

ASSISTANT SECRETARY FOR MANAGEMENT AND BUDGET

	FY 2000	FY 2001	FY 2002	Increase or Decrease
	<u>Actual</u>	<u>Appropriation</u>	<u>Estimate</u>	
Budget Authority	\$32,281,000	\$29,081,000	\$31,698,000	+\$2,617,000
FTE ¹	248	255	269	+14
HCFAC account ²	[\$55,000]	[\$500,000]	[\$2,790,000]	[+\$2,290,000]
HCFAC FTE	-	-	3	+3

Purpose and Method of Operations

The Office of the Assistant Secretary for Management and Budget (ASMB) advises the Secretary on all aspects of administration and financial management and provides general oversight and direction of the administrative and financial organizations and activities of the Department. Major areas of ASMB responsibility in the areas of financial services, information resources management services, budget services, grants and acquisition management services, human resources, and administrative services. Include the following.

- Budget Services – Manages the preparation of the Department’s annual budget, and prepares the Secretary to present and defend the budget to the public, the media, and Congressional committees. Prepares analyses, options, and recommendations on all budget and management issues related to the Secretary’s review of Operating Agencies budgets, the Secretary’s request and the President’s submission to Congress on behalf of HHS. Reviews and prepares analyses of the budgetary and management implications of regulations and program instructions. Manages the performance planning and performance reporting requirements of the Government Performance and Results Act (GPRA). Incorporates performance measurement information into the HHS budget. Establishes and maintains equal employment opportunity (EEO) programs for OS. Administers the Department’s systems for selected oversight of delegation of authority and reorganizations.
- Financial Services – Advises the Secretary on all aspects of financial management, and directs, coordinates and provides support for all financial management activities across the Department. Provides leadership to Operating Agencies senior financial managers,

¹ Includes 5 FTE for Delegated Authority.

² Funding for the Health Care Fraud and Abuse Control (HCFAC) program is appropriated separately and is a non-add to GDM. The FY 2002 HCFAC amount is an estimate; the final amount may differ, pending agreement between the Secretary of HHS and the Attorney General.

including the Operating Agencies Chief Financial Officers (CFO), through the CFO Council. Manages and directs implementation of the requirements of major financial management legislation including the CFO Act and the Government Management Reform Act (GMRA), the Anti-Deficiency Act, the Debt Collection Improvement Act (DCIA), the Federal Managers Financial Integrity Act (FMFIA), the Federal Financial Management Improvement Act (FFMIA) and the Travel and Transportation Reform Act of 1998. Develops Department-wide financial management policies and standards in conformance with the Federal Accounting Standards Advisory Board (FASAB) government-wide accounting concepts and standards. Serves as Departmental liaison with central agencies on financial matters.

- Grants, Acquisition and Logistics Services – Provides policy direction and technical assistance in the areas of grants management, acquisition, logistics and small business. Develops Department-wide grants, acquisition and logistics policies. Conducts projects to pursue innovation and improvement in the management of the Department's procurement, grants and logistics operations. Formulates cost principles and related policies for determining and reimbursing grant and contract costs. Resolves cross-cutting audit findings on grantee and contractor organizations. Manages the Department's Small and Disadvantaged Business Utilization Program. Awards and administers contracts in support of OS program needs. Designated by OMB to lead the Government-wide implementation of Public Law 106-107, The Grants Simplification Act.
- Human Resources Services – Provides leadership to the development and assessment of the Department's human resources programs and policies. In coordination with the Operating Agencies, designs human resource programs that support and enhance the HHS mission. Provides technical assistance to the Operating Agencies in building the capacity to evaluate the effectiveness of their human resource programs and policies. On behalf of the Department's Director Equal Employment Opportunity, adjudicates complaints of discrimination. Serves as Department liaison to central management agencies exercising jurisdiction over personnel and EEO matters.
- Information Resources Management (IRM) Services – OIRM's mission is to provide Department wide Information technology (IT) policy, strategy, architecture, investment review, information resource management, and Office the Secretary computer support. Advises the Secretary and the ASMB on issues and policies pertaining to the utilization of information resources. Coordinates the Department's annual IRM strategic planning, investment analysis and capital budgeting process. Develops policies, and serves as the secretariat for the Departmental Information Technology Investment Review Board (ITIRB). Monitors the Department's compliance with the Paperwork Reduction Act of 1995, Government Paperwork Elimination Act of 1998 and the Computer Security Act of 1987. Responsible for implementing the various provisions of the Information Technology Management Reform Act, the Government Performance and Results Act, and the Chief Financial Officers Act. Develops records management and telecommunications policies, and assures the Department's telecommunications procurement are met through government-wide contract vehicles. Facilitates Departmental efforts to provide

information resources to the public via the Internet. Develops IRM plans infrastructure and information system standards for OS in order to enhance the Secretary's management of the Department. Provides network, database and desktop services for OS.

- Facilities Services – Provides policy direction and technical assistance to the Operating Agencies and formulates Department-wide policy in the areas of real property management, occupational safety and health, environmental management, energy management, physical security and historical preservation. Manages the operation and maintenance of the Hubert H. Humphrey (HHH) Building under the GSA Delegated Buildings Program, including major projects to restore public areas, office renovation projects, and energy conservation initiatives. Provides direct operational services to Departmental agencies and offices in the Southwest Washington, D.C. complex. These services include: physical security, ID badging, occupational safety and health, parking, and space planning, design, acquisition and disposal.

The FY 2002 budget request will allow ASMB to carry out the following major objectives:

Budget Services

- Plan all HHS events for the FY 2003 Departmental budget, including reviewing Operating Agencies requests, developing alternative recommendations, and ensuring timely submission to the President and the Congress.
- Provide the Secretary with all budget-related materials and information necessary for presentation to any audience. This involves ensuring that the Secretary is successful in budget presentations in support of the programs of the President.
- Successfully manage the major workloads required in support of the annual budget submissions and other program budget analyses and estimates which occur throughout the year.
- Provide general guidance and direct assistance to Operating Agencies, programs and activities in implementing the requirements of the Government Performance and Results Act (GPRA); review annual performance plans required by GPRA and incorporate performance measurement information into the HHS budget. Prepare annual HHS Performance Plan Summary.
- Assist HCFA and ACF with financial issues related to the Department's "mandatory" funding programs.
- Increase outreach to customers through briefings, Internet web pages, and video training programs.
- Assist OS organizations to increase the number of applicants from EEO groups that are under represented through analysis of applicant data and targeted recruitment.

- Provide Department-wide direction for financial management of the Service and Supply Fund (SSF) and manage the policies set by the SSF Board of Directors.
- Provide general guidance to Operating Agencies on, and manage, selected reorganization proposals and Secretarial delegations of authority. Manage the requirements of the Paperwork Reduction Act in the Office of the Secretary.

Financial Services

- As required by the CFO Act of 1990, issue the Department's Annual Accountability Report and the Chief Financial Officers' Financial Management Status Report and Five Year Plan and provide support to government-wide CFO initiatives. In addition, as required by the Government Management Reform Act of 1994 (GMRA), oversee the preparation of Operating Agencies audited and unaudited financial statements and work closely with the Operating Agencies and the auditors in resolving audit issues. Develop and issue the Departmental consolidated financial statements including the development and publication of performance measures in conjunction with the HHS plan.
- Provide leadership and general guidance to the Departmental initiative to replace the five current accounting systems with a unified financial management system.
- Assure HHS' compliance with the requirements of the Anti-Deficiency Act, especially regarding the apportionment of HHS accounts.
- Provide general guidance and direct assistance to Operating Agencies, programs and activities which are implementing, in addition to the CFO Act and the GMRA, the Federal Managers Financial Integrity Act (FMFIA), the Federal Financial Management Improvement Act of 1996 (FFMIA), the Debt Collection Improvement Act of 1996 (DCIA), and the Travel and Transportation Reform Act of 1998.
- Develop electronic commerce alternatives for the processing of financial information in acquisitions using a government bank card and expand the Electronic Data Exchange (EDI) capability with vendors for financial information in accordance with the government-wide initiatives on streamlining procurement activities.
- Maintain the Financial Information Reporting System (FIRS), which provides summary financial information in a central data base that is used to develop outlay estimates for the President's Budget. It also provides a tracking system for all HHS apportionments.

Grants and Acquisition Management Services

- Lead the government-wide implementation of the Grants Simplification Act (PL 106-107).

- Achieve the best business value and ensure public trust for Departmental program and operating funds by managing a Department-wide policy system which will provide innovative solutions, guidance, assistance, performance measurement, training and advocacy in:
 - aiding beneficiaries and business organizations;
 - acquiring goods and services to meet program needs;
 - managing the Department's assets, while supporting Administration, Congressional, and professional policy initiatives; and
 - using electronic commerce to conduct business more effectively and efficiently.
- Achieve the best business value in resolving audits and in procuring the goods and services to meet the needs of OGAM's customers.
- Foster the growth of all Small Business entities.
- Manage the Department-wide Grants Information System.
- Manage the Department-wide Contracts Information system which feeds data to the Federal Procurement Data System.
- Provide training in grants, acquisition, logistics management and small business for HHS staff Department-wide.

Human Resources Services

- Continue efforts to promote cooperative labor-management relations throughout the Department. Support labor-management cooperation capacity building initiatives by increasing the number of bargaining units that have cooperative efforts underway at the bargaining unit level in the Operating Agencies, and improve the effectiveness of Operating Agencies-wide cooperative labor-management programs supporting the HHS mission.
- Improve the effectiveness of workplace dispute resolution in HHS by increasing usage of agency alternative dispute resolution programs.
- Continue technical assistance and coordination of human resource management activities with ongoing Departmental management control programs, assessment reviews and OPM review processes to improve the accountability for and effectiveness of all human resources and EEO programs.
- Reduce personnel security risks to HHS programs and resources by assuring the scheduling and adjudication of required background investigations, and reduce risk to terrorism by coordinating prevention and response strategies.

- Manage HHS Drug-Free Workplace Program to reduce the risk to HHS resources and programs from employees using illegal drugs or impaired by alcohol.
- Improve complaint processing management by: (1) increasing technical assistance to ensure the reduction of average processing times, (2) educating EEO complaints managers and staff in new trends and developments and (3) enhancing tracking, monitoring and reporting capabilities through use of an automated web-based system.
- Provide consultation and model program development to support Operating Agencies in improving the Quality of Worklife for their employees as part of the Secretary's Quality of Worklife Initiative to include offering skills training and support to increase Operating Agencies capacity for building organizational consultants and change agents and to strengthen work and family programs.
- Identify and initiate Human Resource Management (HRM) projects to improve individual and organizational performance through strategic alignment of goals, integral assessment programs, reduced service delivery costs, work redesign and improved service delivery levels.
- Working in collaboration with finance and budget staffs, complete development of Departmental workforce planning capacity utilization to insure that budget submissions and performance plans reflect the sound planning, justification, and deployment of human resources.
- Implement a plan for the development of a distributed learning network in HHS, and increasing the number of employees who use the HHS Learning Portal, and the number of programs that deliver training to state and local officials, grantees and other stakeholders using the HHS Learning Portal.
- Support ASMB organizational development efforts through employee and management training using the HHS Learning Portal and employee/management involvement.

