REPORT BY THE

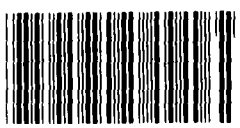
Comptroller General

OF THE UNITED STATES

Accuracy, Cost, And Users Of The Consolidated Federal Funds Report

On March 28, 1984, the Census Bureau, acting as executive agent for the Office of Management and Budget, issued the 1983 Consolidated Federal Funds Report. The report provides statistical data on the geographic distribution of federal funds to states, counties, municipalities, and congressional districts.

The potential users of federal geographic funding data agree on the need for a comprehensive source of information such as the Consolidated Federal Funds Report to meet their diverse interests. Because problems result when data from several sources are combined into the standard report format, visibility of federal funds lessens at each successive geographic level. Although the report addresses some user needs, it could be more useful if the availability and accessibility of substate data were improved.



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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON D.C. 20548

B-215984

The Honorable William V. Roth
Chairman, Committee on Governmental
Affairs
United States Senate

The Honorable Jack Brooks
Chairman, Committee on Government
Operations
House of Representatives

In accordance with section 10 of the Consolidated Federal Funds Report Act of 1982 (Public Law 97-326), this report examines the accuracy of the data in the Consolidated Federal Funds Report, its cost, and its potential uses and users.

We are sending copies of this report to the Directors of the Office of Management and Budget and of the Office of Personnel Management, the Secretaries of Commerce and of Defense, the Acting Administrator of the General Services Administration, and other interested parties.

Charles A. Bowsher
Comptroller General
of the United States

REPORT BY THE
COMPTROLLER GENERAL
OF THE UNITED STATES

ACCURACY, COST, AND USERS OF THE CONSOLIDATED FEDERAL FUNDS REPORT

D I G E S T

Beginning in the late 1960s, the federal government provided a comprehensive annual report on the geographic distribution of federal funds to states, counties, and cities. In December 1981, the Office of Management and Budget (OMB) discontinued this annual report after the agency responsible for the report, Community Services Administration, was abolished. A factor in OMB's decision was its judgment that in the past this report was often misleading and unreliable. (See pp. 2-3.)

In October 1982, the Congress enacted The Consolidated Federal Funds Report (CFFR) Act (Public Law 97-326) requiring the Director of OMB to prepare a new annual report for fiscal years 1983 through 1985. The act specifies that the total amount of federal funds obligated or expended in each state, county or parish, congressional district, and municipality of the United States be reported by general categories of funds such as grants and procurement. The act designated four data sources to be used in compiling the report:

--the Census Bureau's Federal Assistance Award Data System,

--the General Services Administration's Federal Procurement Data System,

--the Office of Personnel Management's salary, retirement, and insurance data files for civilian employees, and

--the Department of Defense's salary and retirement files for military personnel.

OMB has delegated to the Census Bureau the responsibility for report preparation but retains a policy oversight role.

This report is in response to section 10 of the CFFR Act, which directs the Comptroller General to review the CFFR and the data systems used to compile the report and to present his findings to the House Government Operations and Senate Governmental Affairs Committees by October 1, 1984. In this report GAO analyzed (1) selected aspects of the accuracy of the data in the CFFR, (2) the uses and

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primary users of the data, and (3) the cost of data collection, report preparation, and dissemination. (See p. 1.)

The CFFR for fiscal year 1983 provides statistical data on the geographic distribution of $872.1 billion. A two-volume document along with a companion document, the Federal Expenditures by State Report for Fiscal Year 1983, was issued by Census as scheduled on March 28, 1984. A computer tape with CFFR data containing detail on program-level distributions is also available. The estimated cost for the 1983 CFFR was about $476,000. (See p. 7.)

DATA LIMITATIONS

GAO examined two dimensions of the data's accuracy in this review: one, comprehensiveness, or the extent to which the CFFR reports all appropriate categories of funds, and two, "geographic visibility," the extent to which the CFFR shows the distribution of these funds to each successive geographic level. GAO did not verify the accuracy of the designated sources' input data and did not assess the reliability of the sources' computer systems processing the data or the CFFR's processing system. It was not feasible to look at these aspects of accuracy because of time and resource constraints.

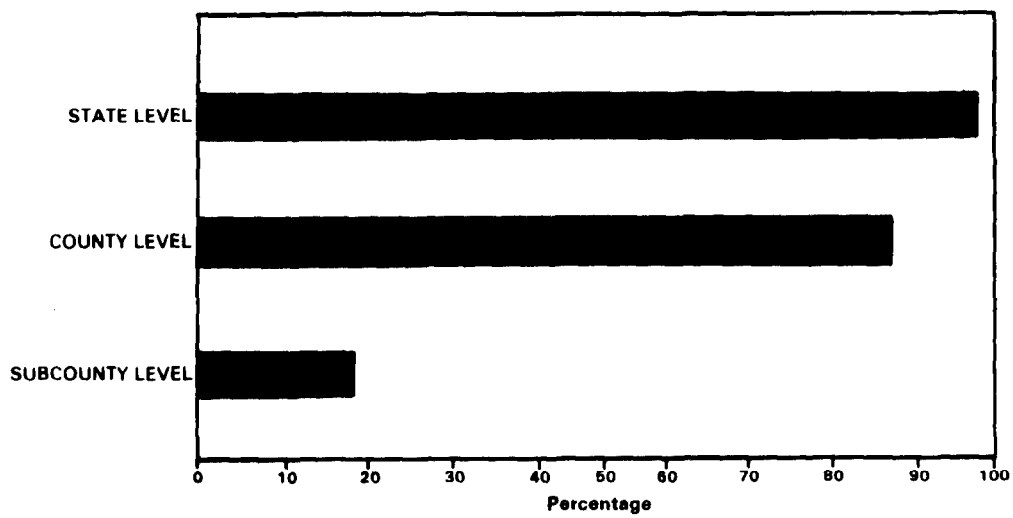
The 1983 CFFR reflects approximately 85 percent of the domestic budget, with the major exclusion being $89.8 billion in net interest on the federal debt. The visibility of the funds reported in the CFFR declines progressively at each lower geographic level, with data at the subcounty level being so limited that its usefulness is questionable. (See pp. 12-13.)

The successive decline of data available for each level can be attributed to two main problems. First, the data sources on which the CFFR is based generally do not track dollars to the location of all the actual recipients. For example, procurement funds are reported at the location of the prime contractor, even though work may be subcontracted in other states or localities. In addition, inherent difficulties exist in converting various geographic coding schemes used by the CFFR's data sources to the geographic coding scheme used by Census. Census uses codes based on government units which may have different boundaries than those found in the coding schemes used by the data sources. (See p. 14.)

Chart A shows the declining visibility of funds at each successive geographic level. Visibility of the funds at each of these geographic levels is further reduced by the reporting of some funds at an intermediate point rather than the ultimate location. However, GAO is unable to quantify these amounts.

Chart A

GEOGRAPHIC VISIBILITY OF 1983 CFFR FUNDS
$872.1 BILLION



At the state level, at least 2 percent of the data's geographic visibility is lost because small procurements are not reported at the actual recipient location and because of code conversion limitations. (See pp. 15-17.) At the county level, at least an additional 11 percent loss results from the recipient location limitations with pass-through programs and additional conversion limitations. (See pp. 17-20.) In the CFFR, pass-through program funds,[1] such as Food Stamps and Medicaid, are reported in the county and city of the state capital and are not attributed to the appropriate substate areas. GAO identified 39 such programs in the CFFR, each over $100 million, which account for 9 percent of all CFFR dollars.

Below the county level at least 82 percent visibility is lost, which makes the data's usefulness questionable. The decline results from the cumulative effects of the problems already mentioned,

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[1]Funds distributed to state governments which in turn distribute them to local governments and other recipients.

plus extensive code conversion limitations. Additionally, recipient location problems result in the lack of direct payment and salary and wage data. (See pp. 20-23.) Census did not attempt to show distributions of funds by congressional district because of both recipient location and conversion limitations. However, the CFFR does list the congressional district(s) associated with each county and municipality. (See p. 24.)

POTENTIAL USERS AND USES

GAO asked users including congressional, state, and local government officials, federal agencies, and others (see app. V) about their needs for geographic funding data, general and specific uses of the data, types of data and data sources used, and anticipated uses of the CFFR. GAO conducted most of the review before the first CFFR was issued in March 1984 because of the short interval between that date and GAO's report. As a result, only potential users and uses for the CFFR were identified because sufficient time had not elapsed for a user pattern to be established.

A broad spectrum of user groups expressed a need for geographic funding data. Uses for these data varied, and user groups expressed some interest in all geographic levels of data. Uses include trend and impact analyses, budget projections, and revenue forecasting.

User groups expressed a greater need for individual federal program data than data aggregated into general categories of funds such as grants, direct payments, and loans. Some users were particularly concerned with the lack of visibility in the CFFR for pass-through programs below the state level. Interest was also expressed in general categories of funds which are not programmatic, such as procurement and salaries and wages. Most users did not object to the use of different financial bases, such as obligations (commitments of federal funds for specific purposes) and outlays (actual payments for goods or services), or the use of allocations or estimates, as long as an adequate explanation was provided.

Many user groups expect the CFFR to meet some of their needs, but they will probably use it along with other sources. Because of the need for individual program data and the absence of this information in the CFFR printed document, many users anticipate using the limited program data from the CFFR tape. They are, however, uncertain of how to gain access to the data on the tape. Some users

either do not have computer facilities or were unsure at the time of GAO's review about the difficulties and costs of developing software needed to use the tape. (See chapter 4.)

CONCLUSIONS

The users and uses of geographic funding data are diverse. Data users generally agree on the need for a comprehensive source of information on the geographic distribution of federal funds such as the CFFR. However, sufficient time has not elapsed for a user pattern to be established, thus the CFFR's utility cannot be fully assessed at this time. While the report appears to address some user needs, it would be more useful if the availability and accessibility of substate program data were improved. Since program detail is not available in the printed documents, many potential users plan on using the CFFR computer tape to obtain program data even though the data are not complete at substate levels. These data would be more widely used if information were available to users on how to gain access to the tape's data. (See p. 32.)

To improve the data's geographic visibility at all levels would generally require system design changes in the four designated data sources that provide input to the standard CFFR format. These system design changes could involve the collection of additional data or changes in current reporting requirements and could be costly as well as be an additional paperwork burden to federal agencies.

However, visibility at the county level could be improved by 9 percent by using allocation formulas or by obtaining fund distributions directly from the states for pass-through programs. While some costs would be involved with either of these two alternatives, GAO believes they would be less than the costs of making system design changes to the designated data sources. (See pp. 24-25.)

OMB and Census are considering specific ways to improve the CFFR data for fiscal years 1984 and 1985. They are working with agency personnel responsible for the CFFR's input data as well as user groups, such as state and local government representatives and congressional staffs. (See pp. 25 and 32.)

RECOMMENDATIONS

Since the CFFR is a new report, many users are not familiar with the data or how to gain access to the CFFR tape. GAO supports OMB's efforts to improve the CFFR data by working with agency personnel and

user groups. GAO recommends that the Director of OMB

--continue to work with user groups to identify their data needs and to obtain their input on desired improvements (see p. 32),

--maintain and publish information in future CFFR volumes on organizations through which users can access the computer tape and obtain software (see p. 32), and

--continue efforts to explore the feasibility of various alternatives to increase the visibility of pass-through funds data at the county level and include these data in future reports if such alternatives are cost-effective (see p. 25).

