participation exceeding its target of serving 7.25 million people by reaching 7.30 million participants and (2) increasing assistance to the neediest rural communities by surpassing the 7:1 or greater ratio of non-empowerment zone and enterprise communities (EZ/EC) grants to EZ/EC grants invested in EZ/EC communities to a ratio of 17.77:1.</p> <p>Agriculture does not expect to meet targets for five of the six performance indicators relating to the goal of expanding program access and benefit delivery for Agriculture nutrition assistance programs. These indicators include increased participation in the following programs: Food Stamp Program, National School Lunch Program, SBP, CACFP, and SFSP.</p>	<p>Agriculture reported that its target numbers were based on assumptions about economic and other factors affecting eligible populations. Agriculture identified barriers to Food Stamp Program participation such as drawbacks in program policies, local agency procedures, and participants' lack of information about eligibility requirements. For CACFP, Agriculture attributed shortcomings to the lack of growth in meals served and to changes in the economy.</p> <p>To reach its goals in the future, Agriculture reports it plans to continue its work in making access to programs easier by reducing reporting requirements for working families whose income fluctuates frequently, conducting program access reviews, and testing to review the program application process. To help reach its goals for the SFSP, Agriculture reports it will provide various forms of technical assistance as well as conduct outreach initiatives.</p>

**Appendix II  
Family Poverty**

(Continued From Previous Page)

Department or agency	What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?	If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?
HHS	<p>Administration for Children and Families (ACF), a component of HHS, which includes such family poverty programs as Temporary Assistance for Needy Families (TANF), Social Services Block Grant, Child Care, and Head Start, reported the following goals related to family poverty:</p> <ol style="list-style-type: none"> <li>1. improving TANF welfare reform,</li> <li>2. maintaining outreach and funding through Social Services Block Grant,</li> <li>3. increasing child care affordability,</li> <li>4. improving child care quality, and</li> <li>5. improving Head Start Health Status.</li> </ol> <p>ACF stated that it was not able to report completely on its fiscal year 2001 progress on the first three goals because it lacked fiscal year 2001 performance data for 18 of the 23 performance indicators related to those goals. ACF was unable to obtain these data due to the time lag in receiving and validating data reports from states, localities, and other program partners.<sup>a</sup> ACF was, however, able to report that it fell short in achieving its targets for the five performance indicators related to two of its goals: improving child care quality and improving the Head Start Health Status program.</p> <p>The Centers for Medicare and Medicaid Services (CMS): CMS fully met two, and partially met one and did not meet another of its four goals related to family poverty. CMS successfully provided linked data files for dually eligible Medicare and Medicaid recipients to all 56 states and territories and increased the number of children enrolled in Medicaid and SCHIP over its goal of one million to almost 3.5 million. CMS partially met its developmental goal of increasing the percentage of Medicaid 2-year old children who are fully immunized. This goal, being in its developmental state, has three main performance indicators, all of which set targets to accomplish a particular objective by a set date. For one of these performance indicators, CMS did not establish all targeted baselines, thereby only partially meeting its goal. In addition, CMS did not establish the feasibility of conducting pilot projects with the states to measure, and ultimately reduce Medicaid payment error rates.</p>	<p>ACF: ACF provides a reasonable explanation in its report-plan for one of its unmet performance indicators related to the goal of improving the quality of child care—increasing the number of classroom teachers with a degree in early childhood, or similar training as identified by ACF. It attributes missing this target to staff turnover and limited access to training and credentialing opportunities in certain parts of the country. However, ACF’s report-plan does not provide an explanation for missing the other child care quality indicator—maintaining the percent of Head Start employees who have children in Head Start.</p> <p>ACF reports that two factors contributed to its failure to meet two of its three indicators for the goal of improving Head Start Health Status: (1) high student turnover rate hinders the students’ receipt of health care despite Head Starts’ medical referrals and (2) Medicaid’s inability to cover dental and mental health treatment for Head Start students prevented them from receiving proper care.</p> <p>In its fiscal year 2001 report-plan ACF reports that Head Start is working in conjunction with higher education institutions to provide training for teachers. In addition, ACF states it sets aside funds for training and technical assistance to help local projects meet the Head Start program performance standards and maintain and improve the quality of local programs. Also, Head Start conducts research, demonstration, and evaluation activities to test innovative program models and to assess program effectiveness. However, for its other unmet performance indicators under the goal of Head Start Health Status, ACF does not provide strategies for meeting the goal in the future.</p> <p>CMS: For the goal that CMS met partially, the report-plan provides justification for its shortcomings. CMS states that more time was needed for states to fully develop their measurement methodologies because of the variations in state reporting cycles for immunization data, data problems, and staff and resource limitations. CMS discusses time frames for the development of each state’s baseline measure</p>

**Appendix II  
Family Poverty**

*(Continued From Previous Page)*

Department or agency	What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?	If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?
HUD	<p>For its performance measures related to family poverty, HUD reported it</p> <ul style="list-style-type: none"> <li>• met or, based on preliminary data, anticipates meeting seven of its performance indicators,</li> <li>• missed or, based on preliminary data, anticipates missing six of its performance indicators, including</li> </ul> <ol style="list-style-type: none"> <li>1. at least 90 percent of (EZ/ECs) achieve local goals in serving homeless persons,</li> <li>2. at least 90 percent of EZ/ECs achieve local goals in providing social services,</li> <li>3. 154,000 jobs created or retained through Community Development Block Grant (CDBG) and Section 108,</li> <li>4. 11,080 youths are trained in construction trades through Youthbuild,</li> <li>5. increase by 1 percentage point to 30 percent, the share of welfare families that move from welfare to work while residing in public housing, and</li> <li>6. increase by 2 percentage points to 34 percent the share of welfare families that move from welfare to work assisted by tenant-based Section 8</li> </ol> <ul style="list-style-type: none"> <li>• does not have enough data to determine the outcome of one of its indicators, and</li> <li>• either established or will be establishing a baseline for four of its indicators.</li> </ul>	<p>and reporting methodology, but CMS does not describe specifically how it intends to achieve its targets for this area in the future.</p> <p>As a general trend among these goals, CMS also identified barriers to continual success and outlined additional strategies. For example, CMS faces some problems because of reporting techniques and dependence on states for information as well as delays in funding. Strategies for addressing such barriers include refocusing efforts on the low income Medicare beneficiaries beginning in fiscal year 2002 with a new performance goal measuring their increased of awareness of the Medicare Savings Program.</p> <p>Of the six goals HUD did not meet or anticipated not meeting in fiscal year 2001, HUD provides reasonable explanations such as a lack of anticipated funding, external factors such as the weakening job markets, and limits on program participation because of funding and access to programs, among other explanations.</p> <p>Strategies for four of its unmet goals are outlined. Such strategies include improving technical assistance to EZ/EC communities to advise in developing completed projects and link them to successful communities; and public housing authorities have been promoting work through earned income disregards, Family Self-Sufficiency accounts, and employment-related supportive services, among other strategies. The two goals for which HUD does not describe strategies are (1) 154,000 jobs created or retained through CDBG and Section 108 and (2) 11,080 youths are trained in construction trades through Youthbuild.</p> <p>HUD states that it will no longer track 14 of the 18 performance measures we renewed after fiscal year 2002 or fiscal year 2003 for reasons such as matured success, technical difficulties in reporting, to better reflect impact, an uncertain effect on outcome indicators, and a need for more accurate measures.</p>

**Appendix II  
Family Poverty**

(Continued From Previous Page)

Department or agency	What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?	If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?
Labor	<p>Of its six performance indicators related to family poverty, Labor reported it met three, failed to meet two, and substantially met one of its goals.<sup>b</sup> The two goals Labor reports it did not meet are: (1) of those Welfare-to-Work participants placed in unsubsidized employment, 66 percent remain in the workforce for 6 months with 59 percent average earnings increase by the second quarter following the placement quarter and (2) increase the number of states with registered child care apprenticeship programs to 49 and the percent of new child care apprentices by 20 percent over fiscal year 2000. For the goal to increase its childcare apprentice programs and participants, Labor did not increase the number of states with apprentice programs but did successfully increase the number of new childcare apprentices. Labor reported that the number of states with apprentice programs did not increase but remained at 39. The goal Labor substantially met was to attain a 50 percent rate of placement in employment or other training activities for 14-18 year-olds in the WIA program. For this goal, Labor achieved a rate of 47.4 percent of youth either employed or in other educational or training activities.</p>	<p>For Labor's unmet goal of retention and wage increases among Welfare-to-Work (WtW) participants, it reported two contributing factors: employment declined in the service and retail sectors, both of which were a significant source of entry-level placements, and WtW grantees were reporting questionable data. Labor identifies strategies for addressing the employment needs of participants in order to improve the retention rate and average earnings increase for WtW participants. Such strategies include making retention more attractive, magnifying and extending service provisions, continuing the Pathways to Advancement pilot project, which subsidizes employers, upgrades and advances current TANF "alumni," and validates data at the program level.</p> <p>According to Labor, it was conducting a review of childcare grant and program performance and therefore did not increase the number of states with childcare apprentice programs. Labor revised this goal in fiscal year 2002 to expand the apprenticeship program into areas where they had not traditionally been used. Labor reported that its focus on increasing the number of childcare apprentices would continue in 2002 but the program results would be integrated into its new performance measures.</p> <p>Explanations for the goal substantially met, assisting youth in making the transition to work, are reasonable because Labor attributes its shortfall to (1) preliminary data, as only 42 of the 53 states and jurisdictions reported final data and (2) inaccurate data, as the data used to complete this measure are based on youth who are terminated during the program, with only one quarter of data from the WIA program. Labor introduced to states a new performance data reporting system with WIA, causing difficulties in state reporting.</p>

Sources: U.S. Department of Agriculture, *USDA Fiscal Year 2001 Annual Program Performance Report* (Washington, D.C.: Mar. 2002); Administration for Children and Families, *Administration for Children and Families: Fiscal Year 2003 Annual Performance Plan, Revised Final Fiscal Year 2002 Performance Plan, and Fiscal Year 2001 Annual Performance Report for the Government Performance and Results Act of 1993* (Washington, D.C.: Feb. 2002); The Centers for Medicare and Medicaid, *The Centers for Medicare & Medicaid Services: Annual Performance Plan/Annual Performance Report* (Washington, D.C.: 2002); U.S. Department of Housing and Urban Development, *U.S. Department of Housing and Urban Development: Fiscal Year 2001 Performance & Accountability Report* (Washington, D.C.: 2002); U.S. Department of Labor, *U.S. Department of Labor Annual Report Fiscal Year 2001, Report on Performance and Accountability* (Washington, D.C.: Feb. 27, 2002).