Information Resources Management Services

- Provide overall security for the Department in compliance with the Government Information Security Act, Critical Infrastructure Protection (CIP), counter-terrorism and Continuity of Operations (COOP).
- Periodically assist in performance-based outcome oriented reviews with the Operating Agencies to assess mission results achieved through: the use of IT; the management of IRM programs; the management of information systems investments, and the value and benefits of Major Information Systems (MIS) that support Operating Agencies' activities, as required by the Information Technology Management Reform Act (ITMRA).
- Actively perform and support IT capital planning and investment reviews to ensure that HHS IT investments support program mission objectives.

- Actively manage the Department's information collection clearance process, consistent with the requirements of the Paperwork Reduction Act of 1995 and with other Departmental instructions. Manage the Department's information collection budget.
- Represent HHS on the Information Infrastructure Task Force. Coordinate Department-wide support and utilization of the National Information Infrastructure.
- Review proposed computer matching agreements and information collections to ensure effectiveness and compliance with Federal regulations.
- Provide advice and guidance to the Operating Agencies on issues affecting policy and operations of the Department's telecommunications programs and represent the Department's interests and requirements regarding government-wide policies, issues and contracts.
- Enhance the functionality of the Department's Internet and World Wide Web services. Manage the information dissemination activities of the various participants by ensuring the accuracy and currency of the information presented. Research new and improved ways of presenting and securing information for the various customer databases. Ensure that the Department is properly represented on the Internet and that all appropriate management requirements have been or are being satisfied.
- Enhance the quality and service of the OS Network, which currently supports 2,500 users. Complete the replacement of the existing network operating system and enhance functionality by: providing improved E-mail, Calendaring, and Internet access tools; supporting telecommuting through an improvement in the ability of users to access the network from remote locations; and provide current network-based directory services (e.g., information on all HHS employees' E-mail addresses and phone numbers). Provide best value network services by implementing achievable network performance measures, expanding the use of automated network management tools, and expanding security controls.
- Manage the OS Central Network and ADP Support contract, which provides support for the OS Network and enables individual STAFFDIVs to acquire technical support at the desktop as needed.
- Provide comprehensive support center services to assist ASMB staff to better use available technology. Trouble shoot problems and assist in defining requirements for new applications. Provide training as necessary.
- Provide technical and project management support in the development and operation of complex applications and data base services and ensure that information in ASMB is shared and equally available to all who need it for the accomplishment of their jobs.

- Coordinate the implementation of FTS 2001 within the Department and manage the implementation in the Office of the Secretary.
- Develop policies for and improve the operation of the OS Records Management Program.

Facilities Services

- Develop and interpret HHS Safety, Health and Environmental policies and monitor implementation of the Department's Occupational Safety, Health and Environmental programs. Provide technical assistance for Operating Agencies compliance with applicable Executive Orders and Federal, State and local laws and regulations.
- Develop and interpret HHS real property policies and procedures and provide guidance to the Operating Agencies to ensure effective and efficient management of the Department's real property assets.
- Continue a comprehensive analysis of HHS compliance with the National Energy Conservation Policy Act, Executive Order 12902, Energy Efficiency and Water Conservation in Federal Facilities, and the Energy Policy Act of 1992.
- Monitor HHS compliance with the National Historic Preservation Act of 1966, as amended.
- Monitor and implement Humphrey Building improvement projects designed to improve working conditions for HHS employees.

Rationale for the Budget Request

The FY 2002 request for ASMB is an increase of \$2,617,000 and 14 FTE over FY 2001. Of this total increase, \$1,498,000 is to cover increased personnel costs, such as the annualization of the January 2001 pay raise and the anticipated FY 2002 pay raise. In addition, \$614,000 and 13 FTE reflect the filling of positions which became vacant and/or were left vacant much longer than usual in FY 2001, due to the changeover to a new Administration and subsequent hiring restrictions. Therefore, actual FTE usage in FY 2001 is lower than it would have been in a non-transition year.

The remaining increase of \$505,000 is for the following programs: 1 FTE and \$115,000 to support the Center of Competency in Learning Technology to provide assistance in the development of effective learning and performance support programs via the HHS Distributed Learning Network; \$197,000 to assist in the preparation and analysis of the Department's financial statements to ensure continuation of the Department's clean audit opinion; \$103,000 to lead the Department's effort to implement a unified financial management system in the HHS component agencies; \$63,000 to fund highly specialized analytical support such as budget analysis and grants information management, analysis of financial conditions and performance management; and \$27,000 to develop case studies for the training component of the Knowledge

Management and Performance Support System (KnowNet).

ASSISTANT SECRETARY FOR MANAGEMENT AND BUDGET

FY 2002 PERFORMANCE PLAN

Budget Services

Performance Goals	FY Targets	Actual Performance	Reference*
Goal 1. For significant HHS budget and management processes and issues, provide timely, reliable and innovative analysis that is useful and adds value to the policy and resource decisions of the ASMB and the Secretary.	FY02: Demonstrate progress toward goal achievement. FY01: Demonstrate progress toward goal achievement. FY00: Set (see below) FY99: Set 11/98	FY02: FY01: FY00: Objective met FY99: Objective met	
Goal 2. Provide timely and useful assistance and guidance to monitor effective implementation of authorizing and other legislation and regulations for Federal budget and management functions; identify and coordinate the resolution of serious issues.	FY02: Demonstrate progress toward goal achievement. FY01: Demonstrate progress toward goal achievement. FY00: Set (see below) FY99: Set 11/98	FY02: FY01: FY00: Objective met FY99: Objective met	
Goal 3. Develop and implement strategies for the timely and effective presentation and defense of the HHS budget, and prepare timely, reliable and relevant reports to OMB, Congress and others.	FY02: Demonstrate progress toward goal achievement. FY01: Demonstrate progress toward goal achievement. FY00: Set (see below) FY99: Set 11/98	FY02: FY01: FY00: Objective met FY99: Objective met	
Goal 4. The OS EEO Office will provide useful, timely, and reliable EEO services to the ASMB and the STAFFDIVs, ensuring equality of opportunity through compliance with EEO regulations and proactive outreach programs.			
Measure 1. Increase EEO outreach to customers, through: – training/briefings	FY02: 68 FY01: 62 FY00: 53 FY99: 43	FY02: FY01: FY00: 67 FY99: 47 FY98: 38 (baseline)	

Performance Goals	FY Targets	Actual Performance	Reference*
– printed/electronic information	FY02: 48 FY01: 44 FY00: 39 FY99: 25	FY02: FY01: FY00: 43 FY99: 34 FY98: 19 (baseline)	
Measure 2. Reduce the ratio of formal EEO complaints to total EEO complaints.	FY02: 48% FY01: 50% FY00: 52% FY99: 56%	FY02: FY01: FY00: 55% FY99: 59% FY98: 60% (baseline)	

Preliminary Performance Summary

Establishing Performance Targets: The Office of Budget continues to employ descriptive performance goals to improve the performance of the Office over time. However, it does employ quantitative targets to measure the performance of its EEO activities. For FY 2000, the Office of Budget updated the strategies associated with goals for its budget and GPRA activities to build on those initiated in FY 1999. The updated and enhanced strategies include: 1) development of a high quality FY 2002 Budget, 2) professional management of the FY 2001 appropriation process, 3) skillful execution of the FY 2000 budget, and 4) effective recruitment, retention and training of a highly skilled and diverse work force.

Performance Progress: The Office of Budget reports significant achievements in the activities supporting all three of its qualitative performance goals for FY 2000. The following achievements describe the Office of Budget's success in meeting performance goals 1-3 in FY 2000.

1) Development of a high quality FY 2002 Budget: Although the November election altered the normal time table for submission of the President's budget, HHS requested that agencies submit budget requests for internal HHS discussion only and with an emphasis on management issues such as GPRA, workforce planning, computer security, e-commerce, and audited financial statements, in addition to agency program priorities. To prepare for the Budget Review Board meetings in July, budget staff prepared outstanding assessments of Operating Agencies submissions and questions for the ASMB to focus meeting discussions on key issues. Similarly, briefing books were prepared and disseminated to all board members. As a result, management and program issues facing the Department's programs were fully explored laying the ground work for a rapid response to the development of a FY 2002 budget by this Administration.

Extending the recent practice of holding BRB meetings outside of Washington, the Board visited Albuquerque, New Mexico for a day long discussion of the IHS budget and operations. This provided an outstanding opportunity to meet with Tribal and IHS program managers and to visit a local hospital.

Finally, in response to OMB staff level requests for budget information on a current services basis, budget staff worked out a current services definition with HHS agencies and reviewed Operating Agencies materials submitted to OMB.

2) Professional management of the FY 2001 appropriation process: Budget staff did an outstanding job throughout the year justifying the Department's budget to OMB and presenting it to the Congress. The

HHS discretionary budget for FY 2001 amounted to \$48.6 billion in budget authority, an increase of 11 percent over the FY 2000 level. Working closely with HHS agencies, Budget staff delivered budget justifications to the Appropriations Committees the day the President's budget was sent to Congress in early February. Two days later, Budget staff prepared the Secretary to testify before the Labor/HHS Subcommittee in the House. After the conclusion of the hearing process, Budget staff managed timely delivery of 2,370 Q's&A's for record, 40 hearing transcripts and 83 appropriation reports.

In addition, Budget staff provided periodic but timely intelligence to the Secretary and the ASMB on Congressional action on the budget including the Budget Resolution, 302(b) allocations and initial committee mark-ups of HHS appropriations bills.

3) Skillful execution of the FY 2000 Budget: Management of the FY 2000 budget involved addressing two major issues and a series of more routine transactions including reprogrammings with Congress and internal HHS transfers.

A major effort throughout the year was the implementation of a corrective action plan to improve and strengthen financial management practices at one HHS agency. A second major issue involved working out a plan for distributing an FY 2000 rescission of 0.38 percent, which amounted to \$166 million reduction of HHS discretionary programs. An acceptable agreement with OMB took protracted negotiations over a two week period, during which Budget staff developed several options in order to meet competing priorities of OMB and HHS agencies, and still produce a result that was acceptable to the Congress.