AGENCY COMMENTS

We requested comments on a draft of this report from five agencies -- OMB, the Departments of Commerce (Census Bureau) and Defense (DOD), the General Services Administration, and the Office of Personnel Management. All agencies provided comments, with DOD providing its comments orally. (See app. IX.)

The agencies agreed with the information presented in this report. Both OMB and Census concurred with the recommendations. OMB and Census said they have taken actions to increase the visibility of pass-through funds at the county level and to work more closely with user groups to identify their data needs and have included these measures in the fiscal year 1984 CFFR work plan. Specifically, Census will attempt to distribute below the state level pass-through funds data for about a dozen of the larger programs. In addition, both Census and OMB are increasing their efforts to involve various user groups to identify desired improvements. They also said they would take actions to maintain and publish information on the availability of computer tape services.

Contents

ILLUSTRATIONS

ABBREVIATIONS

ACIR	Advisory Commission on Intergovernmental Relations
CFDA	Catalog of Federal Domestic Assistance
CFFR	Consolidated Federal Funds Report
CPDF	Central Personnel Data File
CBO	Congressional Budget Office
CRS	Congressional Research Service
DOD	Department of Defense
FAADS	Federal Assistance Award Data System
FAS	Federal Aid to States
FESR	Federal Expenditures by State Report
FIPS	Federal Information Processing Standards
FPDS	Federal Procurement Data System
GAO	General Accounting Office
GDFF	Geographic Distribution of Federal Funds

GSA	General Services Administration
HIS	House Information Systems
JUMPS	Joint Uniform Military Pay System
OMB	Office of Management and Budget
OPM	Office of Personnel Management
POS	Payroll Outlays System
SCC	Senate Computer Center

CHAPTER 1

INTRODUCTION

The Consolidated Federal Funds Report Act of 1982 (Public Law 97-326) was enacted on October 15, 1982. It requires the Director of the Office of Management and Budget (OMB) to issue an annual report on the total amount of federal funds obligated for expenditure or expended in each state, county or parish, congressional district, and municipality of the United States. The funds are to be reported by general categories including grants, loans, purchases and contracts, cooperative agreements, direct federal payments to individuals, pay of federal civilian employees, military pay, annuities, retirement pay, pensions and disability compensation. The report is to be based on data from the following designated sources:

--the Federal Assistance Award Data System (FAADS),

--the Federal Procurement Data System (FPDS),

--the Office of Personnel Management's (OPM's) salary and wage, retirement, and insurance data files on civilian employees, and

--the Department of Defense's (DOD's) salary and wage and retirement data files on military personnel.

The act requires the preparation of printed copies and computer tapes of the reports for fiscal years 1983, 1984, and 1985. It also permits OMB to delegate the responsibility for the report's preparation to an executive agent. OMB designated the Bureau of the Census in this capacity but retains a policy oversight role. Under section 10 of the act, the Comptroller General is required to review the Consolidated Federal Funds Report (CFFR) and the data systems used to compile the reports. This review is to determine the data's accuracy, the costs of data collection and report preparation and dissemination, and the data's primary users and uses. Our review must be submitted to the Senate Governmental Affairs Committee and the House Government Operations Committee by October 1, 1984.

BACKGROUND

Federal spending has increased over the past two decades from about $111 billion in 1963 to $796 billion in 1983. This growth in federal spending has coincided with an increased interest in tracking its geographic distribution to assist policymakers and others in assessing the effects of budgetary decisions in regions, states, and localities.

While interest in tracking federal spending on a geographic basis has expanded over the years, only a few information systems or reports provide this type of data. Generally, these systems or

reports are designed for specific objectives, operate independently from one another, report different but frequently overlapping categories of federal expenditures, and are incompatible for comparative purposes. They either do not provide data below state level, report only certain categories of data below state level, or are no longer published.

Information systems or reports which provide or have recently provided geographic funding data include:

--Census Bureau's Government Finances Reports, which provide annual outlay data reflected as revenues from the federal government to cities, counties, and states for grants-in-aid and direct payments aggregrated into broad functional categories,

--Census Bureau's FAADS, which provides quarterly financial obligation or contingent liability data at the city, county, and state level for federal financial assistance transactions,

--General Services Administration's FPDS, which provides quarterly obligation data at the city, county, and state level for contract actions,

--Department of the Treasury's Federal Aid to States (FAS) Report, which provided annual outlay data at the state level for grants-in-aid to state and local governments for some 120 programs or aggregrated program categories. These data are now reported in the Census Bureau's new Federal Expenditures by State Report (FESR), and

--nonfederal subscription services which provide quarterly budget data, such as outlays, budget authority, and obligations at the state level and periodic special analyses for domestic grants-in-aid and other federal funding to states.

GEOGRAPHIC DISTRIBUTION OF FEDERAL FUNDS REPORT

The Geographic Distribution of Federal Funds (GDFF) Report provided federal obligation and outlay data from the late 1960s to 1980 for approximately 1,800 programs and activities for states, counties, and cities with a population of over 25,000. It was the only information source providing geographic funding data which attempted to track the distribution of the majority of federal funds down to local government levels. The annual GDFF report consisted of 53 volumes -- one for each state, the District of Columbia, and the U.S. territories, as well as a national summary. The Office of Economic Opportunity, which later became the Community Services Administration, administered the report, and OMB provided policy guidance.

After the Community Services Administration was abolished, OMB discontinued publication of the annual report in December 1981. A factor in OMB's decision was its judgment that the GDFF report was often misleading and unreliable, partly because of questionable statistical techniques used to allocate data below the state level. In addition, much of the data could not be reconciled to budget accounts because of missing accounts and reporting discrepancies.

NEW REPORT REQUIRED BY THE CONGRESS

After the GDFF report was discontinued, no comprehensive source of information on the geographic distribution of federal funds was available during a period of substantial controversy over the allocation of federal budget resources. Major budget shifts were accompanied by a redefinition of federal-state responsibilities in administering certain social services and other domestic programs. OMB proposed replacing the GDFF report with a report reflecting expenditures at the state level only, observing that it was not possible to produce reliable data below this level. However, this proposal did not meet the perceived need for data below the state level.

Congressional hearings were held with various organizations expressing a need for an accurate and comprehensive information source on the distribution of federal funds at state and substate levels. Several existing data sources, including some relatively new ones, captured significant amounts of the information reported in the GDFF report. While individually none of them could provide a comprehensive view of federal spending, collectively these sources had the potential to capture and report these data comprehensively. As a result, the Consolidated Federal Funds Report Act of 1982 was enacted, mandating the use of these data sources to prepare a comprehensive report.

When considering the legislation, the Senate and House authorizing committees stated in their reports that they knew inconsistencies and inaccuracies existed in the designated data sources that would be used to compile the CFFR. However, they believed that more accurate data could be obtained from these sources than the GDFF report despite the known problems, and reestablishment of the GDFF report would create unnecessary duplication in data collecting, processing, and reporting. It was anticipated that the new report would not remain static but would evolve to provide more detailed and accurate information.

INTERIM REPORTS

To prevent a short-term information gap between the last GDFF report issued for fiscal year 1980 and the first CFFR for fiscal year 1983, the Congress required OMB to prepare reports for fiscal years 1981 and 1982 on the geographic distribution of federal funds to the states. These two reports, entitled Federal Expenditures by State Reports for fiscal years 1981 and 1982, were published by the

Census Bureau for OMB in February 1983. Census also issued this report for fiscal year 1983 as a companion document to the CFFR. In addition, the Congress required those agencies which had the GDFF input data still available for fiscal years 1981 and 1982 to furnish them to the Committee on House Administration and the Senate Committee on Rules and Administration as a means of preserving the continuity between the GDFF report and the forthcoming CFFR. The House Information Systems of the Committee on House Administration collected the 1981 and 1982 data and compiled it in June and October 1983, respectively.

OBJECTIVES, SCOPE, AND METHODOLOGY

The Consolidated Federal Funds Report Act established our review's objectives. They are to determine (1) the accuracy of the CFFR's data, (2) the data's use and primary users, and (3) the costs of data collection, report preparation, and report distribution.

In our review we examined two dimensions of the data's accuracy. One is the data's comprehensiveness -- that is, the extent to which the CFFR reports all of the categories of funds, and the other is the "geographic visibility" -- the extent to which the CFFR shows the distribution of these funds to each successive geographic level - state, county, congressional district, and municipality. In our review we did not verify the accuracy of the designated data sources' input data, and we did not assess the reliability of the data sources' computer systems processing the data or the CFFR's processing system. It was not feasible for us to look at these other aspects of accuracy because of time and resource constraints.

To determine the CFFR's accuracy, we identified data limitations resulting from reporting differences among the designated data sources and operational problems in converting and merging incoming data into the CFFR. To the extent possible, we quantified the impact of these limitations on the CFFR's comprehensiveness and geographic visibility. We accomplished this by reviewing our reports and other available studies on the limitations of the designated data sources, obtaining and analyzing systems documentation on the sources, and interviewing the responsible agency officials. In addition, we interviewed OMB and Census officials to determine the approach and procedures they used to collect the CFFR data and to design report formats. We also monitored and evaluated their efforts to compile, produce, and distribute the report.

We analyzed limitations in the report's comprehensiveness by identifying items excluded from the CFFR and by comparing some of the CFFR's general categories of funds and major program dollar totals with actual fiscal year 1983 funding data as shown in the fiscal year 1985 budget documents and other secondary sources. We gathered information to identify exclusions and make budget comparisons by interviewing officials and obtaining documentation from OMB and Census.

We conducted most of the review before the first CFFR was issued in March 1984 because of the short interval between that date and GAO's reporting date. As a result, our analysis of uses and users was limited because the CFFR is a new report and sufficient time had not elapsed to establish a user pattern before our audit work was completed. However, we did consult with officials of those organizations specified in the act on their need for and use of geographic funding data and their anticipated uses of the CFFR. These officials included members of Congress, the Congressional Budget Office (CBO), OMB, the Senate Rules and Administration Committee, the House Administration Committee, Census, representatives of state and local governments, and others.

To determine the congressional need for geographic funding data and anticipated use of the CFFR, we mailed a written questionnaire to a randomly selected sample of 302 Senate and House member offices, committees, and subcommittees. We asked if they regularly used geographic funding data, what they used it for and how, and what type of data they used. To ensure a high response rate we conducted telephone follow-ups. We weighted and aggregated the responses so they would be representative of the results that would be obtained if all congressional offices were surveyed.

We visited California, New York, and Texas, the three states receiving the largest share of federal funds in fiscal year 1982, and selected major municipalities within these states to determine their needs for or uses of comprehensive geographic funding data and their potential use of the CFFR. We interviewed state government officials from both the executive and legislative branches and local planning and budget officials. We interviewed officials from 17 other states and Puerto Rico by telephone to determine their need for geographic funding data and conducted follow-up interviews with officials in 3 of these states and Puerto Rico to determine their anticipated CFFR use. We selected these states because of their use of or interest in this type of data. In addition, we interviewed officials from the major state and local interest groups to obtain information on their use along with their members' needs and uses of these data.