<sup>a</sup>In its comments, ACF stated that as data come available, they are posted to the Web site.

<sup>b</sup>DOL labels goals as substantially met if achievement toward that goal was made but not fully attained.

**Appendix II  
Family Poverty**

**Table 8: Agencies' Expected Progress and Strategies for Achieving Goals in Family Poverty as Discussed in Their Fiscal Year 2003 Performance Plans**

<b>Department or agency</b>	<b>What progress did the agencies expect to make in fiscal year 2003?</b>	<b>Do the agencies provide strategies that are reasonably linked to achieving their fiscal year 2003 goals?</b>
Agriculture	According to its plan, Agriculture expects to continue achieving its goal of program access and benefit delivery expansion for its nutrition assistance programs in fiscal year 2003 by increasing the target numbers from its fiscal year 2001 report. In addition, Agriculture is continuing to increase assistance to the neediest rural communities by increasing the ratio of non-EZ/EC grants to EZ/EC grants invested in EZ/EC communities.	Agriculture's reported strategies for achieving fiscal year 2003 goals generally are a continuation of their current efforts. However, the fiscal year 2003 plan does identify additional strategies necessary for enhancing performance, such as strengthening relations with other organizations, seeking additional funding, and proposing legislation. To meet its goal regarding assisting the neediest rural communities, Agriculture identifies the following strategies: using special initiatives, such as EZ/EC to reach needy areas, encouraging strategic planning at the local level, providing enhanced technical assistance, and targeting limited federal resources.

**Appendix II  
Family Poverty**

*(Continued From Previous Page)*

<b>Department or agency</b>	<b>What progress did the agencies expect to make in fiscal year 2003?</b>	<b>Do the agencies provide strategies that are reasonably linked to achieving their fiscal year 2003 goals?</b>
HHS	<p>ACF's 2003 report-plan includes performance measures for the following goals related to family poverty:</p> <ol style="list-style-type: none"> <li>1. improving TANF welfare reform,</li> <li>2. maintaining outreach and funding through Social Services Block Grant,</li> <li>3. increasing child care affordability,</li> <li>4. improving child care quality, and</li> <li>5. improving Head Start Health Status.</li> </ol> <p>However, for its performance measures related to child care affordability, ACF does not identify targets for fiscal year 2003.</p> <p>The Centers for Medicare and Medicaid Services (CMS): CMS states it will continue to assist states in developing state-specific measures of childhood immunization.</p> <p>As part of a new goal for fiscal year 2003, CMS reports it plans to begin working with states on the Performance Measurement Partnership Project. With this project, CMS states it plans to develop evidence-based Medicaid health improvement priorities that will include performance measures and targets.</p> <p>CMS discontinues its goal to link Medicaid and Medicare files for those dually eligible because it was met and further follow-up is not necessary.</p> <p>In addition, CMS states it did not yet determine a goal for decreasing the number of uninsured children through the SCHIP program because it is currently reevaluating the goal.</p>	<p>ACF reports that it will continue to use current strategies such as providing bonuses to states that meet performance targets and helping states to meet desired outcomes through improved communication, technical assistance, and guidance. In addition, ACF is reportedly working on improving its own performance through training and improved organization, and procedures that will, in turn, give the states better resources for meeting their goals.</p> <p>For its goal of having states develop a baseline and methodology for measuring the immunization of 2-year-old children under Medicaid, CMS discusses time frames for the development of each state's baseline measure and reporting methodology, but CMS does not describe specific strategies for how it intends to achieve its targets for this area.</p> <p>CMS reports it is working with states to develop a strategy for the coordinated use of performance measures within and across Medicaid and SCHIP to improve health care quality.</p>

**Appendix II  
Family Poverty**

*(Continued From Previous Page)*

Department or agency	What progress did the agencies expect to make in fiscal year 2003?	Do the agencies provide strategies that are reasonably linked to achieving their fiscal year 2003 goals?
HUD	<p>Because HUD made an interim adjustment to its fiscal year 2000-2006 strategic plan, which is still in draft, the framework for its fiscal year 2003 performance plan changed from what it reported in fiscal year 2001. The new framework introduces eight strategic goals, two of which address family poverty. HUD's Goal 3, to "improve the quality of public assisted housing and provide more choices for its residents," and Goal 5, to "effectively address the challenge of homelessness" introduce seven new performance indicators and update four that relate to family poverty. Objectives include helping families in public and assisted housing make progress toward self-sufficiency and becoming homeowners, ending chronic homelessness in 10 years, and helping homeless individuals and families move to permanent housing.</p>	<p>To help meet its fiscal year 2003 performance goal of helping families in public and assisted housing make progress toward self-sufficiency and becoming homeowners, HUD identifies strategies. These strategies appear reasonably linked to its goals. For example, in its fiscal year 2003 plan, HUD states it will focus on expanding participation in the Family Self-Sufficiency Program and the Section 8 homeownership program in order to meet its fiscal year 2003 goals.</p> <p>HUD does identify two clear strategies for its goal of ending chronic homelessness in 10 years: (1) streamline HUD programs in order to have more flexibility to target resources and (2) increase the focus of HUD's housing resources while increasing coordination with other agencies through the reauthorization of the Interagency Council on Homeless. For its objective of helping homeless individuals and families move to permanent housing, HUD plans to continue developing a client-level reporting system and supporting and enacting other programs. In addition, HUD describes increasing coordination efforts to provide assistance in tracking homeless persons moving through various programs.</p>
Labor	<p>Labor reorganized its goals in its fiscal year 2003 performance plan. Goals include increase employment retention rates and earnings of individuals under the WIA adult programs, strengthen registered apprenticeship system to meet the training needs of business and workers by increasing apprenticeship programs and participants, and increase entrance and retention youth registered under the WIA youth program in education or employment.</p>	<p>In the beginning of its fiscal year 2003 Performance Plan, Labor lists department-wide means and strategies for meeting all of its goals, most of which are to continue or improve existing efforts. Following the list, Labor describes eight significant new or enhanced efforts in fiscal year 2003. Such strategies include improving data quality, and providing technical assistance to national and regional offices to improve the performance accountability system.</p>

Sources: U.S. Department of Agriculture, *USDA Fiscal Year 2003 Annual Performance Plan and Revised Plan for Fiscal Year 2002* (Washington, D.C.: Mar. 2002); Administration for Children and Families, *Administration for Children and Families: Fiscal Year 2003 Annual Performance Plan, Revised Final Fiscal Year 2002 Performance Plan, and Fiscal Year 2001 Annual Performance Report for the Government Performance and Results Act of 1993* (Washington, D.C.: Feb. 2002); The Centers for Medicare and Medicaid, *The Centers for Medicare & Medicaid Services: Annual Performance Plan/Annual Performance Report* (Washington, D.C.: 2002); U.S. Department of Housing and Urban Development, *U.S. Department of Housing and Urban Development: Final Fiscal Year 2003 Annual Performance Plan* (Washington, D.C.: Apr. 2002); U.S. Department of Labor, *United States Department of Labor Final Fiscal Year 2003 Annual Performance Plan* (Washington, D.C.: Feb. 4, 2002).



**Appendix II  
Family Poverty**

**Table 9: Reliability of Performance Data reported by Agencies Involved in Family Poverty as Discussed in Their Fiscal Year 2001 Performance Reports**

Department or agency	How did the agencies discuss the completeness, reliability, and credibility of their performance data?	Are known shortcomings in the data acknowledged and steps to resolve or minimize the shortcomings described?
Agriculture	<p>According to its fiscal year 2001 performance report, Agriculture does not describe its methods for reviewing the performance data it receives from states for nutrition assistance programs, but states that it does review information for consistency and completeness.</p>	<p>At the beginning of Agriculture’s fiscal year 2001 performance report, it states that all data are “of sufficient quality and reliability except where otherwise noted in this document.” For the nutrition assistance performance indicators, Agriculture states that the actual numbers are based on preliminary data, which Agriculture defines, as “incomplete data .”</p> <p>For the performance indicator increasing the ratio of non-EZ/EC grants to EZ/EC grants invested in EZ/EC communities, Agriculture reports that “these data are considered to be final and reliable” but does not give any indication as to how the data are collected, the types of limitations on the data or how to minimize them, or the method for assessing the data’s reliability.</p>
HHS	<p>For TANF and Head Start programs, Administration for Children and Families (ACF) reports it has been able to automate the data collection process. In addition, ACF reports consistency and validity regarding its data because of such procedures as edits, special data computation runs, and data trend analysis.</p> <p>Data for the Centers for Medicare and Medicaid Services (CMS) measures come from state reporting systems such as quarterly and annual statistical forms. CMS reports built-in quality assurance checks, technical consultants, and a review of data by CMS personnel.</p>	<p>For program data ACF did not identify as complete, reliable, and credible, such as Social Services Block Grant, and child care, dependence on states and other grantees to provide individual performance data makes validation and verification more difficult in that data sometimes comes in late or incomplete. In some instances, systems and quality control problems and technological delays occur. However, ACF states it tried to assist states in their ability to report through technological assistance and data review efforts.</p> <p>CMS’ report-plan identifies shortcomings in one of the four performance indicators, decreasing the number of uninsured children by working with states to implement SCHIP and by enrolling children in Medicaid. CMS stated it would, along with the Centers for Disease Control, provide technical assistance to help states address data reliability. In addition, CMS said it is looking to closely monitor data issues that arise with the SCHIP performance indicator.</p>