For the fifth time since 1996, Budget also prepared and executed a plan for use of the Secretary's one-percent transfer authority. The principal program objectives of these transfers included combating the West Nile Virus, support for "look-behind" surveys of institutions providing care for the mentally retarded; implementation of the Olmstead decision concerning institutionalization of the disabled; and computer security and critical infrastructure protection. This authority was also used this year to facilitate the accomplishment of a Congressional directive more appropriately carried out in HRSA rather than HCFA, where the project was funded in the appropriation.

Finally, Budget prepared and submitted to the Congress 10 reprogramming actions for a variety of purposes including 5 actions for FDA to reprogram tobacco-related funds after the Supreme Court decision limiting FDA's enforcement authority.

4) Effective Recruitment, Retention and Training of a Highly Skilled and Diverse Work Force: With an average turn-over rate of 15% per year, recruitment of skilled employees suitable for the rapid paced work in the Budget Office and the development of improved strategies for identifying good candidates were our primary objectives for the year. In response to this high turnover rate, Budget experimented with a number of changes in our recruitment practices in order to expand the pool of potential applicants and to reduce recruitment time. Some of these actions included writing job descriptions to emphasize functional skill requirements rather than specific program or technical knowledge, advertising of jobs in newspapers and on Internet job search sites, reaching out to State and local governments for job applicants; and arranging for the Program Support Center to accept job applications electronically instead of paper only.

Budget has also emphasized various forms of training to steadily improve the program knowledge and skills of our younger employees and to increase employee retention rates. This training takes the form of on-the-job development by supervisors and senior analysts; rotational assignments in the Department and outside including the Congress and in one case, the Department of Justice National Domestic Preparedness Office; and extensive travel for program site review around the country.

In addition, the OS EEO office has exceeded its FY 1999 and FY 2000 targets for Measure 1 with training/briefings in the areas of sexual harassment prevention, legal basis for the EEO program, and collateral duty counseling training. Disseminating printed/electronic information also increased about diversity and settlement authority for EEO complaints. Under Measure 2, the ratio of formal EEO complains to total EEO complaints decreased from 59% in FY 1999 to 55% for FY 2000. However, the levels of 56% and 52% that had been targeted for FY 1999 and FY 2000 were not achieved. The Office proposed to change the FY 2001 and 2002 goals to 50% and 48% respectively. The pilot alternative dispute resolution (ADR) program offering mediation as an alternative to EEO counseling was extended through FY 2000.

Financial Services

Performance Goals	FY Targets	Actual Performance	Reference*
<p>Goal 1. HHS and all HHS components submit audited financial statements on time in accordance with mutually agreed upon due dates.</p> <p>Measure: Number of Audited Financial Statements submitted by due date.</p>	<p>FY02: 10 of 10 + HHS FY01: 10 of 10 + HHS FY00: 9 of 9 + HHS FY99: 9 of 9 + HHS</p>	<p>FY00: 5 have met or substantially met due dates. The remaining 3 are not due yet. (Interim) FY99: 8 of 9 + HHS FY98: 8 of 8 + HHS were timely. FY97: 0 were timely. (baseline)</p>	
<p>Goal 2. HHS components and HHS audit opinions are unqualified (clean).</p> <p>Measure: Number of Audited Financial Statements with no qualifications.</p>	<p>FY02: 10 of 10 audited HHS components + HHS FY01: 9 of 10 audited HHS components + HHS FY00: 9 of 9 audited HHS components + HHS FY99: 8 of 9 audited HHS components + HHS</p>	<p>FY00: 6 of 6 completed audits + HHS; 3 are not yet completed (interim) FY99: 8 of 9 + HHS FY98: 2 of 8 audited HHS component financial statements were unqualified. FY97: 0 were unqualified (baseline)</p>	

Performance Goals	FY Targets	Actual Performance	Reference*
<p>Goal 3. HHS submits a timely Accountability Report</p> <p>Measure: Submit Report to OMB by March 1.</p>	<p>FY02: March 1, 2003 FY01: March 1, 2002 FY00: March 1, 2001 FY99: March 1, 2000</p>	<p>FY00: February 28, 2001 FY99: March 1, 2000 FY98: March 1, 1999 FY97: Baseline April 29, 1998 for FY 1997 report</p>	
<p>Goal 4. Maximize the use of electronic payments.</p> <p>Measure: Percentage of payments transferred electronically (Electronic Funds Transfer).</p>	<p>Grant payments = 100% Salary payments = 100% Vendor payments = 95% Travel payments = 100%</p> <p>FY01: Grant payments = 100% Salary payments = 100% Vendor payments = 90% Travel payments = 100%</p> <p>FY00: Grant payments = 100% Salary payments = 100% Vendor payments = 75% Travel payments = 75%</p> <p>FY99: Grant payments = 100% Salary payments = 100% Vendor payments = 69% Travel payments = 69%</p>	<p>FY01: Data available in early December, 2001</p> <p>FY00: Grant payments = 100% Salary payments = 99% Vendor payments = 86% Travel payments = 95%</p> <p>FY99: Grant payments = 100% Salary payments = 99% Vendor payments = 85% Travel payments = 93%</p> <p>FY98: Baseline Grant payments = 100% Salary payments = 98% Vendor payments = 42% Travel payments = 43%</p>	
<p>Goal 5. Timely vendor payments.</p> <p>Measure: Percentage of vendor payments made on time.</p>	<p>FY02: 95% FY01: 95% FY00: 95% FY99: 95%</p>	<p>FY01: Data available in early December, 2001 FY00: 96.6% FY99: 96.4% FY98: Baseline 91%</p>	<p>OMB established the 95% targets</p>

Performance Goals	FY Targets	Actual Performance	Reference*
<p>Goal 6. Collect debt owed to HHS.</p> <p>Measure: Percent increase in total collections over prior year.</p>	<p>FY02: 10% above total collections for FY 2001</p> <p>FY01: 10% above total collections for FY 2000</p> <p>FY00: 10% above total collections for FY 1999 (\$15.7 billion)</p> <p>FY99: 10% above total collections for FY 1998 (\$14.6 billion)</p>	<p>FY01: Data available in December, 2001</p> <p>FY00: \$15.3 billion</p> <p>FY99: \$14.27 billion</p> <p>FY98: Baseline \$13.3 billion</p>	

NOTE: For goals 1-3, targets for FY 1999 and FY 2000 originally reflected the year in which the audit was conducted, rather than the fiscal year covered by the financial statement. For example, in last year's plan, the FY 2000 target measured the results of the audit of the FY 1999 financial statements. Finance has adjusted the targets for these goals so that the target year matches the year covered by the financial statement. Thus, the Goal 2, FY 2000 target of 8 of 9 HHS components with clean opinions in last year's plan, is the FY 1999 target in this year's plan.

The Office of Finance serves the CFO by providing leadership and guidance on HHS financial management to maintain the confidence of the public that all resources are managed effectively. OF achieves this outcome by ensuring the timely and accurate disbursements and collections and recording of funds and by informing its customers, i.e. decision makers and the taxpayers with useful financial information.

The Office of Finance is committed to achieving two HHS financial management strategic goals:

1. Decision-makers have timely, accurate and useful program and financial information.
2. All HHS resources are used appropriately and effectively

The general approach will be to accomplish these goals in partnership with the HHS components, with the government-wide CFO Council through its various committees and work groups and with the central agencies including OMB, Treasury, etc. The Office of Finance will utilize these key results to achieve its long-range performance goals which include development of an integrated process which captures financial, budget and program performance information and which makes financial information more useful to program managers.

Preliminary Performance Summary

Performance Goal 1. Timely Audit Opinion.

Establishing Performance Targets:

Of the 13 HHS components of HHS, 9 HHS components have or are included in audited financial statements. They are: HCFA, ACF, NIH, HRSA, CDC, ATSDR, FDA, IHS, and SAMHSA. However,

since ATSDR is included in the CDC statements, CDC/ATSDR are counted as one HHS component. PSC began to have a full audit of its FY 1999 statements in FY 2000 and the remaining HHS components are in various stages of preparing for their audits.

Targets and actual performance are based on the number of HHS components (again, CDC and ATSDR are combined) with timely audited financial statements. The target year applies to the period covered by the statements although the audit of the statements is performed in a subsequent year. This is a revision from the FY 2001 ASMB-Office of Finance plan. The change was made to make the ASMB - Finance GPRA goals and targets easier to understand and consistent with the presentation in the Accountability Report and CFO Five Year Plan.

Discussion of FY 2001 and FY 2002 targets: For the FY 2000 audits, it is projected that all audit milestone dates will be met timely because of improvements in timetable planning and a decrease in the number of issues that must be addressed. OMB and OIG have agreed that the March 1st milestone will apply to HCFA, NIH, ACF, as well as HHS since these HHS component audited statements are material to the HHS statement. The other HHS component statements will also have established milestone dates. We are projecting the same level of performance for FY 2002 also.

Data Source for Performance: Dates of Inspector General's Report for HHS-wide Audit and Independent Auditors Report for HHS components Audits.

Data Verification and Validation: Copies of these reports are provided by the Inspector General and are kept on record.

Performance Progress:

HHS, HCFA, and FDA audits were timely and ACF, NIH, and HRSA were substantially completed on time. The SAMHSA audit was delayed due to problems in the new grant payment system. The remaining three financial statement audits for CDC, IHS, and PSC are expected to be completed by May 2001. OS, AHRQ, and AoA are not audited yet so they were not included.

Performance Goal 2. Clean Audit Opinion.

Establishing Performance Targets:

The independent auditors opinion determines whether the statements fairly present the financial condition of an entity while complying with generally accepted accounting standards. If they do, an unqualified opinion is given. If not, either a qualified opinion or disclaimer is given.

The same basis for quantifying the Performance Goal 1 above, applies to Goal 2.

Discussion of FY 2001 and 2002 Targets: For FY 2001 HHS is projecting that the significant improvements achieved for the FY 1999 statements will continue and that all of the 9 HHS components audited will receive a clean audit opinion. For FY 2002, the primary focus will be to maintain a clean opinion for HHS and to obtain a clean opinion for all of the 10 HHS components audited.

Data Source: Financial Statement Auditors Opinion and Date of the Opinion.

Data Verification and Validation: Copies of these reports are provided by the Inspector General and are kept on record.

Performance Progress:

FY 1997 Actual Performance: 0 of 8 audited HHS component financial statements were unqualified (clean).

FY 1998 Actual Performance: 2 (FDA and CDC/ATSDR) of the 8 audited HHS component financial statements were unqualified.

FY 1999 Actual Performance: ACF, CDC, FDA, HCFA, HRSA, NIH, PSC, and SAMHSA of the 9 audited financial statements were unqualified.