We interviewed other individuals and groups interested in geographic funding data about the report's usefulness. Those interviewed included members of the academic community, nonprofit organizations, and selected federal agencies. We conducted most of our interviews and the congressional survey before the CFFR was issued; therefore, our analysis reflects only anticipated CFFR use. Before conducting our interviews, we gave the interviewees background information and sample output tables from the CFFR. After the CFFR was issued, we conducted random follow-up phone interviews to request additional information on the report's potential usefulness. Responses from the congressional survey are representative of the entire Congress; however, the responses from the other users interviewed--state and local government officials, academics, and others--should not be considered representative of any user group.

To determine CFFR costs, we collected cost data from Census, OMB, the designated data sources, and additional agencies. We also requested Census to identify separately the costs of the FESR for fiscal year 1983. To gather the cost data, we interviewed agency officials and obtained appropriate records but did not audit the cost data. We identified only incremental costs for the designated data sources and additional agencies because their basic systems and operational costs are incurred to support specific agency missions rather than the CFFR.

Throughout our review we coordinated with OMB and Census and attended their CFFR work sessions as observers. Our field work was performed in accordance with generally accepted government auditing standards between October 1983 and May 1984.

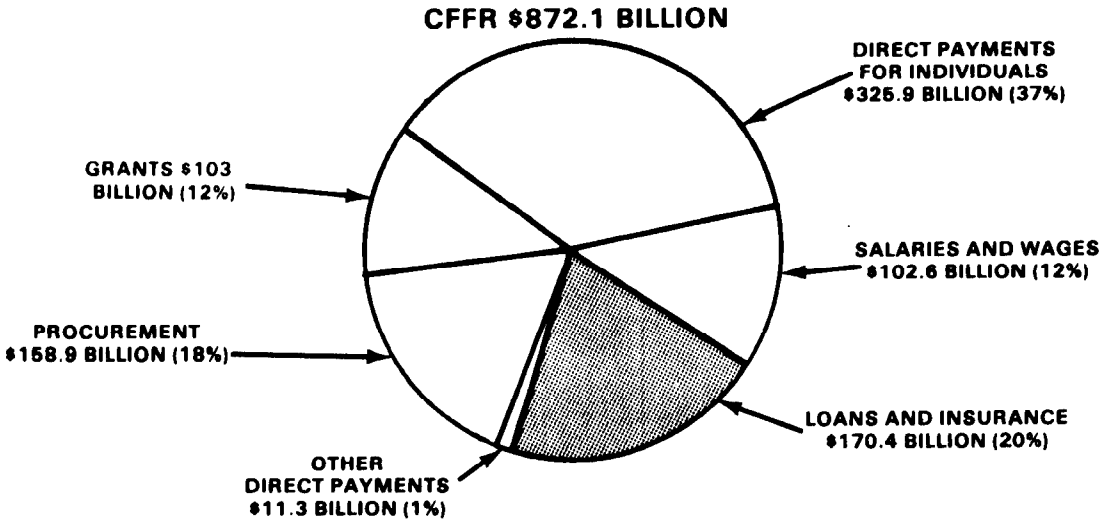
CHAPTER 2

A PROFILE OF THE CFFR FOR FISCAL YEAR 1983

The CFFR for fiscal year 1983 (hereafter called the 1983 CFFR) presents statistical data from several sources on the geographic distribution of $701.7 billion in direct federal expenditures (actual payments for goods and services) or obligations (commitments of federal funds for specific purposes) and $170.4 billion in other federal assistance in the form of contingent liabilities (commitments that may or may not become liabilities in the future--for example government guarantees). The report reflects the majority of the domestic budget. (See chapter 3 for a more detailed explanation of the CFFR's comprehensiveness.) The two-volume document and a computer tape were issued by the Census Bureau as scheduled on March 28, 1984, along with a companion document, the FESR. The three-volume package was distributed to members of the Congress, states, selected local government officials, and others. The tape was provided to the House Information Systems and the Senate Computer Center, and to State Data Centers on request. The estimated cost for the 1983 CFFR was about $476 thousand.

The CFFR Act specifies the general categories of federal funds and geographic areas which should be included in the report. Census, with OMB's approval, aggregated and arrayed the CFFR's data on direct federal expenditures or obligations into five general categories of funds. This included reporting retirement pay and disability compensation under direct payments for individuals and creating a separate category for other direct payments. Census combined three additional categories for nondirect federal expenditures into other federal assistance, which reports contingent liabilities for loans and insurance programs. Chart 1 distributes CFFR dollars by general categories of federal funds.

Chart 1
GENERAL CATEGORIES OF FEDERAL FUNDS IN THE CFFR



The CFFR Act also designates the report's major data sources. The Census Bureau's CFFR processing system consists of data inputs compiled from millions of transactions between individual fund recipients and numerous federal agencies. The intermediate focal points of this extensive system are the four designated data sources which contribute information on about 87 percent of all funds reported in the CFFR. FAADS and FPDS are the largest contributors, reporting approximately 55 percent and 18 percent, respectively, of the total funds. OPM and DOD directly contribute approximately 9 percent and 5 percent, respectively. (See app. I for more detail on the CFFR and its designated data sources.) Information on the remaining 13 percent of the funds was collected by Census from additional agencies to increase the report's comprehensiveness and ensure that major government activities not reported in the designated sources were included. The Postal Service is the largest additional contributor, reporting about 19 percent of the total additional dollars. Chart 2 distributes CFFR funds by data sources. (See p. 9.)

CFFR PRODUCTS AND FORMATS

The 1983 CFFR's first volume contains data on county areas and the second volume contains data on subcounty areas which include municipalities.[1] Volume I reports data for all general categories of funds by state down to the county level. The one or more congressional districts within each county are also listed. DOD funds for salaries and wages and procurement contract awards are displayed separately, and overall DOD totals are aggregated separately from the remaining direct expenditures or obligations.

Volume II reports selected general categories of funds for each state down to county and municipality. It also lists the one or more congressional districts in each county and municipality. The categories reported in Volume II are grant awards received directly by local entities, procurement contract awards, and selected direct loans, loan guarantees and insurance. DOD procurement contract awards and general revenue sharing funds are identified separately. This volume does not contain data on direct payments for individuals and salaries and wages because these data are not available below the county level from the designated data sources.

The computer tape contains more detailed information than is found in volumes I and II. As distinct from the CFFR publications, the tape provides program-level data by Catalog of Federal Domestic Assistance program number. However, limitations for these data exist both at the county and subcounty levels. (See chapter 3 for additional information.)

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[1]Municipality is defined by the act as any subcounty unit of local government that receives general revenue sharing.

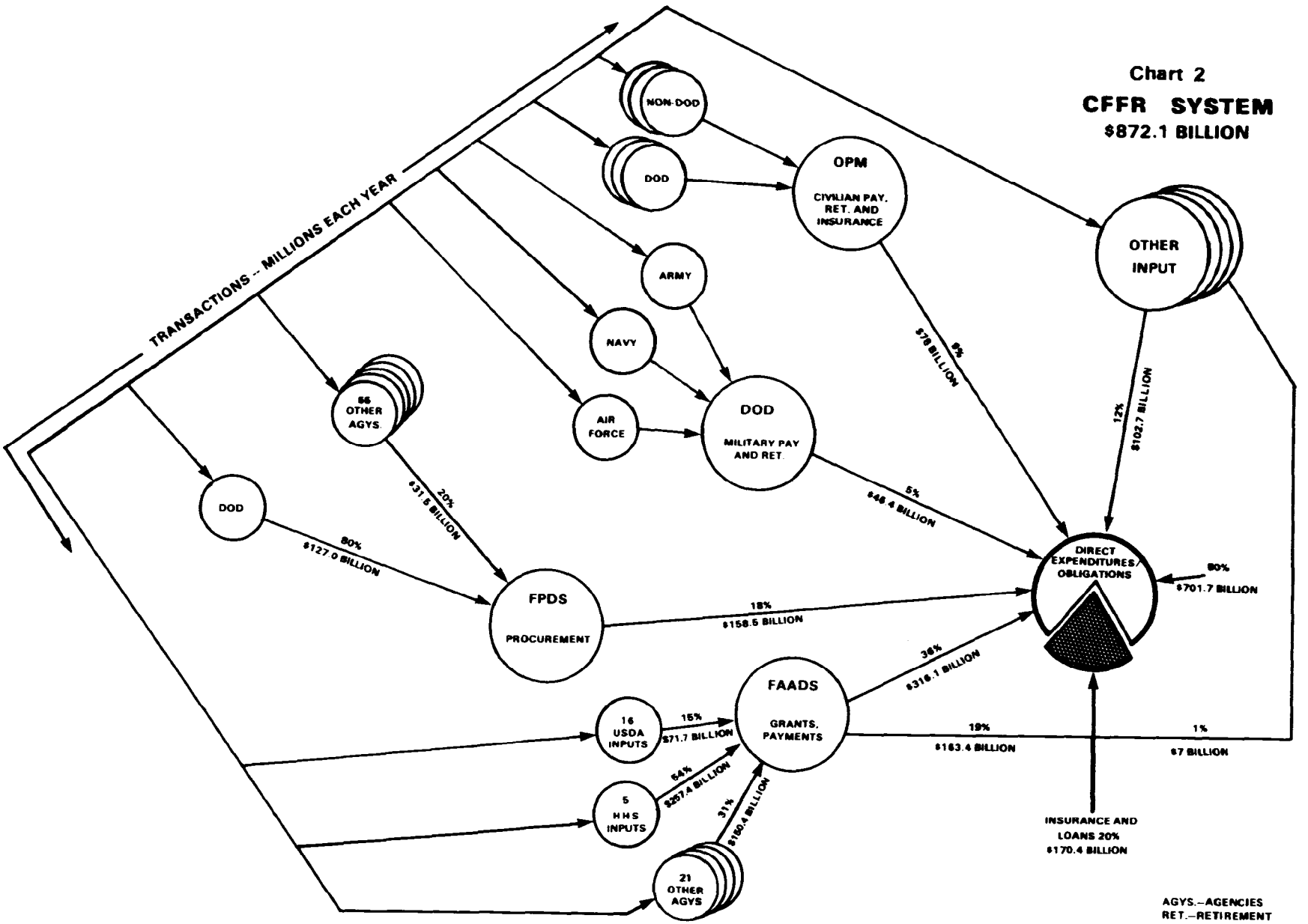
Chart 2
CFFR SYSTEM
$872.1 BILLION
TRANSACTIONS -- MILLIONS EACH YEAR
NON-DOD
DOD
OPM
CIVILIAN PAY, RET. AND INSURANCE
OTHER INPUT
ARMY
NAVY
AIR FORCE
DOD
MILITARY PAY AND RET.
55 OTHER AGYS.
DOD
FPDS
PROCUREMENT
DIRECT EXPENDITURES/ OBLIGATIONS
$78 BILLION
9%
12%
$102.7 BILLION
20%
$316 BILLION
80%
$127.0 BILLION
5%
$48.4 BILLION
18%
$158.5 BILLION
80%
$701.7 BILLION
16 USDA INPUTS
15%
$71.7 BILLION
5 HHS INPUTS
54%
$257.4 BILLION
21 OTHER AGYS
31%
$150.4 BILLION
FAADS
GRANTS, PAYMENTS
36%
$316.1 BILLION
19%
$163.4 BILLION
1%
$7 BILLION
INSURANCE AND LOANS 20%
$170.4 BILLION
AGYS.--AGENCIES
RET.--RETIREMENT

The FESR, CFFR's companion document, portrays the same general categories of funds as the CFFR, but at the state level only. The FESR also gives specific information at the state level on grants, direct payments, loans, and insurance programs for over 150 categories of programs or program aggregates and provides comparative data on each state for per capita expenditures. In the FESR, the grants data are outlay data. Such data were previously collected and published by the Department of the Treasury in the FAS Report. For fiscal year 1983, the Census Bureau collected, processed, and published these data in the FESR and plans to continue to do so in future years. Consequently, Treasury has discontinued publishing the FAS Report.