**Appendix II  
Family Poverty**

*(Continued From Previous Page)*

Department or agency	How did the agencies discuss the completeness, reliability, and credibility of their performance data?	Are known shortcomings in the data acknowledged and steps to resolve or minimize the shortcomings described?
HUD	<p>HUD reports that the “department has made substantial advances in improving the completeness, accuracy and reliability of performance data.” The report states that the readers can rely on the data reported to assess the department’s achievements. In addition, HUD states it could not report data with complete confidence on four of the indicators because the data is estimated, based on incomplete data sets. HUD’s report does not, however, outline methods for verifying the quality of its data.</p>	<p>In the fiscal year 2002 or fiscal year 2003 reports performance report, HUD is discontinuing or updating the 18 performance indicators that we reviewed in its fiscal year 2001 report because of its inability to address data reliability issues and the unknown connection with the outcome measure, among other reasons. For the estimated data, HUD states accurate numbers will be reported in the fiscal year 2002 performance report if adjustments are necessary.</p>
Labor	<p>Labor reports on the data quality of each of the performance indicators in its “analysis of results” section. For example, for its goal of assisting youth in making the transition to work, Labor reports that it relies on performance data from 53 states and jurisdictions. Of the 53 states and jurisdictions, Labor reports that 7 of the states submitted data that are questionable.</p> <p>In its Management and Performance Challenges section of the report, Labor states it is limited in its ability to control the quality of results data.</p>	<p>Labor acknowledges shortcomings in its data, such as the questionable quality of some state data. Labor has described steps to resolve the problem, such as its proposed validation project to address the questionable data from states. Labor reports its validation project will create more precise programming specification standards for use in validating state data. Labor has placed a performance and reporting software package on its department website to help grantees prepare their program reports which will be followed by an additional software package to assist in further analysis of data quality.</p>

Sources: U.S. Department of Agriculture, *USDA Fiscal Year 2001 Annual Program Performance Report* (Washington, D.C.: Mar. 2002); Administration for Children and Families, *Administration for Children and Families: Fiscal Year 2003 Annual Performance Plan, Revised Final Fiscal Year 2002 Performance Plan, and Fiscal Year 2001 Annual Performance Report for the Government Performance and Results Act of 1993* (Washington, D.C.: Feb. 2002); The Centers for Medicare and Medicaid, *The Centers for Medicare & Medicaid Services: Annual Performance Plan/Annual Performance Report* (Washington, D.C.: 2002); U.S. Department of Housing and Urban Development, *U.S. Department of Housing and Urban Development: Fiscal Year 2001 Performance & Accountability Report* (Washington, D.C.: 2002); U.S. Department of Labor, *U.S. Department of Labor Annual Report Fiscal Year 2001, Report on Performance and Accountability* (Washington, D.C.: Feb. 27, 2002).

# Financial Institution Regulation

**Table 10: Coordination Efforts among Agencies Involved in Financial Institution Regulation as Discussed in Their Fiscal Year 2001 Performance Reports and Fiscal Year 2003 Performance Plans**

Agency	What types of coordination among the relevant agencies associated with each crosscutting program were discussed in their fiscal year 2001 performance reports?	What types of coordination among the relevant agencies associated with each crosscutting program are discussed in their fiscal year 2003 performance plans?
Office of the Comptroller of the Currency (OCC)	<p>The report included a section on crosscutting coordination efforts. It reported that the OCC works closely with the other four federal regulators (the Board, FDIC, NCUA, and OTS). The report noted that the OCC works with the other federal depository regulators the Federal Financial Institutions Examinations Council (FFIEC). The FFIEC is an interagency group that is empowered to prescribe uniform principles, standards, and report forms for federal examinations of financial institutions and to make recommendations to promote uniformity in the supervision of depository institutions. In addition, the report stated that the OCC participates in the GPRA Interagency Working Group (a group that works on issues related to the general goals and objectives that cross the programs and activities of federal regulatory agencies as well as other general GPRA requirements, Basel Committee (a forum for international cooperation on matters relating to financial institution supervision), Interagency Country Exposure Risk Committee (provides an objective opinion on the degree of transfer risk inherent in cross-border and cross-currency lending by U.S. depository institutions), and Shared National Credits Program (an interagency effort to perform a uniform credit review of depository institutions loans that exceed \$20 million and are shared by three or more depository institutions).</p>	<p>OCC's 2002 performance plan reported similar crosscutting efforts as the OCC performance report. It stated that the OCC works with the other federal depository institutions regulators through FFIEC, Interagency Country Exposure Risk Committee, Shared National Credit Program, and GPRA Interagency Working Group.</p>

**Appendix III  
Financial Institution Regulation**

*(Continued From Previous Page)*

<b>Agency</b>	<b>What types of coordination among the relevant agencies associated with each crosscutting program were discussed in their fiscal year 2001 performance reports?</b>	<b>What types of coordination among the relevant agencies associated with each crosscutting program are discussed in their fiscal year 2003 performance plans?</b>
Board of Governors of the Federal Reserve System (Board)	The report did not mention coordinating with the other depository institution regulators.	<p>The plan included a section on Interagency Coordination of Cross-cutting Issues. It reported that the Board has been working closely with the other federal agencies to address programs that transcend jurisdictions. It also reported that the Board formally coordinates with the other federal depository institution regulatory agencies through the Federal Financial Examination Council (FFIEC). The report stated that the FFIEC also provides uniform examiner training and has taken a lead in developing standardized software needed for major data collection programs to support requirements in the Home Mortgage Disclosure Act and the Community Reinvestment Act.</p> <p>The plan also reported on the Board's participation in the Government Performance and Results Act Interagency Working Group.</p> <p>According to the Board's plan, interagency coordination is to be an operational process. Moreover, the plan stated that at the most senior levels, the Board's work and plans have been closely coordinated with Federal Deposit Insurance Corporation (FDIC), OCC, and Office of Thrift Supervision (OTS).</p>
Federal Deposit Insurance Corporation (FDIC)	In its performance report, FDICa described the various federal regulatory working groups in which it has participated: FFIEC, Basel Committee on Banking Supervision Interagency Country Exposure Risk Committee, Shared National Credit Program Joint Agency Task Force on Discrimination in Lending, and the Results Act Financial Institutions' Regulatory Working Group.	FDIC's 2002 plan reported that FDIC works closely with the Federal Reserve, OCC, Office of Thrift Supervision (OTS), and the National Credit Union Administration. The report noted that FDIC participated in the following interagency groups related to its supervision and regulation function: FFIEC, Basel Committee on Banking Supervision, Interagency Country Exposure Risk Committee, Shared National Credit Program, Fraud and Money Laundering, the Results Act Financial Institutions Regulatory Working Group.
Office of Thrift Supervision (OTS)	The report stated that OTS participates in two interagency groups related to crosscutting issues, FFIEC and the Results Act Financial Institution Regulatory Working Group.	OTS' 2002 plan reported similar crosscutting efforts. It stated that OTS participates in two interagency groups related to crosscutting issues, FFIEC and the Results Act Financial Institution Regulatory Working Group.

**Appendix III  
Financial Institution Regulation**

*(Continued From Previous Page)*

<b>Agency</b>	<b>What types of coordination among the relevant agencies associated with each crosscutting program were discussed in their fiscal year 2001 performance reports?</b>	<b>What types of coordination among the relevant agencies associated with each crosscutting program are discussed in their fiscal year 2003 performance plans?</b>
National Credit Union Administration (NCUA) <sup>b</sup>	The report did not have a specific section outlining crosscutting programs. However, NCUA states that it will work with "other federal agencies to further its goal of increasing the number of expansions into investment areas by 20 percent." (This refers to membership expansion for underserved communities.)	The plan did not contain a section on crosscutting coordination with other agencies.

Sources: Board of Governors of the Federal Reserve System, *Government Performance and Results Act Performance Report, 2000-2001* (Washington, D.C.: April 2002); Board of Governors of the Federal Reserve System, *Government Performance and Results Act Biennial Performance Plan, 2002-2003* (Washington, D.C.: April 2002); Federal Deposit Insurance Corporation, *2001 Program Performance Report* (Washington, D.C.: 2002); Federal Deposit Insurance Corporation, *2002 Annual Performance Plan* (Washington, D.C.: 2002); Office of the Comptroller of the Currency, *Performance Report for Fiscal Year 2001 and Performance Plan for Fiscal Year 2002* (Washington, D.C.: 2002).

<sup>a</sup>We used FDIC's 2002 performance plan because it is the most recent.

<sup>b</sup>Information is from NCUA's Combined Annual Performance Report 2001 and Initial Annual Performance Plan 2003.

**Appendix III  
Financial Institution Regulation**

**Table 11: Agencies' Reported Progress and Strategies for Achieving Goals in Financial Institution Regulation as Discussed in Their Fiscal Year 2001 Performance Reports**

Department or agency	What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?	If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?
OCC	<p>OCC reported four performance goals related to the supervision and regulation function. They are (1) identifying and communicating risks to large and mid-size bank management, (2) achieving effective compliance with Federal Deposit Insurance Corporation Improvement Act (FDICIA) examination schedule requirements for community banks, (3) continuing to improve corporate application processes to achieve maximum efficiency and responsiveness, consistent with safety and soundness, and (4) effectively responding to bank customer complaints and consumer inquiries in a timely manner. On the basis of its performance report, OCC did not meet one of its goals, compliance with FDICIA-mandated examination schedule. According to its report, OCC's goal was to examine 95 percent of community banks in accordance with the FDICIA mandated schedule. It completed 94 percent of the examinations.</p>	<p>OCC reported that it missed its goal of examining 95 percent of community banks in accordance with the FDICIA mandated schedule because as a result of the conversion and migration of data to a new examination monitoring and tracking system, minor data inaccuracies caused a small percentage of examinations to begin shortly after their "official" due dates under the FDICIA. Moreover, OCC's report stated that during the first part of the year, data integrity validation corrected the issue.</p>
FDIC	<p>FDIC reported that it achieved five of six performance goals in the financial regulation program: (1) taking prompt supervisory actions to address problems; (2) providing technical assistance and training on the Community Reinvestment Act (CRA), fair lending, and community development; (3) responding effectively to written consumer complaints and inquiries; (4) conducting comprehensive and compliance-only examination in accordance with FDIC examination frequency policy; (5) and taking prompt supervisory actions and monitoring on all institutions rated "4" or "5" for compliance.</p> <p>The report stated that FDIC did not achieve its goal of conducting on-site safety and soundness examinations to assess the overall financial condition of its banks. Eleven banks due for examination were not examined during 2001.</p>	<p>The agency provided a reasonable explanation for not achieving one goal. Eleven institutions, which were scheduled for examinations, were not examined for the following reasons: some institutions merged or converted their charters, changes in examination intervals because of asset growth or change in capital category, and an institution's information system conversion. In addition, the plan provided a reasonable strategy for achieving the measures in the future, stating that the remaining institutions will be examined in the following year.</p>