FY 2000 Interim Performance: HHS, ACF, FDA, HCFA, HRSA, NIH, and SAMHSA are clean thus far. Other audits will be completed by May 2000

Performance Goal 3. Accountability Report

Establishing Performance Targets:

Under the current Government Management Reform Act pilot program, Accountability Reports are due to be submitted to OMB by March 1. With the passage of the Reports Consolidation Act, the requirement for Accountability Reports is now permanent with the reports due by March 29th for fiscal years 2000 and 2001 and due by March 1 for fiscal years, thereafter. The report streamlines various individual reports that are required under other legislation and presents the finance, program, and budget information in a way that is more useful to the public and to decision makers. HHS components are also being encouraged to prepare their own report.

Discussion of FY 2001 and FY 2002 Targets. These targets reflect a sustained level of effort by submitting the reports on time on March 1.

Data Source: Transmittal memo and report from HHS to OMB.

Data Verification and Validation: OMB verification of timely receipt of HHS submission.

Performance Progress:

HHS met the target in FY 1999.

HHS exceeded the FY 2000 target by one day.

Performance Goal 4 . Electronic Funds Transfer (EFT)

Establishing Performance Targets:

Treasury guidelines issued in January, 1999 established conversion targets of 69% for FY 1999 and 75% for FY 2000 for EFT payments for all Federal Agencies. The original EFT mandated target of 100% was adjusted to reflect conversion target. The percent achieved is based on the universe of payments eligible for EFT.

Discussion of FY 2001 and FY 2002 Targets: The HHS target for FY 2001 will be 100% for grant payments, salary payments, travel payments and 90% for vendor payments. Treasury has not determined the FY 2001 and FY 2002 target yet; that target will be included in our plan when it is identified.

Data Source: Quarterly EFT Reports and Treasury Guidelines of January 1999

Data Verification and Validation: Each Operating Agencies has an automated process for tabulating the

number and types of payments made, this information is used to compile the quarterly statistics. The data is validated and verified via Treasury who tabulates the number and types of payments made based on the Agency Location Code(s) of an agency.

Performance Progress:

While HHS retained the GPRA FY 2000 targets at 75% for travel and vendor payments as they appeared in the FY 2001 Congressional Justification, since HHS' FY 1999 actual performance was 93% (travel), and 85% (vendor), we expected to exceed these FY 2000 targets. We did substantially meet or exceed all of these targets in FY 2000. We have already reflected this higher expectation in our FY 2000 CFO Five-Year Plan. Our FY 2000 goal for electronic salary payments was 100%. Although our actual performance in this area was 99%, we consider our target to have been met.

Performance Goal 5. Timely Vendor Payments

Establishing Performance Targets:

Timely payment by HHS of bills owed to vendors will avoid late fees and interest penalties mandated under the Prompt Pay Act. They also indicate sound business practices.

Discussion of FY 2001 and FY 2002 Targets: HHS will work to meet and maintain a 95% on-time targets that were established by OMB.

Data Source: Quarterly HHS Component Prompt Pay reports

Data Verification and Validation:

Performance Progress:

The Department paid a total of 1.0 million vendor invoices valued at almost \$5.3 billion in FY 2000. The Department paid 972,769 or 96.6% of the total of 1,006,690 vendor invoices on time during FY 2000. This is a slight improvement over a rate of only 96.4% for FY 1999. The FY 1999 rate was the highest ever achieved by the Department and exceeded the target.

Performance Goal 6. Collection of Debts

Establishing Performance Targets:

The 10% target is the increase in dollars collected over the prior fiscal year for debts owed to the HHS.

Performance Progress:

For FY 1999, \$14.27 billion was collected for debts owed to HHS. This represents a 7% increase over FY 1998 compared with our target of a 10% increase. The amount collected is almost \$1 billion above FY 1998, however. For FY 2000, the \$15.3 billion in collections represents a 7% increase over FY 1999. This means an additional \$1 billion was collected above the FY 1999 level.

Discussion of FY 2001 and 2002 targets: The dollar amount of these targets will continue to be 10% above the dollars collected for the prior year. The measure was clarified from the FY 2001 plan to be clearer and consistent with the CFO Five-Year Plan and Accountability Report.

Data Source: Treasury Report on Receivables (formerly Schedule 9s).

Data Verification and Validation: The HHS Chief Financial Officer or Deputy Chief Financial Officer certifies annually in December, that the amounts reported on the receivables report are correct and will be used to monitor compliance with the Debt Collection Improvement Act. The Chief Financial Officer also verifies that the report has been reconciled to the HHS audited financial statements. This verification is submitted by March 31 each year.

Grants and Acquisition Management Services

Performance Goals	FY Targets	Actual Performance
Goal 1. Increase the Effectiveness of HHS Grants, Procurement, and Logistics Policies	FY02: 4.2 of 5 FY01: * FY00: 3.9 of 5 FY99: * * Effectiveness is measured every other year. FY00 will be measured in FY01	FY02: FY01: * FY00: Available 10/01/01 FY99: * FY98: 3.4 (baseline)
Goal 2. Increase the Effectiveness of HHS Grants, Procurement, and Logistics Training	FY02: 4.2 of 5 FY01: * FY00: 3.9 of 5 FY99: * * Effectiveness is measured every other year. FY00 will be measured in FY01	FY02: FY01: * FY00: Available 10/01/01 FY99: * FY98: 3.4 (baseline)
Goal 3. Improve the Average Time for Resolving Audits	FY02: 3% decrease from FY01 (133.3 days) FY01: 3% decrease from FY00 (137.4 days) FY00: 3% decrease from FY99 (141.9 days) FY99: 3% decrease from baseline (146.5 days)	FY02: FY01: Available 10/01/01 FY00: 120.1 days FY99: 112.9 days FY98: 151 days (baseline)

Performance Goals	FY Targets	Actual Performance
<p>Goal 4. Achieve 100% of SBA's Negotiated Goal Categories</p> <p>1. Small Business</p> <p>2. Small Business Set-Asides</p> <p>3. 8(A) Awards</p> <p>4. Small Disadvantaged Business (SDB) Awards</p> <p>5. Women-Owned Small Business (WOSB) Awards</p>	<p>FY02: *</p> <p>FY01: 32% (\$1.4B)</p> <p>FY00: 32% (\$1.4B)</p> <p>FY99: 32% (\$1.4B)</p> <p>FY02: N/A</p> <p>FY01:</p> <p>FY00: Goal discontinued</p> <p>FY99: 14.2% (\$651M)</p> <p>FY02: *</p> <p>FY01: 4.3% (\$200M)</p> <p>FY00: 4.3% (\$225M)</p> <p>FY99: 4.8% (\$223M)</p> <p>FY02: *</p> <p>FY01: 9.6% (\$440M)</p> <p>FY00: 9.6% (\$440M)</p> <p>FY99: 10.4% (\$479M)</p> <p>FY02: *</p> <p>FY01: 14%**(\$649M)</p> <p>FY00: 14% (\$164M)</p> <p>FY99: 4.6% (\$210M)</p> <p>** Administrative error; the government-wide goal for WOSB is 5%. This will be adjusted in FY02.</p>	<p>FY02:</p> <p>FY01:</p> <p>FY00: 33% (\$1.3B)</p> <p>FY99: 27.3% (\$1.3B)</p> <p>FY02: N/A</p> <p>FY01: N/A</p> <p>FY00: Category was tracked internally by HHS, but was never tracked by the SBA; HHS will no longer track this category.</p> <p>FY99: 11.0% (\$439M)</p> <p>FY02:</p> <p>FY01:</p> <p>FY00: 3.9% (\$162M)</p> <p>FY99: 4.4% (\$221M)</p> <p>FY02:</p> <p>FY01:</p> <p>FY00: 12.6% (\$533M)</p> <p>FY99: 9.0% (\$345M)</p> <p>FY02:</p> <p>FY01:</p> <p>FY00: 5.6% (\$235M)</p> <p>FY99: 3.3% (\$166M)</p>
6. HUBZONE Awards	<p>FY02: *</p> <p>FY01: 2.0% (\$92M)</p> <p>FY00: 1.5% (\$67M)</p>	<p>FY02:</p> <p>FY01:</p> <p>FY00: 0.4% (\$16M)</p>
7. Service-Disabled, Veteran-Owned Small Business (SDVOSB) Awards	<p>FY02: *</p> <p>FY01: 1.5% (\$69M)</p>	<p>FY02:</p> <p>FY01:</p>
<p>* Goals are not identified because they are negotiated for each preceding year with the Small Business Administration. Fluctuating Federal budgets are the basis for not negotiating goals beyond the upcoming year.</p>		

Performance Goals	FY Targets	Actual Performance
<p>Goal 5. Improve Contract Operations</p> <p>1. Customer Satisfaction</p> <p>2. Employee Satisfaction</p>	<p>FY02: 87.4%</p> <p>FY01: N/A</p> <p>FY00: N/A</p> <p>FY02: 75.7%</p> <p>FY01: N/A</p> <p>FY00: N/A</p>	<p>FY02:</p> <p>FY01:</p> <p>FY00: 83.2% (baseline)*</p> <p>FY02:</p> <p>FY01:</p> <p>FY00: 72.1% (baseline)*</p>
<p>3. Vendor Satisfaction</p>	<p>FY02: 84.9%</p> <p>FY01: N/A</p> <p>FY00: N/A</p>	<p>FY02:</p> <p>FY01:</p> <p>FY00: 80.9% baseline*</p> <p>* Adjusted to reflect major system changes; will be the starting point for future targets.</p>
<p>Goal 6. Ensure that HHS Grant Administrative Policies are Current</p>	<p>FY02: 100%</p> <p>FY01: 100%</p> <p>FY00: 93%</p> <p>FY99: 85%</p>	<p>FY02:</p> <p>FY01: Available 10/01/01</p> <p>FY00: 93%</p> <p>FY99: 85%</p> <p>FY98: 75% (baseline)</p>
<p>Goal 7. Increase Access to HHS Grants Administrative Policies</p>	<p>FY02: 100%</p> <p>FY01: 100%</p> <p>FY00: 100%</p> <p>FY99: 80%</p>	<p>FY02:</p> <p>FY01: Available 10/01/01</p> <p>FY00: 100%</p> <p>FY99: 100%</p> <p>FY98: 70% (baseline)</p>
<p>Goal 8. Increase Location Accuracy of Capitalized Personal Property Records</p>	<p>FY02: 96%</p> <p>FY01: 96%</p> <p>FY00: 94%</p> <p>FY99: 92%</p>	<p>FY02:</p> <p>FY01: Available 10/01/01</p> <p>FY00: 97%</p> <p>FY99: 97%</p> <p>FY98: 90% (baseline)</p>

Goal 1: Increase the Effectiveness of HHS Grants, Procurement, and Logistics Policies

Performance Goal: The Office of Grants and Acquisition Management (OGAM) is responsible for issuing Department-wide grants, procurement, and logistics policies. Policies are issued to improve stewardship of government assets such as grant and procurement funds and personal property, while reducing administrative burdens on HHS offices, grantees and contractors and while protecting the government's assets and maximizing efficiency and effectiveness. This goal measures the effectiveness of the policies in meeting these objectives.