With each of the three publications, Census included extensive technical notes explaining the CFFR's conceptual framework, data sources used to compile the report, and caveats the user should be aware of when using the data. These notes provide a thorough explanation of the data. Documentation is also available with the tape to assist users in developing the software needed to access the data. Considering that the data sources, general categories of funds, and geographic coverage are designated by law, we believe Census compiled the CFFR in a manner consistent with the legislative intent.

DISTRIBUTION

OMB and Census shared responsibility for the distribution of the 1983 CFFR and FESR. To give the public better access to the computer tape, Census will provide copies to State Data Centers on request. Through the State Data Centers the tape is more accessible to state and local governments, as well as the public. The State Data Center program is essentially a cooperative agreement between Census and 49 states, the District of Columbia, Puerto Rico, and the Virgin Islands that allow them to receive various Census data products and services for distribution to public and private users. As part of this arrangement, the centers agree to establish networks to help distribute data to local areas.

COSTS

The approximate cost of $476,000 for the 1983 CFFR includes costs for OMB, Census, the designated data sources, and the additional agencies providing data for the report. Census incurred the largest portion of the cost, approximately $284,000, or 60 percent of the total, including about $29,000 to prepare and publish the FESR. OMB incurred approximately $86,000, or 18 percent of the total costs, with the remaining $106,000, or 22 percent, from the designated sources and additional agencies. In many cases the agencies estimated the costs because their financial systems could not specifically track CFFR costs. Detailed information on costs for personnel, computers, printing, and other items are shown in appendix II.

Census allocated $275,000 for the CFFR and FESR in both fiscal years 1983 and 1984, and pending approval of its fiscal year 1985 appropriation, intends to allocate the same amount in fiscal year 1985. Work on the 1983 CFFR began in April 1983 and ended in March 1984. A portion of the fiscal year 1983 money was spent on the first two FESRs. Census anticipates that the fiscal year 1984 CFFR and FESR will require at least the same effort and that their costs will remain about the same. OMB's costs for this year's report were primarily for development and start-up efforts; therefore, they expect lower costs next year.

The designated data sources and additional agencies collect data independently of the CFFR to support other specific agency objectives. Since the basic systems and operational costs to collect the data were incurred to support these specific objectives, only the additional costs incurred to extract and transmit the data for the CFFR were reported. The costs of the designated data sources were approximately $49,000. Of this amount, OPM incurred the largest portion, about $45,000, because the data were on file, but they were not readily available for Census' purposes. As a result, OPM had to develop special processing procedures to compile the data in a usable form for Census. (App. I describes the processing procedures.) The additional agencies' costs were approximately $57,000, with about 89 percent of the costs incurred by the Railroad Retirement Board, Department of Education, and Postal Service. Most of the additional agencies will continue to report directly to the CFFR, but the Railroad Retirement Board and the Department of Education will report data to FAADS and, therefore, will not continue to incur costs directly attributable to the CFFR.

CHAPTER 3

LIMITATIONS AFFECTING CFFR ACCURACY

For the purpose of this review we examined two dimensions of the data's accuracy--comprehensiveness and geographic visibility. The comprehensiveness of the data is the extent to which the CFFR reports all appropriate categories of funds. The 1983 CFFR reflects approximately 85 percent of the fiscal year 1983 domestic budget. The geographic visibility of the data is the extent to which the CFFR shows the distribution of these funds to each successive geographic level. The funds reported in the CFFR lose geographic visibility progressively from the state to the subcounty level, with limited visibility at the congressional district level. This is due to the designated data sources not distributing funds to actual recipients and not reporting geographic location by a standardized geographic code. Program visibility also lessens progressively at each succeeding level. As a result of the losses in both geographic and program visibility, the usefulness of data at the subcounty level is questionable.

CFFR DATA COMPREHENSIVENESS

The 1983 CFFR measures federal funds for a wide range of domestic activities - salaries, wages, procurement, grants, direct payments, and loan and insurance programs. This coverage was prescribed in the Consolidated Federal Funds Report Act of 1982. In addition to designating both the general categories of funds to be included and the geographic levels, the act stipulated the data sources to be used. To increase the coverage and to ensure inclusion of major federal government activities not reporting to the designated data sources, the Census Bureau obtained data from additional sources such as the Postal Service.

Each of the designated data sources and additional agencies uses one or more financial measures to report data. According to the CFFR's introductory technical notes, as a general guide, the grants and procurement data represent obligated funds,[1] while the salaries, wages, and direct payments categories represent actual expenditures (outlays).[2] Data on loans and insurance programs

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[1]Amounts of orders placed, contracts awarded, services received, and similar transactions during a given period that will require payments during the same or a future period.

[2]Payments made through issuance of checks or disbursement of cash to liquidate obligations. The term "expenditures" is used interchangeably with "outlays."

generally represent the federal government's contingent liability.[3] From surveying potential users of these data, we found that a mixture of outlay and obligation data is acceptable to the majority of users as long as a clear explanation is presented in the documentation. (See chapter 4 for additional information.)

For fiscal year 1983, the CFFR reports $872.1 billion, including federal government expenditures and obligations totaling $701.7 billion and other federal assistance totaling $170.4 billion. The other assistance categories--direct loans, loan guarantees, and insurance--represent the federal government's contingent liability, in accordance with the FAADS reporting instructions. Any actual expenditures under these programs are included in the $701.7 billion.

The $701.7 billion in federal government expenditures and obligations reported in the CFFR reflects about 85 percent of the domestic budget. According to Census Bureau officials, the major excluded amounts were

--those that could not be geographically distributed, such as net interest on the federal debt, which is $89.8 billion or about 12 percent of net domestic outlays,

--categories not covered by the designated data sources, such as travel, and

--agency and program omissions for selected categories of funds.

For a more detailed discussion of data comprehensiveness, see appendix III.

GEOGRAPHIC VISIBILITY

The CFFR's successive loss of geographic visibility at each level results from two main problems.

--Designated data sources generally do not track funds to actual recipient locations.

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[3]A conditional commitment may become an actual liability because of a future event beyond the control of the government. In FAADS, contingent liability covers the gross amount of direct loans awarded, the portion of a guaranteed loan from a loan institution to a borrower actually backed by the federal government, and the face value of direct insurance policies of the federal government.

--Converting various codes identifying geographic locations[4] into a standardized Census governmental unit code is difficult.

Both problems result in a compounded loss of geographic visibility at each successive level; however, this loss is not uniform across all general categories of funds.

Because the designated data sources were designed to support specific objectives other than the CFFR, they generally do not report funds to the location of the actual recipient. For example, procurement dollars in FPDS are reported only at a prime contractor's principal place of performance even though the work may be performed at auxiliary plants in other geographic locations or subcontracted to other companies in various states or localities. Another example is grant funds reported in FAADS. Many grant program funds are reported at the city and county of the state capital even though they only pass through the state capital for distribution to recipients located throughout the state.

A somewhat smaller problem results from the CFFR data sources using different coding schemes to identify geographic locations. The different coding schemes used by the data sources do not always define geographic areas in the same way. For example, one coding scheme may assign one code to a subcounty area, while another may assign three codes to the same area. Again this problem results from the data sources being designed for objectives other than the CFFR. To standardize the report's geographic locations, Census had to convert vast numbers of different geographic location codes into a standardized set of codes. Census used an existing coding scheme, the government unit codes, to identify states, counties, municipalities, and townships. These codes were used because they could identify subcounty units of local governments receiving general revenue sharing as is required by the CFFR Act. The difficulties encountered in the conversion process result in approximately a 4.9 percent loss in visibility at the subcounty level. (See app. I for details on the conversion process.) Also, 360 of the 435 congressional districts, or approximately 83 percent, do not conform to county governmental unit boundaries. As a result, Census decided not to allocate dollars to congressional districts but to list the one or more appropriate congressional districts associated with each county and municipality.

A further problem is the CFFR's limited capacity to identify individual programs for grants, direct payments, loans, and insurance. At the state level, this information can be obtained from the tape or the companion document, the FESR, which identifies many major programs and aggregates of similar programs. However, at the

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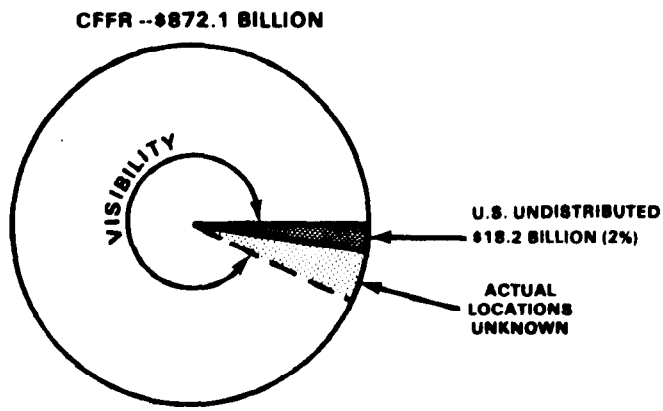
[4]Two commonly used coding systems are Federal Information Processing Standards (FIPS) and GSA codes.

county and subcounty levels, this problem becomes progressively more complicated, and even the CFFR tape furnishes only limited information. At the county level, the identity of all state pass-through programs is not available since these data are not reported below the state level. At the subcounty or municipality level, the only program data available are for those programs for which the municipality or some other entity is the direct recipient.

State level visibility

Of the funds reported in the CFFR, at least 2 percent are not distributed to the state level. The 2 percent of undistributed funds include summarized procurement data ($15.9 billion) and various funds which could not be distributed because of conversion limitations ($2.3 billion). At best, visibility at the state level is 98 percent. Even though the 98 percent is distributed to states in the CFFR, the distribution among states may not accurately reflect where the funds actually flow, because in some cases, such as procurement, the actual recipient location may be unknown. Thus the dollar impact cannot be quantified. Chart 3 summarizes these visibility limitations.

CHART 3
STATE LEVEL GEOGRAPHIC VISIBILITY



FPDS's design specifications for data collection create geographic visibility problems with procurement funds. One major problem is that the recipient of prime contracts is identified to only one principal place of performance for which FPDS collects data, including contract action dollars (actions, such as obligations, against contracts). This occurs even though a substantial amount of the prime contractor's work, particularly for DOD hardware and weapon systems procurements, may be performed at one or more other locations, not necessarily in the same state. A dollar estimate of this problem was not available.