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**Appendix III**  
**Financial Institution Regulation**

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*(Continued From Previous Page)*

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<b>Department or agency</b>	<b>What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?</b>	<b>If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?</b>
Federal Reserve Board <sup>a</sup>	<p>The report indicated that the Board generally met its goals for 2000 through 2001. The report listed four goals related to banking supervision and regulation function: (1) promote overall financial stability, management, and containment of systemic risk and ensure that emerging threats to the health of the financial system are identified early and are successfully resolved, (2) provide a safe, sound, competitive, and accessible banking system through comprehensive and effective supervision of U.S. banks, bank-holding companies, U.S. operations of foreign banking organizations, and related entities, (3) improve the efficiency, effectiveness, and consistency of the supervisory process while reducing the burden on supervised institutions, and (4) promote compliance with consumer protection statutes and assure fair access to financial services.</p> <p>The Board reported that it had met most of its goals for 2001. It completed financial institution examinations as required by statute and dictated by review of supervisory data on the institutions' financial condition, completed reports of examinations within established Federal Reserve time frames, and processed applications and completed compliance examinations within time frames it had established.</p>	<p>The Board did not meet its goal of completing depository institution examinations in the required time frame. In 2000, 26 examinations of state member banks were not conducted in the required time frame and approximately 17 examinations were not conducted in 2001. The Board provided an appropriate reason for the delay—scheduling problems with state bank regulatory agencies. According to the report, the Board is implementing a new scheduling system that will partially resolve these problems.</p>

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**Appendix III  
Financial Institution Regulation**

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*(Continued From Previous Page)*

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<b>Department or agency</b>	<b>What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?</b>	<b>If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?</b>
OTS	The OTS report listed six performance goals in the area of supervision and regulation: (1) for all thrift institutions scheduled to receive examinations, conduct at least 95 percent for safety and soundness, 95 percent of compliance, and 90 percent of holding company, and 90 percent of trust and information systems, (2) ensure that 100 percent of OTS-regulated thrift institutions operate soundly or that OTS has taken appropriate supervisory or enforcement action, (3) ensure that at least 99 percent of OTS examination reports reviewed comply with OTS examination policies and procedures, (4) ensure that at least 95 percent of OTS-regulated thrift institutions rate examination process as "satisfactory" or above, (5) ensure that 100 percent of OTS-regulated thrift institutions comply with consumer protection, fair lending, community reinvestment, bank secrecy, and other public policy laws and regulations or that OTS has taken appropriate supervisory or enforcement action, and (6) ensure that 100 percent of OTS-regulated thrift institutions are at least "adequately capitalized" or operating within an approved capital plan within 150 days of becoming undercapitalized. The report indicated that OTS had met all six goals.	Since the OTS report indicated that the agency met its goals, it did not need to provide strategies on how it would achieve any of its missed goals.

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**Appendix III  
Financial Institution Regulation**

(Continued From Previous Page)

Department or agency	What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?	If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?
NCUA	<p>NCUA reported that it generally met its performance goals. For strategic goal 1, "Promote a system of financially healthy, well-managed federally insured credit unions able to withstand economic volatility," NCUA met four out of five outcome goals.</p> <p>For strategic goal 2, "Ensure credit unions are prepared to safely integrate financial services and emerging technology in order to meet the changing expectations of their members," NCUA was unable to show if it had met all but one outcome goal because data for these goals were not collected prior to 2001. According to the report, the only outcome goal met under this strategic goal was "Increase the number of credit unions offering interactive services by 10 percent."</p> <p>For strategic goal 3, "Create a regulatory environment that will facilitate credit union innovation to meet member financial service expectations," the report listed that the agency met four of five goals.</p> <p>For strategic goal 4, "Enable credit unions to leverage their unique place in the American financial services sector to make service available to all Americans who are not currently being served, particularly those of modest means," the report stated that NCUA met all four outcome goals.</p>	<p>The agency provided reasonable explanations for not achieving the goals.</p> <p>The agency was unable to meet the outcome goal for strategic goal 3, "Increase by 5 percent the number of credit union financial services as an indicator of service and convenience to members," because there were no data available for measurement. It did not provide strategies on how it would achieve the goals in the future.</p>

Sources: Board of Governors of the Federal Reserve System, *Government Performance and Results Act Performance Report, 2000-2001* (Washington, D.C.: April 2002); Federal Deposit Insurance Corporation, *2001 Program Performance Report* (Washington, D.C.: 2002); Department of Treasury, *Performance Report for Fiscal Year 2001 for the Office of the Comptroller of the Currency* (Washington, D.C.: 2002); Department of Treasury, *Performance Report of Fiscal Year 2001 for the Office of Thrift Supervision* (Washington, D.C.: 2002); Office of the Comptroller of the Currency, *Performance Report of Fiscal Year 2001* (Washington, D.C.: 2002); Office of Thrift Supervision, *Performance Report for Fiscal Year 2001* (Washington, D.C.: 2002).

<sup>a</sup>The performance report is biannual rather than annual because the Board uses a biannual budget

**Appendix III  
Financial Institution Regulation**

**Table 12: Agencies' Expected Progress and Strategies for Achieving Goals in Financial Institution Regulation as Discussed in Their Fiscal Year 2003 Performance Plans**

<b>Department or agency</b>	<b>What progress did the agencies expect to make in fiscal year 2003?</b>	<b>Do the agencies provide strategies that are reasonably linked to achieving their fiscal year 2003 goals?</b>
OCC	In terms of financial regulation, OCC listed the following performance goals related to the supervision and regulation function: (1) identify and communicate risks to large and midsize bank management, (2) achieve effective compliance with FDICIA examination schedule requirements for community banks, (3) continue to improve corporate application processes to achieve maximum efficiency and responsiveness, consistent with safety and soundness, and (4) effectively respond to bank customer complaints and consumer inquiries in a timely manner.	The OCC 2002 performance plan did not provide strategies that were linked to the specific performance goals. However, the plan provided strategies that were linked to the strategic goal, ensuring a safe and sound national banking system. They included regularly monitoring risk and refining "Examiner View", a bank supervision database that allows the collection and analysis of systemic and bank specific data and regularly reassessing, and changing if necessary, supervision strategies to adjust to changing risk and other environmental factors.

**Appendix III  
Financial Institution Regulation**

*(Continued From Previous Page)*

<b>Department or agency</b>	<b>What progress did the agencies expect to make in fiscal year 2003?</b>	<b>Do the agencies provide strategies that are reasonably linked to achieving their fiscal year 2003 goals?</b>
FDIC	<p>In terms of supervision and regulation, the 2002 report listed 5 performance goals: (1) conduct on-site safety and soundness examinations to assess an FDIC-supervised insured depository institution's overall financial condition, management practices and policies, and compliance with applicable regulations, (2) ensure that prompt supervisory actions are taken to address problems identified during examination of FDIC-supervised institutions identified as problem insured depository institutions, (3) provide effective outreach and technical assistance on topics related to CRA, fair lending, and community development, (4) effectively meet the statutory mandate to investigate and respond to consumer complaints about FDIC-supervised financial institutions, (5) conduct comprehensive and compliance-only examinations in accordance with FDIC examination frequency policy, and (6) ensure that prompt supervisory actions are taken and monitored on all institutions rated a "4" or "5" for compliance to address problems identified during the examinations.</p>	<p>FDIC's plan discussed the operational and human resource strategies it would use to achieve its stated performance goals for fiscal year 2002. The strategies appear to be reasonable.</p> <p>For the first goal, FDIC stated it would conduct 100 percent of the required examinations in accordance with statutes and FDIC policy. When it identifies problems, FDIC may take informal and formal enforcement actions against the institution or responsible individuals. Staffing and training needs are to be continually reviewed.</p> <p>For the second goal, FDIC stated that it would do a follow-up examination within 12 months of completion of the prior examination for problem banks.</p> <p>For the third goal, FDIC stated that it would assess participants' understanding of financial topics after attending education workshops at model sites featuring FDIC's adult education training curriculum called Money Smart. FDIC will gather and analyze post-seminar self-evaluations from these participants and will review how they rated the degree to which they increased their understanding of personal finance topics from the model sites. Also, FDIC is establishing a certification training program for its community affairs.</p> <p>For the fourth goal, FDIC stated that it will respond to 90 percent of written complaints within time frames established by policy. FDIC plans to monitor the timeliness of its responses.</p> <p>For the fifth goal, FDIC stated that it would conduct the required examinations in accordance with statute and FDIC policy. FDIC will analyze examination-related data collected in the System of Uniform Reporting of Compliance and CRA Examination to determine whether it achieved targeted performance levels during the reporting period.</p> <p>For the sixth goal, FDIC stated that it would conduct a follow-up examination or related activity within 12 months of the date of a formal enforcement action to confirm that the institution was complying with the action. FDIC is enhancing its compliance examination process to focus on the effectiveness of the financial institution compliance program's management. This change will add value to the examination process but will necessitate additional training of examination staff.</p>