Performance Measurement: Summary of Operating Agencies' ratings of the effectiveness of policies on a scale of 0 to 5.

In FY 1998, to measure the effectiveness of its policies, OGAM developed and implemented a survey instrument consisting of multiple questions in different areas resulting in a composite score, to obtain opinions from the HHS Operating Agencies on the effectiveness of OGAM's policy functions. (The Operating Agencies will be surveying grantees and contractors.) The initial survey, conducted in FY 1998, established a baseline 3.4 on scale of zero to five. The survey will be conducted every other year, resuming in FY 2001.

Results: Results will be available after the next survey is completed in FY 2001.

Goal 2: Increase the Effectiveness of HHS Grants, Procurement, and Logistics Training

Performance Goal: OGAM is responsible for providing Department-wide grants, procurement, and logistics training. A trained workforce is essential to assure that HHS and government-wide policies are implemented efficiently and effectively and to assure high productivity among the professional grants, procurement and logistics personnel in carrying out their stewardship role. This goal measures the effectiveness of the training in meeting these objectives.

Performance Measurement: Summary of Operating Agencies' ratings of the effectiveness of training on a scale of 0 to 5.

In FY 1998, to measure the effectiveness of its training programs, OGAM developed a survey instrument consisting of multiple questions in different areas resulting in a composite score, to obtain opinions from the HHS Operating Agencies on the effectiveness of OGAM's policy functions. An initial survey was conducted in FY 1998 to establish a baseline (3.4 on scale of 0 to 5). The survey will be conducted every other year, resuming in FY 2001.

Results: Results will be available after the next survey is completed in FY 2001.

Goal 3: Improve the Average Time for Resolving Audits

Performance Goal: OGAM's Office of Audit Resolution and Cost Policy resolves audit findings of a cross-program nature. The cross-program findings that are resolved at this level of the Department, generally are not related directly to program effectiveness, but rather are related to establishing accurate measures of the costs of program operations and to assure grantee compliance with their financial responsibilities consistent with generally accepted accounting principles. The Single Audit Act requires that Federal awarding agencies resolve audit findings within 6 months after the receipt of an audit report. This performance goal is to reduce the time required to resolve audits.

Generally, timely resolution of these issues is in the interest of the grantee and the taxpayers. Nevertheless, in the long run, this efficiency measure is limited. At the limits improving the quality of resolution, particularly in more complex situations, is a function of more time. Moreover, the Office has limited control over the quantity, quality and complexity of audit findings. These changes and changes in the staff mix could dramatically impact changes in this measure.

Performance Measurement: A reduction of 3% in the average time in days required to resolve an audit. The performance target for FY 2000 is 137.4 days.

Results: The average time to resolve an audit in FY 2000 was 120.1 Days. This was better than the performance target but an increase over the previous year by 8 days. This increase was caused by an

unexpected staff shortage.

The most significant and relevant factor for the improved performance is that the business processes of the Office have been redesigned to triage audit findings so that the most time is available for the most complex issues. Individual performance plans were in turn re-designed to stress the importance of improving the processing of audit findings. An audit resolution tracking system was refined to incorporate individual and group statistics on timeliness, and regular reports are being issued. Other factors also are related to the improvements in this performance measure. The Office assumed the responsibility of the Department's Compliance Supplement Officer. This requires the coordination of all programmatic supplements to OMB Circular A-133. The Office also develops and coordinates the implementation of a new Department-wide system for ensuring the receipt of all audits required by the Single Audit Act. Finally in coordination with the Inspector General, the Office took on new responsibilities for reporting outstanding monetary audit findings and the status of collections to Congressional appropriations committees. These additional activities continue to provide conditions that also require the acceleration of audit resolution activities within the Office.

Goal 4: Achieve 100% of the Small Business Administration (SBA) Negotiated Goal Categories

Performance Goal: Public Law 95-507, Section 221, and Public Law 100-656, Sections 502 and 503, require the head of each Federal agency, after consultation with the US Small Business Administration (SBA), to establish, annually, realistic goals for the award of contracts to small business concerns and to small business concerns owned and controlled by socially and economically disadvantaged individuals.

Performance Measurement: A government-wide goal of 23 percent of all prime contract awards for small business concerns is established, in addition to a government-wide goal of 5 percent of the total value of all prime contract and subcontract awards for small business concerns owned and controlled by socially and economically disadvantaged individuals, and women-owned businesses. All goals are expressed in terms of numbers, dollars, and percentages. However, if there is any variance, up or down from the projected base amount, upon which goals are established, the percentage goal is the controlling factor and will be used to measure actual attainment.

The following categories of goals are tracked by the SBA: Small Business, Small Disadvantaged Business, 8(a), Women-Owned Small Business, HUBZone Small Business, and Service-Disabled Veteran-Owned Small Business. Percentages are negotiated for every category, for each year, with the SBA. Success is always measured in terms of meeting or exceeding your negotiated percentages.

Results: We exceeded both our Small Business and our Small Disadvantaged Business goals in FY 2000. We also exceeded the government-wide standard for Women-Owned Small Business goals. We fell slightly short on our 8(a) goal and also on our HUBZone goal. Contract bundling is a factor that has adversely impacted the ability of small business firms to compete on larger, more complex requirements. Aggressive efforts are underway to mitigate bundling, as appropriate. Measures are also being implemented to increase opportunities for HUBZone small business vendors.

Goal 5: Improve Contract Operations

Performance Goal: The goal of OGAM's Office of Acquisition Management (OAM) is to improve contract operations throughout the Department.

Performance Measurement: Progress in achieving this goal is measured by using a composite contract

operations rating based on survey results from HHS's Acquisition Balanced Scorecard. OAM has developed a results-driven Acquisition Balanced Scorecard to measure and improve acquisition performance throughout the Department. HHS's Acquisition Balanced Scorecard represents a new, cost-effective approach to performance management and oversight. The Scorecard strives to achieve balance among various perspectives and goals, such as efficient business processes, innovative leadership, empowered employees, satisfied customers, and dedicated vendors. HHS's Operating Agencies compile performance data using pretested surveys of stakeholders, such as customers, contractors, and employees. Performance data is entered, tracked and analyzed using a variety of software and web-based applications. Performance gaps are identified, and cross-functional teams are used to target opportunities for organizational improvement.

Results: In FY 2000, OAM: (a) conducted web-based surveys to compile current, accurate and meaningful performance data; (b) established a new, fair, and GPRA-compliant composite baseline based on a roll-up of that data; and (c) developed realistic acquisition performance targets to spur organizational improvements. Acquisition Balanced Scorecard surveys are conducted every two years. Thus, performance targets are aligned with that two- year cycle. Moreover, OAM put a methodology in place (i.e., a benchmarking forum) to promote the sharing of performance results and improvements throughout the Department – while avoiding any misleading or simplistic performance comparisons among HHS's contracting offices. (Please note that for subsequent GPRA submissions, we plan to establish and incorporate appropriate internal goals and objectives to gauge our progress in implementing the Procurement Executive Council's Government-wide Acquisition Performance Measurement Program.

Goal 6: Ensure that HHS Grant Administrative Policies Are Current

Performance Goal: The goal of OGAM's Office of Grants Management (OGM) is to ensure that HHS grant administrative policy issuances are current.

Performance Measurement: OGM is responsible for developing, issuing and implementing grants administrative policies used by the various HHS awarding agencies in the award and administration of the three hundred-plus grant programs HHS administers. Grants policies, issued by the Department to ensure accountability of the grant funds, provide guidance to grants management staff and other HHS staff involved in the award and administration of grants. The performance measure is based on the percentage of policy issuances that have been reviewed and, as needed, updated at least once every four years.

Results: By the end of FY 2000, OGM had reviewed and, as needed, updated 93% of its grants policy issuances.

Goal 7: Increase Access to HHS Grants Administrative Policies

Performance Goal: The goal of OGAM's Office of Grants Management (OGM) is to increase access to HHS grants administrative policy issuances through use of the Internet.

Performance Measurement: Increasing access to Departmental grants administrative policies helps ensure that all HHS staffs responsible for grant programs have readily available to them the policy guidance necessary to administer grant programs. Using web-based services accessible to all Departmental staff involved in grants administration is an effective way of ensuring ready access to such guidance. Key to achieving this goal is the electronic posting of the Departmental grants administrative policy issuances.

To measure accomplishment of the goal, OGM will calculate the percentage of grants administrative policy

issuances posted electronically under GrantsNet, the Department's online grants information service.

Results: By the end of FY 2000, OGAM had posted 100% of its grants policy issuances on GrantsNet.

Goal 8: Increased Location Accuracy of Capitalized Personal Property Records

Performance Goal: The goal is to assure that adequate stewardship is exercised over the Department's investment in equipment. Equipment is essential to carry out the Department's scientific, regulatory, and administrative missions. The lack of adequate property stewardship can result in unnecessary expenditures of funds. Funds have to be used to replace lost items or to purchase duplicate items for equipment already in the inventory. Productivity is lost when mission essential equipment is not available. Good stewardship over equipment assets also will increase the accuracy of Department's presentation of personal property assets in the annual financial statements required by the Chief Financial Officer Act and provide a better understanding of the resources required to carry out the Department's missions.

Performance Measurement: Progress toward this goal will be measured by determining a location accuracy percentage based on comparing the results of the annual physical inventory of capitalized equipment to the capitalized equipment inventory records. To calculate the percentage, the number of "not found items" and the number of "found but not recorded items" are subtracted from the number of capitalized items in the property records to determine the numerator, which is then divided by the number of capitalized items in the property records.

Results: The Operating Agencies reported an average accuracy rate of 97%, exceeding the goal of 94%.