In addition, FPDS is not designed to capture subcontract data by recipient location. FPDS attributes prime contract dollars, which are subcontracted, to the prime contractor's principal place of performance. Major prime contracts are generally subcontracted to various states and localities. For example, recent DOD procurement project data for a major weapons system showed subcontracting dollars for 39 percent of the prime contract value flowing to 33 states. Historical data are consistent with this example. Although some federal agencies have tried to collect subcontract data, NASA is the only agency that attempts to do so systematically. DOD's attempt to meet a statutory requirement to collect such data resulted in less than a 50 percent reporting compliance. The Secretary of Defense criticized the effort as too costly and burdensome. In an April 1984 report to the Congress on competition in subcontracting, OMB and the Office of Federal Procurement Policy concluded that a comprehensive subcontract data collection system would be neither cost-effective nor necessary.

Another problem results from FPDS collecting only national level summary data for DOD contract actions of $25,000 or less and non-DOD contract actions of $10,000 or less. These procurement contract actions accounted for 10 percent of the procurement dollars or 2 percent of the total CFFR dollars. They represent $12.3 billion in over 14 million DOD contract actions, and $3.6 billion in over 6 million non-DOD contract actions.

A less significant problem occurred when $2.3 billion across several CFFR fund categories could not be identified to states because of conversion limitations. These impacted funds included the U.S. Postal Service, OPM's retirement and disability data, and miscellaneous FPDS contract data. Census plans to review its conversion procedures and make feasible improvements to reduce such occurrences.

Table 1 summarizes the major limitations affecting geographic visibility at the state level.

Table 1

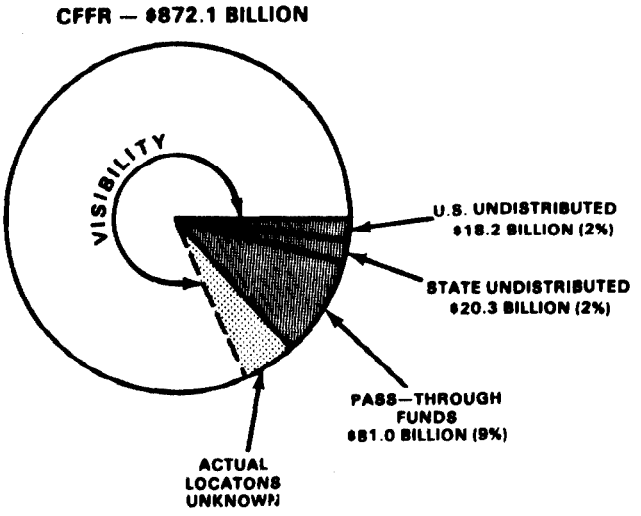
Limitations at the State Level

Problem / Recipient location	Data source	Data category	Dollar amount (billions)	Percent of CFFR
Principal place of performance	FPDS	Procurement	unknown	—
Dollars subcontracted	FPDS	Procurement	unknown	—
Summarized small contract actions	FPDS	Procurement	$15.9	2
Conversion				
Limitations	Various	Various	2.3	0
Total			$18.2	2%

County level visibility

The geographic visibility of the CFFR funds lessens at the county level as a result of additional recipient location and conversion limitations. The largest cause for the additional loss is the lack of county distribution of an estimated $81 billion in federal program funds passed through state governments to substate recipients. An estimated $20.3 billion loss of visibility is also attributable to conversion limitations and state level reporting. In addition, an undetermined dollar amount is affected by the methods that OPM and DOD used to estimate salary and wage distributions. Added to an estimated $18.2 billion visibility loss at the state level, the known loss of geographic visibility at the county level represents over $119.5 billion, or more than 13 percent of the total CFFR dollars. Even though approximately 87 percent of the funds are distributed to counties, the CFFR may not accurately reflect where these funds flow because the actual recipient location for some funds may not be known. The dollars affected by this problem cannot be quantified. Chart 4 summarizes the visibility limitations.

Chart 4
COUNTY LEVEL GEOGRAPHIC VISIBILITY



The major portion of the loss of geographic visibility at the county level results from limited recipient location reporting in FAADS and in the OPM and DOD salary and wage files. This occurs because FAADS does not report pass-through program[5] funds in detail below the state level and because salary and wage estimates may not be identified accurately by county.

Pass-through program data are reported in the county and city of state capitals and are not attributed to the appropriate substate areas. Since neither FAADS nor the CFFR identifies these programs, we developed our own list of applicable programs greater than $100 million (see app. IV for a list of pass-through programs) to determine their impact on the CFFR's geographic visibility. Using FAADS, CFFR data, the Catalog of Federal Domestic Assistance, and discussions with federal agencies, we identified 69 pass-through programs. Thirty-nine programs totaling $81 billion apparently distributed all program funds to state governments for pass-through to substate recipients. These programs account for about 9 percent of all CFFR dollars and about 61 percent of all grant dollars. The other 30 programs provided part of their funds to states for pass-through and part of the funds directly to substate recipients. The dollar distribution between state and substate recipients for these 30 programs could not easily be identified and was not included in our computations.

Our user survey identified a need for this type of data below the state level. Users are willing to accept valid allocation

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[5]Pass-through programs are generally grant and direct payment funds distributed to state governments which, in turn, distribute them to local governments and other recipients.

formulas if they are well documented. (See chapter 4 for further details.) Allocation formulas were used by the Department of Health and Human Services to report the distribution of five pass-through programs totaling $10.3 billion to substate levels in FAADS. However, the Census Bureau, with OMB concurrence, decided to reaggregate those programs to the counties and cities of state capitals to maintain consistency in the CFFR's reporting of pass-through programs. OMB and Census intend to analyze the pass-through problem and to take corrective actions where appropriate and feasible. Officials plan to check with federal agency and state government officials to determine whether funds can be distributed appropriately by using allocation formulas based on factors, such as population, that impact the distribution of funds to substate levels or by obtaining fund distributions directly from the states.

The federal civilian salary and wage data OPM submitted to Census are based on the county of the place of employment. Dollar amounts for each county are estimates based on various statistical techniques and several important assumptions. (See app. I for details.) However, the main problem with these data is that reporting funds at the place of employment may not accurately reflect where the employee lives, particularly in larger metropolitan areas which cross city, county, and even state lines. A prime example is the case of Washington, D.C., and surrounding Virginia and Maryland jurisdictions. Although OPM has data available below the county level, OMB decided that estimates should be made at the county level only. The accuracy of OPM's estimates was not determined, but OPM's estimated state data for DOD's civilian employees were comparable to state estimates DOD also had available. While the use of estimates affects the visibility at the county level, the dollar impact is unknown.

DOD also provided a combination of actual data and estimates, similar to that of OPM but based on somewhat different methods used by each of the military services. Active and inactive duty military pay reflects the county of the duty station and impacts the geographic visibility in a way very similar to that involving civilian pay described above. The military pay system either provided actual data or served as a benchmark to adjust Army and Navy estimated dollars. For active duty, reserve, and National Guard, these amounts were prorated on the basis of the number of personnel at the duty station at the end of the fiscal year multiplied by standard rates of pay. While no analysis of dollar impacts on geographic visibility has been made for DOD data, some impact occurs at the county level.

In addition to the above data problems, approximately $20.3 billion in several CFFR fund categories could not be identified to counties due to conversion limitations and state level reporting; therefore, they are shown as "state undistributed." Table 2 summarizes the major limitations affecting accuracy at the county level.

Table 2

Limitations at the County Level

Problem Recipient location	Data source	Data category	Dollar amount	Percent of CFFR
			(billions)	
Pass-through funds	FAADS	Grants and direct payments	$ 81.0	9
Summarized small contract actions	State level[a] carry over	Procurement	15.9	2
Place of employment and estimates	OPM, DOD	Salaries and wages	unknown	—
Place of performance and subcontracts	State level carry over	Procurement	unknown	—
Conversion				
Limitations	State level[a] carry over	Various	2.3	—
Recipient location and conversion				
State level reporting and limitations	Various	Various	20.3	2
Total			$119.5	13%

[a]See state level table, p. 17. These two items combined represent the U.S. undistributed total of $18.2 billion (2%).

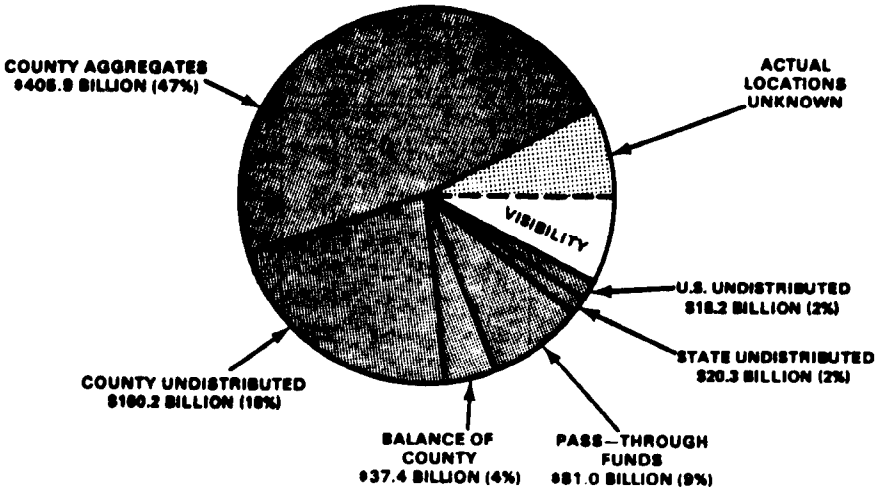
Subcounty visibility

Geographic visibility of CFFR funds below the county level is so limited that the utility of such data is questionable. Only about 18 percent of all dollars are visible, which is mainly in procurements, general revenue sharing, some grants, and loan guarantees and insurance. No data are shown in the CFFR at the subcounty level for direct payments or salaries and wages due to recipient location problems. Even in the data categories displayed, substantial funds are shown as "county undistributed"

or "balance of county" due to aggregations to county level and conversion limitations. Chart 5 summarizes these limitations of visibility.

Chart 5
SUBCOUNTY LEVEL GEOGRAPHIC VISIBILITY

CFFR--$872.1 BILLION



The largest loss of geographic visibility at the subcounty level, $405.9 billion, results from FAADS direct payment and contingent liability funds being aggregated at the county level and not reported at the recipient location. FAADS reports 35 direct payment programs which account for approximately $256.9 billion of the total CFFR dollars. Social security payments and medicare account for about $166 billion and $59 billion respectively. Also, approximately $149 billion in contingent liabilities reported by FAADS is not distributed below the county level. Of this amount, $86.6 billion is for flood insurance and $19.3 billion is for crop insurance. The lack of salary and wage data at this level also contributes to the visibility loss, as does other recipient location limitations at the state and county levels. All these factors have been discussed in previous sections.

The direct payment funds reported in FAADS have a high volume of transactions and large numbers of recipients. For example, the Social Security Administration has tens of millions of individual transactions, which are reported on an aggregate basis. To distribute these funds to the subcounty level would be very costly; for example, each individual transaction record would have to be assigned a geographic location code which in turn would have to be converted to a governmental unit code.