**Appendix III  
Financial Institution Regulation**

*(Continued From Previous Page)*

<b>Department or agency</b>	<b>What progress did the agencies expect to make in fiscal year 2003?</b>	<b>Do the agencies provide strategies that are reasonably linked to achieving their fiscal year 2003 goals?</b>
Federal Reserve Board	<p>For the supervision and regulation function, the Board's plan listed only one goal: promote a safe, sound, competitive, and accessible banking system and stable financial markets. The Board report outlined five objectives for the goal for 2002 through 2003: (1) provide comprehensive and effective supervision of U.S. banks, bank-holding companies, U.S. operations of foreign banking organizations, and related entities, (2) promote overall financial stability, manage and contain systemic risk, and ensure that emerging financial crises are identified early and successfully resolved, (3) improve efficiency and effectiveness and reduce the burden on supervised institutions, (4) promote equal access to banking services, and (5) administer and ensure compliance with consumer protection statutes relating to consumer financial transactions.</p>	<p>The Board's plan discussed strategies for meeting its planned objectives. These strategies appear to be reasonable.</p> <p>For the first objective, the Board intends to focus on the areas of highest risk, promote sound risk management practices, understand and accommodate the effects of financial innovation and technology, improve international banking and supervisory practices, and refine and strengthen the foreign bank organizations program.</p> <p>For the second objective, the Board plans to maintain adequate expertise and involvement through a consistent emphasis on identifying its training needs and developing suitable courses and improve preparedness by developing and implementing policies and procedures that ensure the Board retains the flexibility necessary to respond to emerging problems.</p> <p>For the third objective, the Board plans to conduct seamless supervision of state-chartered banks through ongoing and improved coordination with state and federal bank regulators; remove unnecessary or ineffective policies and procedures, consistent with safety and soundness of banking organizations, harness benefits of technology; improve employment of resources; and maintain staff with adequate experience and skills.</p> <p>For the fourth and fifth objectives, the Board plans to support and oversee the Reserve banks' supervisory efforts to ensure that compliance is fully and fairly enforced, implement a risk-focused compliance examination component that will reduce the regulatory burden on state-chartered banks without compromising the overall effectiveness of the consumer compliance supervision program, and review bank and bank-holding company applications for adverse CRA, privacy, and compliance issues.</p>

**Appendix III  
Financial Institution Regulation**

*(Continued From Previous Page)*

<b>Department or agency</b>	<b>What progress did the agencies expect to make in fiscal year 2003?</b>	<b>Do the agencies provide strategies that are reasonably linked to achieving their fiscal year 2003 goals?</b>
OTS	<p>OTS is designed to maintain a safe and sound thrift industry that meets its responsibilities. Its 2002 performance plan listed four performance goals: (1) ensure that 100 percent of OTS-regulated thrift institutions operate soundly or that OTS has taken appropriate supervisory or enforcement action, (2) ensure that at least 95 percent of OTS-regulated thrift institutions rate the value of the examination process as “satisfactory” or above, (3) ensure that 100 percent of OTS-regulated thrift institutions comply with consumer protection, fair lending, community reinvestment, bank secrecy, and other public policy laws and regulations or that OTS has taken appropriate supervisory or enforcement action, and (4) ensure that 100 percent of OTS-regulated thrift institutions are at least “adequately capitalized,” are under a prompt corrective action directive, or are recapitalized to the “adequately capitalized” level or operating within an approved capital plan within 150 days of becoming undercapitalized.</p> <p>To actively support the thrift industry’s efforts to expand the full range of housing, the report outlined two performance goals to (1) provide educational and technical assistance to industry representatives, the OTS examination staff, and other relevant parties on community development issues and needs and opportunities and (2) promote and help facilitate partnerships among financial institutions, community organizations, and others as a means of improving the availability of and access to credit and financial services.</p>	<p>The OTS 2002 performance plan provided general strategies for achieving annual performance goals related to the supervision and regulation function. However, the strategies in the plan were not linked to the specific performance goals. For example, the plan included the following strategies: (1) ensure that the supervisory corrective strategies for 100% of the high risk institutions are presented at least semi-annually to the OTS Director, Deputy Director and other senior staff in Washington; (2) creatively and effectively deal with problem thrift institutions; and (3) review the examination follow-up and corrective action process for greater efficiency and effectiveness, as well as more consistency among regions.</p>

**Appendix III  
Financial Institution Regulation**

*(Continued From Previous Page)*

<b>Department or agency</b>	<b>What progress did the agencies expect to make in fiscal year 2003?</b>	<b>Do the agencies provide strategies that are reasonably linked to achieving their fiscal year 2003 goals?</b>
NCUA	<p>NCUA reported that it generally met its performance goals. To promote a system of financially healthy, well-managed federally insured credit unions able to withstand economic volatility, NCUA plan listed the following performance goals: (1) review one-third of its regulations annually for needed changes, (2) complete the program review phase of the transition to a risk-focused examination process, (3) monitor and assess the percentage of federally insured credit unions with long-standing unresolved problems that threaten their safety and soundness, and (4) ensure that NCUA's communication processes, including examinations, serve as an effective means to provide credit unions with critical and other valuable information.</p> <p>To facilitate credit unions' ability to safely integrate financial services and emerging technology in order to meet the changing expectations of their members, the NCUA plan outlined the following performance goals: (1) enhance the training program for NCUA and State Supervisory Authority Information Systems and Technology Subject Matter Examiners and (2) enhance the credit union community's use and understanding of technology plans, due diligence expectations, and best practices.</p> <p>To create a regulatory environment that will facilitate innovations in credit unions to meet members' financial service expectations, the NCUA plan listed three performance goals: (1) review one-third of NCUA regulations annually for needed changes, (2) review examination and supervision procedures to ensure that they are efficient, effective, flexible and helpful in a competitive environment yet maintain safety and soundness, and (3) create a regulatory environment that allows credit unions to enhance financial services by reducing regulatory barriers and sharing information and legislative efforts.</p>	<p>The NCUA report described how NCUA will meet some of its goals, but it did not provide a description for all the goals.</p> <p>To ensure NCUA's communication processes, including examinations, serve as an effective means to provide credit unions with critical and other valuable information, NCUA will measure satisfaction by a 4.4 average rating on the NCUA Examination Survey.</p> <p>To enhance the training program for NCUA Information Systems and Technology Subject Matter Examiners, NCUA will provide training to all NCUA information systems and technology subject matter examiners.</p> <p>To review one-third of NCUA regulations annually for needed changes, NCUA will complete the review of the regulations identified by the Office of General Counsel, the Office of Examination and Insurance, and the regional offices for 2003.</p> <p>To implement a review process of the successes and difficulties encountered by new charters and identify common themes or reasons for success and failure, NCUA will implement a review process to analyze the success or failure of a credit union meeting the definition of "new" in conjunction with the Office of Examination and Insurance's risk management postmortem review process.</p>

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**Appendix III**  
**Financial Institution Regulation**

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(Continued From Previous Page)

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Department or agency	What progress did the agencies expect to make in fiscal year 2003?	Do the agencies provide strategies that are reasonably linked to achieving their fiscal year 2003 goals?
	To enable credit unions to leverage their unique place in the American financial system to extend the availability of services to all who seek them, while encouraging and recognizing the historical emphasis credit unions have placed on serving those of modest means, the NCUA plan (1) expands the availability of financial services, (2) implements a process to identify emerging demographic trends and share this information, and (3) implements a review process of the success and difficulties encountered by new charters.	

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Sources: Board of Governors of the Federal Reserve System, *Government Performance and Results Act Biennial Performance Plan, 2002-2003* (Washington, D.C.: April 2002); Federal Deposit Insurance Corporation, *2002 Annual Performance Plan* (Washington, D.C.: 2002); Department of the Treasury, *Performance Plans for Fiscal Years 2002 and 2003 for the Office of the Comptroller of the Currency* (Washington, D.C.: 2002); Department of the Treasury, *Performance Plans for Fiscal Years 2002 and 2003 for the Office of Thrift Supervision* (Washington, D.C.: 2002); Office of the Comptroller of the Currency, *Performance Report for Fiscal Year 2001 and Performance Plan for Fiscal Year 2002* (Washington, D.C.: 2002); Office of Thrift Supervision, *Performance Report for Fiscal Year 2001 and Performance Plan for Fiscal Year 2002* (Washington, D.C.: 2002).

**Appendix III  
Financial Institution Regulation**

**Table 13: Reliability of Performance Data Reported by Agencies Involved in Financial Institution Regulation as Discussed in Their Fiscal Year 2001 Performance Reports**

Department or agency	How did the agencies discuss the completeness, reliability, and credibility of their performance data?	Are known shortcomings in the data acknowledged and steps to resolve or minimize the shortcomings described?
OCC	The report commented that the data had reasonable accuracy. The data were considered accurate for the following performance measurements: the percentage of bank examinations conducted as scheduled, percentage of regulations and handbooks drafted that incorporated plain language criteria, and percentage of corporate applications processed on time. An independent reviewer periodically compares samples of large and midsize bank examination reports to the system data to ensure accuracy.	The report did not comment on any shortcomings in the data used to measure the results for the supervision and regulation function.
FDIC	The report did not comment on the completeness, reliability, and credibility of the FDIC data or include a discussion of the standards and methods used to assess the data quality.	The report did not comment on any potential shortcomings related to the data on the supervision and regulation function.
Federal Reserve Board	The report did not comment on the completeness, reliability, and credibility of the Board's data or include a discussion of the standards and methods used to assess the data quality.	The report did not comment on any potential shortcomings related to the data on the supervision and regulation function presented in the report.
OTS	The report commented that the performance data used in the report had reasonable accuracy. The report stated that the performance measure data met the accurate and auditable standards.	The report did not comment on any potential shortcomings related to the data on the supervision and regulation function.
NCUA	Although the report did not comment on the completeness and reliability of data, it did include a discussion of the standards and methods used to assess data quality. Data integrity is maintained through multilayered processes that include the continuous training of staff, the use of software controls and screen logic for error prevention, data integrity analysis on all reports, reviews by senior staff of all reports, and the maintenance of strict system security controls.	The report did not comment on any potential shortcomings related to the data on the supervision and regulation function.

Sources: Board of Governors of the Federal Reserve System, *Government Performance and Results Act Performance Report, 2000-2001* (Washington, D.C.: April 2002); Federal Deposit Insurance Corporation, *2001 Program Performance Report* (Washington, D.C.: 2002); Department of Treasury, *Performance Report of Fiscal Year 2001 for the Office of the Comptroller of the Currency* (Washington, D.C.: 2002); Department of Treasury, *Performance Report of Fiscal Year 2001 for the Office of Thrift Supervision* (Washington, D.C.: 2002); Office of the Comptroller of the Currency, *Performance Report of Fiscal Year 2001* (Washington, D.C.: 2002); Office of Thrift Supervision, *Performance Report of Fiscal Year 2001* (Washington, D.C.: 2002).