Human Resources

Performance Goals	FY Targets	Actual Performance
<p>Goal 1. Provide strategic leadership for managing human capital.</p> <p>A. Lead efforts to focus HHS HR offices on strategic alignment and a results orientation.</p> <p>[Previous wording for FY01– GOAL 1 – Provide strategic leadership for human resources management</p> <p>A. Lead efforts to focus HHS HR on performance improvement.</p>	<p>FY02:</p> <p>A.</p> <ul style="list-style-type: none"> · 80% of Operating Agencies HR offices have results-oriented performance plans strategically aligned with Operating Agencies missions and integrated assessment programs. · 90% of Operating Agencies HR offices demonstrate skill in supporting program objectives with workforce analysis. · OHR web site is expanded to include functional coverage of 3 additional areas. <p>FY01:</p> <ul style="list-style-type: none"> · Reduced HR service delivery costs. [Baseline to be set in 1999 per analysis of benchmarking data.] · Improved service delivery levels [Baseline to be set in 1999 per analysis of benchmarking data.] · All Operating Agencies HR offices have results-oriented performance plans strategically aligned with Operating Agencies missions and integrated assessment programs. [Baseline in 1998 = 0] · 60% of Operating Agencies HR offices demonstrate skill in supporting program objectives with workforce analysis. <p>FY00:</p> <p>A.</p> <ul style="list-style-type: none"> · Reduced HR service delivery costs.[Baseline to be set in 1999 per analysis of benchmarking data.] 	<p>FY02:</p> <p>FY01:</p> <ul style="list-style-type: none"> · Target dropped (see FY00 entry below) · Target dropped (see FY00 entry below) · Target realigned (see FY00 entry below, and Goal 1A above) <p>FY00:</p> <p>A.</p> <ul style="list-style-type: none"> · Analysis of benchmarking results indicated no need for

Performance Goals	FY Targets	Actual Performance
<p>B. Complete development of workforce planning capacity and integration with budget and Results Act cycles.</p>	<ul style="list-style-type: none"> · Improved service delivery levels [Baseline to be set in 1999 per analysis of benchmarking data.] · All Operating Agencies HR offices have results-oriented performance plans strategically aligned with Operating Agencies missions and integrated assessment programs. [Baseline in 1998 = 0] <p>B. All Operating Agencies have:</p> <ul style="list-style-type: none"> · HR staff proficient in workforce planning to support Operating Agencies processes · Operating Agencies have functioning workforce planning systems · Operating Agencies budget submissions and performance plans reflect sound planning and use of human resources. [Baseline in 1997 = 0] 	<p>Department-wide initiative.</p> <ul style="list-style-type: none"> · Analysis of benchmarking results indicated no need for Department-wide initiative. · Proposed funding diverted. Sixty percent achieved. <p>B.</p> <ul style="list-style-type: none"> · Originally intended for contractor support, we decided to pursue this activity with in-house resources. Accordingly, the workforce planning targets were stretched out through FY02 and the measures changed, as indicated in the targets for FY01 and FY02.
<p>Goal 2. Improve the Quality of Worklife of HHS Employees</p>	<p>FY02:</p> <p>A. (1) Average processing time for EEO complaints reduced by 5% from previous year. (2) Diversity management reflects reduced under-representation [Per FY00 baseline and FY01 results]</p> <p>FY01:</p> <p>A. (1) Average processing time for EEO complaints reduced by additional 10%. [Baseline in 1997 = 580 days] (2) Diversity management reflects reduced under-representation.</p> <p>FY00:</p> <p>A. Partnership Council and Operating Agencies annual</p>	<p>FY02:</p> <p>FY01:</p> <p>FY00:</p> <p>A. Achieved (see note below)</p>

Performance Goals	FY Targets	Actual Performance
	<p>reports, supplemented by the results of the annual survey of employees, show significant improvement in QWL indicators. [Survey baseline is 1997 HHS HRMI index.]</p> <p>B. HHS, all Operating Agencies, and 70% of bargaining units have functioning partnerships.</p> <p>C. (1) Average processing time for EEO complaints reduced by additional 10%. [Baseline in 1997 = 580 days];</p> <p>(2) All Operating Agencies have ADR programs. Baseline in FY98 = 5</p> <p>(3) Diversity management reflects reduced under-representation.</p>	<p>B. HHS, all Operating Agencies, and 65% achieved.. (see note below)</p> <p>C. (1) Note: Department-wide processing time baseline invalidated by decentralization of processing. HQ case processing time reduced to legal requirement of 180 days. Further, new complaint caseload decreased by 10%; overall Departmental caseload decreased by 7%; number persons counseled decreased by 34%; complaint closure rate increased by 5%.</p> <p>(2) Achieved.</p> <p>(3) Under-representation of women and minorities significantly reduced. (See note below)</p>

The Office of Human Resources's (OHR) overall objective is to support HHS program mission accomplishment through the planned and efficient use of human capital.

In HHS, virtually all personnel authorities have been delegated to the agencies, providing them with maximum flexibility. Accordingly, OHR functions as a corporate-level office to provide leadership and expertise in policy analysis, program development, program assessment, and capacity building.

Some of OHR's activities are not readily susceptible to measurement. These include: decision-support for the Assistant Secretary for Management and Budget and the Secretary; liaison with central management agencies; participation in interagency activities, and *ad hoc* technical assistance.

In FY 2002, OHR will apply its resources against a combination of special initiatives and on-going efforts

covering a broad spectrum of human resource activities.

Notes on specific performance goals and results:

Service Delivery Levels:

Measurement of this FY 2001 goal and its three measures were suspended after all Operating Agencies participated in a comprehensive benchmarking study sponsored by NAPA and the Hackett Group. When the Department's results were compared with other Federal and private sector entities, it was apparent that priority attention in this area was unwarranted.

Workforce Planning:

In August 1999, *Building Successful Organizations: Workforce Planning in HHS* was published; a second edition was published the following year. This guide, available on the OHR web site, has been widely used by other agencies

Quality of Worklife:

This was a statistically significant improvement. Operating Agencies and Partnership Annual Reports on the Quality of Work Life Initiative describe significant improvements in all facets (e.g., communication, family-friendly work-practices, workplace learning). Reports are substantiated by employee survey results, which report a statistically significant improvement from 1997-1998 and 1998-1999 in employee perceptions of the quality of work life and organizational effectiveness. Ten of the Operating Agencies also posted increases in their scores, six of them significantly. Operating Agencies scores ranged from a low of 91 to a high of 103, a new record. The highest score also represented the greatest improvement (12 points) yet recorded, which moved that Operating Agency from next to lowest in 1998 to highest in 1999. The response rate for the survey also increased to 43%, or 3% greater than 1998.

Bargaining Unit Councils:

Bargaining Unit consolidation in FDA has reduced the number of functioning councils by 5.

EEO Complaint Management:

In FY 1999, OHR implemented a Lotus Notes/Domino application web-based EEO Complaints Tracking System (EEOCTS) to track and monitor complaints Department-wide and to assist in achieving reductions in processing times.

OHR has learned that establishing a baseline and goal on case processing time is not useful, as there are too many variables affecting processing time, and for the bulk of the case load this office only becomes operationally involved at the stage of the Final Agency Decision. The key factor in reducing processing time is the staff level in the agency offices. In addition to processing time, OHR has been watching the pattern of some related statistics:

Number of requests for counseling: FY 1997 = 853; FY 1998 = 622; FY 1999 = 564; FY 2000 = 561 (an overall 34% decrease)

Number of new cases filed: FY 1999 = 368; FY 2000 = 349 (5% decrease)

Number of open cases: FY 1999 = 799; FY 2000 = 789 (1% decrease)

OHR will set a new performance goal and target in FY 2002.

As a result of a regulatory change which mandated the availability of Alternative Dispute Resolution (ADR) at both formal and informal stages, instances of resolution by ADR significantly increased in 2000.

Affirmative Action:

Below are some of the current affirmative action statistics from which OHR will set performance goals.

MINORITIES AND WOMEN		
Group	Base-line Representation (as of 09/30/00)	Goal if based solely on 1990 Census CLF*
African-American	17.4%	10.4%
Hispanic/Latino	3.1%	8.1%
Asian-American/Pacific Islander	4.6%	2.8%
American Indian/Alaska Native	16.2%	0.6%
Non-Minority Females	32.0%	35.3%
Non-Minority Males	26.5%	42.63%

Percentages in the baseline representation reflect the HHS full and part time permanent population, and include the GS, SES, RS (Senior Biomedical Research Service), Commissioned Corps and Wage populations.

* Baseline is measured against the CLF derived from the 1990 Census. When the Equal Employment Opportunity Commission makes the 2000 Census CLF available, the new information will be incorporated.

Persons With Disabilities:

As part of the effort to increase the representation of persons with disabilities in the Federal government, HHS accepted a stretch goal to hire 3,500 persons with disabilities over the next five years. Hires to be included are from all employment categories: permanent, temporary, and intermittent, and include hires of interns and students. Goals could be allocated as follows:

FY 2000	300
FY 2001	500
FY 2002	900
FY 2003	900
FY 2004	900

Information Resources Management Services

Performance Objectives	FY Targets	Actual Performance
<p>I. All HHS Information Systems function properly in the new millennium.</p> <p>(A). Ensure that all HHS information systems function properly in Year 2000 by monitoring OPDIV progress on systems repair and replacement, testing, and contingency planning</p> <p>i. 100% of HHS systems function properly in the Year 2000</p> <p>ii. Business continuity and contingency plans are available for 100% of business processes and mission critical systems.</p> <p>iii. Contingency plans are implemented in a fashion that sustains at least a minimum acceptable level of mission performance in every case of Year 2000-related information system failures or degradations.</p>	<p>FY02: N/A FY01: Completed FY00: 100% FY99: 99%</p> <p>FY01: Completed FY00: 100% FY99: 100%</p> <p>FY01: Completed FY00: 100% FY99: N/A</p>	<p>FY02: N/A FY01: Completed FY00: 100% FY99: 100%</p> <p>FY01: Completed FY00: 100% FY99: 100%</p> <p>FY01: Completed FY00: 100% FY99: N/A</p>
<p>II. Major systems development/major modification efforts demonstrate a high probability of success.</p> <p>(A) Implement the Departmental Information Technology Review Board (ITIRB) process to assure the soundness of IT capital investments and to initiate appropriate corrective actions on major efforts as needed.</p> <p>i. 100% of IT investments approved by the ITIRB meet review criteria (i.e., OMB Memorandum M-97-02).</p> <p>ii. 100% of IT investments considered but not approved by the ITIRB are subject to appropriate corrective actions and funding restrictions or terminations.</p>	<p>FY02: 100% FY01: 100% FY00: 100% FY99: 100%</p> <p>FY02: 100% FY01: 100% FY00: 100% FY99: 100%</p>	<p>FY02: FY01: FY00: 100% FY99: 100%</p> <p>FY02: FY01: FY00: 100% FY99: 100%</p>