The degradation resulting from conversion limitations is most severe at this level. A large number of subcounty geographic locations could not be converted into subcounty governmental units. As

a result, $37.4 billion was assigned to a "balance of county" category. In many cases, even the preliminary step of converting all geographic codes into acceptable subcounty FIPS codes could not be made; therefore, $5.4 billion was assigned to a "county undistributed" category. An additional $154.8 billion was assigned to the "county undistributed" category because funds for salaries, wages, and retirement were reported at the county level only.

Census has explored some alternatives for solving the conversion problem. They include:

--replacing the governmental unit coding system with another geographic location code such as FIPS, and

--augmenting the governmental unit codes with another geographic location code.

Census found the first alternative was not advisable because the geographic boundaries of FIPS are not as precisely defined as the boundaries of a governmental unit. Augmenting the government unit codes also presents a problem because there is overlap between geographic location codes. Census did consider augmenting governmental unit codes with FIPS but abandoned this approach because it appeared too costly.

Table 3 summarizes the major limitations affecting accuracy at the subcounty/municipality level.

Table 3

Limitations at the Subcounty Level

Problem Recipient location	Data source	Data category	Dollar amount	Percent of CFFR
			(billions)	
County level aggregation	FAADS	Direct payments and contingent liabilities	$405.9	47
Pass-through funds	County level[a] carry over	Grants and direct payments	81.0	9
Summarized small contract actions	State level[b] carry over	Procurement	15.9	2
Various	County and state level carry over	Procurement and salaries and wages	unknown	-
Conversion				
Limitations	Various	Various	37.4	4
Limitations	State level[b] carry over	Various	2.3	-
Recipient location and conversion				
County level reporting and limitations	Various	Various	160.2	18
State level reporting and limitations	County level[a] carry over	Various	20.3	2
Total			$723.0	82%

[a]See County level table, p. 20.

[b]See State level table, p. 17. These two items combined represent the U.S. undistributed total of $18.2 billion (2%).

Congressional district visibility

Census did not attempt to show distributions of funds by congressional district because of the difficulty in relating them to governmental units. However, the CFFR does list the congressional district(s) associated with each county and municipality. The CFFR's data sources generally do not report data on congressional districts. Only 75 of the 435 congressional districts, or about 17 percent, contain whole counties. Since a county or subcounty area may be greater or less than a congressional district, it would be extremely difficult to develop conversion tables to congressional districts. In addition, because the visibility below county level is less than 18 percent, the value of further distribution to the remaining 360 congressional districts would be questionable.

Attempting to modify the data sources to capture congressional district information would be difficult and costly because of the large volume of transactions associated with direct payment programs. If allocation techniques were to be used, the question of accuracy would become an important consideration. Given the severity of these constraints, we believe that Census has complied with the spirit of the legislative intent. If further improvements are to be made, it appears that considerable analysis will be required to determine acceptable trade-offs in cost-effectiveness and accuracy.

CONCLUSIONS

The CFFR reflects approximately 85 percent of the domestic budget. The major exclusion is the net interest on the national debt, which represents approximately 12 percent of domestic outlays. Even though different financial measures, such as outlays and obligations, are used in the CFFR, this is acceptable to most users as long as clear documentation is provided.

The geographic visibility of the CFFR dollars lessens at each successive geographic level. This results from the designated data sources not reporting funds by actual recipient location and the difficulties encountered in converting various geographic location codes to governmental unit codes. Since the CFFR data is compiled from several sources, developed for purposes other than this report, the design specifications for data collection vary among the sources. As a result, these two data limitations occur when the sources' data are combined into the standardized CFFR format.

At all geographic levels in the CFFR, there are losses in visibility which cannot be quantified. At least 2 percent of the data's geographic visibility is lost at the state level because procurement dollars are not reported at the actual recipient location and conversion limitations occur. At the county level the visibility is considerably less, at least a 13-percent loss, because of recipient location limitations with pass-through programs, additional conversion limitations, and the cumulative effects of

the state level limitations. The subcounty level visibility is poor, at least an 82-percent loss, which makes the data's usefulness questionable. This results from the cumulative effects of visibility degradation at higher levels added to extensive conversion limitations and additional recipient location problems resulting in the lack of direct payments and salary and wage data. Congressional district visibility is difficult to determine because of both recipient location and conversion limitations.

These limitations result not only in a loss of dollar visibility at each successive geographic level but also in a loss of program visibility. Although the CFFR tape provides program level data, pass-through and direct-payment program identities are not visible below the state and county levels respectively due to the recipient location limitations.

To improve visibility at all levels generally would require system design changes in the designated data sources. This could involve the collection of additional data or changes in current reporting requirements. Visibility at the county level can be improved without a system design change because funds for pass-through programs could be distributed by using allocation formulas or by obtaining fund distributions directly from the states. The cost and additional paperwork burden of making any of these changes is not known. However, we believe the costs to distribute pass-through funds by either of the two mentioned alternatives would be less than the costs of making system design changes. We also believe that substantial increases in visibility at the subcounty and congressional district levels would require system design changes and could be costly. OMB and Census are examining specific ways to improve the CFFR data for fiscal years 1984 and 1985 and are working with agency personnel, state and local government representatives, and others.

RECOMMENDATION

We recommend the Director of OMB continue efforts to explore the feasibility of various alternatives to increase the visibility of pass-through funds data at the county level and include these data in future reports if such alternatives are cost-effective.

AGENCY COMMENTS

We requested comments on a draft of this report from five agencies -- OMB, the Department of Commerce (Census Bureau), DOD, GSA, and OPM. All agencies provided comments, with DOD providing its comments orally. (See app. IX.)

The agencies agreed with the information presented in the report. Both OMB and Census concurred with the recommendation and said they had taken action to increase the visibility of pass-through funds at the county level. The OMB and Census fiscal year

1984 CFFR work plan includes plans for action on this recommendation. Census will attempt to distribute below the state level pass-through funds data for about a dozen of the larger programs such as Medicaid and Food Stamps.

CHAPTER 4

POTENTIAL CFFR USERS AND USES ARE DIVERSE

In our review of potential users and uses of the CFFR, we consulted not only those organizations specified in the act (see app. VIII, sec. 10) but also other interested groups. These included the Congress, congressionally related groups, state and local government officials and interest groups, and others including federal agencies and academia. (See app. V for a list of organizations and individuals contacted.)

From these users we requested information on

--the need for geographic funding data,

--general and specific data uses,

--the types of data (such as state, congressional district, or program level) and data sources used (such as the GDFF report and FAADS), and

--the anticipated CFFR use.

We found an expressed need, across a broad spectrum of user groups, for geographic funding data. The groups identified various uses for the data which included trend and impact analyses, policy analyses, comparative analyses, reviews of the President's annual budget and legislative initiatives as well as revenue forecasting and budget projections. The user groups expressed some interest in all geographic levels and a greater need for individual federal program data rather than data aggregated into general categories such as grants, direct payments, and loans.

The potential users employ various data sources, including the old GDFF report, FAADS, Census' Government Finances reports, the relatively new FESR, and, in certain instances, newly developed nonfederal fiscal information services. The Congress also extensively uses organizations such as the Congressional Research Service (CRS), House Information Systems (HIS), and Senate Computer Center (SCC), which have access to a wide variety of these data sources. In addition, most groups directly contact federal agencies to obtain information.

Many user groups anticipate that the CFFR will meet some of their data needs; however, they will probably use it as a supplemental data source along with others they currently use. Even though program data is needed by all user groups, many also expressed an interest in the CFFR categories such as procurement and salaries and wages although they are not programmatic. However, the lack of visibility in the CFFR for pass-through programs below state level particularly concerned some of these groups. Users did not object to using different financial measures or methods for

allocations and estimates as long as they were clearly identified and explained. Because the CFFR reports data for the past fiscal year rather than current or future years, we believe the report potentially has greater application for analyses requiring a historical baseline, such as trend and comparative analyses, rather than for revenue forecasting and budget projections.

Because of the lack of individual program data in the printed CFFR, many potential users anticipate using the CFFR tape to identify these programs, their funding levels, and geographic distributions. However, many of these users were uncertain about how they would gain access to the data on the tape. Some users either do not have computer facilities or were unsure at the time of our review about the difficulties and costs which might be involved in developing the software needed to use the tape.

Specific uses of CFFR-type data and any unique applications are identified below in our discussion of uses by major groups.

CONGRESS AND CONGRESSIONALLY RELATED ORGANIZATIONS

To determine congressional uses and users of geographic funding data and potential use of the CFFR, we mailed a written questionnaire to a random sample of 302 Senate and House member offices, committees, and subcommittees. Two hundred forty-two offices responded for an overall response rate of 80 percent. (See app. VI for the questionnaire and detailed analyses of the results.)

The majority (76 percent) of the congressional offices expressed a need for geographic funding data. Consistent with our findings for all users, the congressional survey indicated:

--great interest in data for various purposes and at various geographic coverage levels,

--considerable interest in program data,

--acceptance of estimates and a combination of financial reporting measures,

--current use of diverse sources to obtain data, with a wide use of the FESR, and

--potential use of both the CFFR printed document and tape.

The survey results indicate that use of the data is fairly evenly distributed among the general purposes. (See app. VI, table 8.) However, the results show the data are considered more important for congressional oversight, legislative initiatives, and policy analyses. State, county, and subcounty data are considered "moderately important" to "essential" by most congressional offices although state data are more important than the other levels. Congressional district data range from "moderately important" to

"essential" for most House members, committees, and subcommittees but are not very important for many Senate members and committees.

As for data sources, the FESR is the most widely used available composite report. A majority of congressional offices find it "moderately difficult or greater" to obtain data in the various categories they need. Congressional offices anticipate using both the CFFR tape and the printed documents. Fifty-nine percent would use the printed documents, and 36 percent indicated a use of the tape. However, the lesser use of the tape, which provides program data, is not consistent with the considerable interest expressed in program data. A number of respondents indicated they would use the printed documents rather than the tape because they did not have direct access to computer facilities. In addition to the congressional survey, we consulted several congressionally related organizations and found that some congressional offices frequently contact these organizations to obtain geographic funding data. These organizations included HIS, SCC, CBO, and CRS.

Though HIS and SCC are not actual users of such data, they provide data services to members of Congress and congressional committees. Approximately 69 percent of the House members use HIS, and 63 percent of the Senate members use SCC. Requests to HIS tend to be constituent-oriented, such as how much money is being spent for a specific program in a specific city or county. They also receive requests for data comparing funds received for various fiscal years. Requests to SCC are generally for state by state comparisons of federal funding and for historical trend data. These requests usually do not require any analyses by HIS and SCC. Both of these organizations plan to incorporate CFFR data into their existing geographic data bases.

CRS and CBO use geographic data to perform trend and impact analyses and to provide budget-related analyses and research assistance to the Congress. Response to the congressional survey indicates that 84 percent of the Senate members and 87 percent of the House members use CRS. Congressional inquiries to CRS generally request the amount of money being spent in a given geographic location or historical trend data. In the past, CBO has used geographic data for special analyses of the effects of federal spending on local economies. However, most of their present use relates to estimating the impact (costs) of federal legislation on state and local governments. CBO depends primarily on data provided by state and federal agencies to perform these analyses. Since both organizations need program data, they anticipate using data from the CFFR computer tape.