# Public Health Systems

**Table 14: Coordination Efforts among Agencies Involved in Public Health Systems as Discussed in Their Fiscal Year 2001 Performance Reports and Fiscal Year 2003 Performance Plans**

Agency	What types of coordination among the relevant agencies associated with each crosscutting program were discussed in their fiscal year 2001 performance reports?	What types of coordination among the relevant agencies associated with each crosscutting program are discussed in their fiscal year 2003 performance plans?
The Department of Health and Human Services (HHS)	Within HHS, there are five components that have activities related to the prevention of infectious diseases in the United States.	Within HHS, there are five components that have activities related to the prevention of infectious diseases in the United States.
	The Centers for Disease Control and Prevention (CDC) <sup>a</sup> : According to its combined report and plan, CDC coordinated with several agencies on issues pertaining to public health systems. For example, in its mission to protect the public from infectious disease threats, CDC reported that it collaborated with the Department of Agriculture and the Food and Drug Administration (FDA) on food safety programs. For the immunization objectives, CDC reported that it partnered with the Health Resources and Services Administration (HRSA), the Centers for Medicare and Medicaid Services (CMS), FDA, and the National Institutes of Health (NIH) among others. To develop new diagnostic and treatment tools and better vaccines for tuberculosis, CDC reported working with NIH and FDA.	CDC: CDC does not distinguish between its reported and planned coordination efforts.
	CMS <sup>b</sup> : According to its combined report and plan, CMS worked with other agencies within and outside of HHS on various issues. For example, CMS worked with CDC to increase the rate of influenza and pneumococcal vaccination among Medicare beneficiaries. Also, CMS reported working with states, CDC, and the American Public Human Services Association to develop strategies for the goal to increase the percentage of fully immunized 2-year-old children under Medicaid.	CMS: CMS does not distinguish between its reported and planned coordination efforts.

**Appendix IV  
Public Health Systems**

(Continued From Previous Page)

Agency	What types of coordination among the relevant agencies associated with each crosscutting program were discussed in their fiscal year 2001 performance reports?	What types of coordination among the relevant agencies associated with each crosscutting program are discussed in their fiscal year 2003 performance plans?
	<p>FDA<sup>c</sup>: The combined report and plan provided a discussion on FDA coordination efforts with other federal agencies in the prevention of infectious diseases. FDA's combined report and plan reported that its scientists coordinate with various national, international, and interagency organizations such as the National Vaccine Advisory Committee and the World Health Organization to develop vaccine policy. Also, FDA stated that it worked with CDC and Agriculture to establish the National Antimicrobial Resistance Monitoring System to determine what foodborne pathogens develop resistance to drug treatment. Through coordination with CDC and Agriculture, FDA developed an improved food safety surveillance program called FoodNet.</p>	<p>FDA: FDA does not distinguish between its reported and planned coordination efforts.</p>
	<p>HRSA<sup>d</sup>: HRSA's combined report and plan discussed coordination efforts with CDC pertaining to disease prevention and health promotion activities, including immunization efforts.</p>	<p>HRSA: HRSA does not distinguish between its reported and planned coordination efforts.</p>
	<p>NIH<sup>e</sup>: NIH's combined report and plan discussed coordination with other agencies within HHS, such as FDA, CDC, and the Agency for Healthcare Research and Quality. The combined performance plan and report did not provide specific information on how NIH coordinates with other entities on efforts related to public health systems.</p>	<p>NIH: NIH does not distinguish between its reported and planned coordination efforts.</p>
Agriculture	<p>Agriculture reported that it coordinated with HHS and the Environmental Protection Agency (EPA) regarding the goal to protect the public health by reducing the incidence of foodborne illnesses. However, Agriculture did not discuss specific coordination efforts with HHS or EPA related to protecting the public health.</p>	<p>In the plan, Agriculture reported that it intends to collaborate with HHS and EPA the same way as it did in fiscal year 2001.</p>

Sources: Centers for Disease Control and Prevention, *Centers for Disease Control and Prevention: Final FY 2003 GPRA Annual Performance Plan Revised Final FY 2002 GPRA Annual Performance Plan FY 2001 GPRA Annual Performance Report* (Washington, D.C.: Feb. 2002); The Centers for Medicare and Medicaid, *The Centers for Medicare & Medicaid Services: Annual Performance Plan/Annual Performance Report* (Washington, D.C.: 2002); U.S. Food and Drug Administration, *U.S. Food and Drug Administration: FY 2003 Annual Performance Plan, FY 2002 Revised Final Performance Plan, FY 2001 Annual Performance Report* (Washington, D.C.: Feb. 2002); Health Resources and Services Administration, *Health Resources and Services Administration: Final FY 2003 GPRA Annual Performance Plan, Revised Final FY 2002 Performance Plan and FY 2001 GPRA Annual Performance Report* (Washington, D.C.: Feb. 2002); National Institutes of Health, *Final FY 2003 GPRA Annual Performance Plan, Revised Final FY 2002 GPRA Annual Performance Plan, and FY 2001 GPRA Annual Performance Report* (Washington, D.C.: February 2002); U.S. Department of Agriculture, *USDA FY 2001 Annual Program Performance Report* (Washington, D.C.: Mar. 2002); U.S. Department of Agriculture, *USDA FY 2003 Annual Performance Plan and Revised Plan for FY 2002* (Washington, D.C.: Mar. 2002).

<sup>a</sup>CDC issued a consolidated fiscal year 2001 performance report and fiscal year 2003 performance plan.

<sup>b</sup>CMS issued a consolidated fiscal year 2001 performance report and fiscal year 2003 performance plan.

<sup>c</sup>FDA issued a consolidated fiscal year 2001 performance report and fiscal year 2003 performance plan.

**Appendix IV  
Public Health Systems**

<sup>d</sup>HRSA issued a consolidated fiscal year 2001 performance report and fiscal year 2003 performance plan.

<sup>e</sup>NIH issued a consolidated fiscal year 2001 performance report and fiscal year 2003 performance plan.

**Table 15: Agencies' Reported Progress and Strategies for Achieving Goals in Public Health Systems as Discussed in Their Fiscal Year 2001 Performance Reports**

Department or agency	What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?	If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?
HHS	<p>CDC: CDC reported that it has achieved 25 of the 39 measures, did not meet 3 of the measures, and did not have data to report on 11 of the measures for the goals relating to the prevention of infectious diseases. CDC discussed the following performance goals that related to public health systems:</p> <ol style="list-style-type: none"> <li>1. improve epidemiological and laboratory capacity to recognize, respond to, and monitor infectious diseases,</li> <li>2. protect the American people from priority infectious diseases,</li> <li>3. apply scientific findings to prevent and control infectious diseases,</li> <li>4. reduce the number of indigenous cases of vaccine-preventable diseases,</li> <li>5. ensure that 2-year-olds are appropriately vaccinated,</li> <li>6. reduce the number of cases of HIV infection and AIDS by implementing HIV prevention programs,</li> <li>7. increase the capacity of community-based organizations providing HIV prevention services to persons of color,</li> <li>8. reduce the percentage of HIV/AIDS-related risk behaviors among school-aged youth through dissemination of HIV prevention education programs,</li> <li>9. strengthen the ability to obtain and disseminate extramural research findings to partners, public health practitioners, and the public through a prevention research communications program, and</li> <li>10. increase input from the external scientific community on extramural prevention research.</li> </ol>	<p>CDC: CDC provided explanations for not meeting its measures that appeared reasonable. For the fourth goal, CDC reported that full vaccination for Diphtheria-Tetanus-Pertussis is dependent on the varying states' requirements for the four-dose vaccination schedule, which may have resulted in the slower increase in coverage. For the ninth goal, CDC reported that an assessment was not completed due to the reevaluation of communication strategies and targets by new program leadership. For 11 of the performance measures, CDC did not report any data at the time of the report's issuance. In addition, CDC did not discuss strategies to meet the unmet goals in the future.</p>

**Appendix IV  
Public Health Systems**

(Continued From Previous Page)

Department or agency	What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?	If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?
	<p>CMS: CMS reported on two performance goals: (1) increase the percentage of Medicare beneficiaries who are 65 years and older and receive influenza and pneumococcal vaccinations and (2) increase the percentage of Medicaid children aged 2 years who are fully immunized.<sup>b</sup> For the first goal, CMS's report did not include data concerning the goal of vaccinating 72 percent of Medicare beneficiaries aged 65 years and older for influenza and 63 percent for pneumococcal infections in fiscal year 2001. CMS stated that the data would be available next year. For the second goal, CMS reported that it established a series of targets for states to achieve within the phase-in process to accomplish the goal—to increase the percentage of Medicaid children who are fully immunized.</p>	<p>CMS: CMS did not report on the performance results of its first goal. For the second goal that CMS met partially, CMS explains that more time was needed for states to fully develop their measurement methodologies because of the variations in state reporting cycles for immunization data, data problems, and staff and resource limitations. CMS discusses time frames for the development of each state's baseline measure and reporting methodology, but CMS does not describe specifically how it intends to achieve its targets for this area in the future.</p>
	<p>FDA: Relating to food safety, FDA reported that it met two of the six performance goals: (1) to achieve adoption of the Food Code by at least one state agency in 33 states and (2) to assure that inspections of domestic food establishments indicate that more than 90 percent of the establishments conform with FDA requirements. FDA did not meet targets for the following four performance goals:</p> <ol style="list-style-type: none"> <li>1. to inspect 90 percent of high-risk domestic food establishments each year,</li> <li>2. to increase the number of import exams on food products,</li> <li>3. to increase the number of audits and assessments of foreign food safety systems of high volume exporters to the United States, and</li> <li>4. to maintain the current level of monitoring for pesticides and environmental contaminants in foods through analysis of a targeted cohort of 8,000 samples.</li> </ol>	<p>FDA: FDA provided a reasonable explanation for why three of the four goals were not met. For example, for the unmet goal to inspect 90 percent of high-risk domestic food establishments each year, FDA asserts that the goal was missed because the agency purposefully diverted resources for these inspections to focus on an even greater threat of bovine spongiform encephalopathy<sup>c</sup> that was breaking out in Europe at the time. Also, for the unmet goal to increase the number of exams on imported food products, FDA reported that it established a new goal starting fiscal year 2002 that will be more indicative of the effort to reduce health risks at the border. The agency reported that the reallocation of resources to other issues contributed to not meeting the goal of increasing the number of audits of foreign food safety systems of main exporters to the United States. FDA did not provide an explanation as to why it did not achieve the fourth unmet performance goal—to maintain the current level of monitoring for pesticides and environmental contaminants in foods through analysis of a targeted cohort of 8,000 samples. FDA provided no discussion of strategies for how it would meet the unmet goals in the future.</p>