<p>(B) Establish Operating Agency-level Information Technology Architectures (ITA) within a Departmental ITA for use in evaluating IT investments.</p> <p>i. 100% of IT investments approved by the ITIRB meet review criteria (i.e., OMB Memorandum M-97-02).</p> <p>(C) Initiate Enterprise Infrastructure Management (EIM) to provide software distribution; asset, problem, and facilities management.</p> <p>i. 100% of all COTS software (Tivoli) needed to distribute software is purchased and distributed, phased in over two years.</p> <p>ii. 100% of all COTS software (Peregrine) needed to provide asset, problem and facilities management is purchased and distributed, phased in over two years.</p> <p>(D) Initiate Enterprise Software Licenses to consolidate duplicative efforts.</p> <p>i. 100% of all SAS software products are purchased from the Enterprise License to achieve a 20% purchase savings.</p>	<p>FY02: 100% FY01: 100% FY00: 100% FY99: 100%</p> <p>FY02: 100% FY01: 50% FY00: new in FY01</p> <p>FY02: 100% FY01: 70% FY00: new in FY01</p> <p>FY02: 100% FY01: 70% FY00: new in FY01</p>	<p>FY02: FY01: FY00: 100% FY99: 100%</p> <p>FY02: FY01: FY00: new in FY01</p> <p>FY02: FY01: FY00: new in FY01</p> <p>FY02: FY01: FY00: new in FY01</p>
<p>III. Departmental collections of information meet the requirements of the Paperwork Reduction Act of 1995.</p> <p>(A) Eliminate illegal/bootleg collections of information –</p> <p>i. 95% of Departmental information collections have current OMB approval in FY00. Baseline will be determined using FY97 data.</p> <p>(B) Reduce, minimize, and control burdens placed on the public by Departmental information collections –</p> <p>i. Achieve a 35% reduction in burden hours imposed on the public by HHS information collection inventory in FY 2000 (compared with</p>	<p>FY02: 99% FY01: 99% FY00: 98% FY99: 97% FY98: 90 %</p> <p>FY02: N/A FY01: N/A FY00: -5% FY99: -5%</p>	<p>FY02: FY01: FY00: 99% FY99: 99% FY98: 90%</p> <p>FY00: +7.1% FY99: +7.7%</p>

the FY 1995 baseline, to be phased in by 10% for FY96, 10% for FY97, 5% for FY98, 5% for FY99, and 5% for FY00).	FY98: -5% FY97: -10% FY96: -10%	FY98: -8.7% FY97: -10.0% FY96: -9.9%
ii. Achieve a 5% reduction in burden hours from the previous year	FY02: -5% of FY01 FY01: -5% of FY00	FY02: FY01:

Goal 1: All HHS Information Systems function properly in the new millennium

Performance Objective: Ensure that all HHS information systems function properly in Year 2000 by monitoring Operating Agencies progress on systems repair and replacement, testing, and contingency planning.

Target 1: 100% of HHS systems function properly in the Year 2000.

Establishing Performance Targets: The Department established a target of 100% because anything less would be unacceptable. In FY 1999, the target was based on testing each of the Department's systems with the tests for mission critical systems subjected to Independent Validation and Verification. The target encompasses not only the critical date of January 1, 2000, but several other dates during the 1999 and 2000 calendar years, notably February 29, 2000.

Performance Report: The Department received reports during FY 1999 and FY 2000 concerning the status of systems in the Department. By April 2000, each Operating Agency had reported that its systems were Year 2000 compliant.

Target 2: Business continuity and contingency plans are available for 100% of business processes and mission-critical systems.

Establishing Performance Targets: The Department established a target of assuring that individual business continuity and contingency plans (BCCPs) are in place in order to ensure the continued operation of programs that rely upon mission critical systems. Many of the programs that are reliant upon mission critical systems have BCCPs for their business processes rather than for specific systems. Therefore, a target that included BCCPs for business processes and/or mission critical systems was established.

Performance Report: The Operating Agencies reported in December 1999 that all mission-critical systems were supported, directly or indirectly, by BCCPs.

Target 3: Contingency plans are implemented in a fashion that sustains at least a minimum acceptable level of mission performance in every case of Year 2000-related information system failures or degradations.

Establishing Performance Targets: The Department determined that anything less than complete program continuity from the year 1999 to the end of the year 2000 would be unacceptable. Therefore, the target for the successful implementation of contingency plan was established at 100%.

Performance Report: There were no reported systems failures related to the Year 2000 during FY 1999 or FY 2000 that required the implementation of contingency plans.

Goal 2: Major systems development/major modification efforts demonstrate a high probability of success.

Performance Objective (A): Implement the Departmental Information Technology Review Board (ITIRB) process to assure the soundness of IT capital investments and to initiate appropriate corrective actions on major efforts as needed.

Target 1: 100% of IT investments approved by the ITIRB meet review criteria (i.e., OMB Memorandum M-97-02).

Target 2: 100% of IT investments considered but not approved by the ITIRB are subject to appropriate corrective actions and funding restrictions or terminations

Establishing Performance Targets: In 1998, ASMB determined that HHS needed a Department-wide ITIRB to assure the soundness of IT capital investments and to initiate appropriate corrective actions on major efforts as needed.

Performance Report: Two ITIRB meetings were held in FY 1998 and FY 1999, with three systems reviewed during each meeting. The Board met once in FY 2000 and reviewed a single system: the NIH New Business System, which was approved. The Board has expanded its purview into programmatic systems and IT architecture. Both targets were met.

Note: OIRM is in the process of evaluating the efficacy of the structure of the current targets. An oversight role involving reviews of Operating Agency-level performance may provide more insight into ITIRB processes and results than the current meeting-oriented measure.

Performance Objective (B): Establish Operating Agency-level Information Technology Architectures (ITA) within a Departmental ITA for use in evaluating IT investments that do not need Departmental review (not major investments or critical to the business).

Target 1: 100% of IT investments approved by the ITIRB meet review criteria (i.e., OMB Memorandum M-97-02).

Establishing Performance Targets: In 1998, ASMB determined that HHS and the Operating Agencies needed information technology architectures (ITA). In 1999, an ASMB/FDA-led task force began work on developing ITAs for the Department and each of the Operating Agencies. The first two phases of this work have been completed and are used to gauge the investments brought before the Departmental ITIRB.

Performance Report: All of the investments either met the requirements of the ITA or were brought into alignment through Board action.

Performance Objective (C): Initiate Enterprise Infrastructure Management to provide software distribution; asset, problem, and facilities management.

Target 1: 100% of all COTS software (Tivoli) needed to distribute software is purchased and distributed, phased in over three years.

Establishing Performance Targets: In 1999, ASMB determined that HHS and the Operating Agencies needed an Enterprise Information Management (EIM) program to conform to the Clinger-Cohen Act, which established an IT review board for technology expenditure assessments against the Strategic Plan, and

required conformance to a mandated architecture. As part of that architecture strategy, the EIM program requires standardized products, distribution and monitoring to assess and control expenditures and data exchange and provide Department-wide standards. OIRM purchased Tivoli, which meets the Department's conformity mandates as determined by EIM case analysis and the ITIRB.

Performance Report: All of the investments met the requirements of EIM.

Target 2: 100% of all COTS software (Peregrine) needed to provide asset, problem and facilities management is purchased and distributed, phased in over three years.

Establishing Performance Targets: In 1999, ASMB determined that HHS and the Operating Agencies needed an EIM program to conform to the Clinger-Cohen Act, which established an IT review board for technology expenditure assessments against the Strategic Plan, and required conformance to a mandated architecture. As part of that architecture strategy, the EIM program requires standardized products, distribution and monitoring to assess and control expenditures and data exchange and provide Department-wide standards. OIRM purchased Peregrine, which meets the Department's conformity mandates as determined by EIM case analysis and the ITIRB.

Performance Report: All of the investments met the requirements of EIM.

Performance Objective (D): Initiate Enterprise Software Licenses to consolidate duplicative efforts.

Target 1: 100% of all SAS software products are purchased from the Enterprise License to achieve a 20% purchase savings.

Establishing Performance Targets: In 1999, ASMB determined that HHS and the Operating Agencies needed an Enterprise Software Licensing effort as part of the Department's conformance to the Clinger-Cohen Act. Eliminating duplicative contract administrative efforts and achieving corporate purchasing power consolidates efforts and benefits the Department through cost savings and unlimited seat license for all Operating Agencies's. This effort also contributes to the requirement to manage technology expenditures per the Strategic Plan. As part of the architecture strategy, the Enterprise Infrastructure Management (EIM) program requires standardized products and distribution and monitoring to assess and control expenditure, data exchange and provide Department-wide standards.

Performance Report: All of the investments met the requirements of EIM.

Goal 3: Departmental collections of information meet the requirements of the Paperwork Reduction Act of 1995.

Performance Objective (A): Eliminate illegal/bootleg collections of information.

Target 1: 99% of Departmental information collections have current OMB approval in FY 2000.

Establishing Performance Targets: The Paperwork Reduction Act requires that collections of information from the public receive prior approval from OMB. Accordingly, in FY 1997 the Department set a goal of having at least 99% of information collections in compliance by FY 2000 and maintaining this level in the out years. A goal of 100% would not be realistic because new and revised collections are always under development.

Performance Report: As of the end of FY 1999, 99% of Departmental collections had current OMB approval number.

Performance Objective (B): Reduce, minimize and control burdens placed on the public by Departmental information collections.

Target 1: Achieve a 35% reduction in burden hours imposed on the public by the HHS information collection inventory in FY 2000 (compared with the FY 1995 baseline, to be phased in by 10% for FY 1996, 10% for FY 1997, 5% for FY 1998, 5% for FY 1999, and 5% for FY 2000).

Establishing Performance Targets: The Paperwork Reduction Act requires that agencies attempt to reduce burden on the public by 10% in both FY 1996 and FY 1997. In addition, the Act requires that agencies further reduce burden by an additional 5% in FY 1998, FY 1999 and FY 2000. Accordingly, the Department established a target of reducing burden on the public by a cumulative figure of 35% by FY 2000.

Performance Report: By FY 1998, the Department had achieved an 8.8% burden reduction. However, this was turned around in FY 1999 and FY 2000, when the Department showed increases of 7.7% and 7.1%, respectively, due to the new legislative requirements in HCFA and FDA.

Target 2: Achieve a 5% reduction in burden hours from the base of the previous year, not including any new requirements until the following year.

Establishing Performance Targets: The existence of new legislative requirements and the potential for additional legislative requirements in the future has caused the Department to alter its strategy by adopting targets that measure annual burden reduction from the prior year rather than cumulative reduction from a base year. New requirements will not be considered in describing burden changes, but will be added to the base for calculations made in the following year.