STATE AND LOCAL GOVERNMENT OFFICIALS AND INTEREST GROUPS

We interviewed state and local government officials in California, Texas, and New York, state officials in 17 other states and Puerto Rico, as well as state and local government interest groups

based in Washington, D.C. (See app. V for a complete list.) Within the general uses already cited, state government officials seem to need current data in addition to historical baseline data. These data are sometimes used by local government officials to lobby for more state and federal funds. State and local interest groups use the data to provide information to their members.

Generally the groups and officials we interviewed prefer program level data and a majority prefer substate level detail. Some state officials emphasized their need to know the state agency recipient and the amount of federal funds received. Many users expressed concern over the lack of pass-through program data. The National Conference of State Legislatures sponsored a project to develop methods which will increase pass-through program visibility. This project used data from one of the CFFR's designated data sources, FAADS, along with state generated information. The project was completed in September 1984, and OMB plans to review the project results.

State and local government officials use most existing data sources for analyses requiring historical baseline data. For those uses requiring more current data, such as revenue forecasting and appropriations work, some officials contact state and federal agencies directly. Officials believe this results in receipt of more accurate, reliable, and complete data. Also, the use of nonfederal fiscal information services for fiscal planning and forecasting has increased. On a subscription basis, these services provide analyses and projections of funds flowing into states, reports at key stages in the federal budget process, and other special analyses.

The CFFR will not greatly aid projects requiring mainly current data but will have more potential use for projects requiring historical baseline data. However, the tape will be more useful than the printed document because it provides program data. The degree to which states will make use of the State Data Centers to gain access to CFFR data, especially the tape, was not determined at the time of the survey.

OTHER USERS

We identified and interviewed other individuals and organizations such as federal agencies and academics that use geographic funding data. In general, their uses were similar to those of congressional and state groups, with a particular emphasis on comparative and impact analyses using historical baseline data.

The State and Local Government Program Office within the Department of Agriculture's Economic Research Service previously used the GDFF report to prepare an annual report comparing the distribution of federal funds to rural and urban areas by program and functional areas. The last report was for fiscal year 1980, the

last year of the GDFF report. The Congress, other offices within the Department of Agriculture, such as the Office of Rural Development Policy, as well as groups outside of government, were recipients of these data. The Program Office anticipates using the CFFR to resume this comparative data series.

Within the Department of Commerce's Bureau of Economic Analysis one group uses FAADS data along with federal and state agency data to produce its personal income statistics. This group anticipates using salary and wage and direct payments data from the CFFR tape in addition to other sources. Another group within the Bureau uses contract data from FPDS along with inhouse regional models to analyze regional impacts, both direct and indirect, of Defense contracts. This group plans to use the FESR for an overview of procurement data but anticipates having to use both the FPDS and its back-up contract data for its analyses.

The academic community has long been a user of geographic funding data. It uses the data mainly for trend and impact analyses. A major determinant of academics' use of these data is the availability of federal project moneys from sources such as the Department of Housing and Urban Development, the National Science Foundation, and the Advisory Commission on Intergovernmental Relations (ACIR) and from nonprofit organizations such as the Ford Foundation to study the effects of federal policies and programs across a broad spectrum of state-federal relations.

Academics' use of geographic funding data seems to be of two types--broad state level analyses or narrowly focused city and subcity level analyses. These analyses often attempt to forecast changes, based on historical trends, down to the program level or at functional aggregates of programs. Those professors interviewed thought the FESR would meet some of their needs but did not foresee much utility for the other CFFR printed documents. A few expected to use the tape for state level analyses because of greater program visibility; however, they did not anticipate using the tape for city level analyses because of the tape's limited substate data. Academic users will probably access CFFR data through the State Data Centers.

We consulted several diverse groups, including ACIR, which use geographic funding data. ACIR compiles a wide variety of data on state and local governments and anticipates using the CFFR to respond to inquiries about the geographic distribution of federal funds. ACIR also frequently conducts research on major intergovernmental issues and uses the findings to make policy recommendations on involvement by the major levels of government. ACIR's major inhouse use of geographic data was for its historical analysis of the regional flow of federal funds. The last report covering the period 1952-1976 was published in 1980. If ACIR resumes this analysis, it may use CFFR historical data as a baseline for this project.

CONCLUSIONS

Uses and users of geographic funding data are numerous and diverse. Users include the Congress and related organizations, state and local government officials and interest groups, and others such as academics and some federal agencies. Their uses of the data range from trend analysis and revenue forecasting to analyzing intergovernmental financial relations and policies. These data users generally agree on the need for a comprehensive source of information on the geographic distribution of federal funds.

Sufficient time has not elapsed for a user pattern to be established for the CFFR data, thus the CFFR's utility cannot be fully assessed at this time. However, the CFFR has potential utility for analyses requiring historical baseline data. While it satisfies some data needs, the report would be more useful if the availability and accessibility of substate program data were improved. Since program detail is not available in the printed documents, many potential users anticipate using the computer tape to obtain program data. These data would be more widely used if information were available on how to gain access to the tape's data. As noted in chapter 3, OMB and Census are examining specific ways to improve the CFFR data in future years. They are working with agency personnel responsible for the CFFR's input data as well as user groups such as state and local government representatives and congressional staffs to obtain their input.

RECOMMENDATIONS

Recognizing that the CFFR is a new report and that users are not familiar with its data or how to gain access to its computer tape, we recommend that the Director of OMB

--continue to work with user groups to identify their data needs and to obtain their input on desired improvements, and

--maintain and publish in future CFFR volumes information on organizations through which users can access the computer tape and obtain software.

AGENCY COMMENTS

Both OMB and Census concurred with these two recommendations. The OMB and Census fiscal year 1984 CFFR work plan includes actions for working with user groups. Both agencies are increasing efforts to work with users, including major public interest groups to identify improvements for the fiscal year 1984 reports. Actions

to provide information on the availability of computer tape services will be included in the work plan. Census intends to include in the fiscal year 1984 reports a listing of organizations through which users can access the computer tape and obtain software. (See app. IX.)

THE CFFR SYSTEM AND ITS DESIGNATED DATA SOURCES

The Census Bureau's CFFR processing system consists of data input compiled from millions of transactions between individual fund recipients and numerous federal agencies. The intermediate focal points of this extensive system are the four data sources designated in the CFFR Act--FAADS, FPDS, OPM, and DOD. The system also includes other data sources, the largest of which is the Postal Service.

CENSUS BUREAU'S CFFR PROCESSING SYSTEM

The Census Bureau has developed a system to consolidate the input from all the data sources into a usable format for publishing a report and producing a computer tape. This requires the system, where possible, to convert reported geographic locations of fund recipients into a common reporting basis, the governmental unit system, and to aggregate funds by category for each governmental unit. Because of the mass of data reported, the Census Bureau developed an automated processing system.

Incoming data are checked by computer edit programs for correctness of format and content. The computer edits also validate the geographic coding of the recipient locations by matching it to the Census Bureau's master files. When locations with significant dollar amounts fail the edit, the Census Bureau works with the agency submitting the data to correct the problem; otherwise, edit failures are assigned to the appropriate nonspecific geographic location--U.S. undistributed, state undistributed, or county undistributed.

When recipient locations pass the screening edits, they are converted to Federal Information Processing Standards (FIPS) geographic codes, if necessary, and these codes are matched to the governmental unit codes. If a match occurs, the dollar amount associated with the recipient location is assigned to the governmental unit. If the match fails, the amount is assigned to the nonspecific county location, "balance of county." This should occur only at the subcounty level since a one-to-one relationship exists between FIPS and governmental unit codes at the state and county level. Two important anomalies in the governmental unit system exist--New York City and municipalities which exist in two or more county areas. New York City is comprised of five counties--New York, Bronx, Kings, Queens, and Richmond, but in the governmental unit system, New York City can be assigned to only one county, New York county. As a result, all valid FIPS codes for the other four New York City counties failed the governmental unit match and had to be recoded to New York county. In the case of other municipalities existing in parts of two or more county areas, financial data usually were attributed to the principal county area to which the municipal government is assigned. When this occurs,

the secondary county area reports only the remainder of its funds. For example, Atlanta, Georgia, is in both DeKalb and Fulton counties, and the governmental unit system designated Fulton as the principal county. Accordingly, most funds related to Atlanta are assigned to Fulton county.

Federal Assistance Award Data System (FAADS)

FAADS is a centralized reporting system established by OMB in April 1980 to gather and disseminate information on federal domestic financial assistance actions. It was authorized by the Consolidated Federal Funds Report Act of 1982 (Public Law 97-326). OMB designated the Census Bureau its executive agent to manage and operate the system. Twenty-three major federal departments and agencies with grant-making authority report quarterly to FAADS on approximately 500 federal programs. The types of financial assistance reported are grants to state and local governments and other recipients; direct payments to individuals, private firms and other private institutions; direct loans; guaranteed and insured loans; and insurance.

Items collected by FAADS include the Catalog of Federal Domestic Assistance (CFDA) program number, name and location of the recipient, amount of federal funding, project description, and the federal agency that made the award. Because transactions are reported either on an action-by-action basis or on a county-by-county aggregation basis, FAADS collects two data sets. The county-by-county basis transactions, however, contain less data on recipient identification and location. County-by-county aggregations were developed to minimize data collection and processing costs in large programs, such as Social Security payments, where millions of transactions occur.

Because FAADS is a quarterly compilation of financial assistance actions, the Census Bureau treats each quarter's data as a separate data base. No summation, consolidation, or linkage with previous quarterly data is performed. However, FAADS reporting instructions allow agencies to report in subsequent quarterly submissions both transactions and corrections to previous quarters. Thus, late submissions or corrections become part of the data base of the quarter in which they are reported. In the case of corrections, no unique transaction identifier relates a correction back to the previously reported transaction. When submitting the FAADS input to CFFR, the Census Bureau added together the four quarterly fiscal year 1983 files without completely accounting for late transactions appearing from prior fiscal years or duplications in corrected records. Census Bureau officials believe the dollar amounts concerned are relatively insignificant.

The FAADS submission to the CFFR consisted of the CFDA program number, the location of the recipient in either the FIPS or GSA geographic codes, and the amount of federal funding (either obligations, outlays, or contingent liabilities). FAADS reported

$479.5 billion in funding. However, this submission did not contain all the inputs normally submitted to FAADS by its reporting agencies. The Departments of Education, Health and Human Services, Housing and Urban Development, and the Treasury, as well as the Veterans Administration, made separate submissions to CFFR of about $66.3 billion.

The following agencies reported to FAADS in fiscal year 1983.

Departments

Agriculture	Housing and Urban Development
Commerce	Interior
Defense	Justice
Education	Labor
Energy	Transportation
Health and Human Services	Treasury

Independent Agencies

ACTION	National Endowment for the Humanities
Appalachian Regional Commission	National Science Foundation
Civil Aeronautics Board	Small Business Administration
Environmental Protection Agency	Smithsonian Institution
Federal Emergency Management Agency	Veterans Administration
National Aeronautics and Space Administration	

FEDERAL PROCUREMENT DATA SYSTEM (FPDS)

Congress, in August 1974, passed the Office of Federal Procurement Policy Act (Public Law 93-400) which authorized the creation of the Office of Federal Procurement Policy in OMB and the establishment of a system for collecting and disseminating procurement data. About 3-1/2 years later, in February 1978, the Administrator, Office of Federal Procurement Policy, established the Federal Procurement Data System (FPDS) under the Office of the Secretary of Defense to meet the needs of the Congress, executive branch agencies, and the private sector for these data. The Office of the Secretary of Defense established the Federal Procurement Data Center to operate the system. Federal procurement data collection began in fiscal year 1979. Pursuant to the Office of

Federal Procurement Policy Act Amendments of 1979 (Public Law 96-83), administrative oversight of the Federal Procurement Data Center was transferred in April 1980 from the Office of the Secretary of Defense to the General Services Administration.