**Appendix IV  
Public Health Systems**

*(Continued From Previous Page)*

<b>Department or agency</b>	<b>What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?</b>	<b>If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?</b>
	<p>HRSA: HRSA reported that it established measures for two performance goals related to improving public health and health care systems under the objective to promote AIDS education and training of the public health and health care workforce. The two performance goals are increase proportion of the national AIDS education and training centers (AETC) training interventions provided to minority health care providers and increase the number of minority health care and social service providers who receive training in AETCs. HRSA did not report performance data for these goals. For the first goal, HRSA indicated that the fiscal year 2001 performance data would be available in February 2003. For the second goal, HRSA did not report fiscal year 2001 performance data. However, it noted that this measure is to be deleted.</p>	<p>HRSA: HRSA did not report on the performance results of the goals.</p>
	<p>NIH: NIH reported on one goal that pertained to the prevention of infectious disease—develop new or improved approaches for preventing or delaying the onset or progression of disease and disability. According to the combined report and plan, the fiscal year 2001 measure for this goal was the progress in developing new or improved approaches for preventing or delaying the onset of diseases and disabilities. NIH reported that the measure for the goal was substantially exceeded. NIH reported 127 scientific advances that support the goal. For example, NIH stated that recombinant DNA technology and naked DNA are now used to generate new vaccines. Vaccines for diseases such as Ebola, tuberculosis, and AIDS are being produced and a more effective tuberculosis vaccine is under development.</p>	<p>NIH: Not applicable.</p>

**Appendix IV  
Public Health Systems**

(Continued From Previous Page)

Department or agency	What progress in fiscal year 2001 did the respective agencies make toward achieving the goals and measures they established for each program area?	If an agency did not achieve a fiscal year 2001 performance goal or measure, does the agency provide a reasonable explanation for not achieving the goal/measure and describe a strategy that appears reasonably linked to achieving the goal/measure in the future?
Agriculture	<p>Agriculture reported on three performance goals related to protecting the public health by reducing the incidence of foodborne hazards:</p> <ol style="list-style-type: none"> <li>1. provide leadership towards the creation and utilization of risk assessment capacity for meat, poultry, and egg products that is supported by the latest research and technology,</li> <li>2. create a coordinated national and international food safety risk management system to ensure the safety of U.S. meat and poultry products from farm to table, and</li> <li>3. conduct a comprehensive national and international communication program that is an open exchange of information and opinions about food safety risks.</li> </ol> <p>Agriculture reported that it achieved six of seven performance targets under these three performance goals. For example, the actual performance of 150 million for the measure—number of people reached with food safety information through media stories, circulation reports, visiting Agriculture’s Food Safety and Inspection Service Web site, and Agriculture Meat &amp; Poultry Hotline calls—surpassed the target of 87 million in fiscal year 2001. The department reported that it did not achieve the target for the measure prevalence of salmonella on broiler chickens (percentage) which is under the performance goal to create a coordinated food safety risk management system to ensure the safety of meat and poultry products.</p>	<p>In its report, Agriculture provides a reasonable explanation for not achieving the performance target for the measure to reduce the prevalence of Salmonella on broiler chickens (percentage). Agriculture suggests that there may be data problems due to random sampling of plants to check for prevalence of salmonella on broiler chickens. Agriculture said it is giving serious consideration to increasing its activities to include not only random sampling, but also sampling when there is an indication that problems exist in a plant. Agriculture said it also was giving serious consideration to deleting this indicator, as additional sampling results would skew the salmonella prevalence targets. However, it did not state any strategies to achieve the unmet goal in the future.</p>

Sources: Centers for Disease Control and Prevention, *Centers for Disease Control and Prevention: Final FY 2003 GPRA Annual Performance Plan Revised Final FY 2002 GPRA Annual Performance Plan FY 2001 GPRA Annual Performance Report* (Washington, D.C.: Feb. 2002); The Centers for Medicare and Medicaid, *The Centers for Medicare & Medicaid Services: Annual Performance Plan/Annual Performance Report* (Washington, D.C.: 2002); U.S. Food and Drug Administration, *U.S. Food and Drug Administration: FY 2003 Annual Performance Plan, FY 2002 Revised Final Performance Plan, FY 2001 Annual Performance Report* (Washington, D.C.: Feb. 2002); Health Resources and Services Administration, *Health Resources and Services Administration: Final FY 2003 GPRA Annual Performance Plan, Revised Final FY 2002 Performance Plan and FY 2001 GPRA Annual Performance Report* (Washington, D.C.: Feb. 2002); National Institutes of Health, *Final FY 2003 GPRA Annual Performance Plan, Revised Final FY 2002 Performance Plan, and FY 2001 GPRA Annual Performance Report* (Washington, D.C.: February 2002); U.S. Department of Agriculture, *USDA FY 2001 Annual Program Performance Report* (Washington, D.C.: Mar. 2002); U.S. Department of Agriculture, *USDA FY 2003 Annual Performance Plan and Revised Plan for FY 2002* (Washington, D.C.: Mar. 2002).

<sup>a</sup>States have varying requirements for the four-dose vaccine schedule for Diphtheria-Tetanus-Pertussis.

<sup>b</sup>According to CMS’s fiscal year 2001 performance report and fiscal year 2003 performance plan, the term “fully immunized” is used to describe the “complete series of vaccinations in the first two years of life. . . to prevent certain diseases, including measles, mumps, rubella, polio, tetanus, diphtheria, pertussis, and meningitis.”

<sup>c</sup>Bovine spongiform encephalopathy is a chronic, degenerative disorder affecting the central nervous system of cattle and is known as “Mad Cow Disease.”

**Appendix IV  
Public Health Systems**

**Table 16: Agencies' Expected Progress and Strategies for Achieving Goals in Public Health Systems as Discussed in Their Fiscal Year 2003 Performance Plans**

Department or agency	What progress did the agencies expect to make in fiscal year 2003?	Do the agencies provide strategies that appear reasonably linked to achieving fiscal year 2003 goals?
HHS	<p>CDC: For fiscal year 2003, CDC plans to report on generally its goals and measures from fiscal year 2001 that pertain to prevention of infectious diseases with updated targets. For example, the performance measure to monitor influenza viruses in domestic and global sites in order to improve detection of viruses has projected to monitor 900 sites for fiscal year 2003, which is an increase from the fiscal year 2001 target of 514. CDC developed a new goal in fiscal year 2002 that is to conduct research to identify and assess community-based prevention interventions.</p>	<p>CDC: CDC provides strategies that appear reasonably linked to achieving its goals for fiscal year 2003. For example, pertaining to the goal to strengthen epidemiological and laboratory capacity to recognize, respond to, and monitor infectious diseases, CDC plans to maintain and improve the U.S. Sentinel Physician surveillance system in order to continue to monitor influenza viruses in the United States. CDC reports that maintaining the surveillance system is a priority because it is the primary source for measuring the impact of the virus.</p>
	<p>CMS: In CMS's fiscal year 2003 plan, it has increased its performance targets for its two performance goals that pertain to vaccinating elderly Medicare beneficiaries and children who are under Medicaid. For its first goal—vaccinating Medicare beneficiaries aged 65 years and older for influenza and pneumococcal infections—the targets for fiscal year 2003 are 72.5 percent and 69 percent, respectively. For its second goal, CMS plans to have all states develop their own baselines and methodologies for measuring immunization rates for 2-year-old children who are under Medicaid.</p>	<p>CMS: For its first goal of achieving particular immunization rates for Medicare beneficiaries, CMS discusses strategies, including working in collaboration with providers, community groups, and other interested partners to design and implement immunization quality improvement projects. For example, they report the most effective strategy for achieving higher vaccinations is the implementation by medical facilities of standing orders—i.e., the use of a protocol by non-physician personnel to vaccinate Medicare beneficiaries. For its second goal of having states develop a baseline and methodology for measuring the immunization of 2-year-old children under Medicaid, CMS discusses time frames for the development of each state's baseline measure and reporting methodology, but CMS does not describe specifically how it intends to achieve its targets for this area.</p>

**Appendix IV  
Public Health Systems**

*(Continued From Previous Page)*

Department or agency	What progress did the agencies expect to make in fiscal year 2003?	Do the agencies provide strategies that appear reasonably linked to achieving fiscal year 2003 goals?
	<p>FDA: FDA plans to report on five goals related to the strategic goal of reducing the health risks by preventing exposure to foodborne hazards. The five goals include</p> <ol style="list-style-type: none"> <li>1. achieve adoption of the Food Code<sup>a</sup> by 33 states,</li> <li>2. inspect 95 percent of high-risk domestic food establishments each year,</li> <li>3. increase the count of physical exams by 100 percent to 48,000 exams and conduct sample analyses on products,</li> <li>4. improve the productivity at 45 additional ports through training, and</li> <li>5. maintain the current level of monitoring for pesticides and environmental contaminants in foods through analysis of a targeted 8,000 samples.</li> </ol>	<p>FDA: FDA's strategies appear reasonably linked to achieving the strategic goal of reducing health risks associated with food products by preventing human exposure to hazards. For example, one of the prevention strategies states that FDA will be working with states and the food industry to develop and implement food production and preventive control systems that are appropriate to specific product hazard combinations and to establish regular processes and systems to more effectively and efficiently monitor the food supply.</p>
	<p>NIH: For fiscal years 2002 and 2003, NIH developed two subgoals for the goal to develop new or improved approaches for preventing or delaying the onset or progression of disease and disability. The two subgoals are to (1) identify modifiable risk factors for disease/disability and (2) identify, develop, and test new/improved medications for the prevention of disease/disability. For each of the two subgoals, NIH reports on identical performance measure that will assess the status of achieving the subgoals—annual milestones that include scientific advances and discoveries. NIH does not report targets for fiscal year 2003 for this measure.</p>	<p>NIH: NIH does not discuss the strategies it will use to achieve the goals.</p>
	<p>HRSA: HRSA's plan will report on the same goal related to improving public health and health care systems that it reported on in fiscal year 2001— increase proportion of AETC training interventions provided to minority health care providers. HRSA plans to drop the goal to increase the number of minority health care and social service providers who receive training in AETCs because measuring the percentage of training interventions provided to minority health providers was determined to be a more accurate and appropriate method to measure the program's progress in training health care providers. According to HRSA's plan, it will increase the proportion of AETCs provided to minority health care providers to 41 percent in fiscal year 2003 compared to the targeted 40 percent in fiscal year 2001.</p>	<p>HRSA: HRSA's plan does not discuss the strategies it will use to achieve the goal.</p>