Facilities Services

Performance Goals	FY Targets	Actual Performance	Reference*
Goal 1. Protect HHS assets by identifying and properly accounting for the Department's real property holdings. Measure 1: Hold Operating Agencies' Foundation Information for Real Property Management (FIRM) database users group meetings to identify and resolve problems. Increase the number of Operating	FY02: 2 FY01: 2 (new) FY01: N/A	FY01: N/A	

Performance Goals	FY Targets	Actual Performance	Reference*
<p>Agencies with on-line input to the FIRM database.</p> <p>Measure 2: Percentage of acquisitions and disposals executed in accordance with regulations.</p>	<p>FY00: 10 FY99: 8</p> <p>FY02: 100% FY01: 100% FY00: 100% FY99: 90%</p>	<p>FY00: 10 FY99: 8</p> <p>FY00: 100% FY99: 100%</p>	
<p>Goal 2. Reduce energy consumption at HHS facilities as mandated by the Energy Policy Act of 1992 (EPAAct), EO 12902, and EO 13123.</p> <p>Measure: Number of buildings audited for energy usage as a percentage of the total number of buildings in the HHS inventory.</p>	<p>FY02: 70% FY01: 60% FY00: 50% FY99: 40%</p>	<p>FY00: 50% FY99: 48%</p>	
<p>Goal 3. Provide a safe and healthy work environment for HHS employees and visitors.</p> <p>Measure 1: Percentage of HHS organizations evaluated which exceeded the Federal government average workers compensation lost-time claims rate the previous year.</p> <p>Percentage of identified safety and health deficiencies addressed in Operating Agencies corrective action plans.</p> <p>Measure 2: Number of security audits conducted of HHS-owned, leased and delegated buildings to monitor compliance with DoJ level-special minimum requirements.</p> <p>Measure 3: Number of security awareness notices distributed to HHH Building occupants.</p>	<p>FY02: 50% FY01: 50% FY00: 50%</p> <p>FY00: N/A FY99: 95%</p> <p>FY02: Suspended FY01: Suspended FY00: 2 FY99: 2</p> <p>FY02: 8 FY01: 8 FY00: 6</p>	<p>FY00: 50%</p> <p>FY01: N/A FY99: 100%</p> <p>FY00: 2 FY99: 3</p> <p>FY00: 15</p>	

Performance Goals	FY Targets	Actual Performance	Reference*
Increase the number of HHH Building access points under computer control.	FY00: N/A FY99: 160	FY01: N/A FY99: 211	
Goal 4. Ensure that requests for building services in the Humphrey Building are acknowledged on the day received, and that corrective action is taken within 72 hours. Measure: Number of complaints addressed within 72 hours as a percentage of the total number of requests received.	FY02: 100% FY01: 100% FY00: 100% FY99: 95%	FY00: 100% FY99: 100%	

The Office of Facilities Services (OFS) provides Department-wide policy development and oversight for real property management, space management, occupational safety and health, energy conservation, and environmental and historic preservation programs; it also provides facilities management services to all HHS components in the Washington, DC, Southwest complex. OFS's strategic goals are to ensure that HHS real property assets are protected and utilized effectively; and that HHS employees and visitors have access to a healthy and safe work environment. To achieve these goals, OFS utilizes a myriad of techniques such as monitoring the acquisition and disposal of property, conducting energy and safety and health evaluations, monitoring the incidences of theft and violence, and resolving facility-related complaints and problems in a timely manner.

Performance Report Summary

Goal 1. Protect HHS assets by identifying and properly accounting for the Department's real property holdings.

Measure 1: Increase the number of Operating Agencies with on-line input to the Foundation Information for Real Property Management (FIRM) database. FY 2000 Target: 10.

Establishing Performance Targets: In 1997, ASMB determined that HHS needed a Department-wide automated system to manage and account for its real property assets in a uniform manner to meet the requirements of the Chief Financial Officers Act. The GSA FIRM system was acquired and implementation began in FY 1998. The FY 2000 performance measure and target was to increase the number of Operating Agencies with on-line input to the FIRM database to ten. Now that HHS has met the FY 2000 target, all major Operating Agencies with real property holdings have on-line access to FIRM. Therefore, this performance measure is being revised in FY 2001 and FY 2002 to reflect the technical support that OFS will provide to Operating Agencies utilizing the FIRM system. The target of two FIRM users group meetings was established in consultation with Operating Agencies representatives on the work group.

Performance Report: The FY 2000 target of ten Operating Agencies with on-line access to the FIRM system has been met with the introduction of the Administration for Children and Families and the Health

Resources and Services Administration. The FY 1999 target of 8 was met with the installation of FIRM and training of staff at the Administration on Aging, Centers for Disease Control and Prevention, Food and Drug Administration, Health Care Financing Administration, Indian Health Service, National Institutes of Health, Office of the Secretary and Program Support Center.

Measure 2: Percentage of acquisitions and disposals executed in accordance with regulations. FY 2000 Target: 100 percent.

Establishing Performance Targets: The target for acquisitions and disposals is based on Federal Real Property Regulations and HHS policy.

Performance Report: 100 percent of the 21 real property acquisitions, transfers and disposals reviewed during FY 2000 were properly executed. In FY 1999, 100 percent of the 18 real property acquisitions and disposals reviewed were properly executed.

Goal 2. Reduce energy consumption at HHS facilities as mandated by the Energy Policy Act of 1992 (EPAct), EO 12902, and EO 13123.

Measure: Number of buildings audited for energy usage as a percentage of the total number of buildings in the HHS inventory. FY 2000 Target: 50 percent.

Establishing Performance Targets: In accordance with the Energy Policy Act of 1992 (EPAct) and Executive Order 12902, OFS developed a Department-wide energy program based on an energy compliance review of all HHS Operating Agencies. This compliance review concentrated on the energy auditing requirements of EPAct and EO 12902. The findings of the review highlighted specific areas of need in the Operating Agencies. The performance targets are based on the Operating Agencies' Ten Year Energy Audit Plans.

Performance Report: EO 12902 directed Federal agencies to develop and implement a ten year plan to conduct comprehensive facility energy audits, ensuring that ten percent of the agency's facilities are audited each year (beginning in FY 1996). By the end of FY 2000, HHS had completed energy audits on 50 percent of our facilities. By the end of FY 1999, HHS had completed energy audits on 48 percent of our facilities (8 percent above our target).

The purpose of an audit is to provide detailed information to identify and prioritize energy conservation projects. The audits conducted on HHS facilities have served as the impetus for lighting retrofits, chiller upgrades, water conservation projects, as well as entering into energy savings performance contracts.

Goal 3. Provide a safe and healthful work environment for HHS employees and visitors.

Measure 1: Percentage of HHS organizations evaluated which exceeded the Federal government's average total workers compensation claims rate the previous year. FY 2000 Target: 50 percent

Establishing Performance Targets: This performance measure and target focus on those HHS facilities which exceeded the Federal government's average total compensation claims rate the previous fiscal year. In evaluating these organizations, limited resources are better utilized in those areas which have the greatest problems and the most room for improvement. The successful accomplishment of this goal will provide HHS employees with a safer, healthier work environment, control compensation costs, and improve productivity.

Performance Report: Actual performance of this goal was awaiting the completion of the HHS Federal Worker 2000 Action Plan. Only one HHS organization, the Indian Health Service (IHS), exceeded the Federal government's average total claims rate for FY 1999. IHS will be evaluated during FY 2001 using the Federal Worker 2000 Action Plan. The FY 1999 performance measure of 95 percent of safety and health deficiencies addressed in Operating Agencies corrective action plans was achieved. The organization evaluated during FY 1999 was the Centers for Disease Control and Prevention. Its corrective action plan exceeded the goal by addressing 100 percent of the identified deficiencies.

Measure 2: Number of security audits conducted of HHS-owned, leased and delegated buildings to monitor compliance with the Department of Justice (DOJ) minimum level requirements. FY 2000 Target: 2. This goal is being suspended for FY 2001 and FY 2002, because the FTE and staff person performing this function were transferred to CDC.

Establishing Performance Targets: The target is based on the number of facilities, potential vulnerability and available resources.

Performance Report: The Department places a high priority on the safety and security of its employees. In that regard, annual on-site audits of Operating Agencies physical security procedures, including use of card access systems, are conducted on a random basis to ensure that applicable DOJ minimum level security procedures are currently implemented in HHS owned and managed facilities. During FY 2000, the performance measure for this goal was met through the conduct of comprehensive on-site security audits of certain HHS facilities and a comprehensive review of all Operating Agencies building access procedures based on government-wide concerns identified by the GAO's report to Congress on breeches of security at Federal agencies and airports. The on-site audits were conducted at the Department's headquarters, the Hubert H. Humphrey (HHH) Building (managed by the Office of the Secretary) and the NIH complex in Bethesda, Maryland, and were based on a review of additional security enhancements implemented at these locations. The review of Operating Agencies building access requirements identified security procedures currently in place, as well as additional actions that could be implemented, without budget restrictions, if heightened security was required. In addition, as part of PDD-63 activities, OFS conducted a general analysis of current security procedures for the CDC Headquarters installation in Atlanta, Georgia, focusing heavily on procedures to deter the threat of bio-terrorism activities on laboratory facilities. In FY 1999, this goal was met through on-site security audits in the HHH Building and the Headquarters Building for the Public Health Service, the Parklawn Building (managed by the Program Support Center). In addition, as part of Y2K Day 1 activities, OFS reviewed security procedures for the CDC Headquarters installation in Atlanta, Georgia. Although the HHH and CDC facilities were reviewed in FY 1999, the importance of their operations and security enhancements to the Department's evaluation process made their reinspection in FY 2000 critical. Each of these sites met or exceeded minimum security standards established by the DOJ in its Vulnerability Assessment of Federal Facilities.

Measure 3: Issue security awareness notices to HHH Building occupants. FY 2000 Target: 6.

Establishing Performance Targets: The performance target is based on historical knowledge and assessment of the number of times throughout the year when employees would benefit from security awareness notices.

Performance Report: In FY 2000, OFS issued 15 informational notices to HHH Building occupants. Topics included the prevention of office theft, lost and found items, insect control, shopping smart, tips to avoid winter hazards, information concerning Y2K building admittance and security procedures, and information and special precautions during the World Trade Organization and International Monetary Fund meetings. The FY 1999 performance measure and target were based on increasing the number of

Humphrey Building access points controlled by the Computer Controlled Access System to 160. Since that target was exceeded by expanding the system to 211 access points, the performance measure and targets were revised in FY 2000 and FY 2001.

Goal 4. Ensure requests for building services in the HHH Building are acknowledged on the day received and corrective action taken within 72 hours.

Measure: Number of complaints addressed within 72 hours as a percentage of the total number of requests received. FY 2000 Target: 100 percent.

Establishing Performance Targets: The performance target is based on GSA guidelines that building services complaints be addressed within 72 hours of receipt.

Performance Report: The FY 2000 and FY 1999 performance targets were achieved. OFS current practices and procedures adhere to the GSA guidelines that building services complaints be responded to within 72 hours of receipt. To verify our performance in this area, OFS did an analysis of computer generated data from the OFS service call system. In order to ensure the accuracy of this data, OFS periodically reviews the work orders issued as a result of a request for service.