**Appendix IV  
Public Health Systems**

*(Continued From Previous Page)*

Department or agency	What progress did the agencies expect to make in fiscal year 2003?	Do the agencies provide strategies that appear reasonably linked to achieving fiscal year 2003 goals?
Agriculture	<p>In the fiscal year 2003 plan, Agriculture will report on the same three performance goals related to reducing the prevalence of foodborne illnesses as in fiscal year 2001:</p> <ol style="list-style-type: none"> <li>1. provide leadership towards the creation and utilization of risk assessment for meat, poultry, and egg products,</li> <li>2. create a coordinated national and international food safety risk management system to ensure safety of U.S. meat and poultry, and</li> <li>3. conduct a comprehensive national and international communication program to serve as a medium of exchanging information about food safety.</li> </ol>	<p>Agriculture's plan provides strategies that appear reasonably linked to achieving each performance goal. For example, Agriculture reports that its performance goal to create a coordinated national and international food safety risk management system to ensure safety of U.S. meat and poultry has a set of outlined strategies to follow in order to accomplish the goal, including</p> <ol style="list-style-type: none"> <li>1. develop national performance standards for ready-to-eat meat and poultry items,</li> <li>2. ensure food safety requirements are followed by monitoring slaughter and process plants, and</li> <li>3. increase reviews of foreign inspection systems to ensure the safety of imported meat, poultry, and egg products.</li> </ol>

Sources: Centers for Disease Control and Prevention, Centers for Disease Control and Prevention: Final FY 2003 GPRA Annual Performance Plan Revised Final FY 2002 GPRA Annual Performance Plan FY 2001 GPRA Annual Performance Report (Washington, D.C.: Feb. 2002); The Centers for Medicare and Medicaid, The Centers for Medicare & Medicaid Services: Annual Performance Plan/Annual Performance Report (Washington, D.C.: 2002); U.S. Food and Drug Administration, U.S. Food and Drug Administration: FY 2003 Annual Performance Plan, FY 2002 Revised Final Performance Plan , FY 2001 Annual Performance Report (Washington, D.C.: Feb. 2002); Health Resources and Services Administration, Health Resources and Services Administration: Final FY 2003 GPRA Annual Performance Plan, Revised Final FY 2002 Performance Plan and FY 2001 GPRA Annual Performance Report (Washington, D.C.: Feb. 2002); National Institutes of Health, Final FY 2003 GPRA Annual Performance Plan, Revised Final FY 2002 GPRA Annual Performance Plan, and FY 2001 GPRA Annual Performance Report (Washington, D.C.: February 2002); U.S. Department of Agriculture, USDA FY 2001 Annual Program Performance Report (Washington, D.C.: Mar. 2002); U.S. Department of Agriculture, USDA FY 2003 Annual Performance Plan and Revised Plan for FY 2002 (Washington, D.C.: Mar. 2002).

<sup>a</sup>According to FDA, the Food Code is a document that regulatory agencies use as a reference for overseeing food safety in establishments such as restaurants and grocery stores. The Food Code is not a federal law but can be adopted by any agency at any level of government.

**Appendix IV  
Public Health Systems**

**Table 17: Reliability of Performance Data Reported by Agencies Involved in Public Health Systems as Discussed in Their Fiscal Year 2001 Performance Reports**

<b>Department or agency</b>	<b>How did the agencies discuss the completeness, reliability, and credibility of their performance data?</b>	<b>Are known shortcomings in the data acknowledged and steps to resolve or minimize the shortcomings described?</b>
HHS	<p>CDC: CDC's combined report and plan provides discussions of data completeness, reliability, and credibility by addressing data verification and validation for each data source corresponding to each goal. For example, the goal to utilize scientific findings to prevent and control infectious diseases is followed by a discussion on verification of the data. The discussion includes (1) identifying that states are the sources of data, (2) conducting regular visits and progress reviews in order to verify performance of the goal, and (3) listing data systems utilized for verification. Also, CDC stated that it had 85 percent completeness in reporting the diagnosed AIDS cases for the performance goal to reduce the number of cases of HIV infection and AIDS by implementing HIV prevention programs. For all the performance goals, CDC's combined report and plan discusses the source of data and includes an explanation of the data systems utilized by CDC.</p>	<p>CDC: While CDC acknowledged shortcomings, it did not discuss steps to minimize them. For example, CDC recognizes the 85 percent completeness in reporting diagnosed AIDS cases. It attributes this lack of completeness to the variation in reporting of the data by states.</p>
	<p>CMS: In CMS's plan and report, it includes a discussion of data reliability and verification for each performance goal.</p>	<p>CMS: CMS acknowledged shortcomings in its performance data and sometimes discusses steps to minimize these shortcomings. Data verification and validation for immunization will depend on each state's methodology for data collection. Also, CMS reports that immunization coverage levels will not be directly comparable across the states because of the different reporting and data collection methodologies used by the states, but did not report steps to minimize the shortcomings in the future. CMS states that a key part of the technical assistance provided by CMS and CDC includes helping state address data reliability.</p>

**Appendix IV  
Public Health Systems**

*(Continued From Previous Page)*

Department or agency	How did the agencies discuss the completeness, reliability, and credibility of their performance data?	Are known shortcomings in the data acknowledged and steps to resolve or minimize the shortcomings described?
	<p>NIH: NIH's progress toward meeting this goal has been assessed by a working group of the Advisory Committee to the Director (ACD). The GRPA Assessment Working Group was composed of members of the ACD, the NIH's Council of Public Representatives, and selected members of the Institutes and Centers (ICs) national advisory councils. The assessment of NIH's research was based on data provided by the ICs that describes the new findings and theories forthcoming from the research that NIH conducts and supports. Key references were provided for all science advances, science capsules, and stories of discovery. NIH also provided copies of full articles to the assessment working group whenever requested.</p>	<p>NIH: NIH did not report on shortcomings related to data quality.</p>
	<p>FDA: FDA discussed aspects of the quality of its performance data. For example, FDA stated that it developed FoodNet to improve food safety surveillance. FDA asserted that the FoodNet sites provide much better data on the number of foodborne illnesses and trends in terms of the types of contaminants that are causing these illnesses. In 2002, when the data will be sufficient in volume and quality to establish baselines against which to measure changes in foodborne illnesses, FDA will be in a better position to establish broad-scope outcome goals that are essential to effective performance planning.</p>	<p>FDA: FDA acknowledged shortcomings and addressed steps to minimize them. It stated that the public health data systems are not currently adequate to provide accurate and comprehensive baseline data needed to draw direct relationships between FDA's regulatory activities and changes in the number and types of foodborne illnesses that occur annually in the United States. FDA reported the need for improved data on food-related illnesses. Through coordination with the CDC and Agriculture, FDA developed an improved food safety surveillance program called FoodNet.</p>
	<p>HRSA: HRSA reported that data from the HIV/AIDS Bureau comes from grantees who receive funding from Titles I, II, III, or IV. It reports that grantees complete the Ryan White CARE Act Data Report according to their preferred format. Then the data are sent to the Office of Science and Epidemiology so its staff members can edit and screen the data for accuracy.</p>	<p>HRSA: HRSA reported on two data limitations related to the HIV/AIDS data collection efforts and provided a discussion on how to minimize these limitations. First, because the data are reported in the aggregate, the types of questions that can be answered using the data are limited. Also, the reporting system that holds the data contains duplicate data about individuals that prevents accurate conclusions being made. To minimize these data limitations, HRSA reports allowing grantees the option to participate in a client-level reporting system that will address the concern of relationship across variables for the individual clients.</p>

**Appendix IV  
Public Health Systems**

*(Continued From Previous Page)*

<b>Department or agency</b>	<b>How did the agencies discuss the completeness, reliability, and credibility of their performance data?</b>	<b>Are known shortcomings in the data acknowledged and steps to resolve or minimize the shortcomings described?</b>
Agriculture	For each performance goal, Agriculture discussed the validity and accuracy of its performance data. For example, in the section “data assessment” for the performance indicator number of cumulative risk assessments used to inform risk management decisionmaking and policy, Agriculture stated that the data are reliable.	Agriculture did not discuss data limitations for its goals related to foodborne illnesses.

Sources: Centers for Disease Control and Prevention, *Centers for Disease Control and Prevention: Final FY 2003 GPRA Annual Performance Plan Revised Final FY 2002 GPRA Annual Performance Plan FY 2001 GPRA Annual Performance Report* (Washington, D.C.: Feb. 2002); The Centers for Medicare and Medicaid, *The Centers for Medicare & Medicaid Services: Annual Performance Plan/Annual Performance Report* (Washington, D.C.: 2002); U.S. Food and Drug Administration, *U.S. Food and Drug Administration: FY 2003 Annual Performance Plan, FY 2002 Revised Final Performance Plan , FY 2001 Annual Performance Report* (Washington, D.C.: Feb. 2002); Health Resources and Services Administration, *Health Resources and Services Administration: Final FY 2003 GPRA Annual Performance Plan, Revised Final FY 2002 Performance Plan and FY 2001 GPRA Annual Performance Report* (Washington, D.C.: Feb. 2002); National Institutes of Health, *Final FY 2003 GPRA Annual Performance Plan, Revised Final FY 2002 GPRA Annual Performance Plan, and FY 2001 GPRA Annual Performance Report* (Washington, D.C.: February 2002); U.S. Department of Agriculture, *USDA FY 2001 Annual Program Performance Report* (Washington, D.C.: Mar. 2002); U.S. Department of Agriculture, *USDA FY 2003 Annual Performance Plan and Revised Plan for FY 2002* (Washington, D.C.: Mar. 2002).

# GAO Contact and Staff Acknowledgments

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