FPDS currently receives information on individual contract actions, summaries of smaller contract actions and summaries of subcontracting, and a letter report on total procurement of supplies and equipment relating to the Trade Agreements Act of 1979 and the International Agreement on Government Procurement. For the CFFR, FPDS collects quarterly data on individual contract actions from 56 federal executive branch agencies. Of these, DOD provides the largest procurement dollar amounts, about 80 percent of the total reported. Individual contract action data consist of 32 elements, including name of the agency awarding the contract, contract or modification number, purchasing office and address, date of award, principal place of performance, dollars obligated or deobligated, principal product or service, and contractor name and address.

FPDS normally collects quarterly summaries of smaller contract actions--$10,000 or less for non-DOD agencies and $25,000 or less for DOD. The data collected includes methods of contracting, types of contracting entities, types of acquisition, number of actions, net dollar amounts, and some geographic differentiation between contracts awarded in the United States and outside the United States.

FPDS' input to the CFFR reported the geographic distribution of individual contract actions and nongeographic summaries of smaller contract actions. Two sets of data were reported--one set for DOD and the other for non-DOD agencies. The data elements for individual contract actions were the date of award (within fiscal year 1983), the principal place of performance (coded in the FIPS system down to subcounty locations), and the net amount of dollars obligated or deobligated for fiscal year 1983 ($158.5 billion). Of this amount, the data reported for the smaller contract actions ($15.9 billion) were only the fiscal year 1983 total dollars for DOD and total dollars for non-DOD agencies.

Agencies reporting to FPDS in fiscal year 1983 were the Executive Office of the President and the following departments and independent agencies:

Departments

Agriculture
Commerce
Defense
Education
Energy
Health and Human Services
Housing and Urban Development
Interior
Justice
Labor
State
Transportation
Treasury

Independent Agencies

ACTION
Administrative Conference of the United States
Agency for International Development
Alaska Natural Gas Transportation System
American Battle Monuments Commission
Board for International Broadcasting
Civil Aeronautics Board
Commission on Civil Rights
Commodity Futures Trading Commission
Consumer Products Safety Commission
Environmental Protection Agency
Equal Employment Opportunity Commission
Federal Communications Commission
Federal Election Commission
Federal Emergency Management Agency
Federal Labor Relations Authority
Federal Maritime Commission
Federal Trade Commission

General Services Administration

International Trade Commission

Interstate Commerce Commission

National Aeronautics and Space Administration

National Capital Planning Commission

National Foundation on Arts and Humanities

National Gallery of Art

National Labor Relations Board

National Mediation Board

National Science Foundation

National Transportation Safety Board

Nuclear Regulatory Commission

Office of Personnel Management

Peace Corps

Pennsylvania Avenue Development Corporation

Railroad Retirement Board

Securities and Exchange Commission

Selective Service System

Small Business Administration

Smithsonian Institution

Tennessee Valley Authority

U.S. Information Agency

U.S. Arms Control and Disarmament Agency

Veterans Administration

OFFICE OF PERSONNEL MANAGEMENT'S SALARIES AND WAGES

OPM provided salary and wage data to the CFFR on all federal employees except DOD uniformed military, U.S. Postal Service, the Central Intelligence Agency, and the National Security Agency. These data represented actual payroll expenditures of $51 billion during fiscal year 1983.

To obtain geographic distribution of the salary and wage data, OPM had to use an estimating process using two computer files, the Central Personnel Data File and the Monthly Report of Federal Civilian Employment (SF 113-A) file because neither file individually contained sufficient data to provide an adequate CFFR input. The estimating process used annual salary rates to distribute aggregate payroll expenditure data to the county level based on the place of employment.

The Central Personnel Data File

The Central Personnel Data File's (CPDF) primary purpose is to provide a centralized management information system on the federal civilian work force. OPM uses CPDF to meet its own federal work force information needs as well as those of the Congress, the White House, other federal agencies, and the public. CPDF can provide a profile of the federal work force at a given time or a dynamic output showing various personnel actions over a period of time. CPDF does not cover the entire federal work force but does include 95 percent of executive branch employees, excluding the Postal Service, 29 percent of legislative branch employees, and 3 percent of judicial branch employees. OPM conducts several annual and biennial surveys to augment its normal CPDF coverage.

Each employee record in the CPDF contains a number of data elements, including identification of the employee (social security number), individual characteristics (birth date, sex, citizenship, reportable handicap, race and national origin, and education), employee characteristics (such as veteran status), and position information (such as pay plan, grade, step, and occupation code). Reporting agencies report monthly updates of their employees' records into OPM.

Monthly Report of Federal Civilian Employment (SF 113-A)

The purpose of the SF 113-A monthly report is to provide a continuous tracking mechanism for monitoring agency employment levels and expenditures for salaries and wages. The SF 113-A system contains data from all federal agencies, except the National Security Agency and the Central Intelligence Agency, on the total number of employees, total wages, lump-sum payments, and turnover information. The system also differentiates the data among the

United States, the Washington, D.C., metropolitan area, and other U.S. areas; U.S. territories; and foreign countries. OPM uses the data in producing its Monthly Release of Federal Civilian Workforce Statistics. OMB, the Congress, and other agencies use the data to study the extent of federal civilian employment and turnover, amount of payroll, and personnel ceilings.

OPM's submission to the CFFR

OPM's submission to the CFFR contains estimated DOD and non-DOD salary data to the county level and for the U.S. territories using GSA geographic codes. These data included basic annual salaries and wages, premium pay (overtime, night differential, cost of living allowances, etc.), and lump-sum payments for annual leave. OPM used the place of employment in the CPDF and the supplementary agency survey as the basis for geographic distribution. OPM used the SF 113-A system for actual expenditures of wages and salaries. Because this system can differentiate between U.S. totals, U.S. territorial totals, and foreign country totals, OPM was able to eliminate expenditures to employees working in foreign countries.

In its estimating process, OPM aggregated the basic full-time salaries contained in the CPDF and the agency survey by each U.S. county and U.S. territory. The proportion of each U.S. county to the total United States and each U.S. territory to the total of U.S. territories was respectively applied to the SF 113-A fiscal year totals for the United States and U.S. territories. The estimate for employment in Washington, D.C., was made in this manner except for several organizations--the Congress, Commission on Security and Cooperation in Europe, Congressional Budget Office, and the U.S. Supreme Court--which were neither in CPDF nor in the agency survey. These organizations had employment totally assigned in Washington, D.C., and their salary and wage data were added to the Washington, D.C., estimate.

OPM'S RETIREMENT SYSTEM AND INSURANCE PROGRAMS

OPM's civil service retirement system was established in 1920, and its life and health insurance programs were established in 1954 and 1960 respectively. The retirement system provides benefits to retiree annuitants or their survivors while the life and health insurance programs serve active federal employees and annuitants.

OPM collects data from many sources and input documents. For example, employing agencies must submit data on employees' service histories and cumulative contributions as part of establishing retirement claims, annuitants may send letters requesting address changes, or employees may submit forms for changing health benefit plans. In total, the retiree annuitant master record has 141 data elements, and the survivor annuitant master record has 126 elements.

The retirement system input to the CFFR is computer-generated, and the insurance programs input is a manual preparation of premium payments. Both inputs provide actual outlays and use zip codes as the geographic bases of distribution. (The Census Bureau converts the zip codes to counties.) Retirement payments and insurance premium payments in fiscal year 1983 amounted respectively to $20.9 billion and $6.1 billion. Estimating the distribution of retirement payments was necessary because the annuity roll, the source of the vast majority of retirement payments, does not contain certain other payments from the retirement fund such as refunds to employees separated from the federal service and lump-sum death benefits. In addition, amounts in individual accounts in the annuity roll are accumulated by calendar year rather than fiscal year for federal income tax purposes.

Estimated retirement payments were computed by multiplying a single zip code percentage of retirement payments against the total amount expended in fiscal year 1983 from the retirement fund as provided by OPM's accounting system. The zip code percentage was the proportion of calendar year 1983 retirement payments sent to a given zip code between January 1, 1983, and October 1, 1983, to all retirement payments made in the same period.

DOD'S PERSONNEL DISTRIBUTION AND PAYROLL OUTLAYS SYSTEM

DOD used its Payroll Outlays System (POS) to provide its CFFR input to the Census Bureau. DOD established POS in August 1979 to provide uniform manpower and payroll data by geographic area for internal use within DOD, such as assessing the economic impact of DOD activities in the United States and its territories. POS reporting requirements apply to the Office of the Secretary of Defense, the military departments and their reserve and National Guard components, and the Defense agencies. The National Security Agency is excluded from reporting. Data items reported to POS include the DOD component; geographic location data for state, county, and city; number of civilian employees and pay; number of active duty military personnel and pay, reserve and National Guard pay, and retired military pay.

DOD input provided county level data--salaries, wages, and retirement--of the aforementioned military personnel only. These were outlay dollars--salaries and wages ($31.5 billion) and retirement ($14.9 billion). The Joint Uniform Military Pay System (JUMPS) provided the majority of the data to POS. It either provided actual data or served as a benchmark to adjust estimated dollar amounts. For active duty, reserve, and National Guard, these amounts were prorated to the duty station on the basis of the number of personnel at the duty station at the end of the fiscal year multiplied by standard rates of pay. Because the duty station is available at the city level, these data were aggregated to the county level to conform to CFFR input requirements and were encoded

in the GSA coding system. For retirement, actual payment data were accumulated by zip code for locations where checks were mailed, and the zip codes were converted to states and counties which were also encoded in the GSA system.

CFFR COSTS[a]

	Costs	Personnel	Computer	Other[b]	Printing
CENSUS BUREAU	$284,478[c]	$115,444[d]	$ 61,860	$81,450[e]	$25,724[f]
OMB	86,000	86,000	-	-	-
DESIGNATED DATA SOURCES					
FAADS	1,114	564	550	-	-
FPDS	731	308	302	121	-
OPM	45,446	10,694	34,752	-	-
DOD	1,137	660	300	177	-
Total	48,428	12,226	35,904	298	-
ADDITIONAL AGENCIES					
Agriculture	1,000	960	40	-	-
Coast Guard	124	124	-	-	-
Education	16,674	4,525	12,149	-	-
Labor	1,174	1,021	-	153	-
Pension Benefit Guaranty Corp.	510	400	110	-	-
Railroad Retirement Board	22,286	17,597	2,663	2,026	-
Internal Revenue Service	481	481	-	-	-
Office of Revenue Sharing	3,300	2,400	900	-	-
Postal Service	11,844	11,563	281	-	-
Total	57,393	39,071	16,143	2,179	-
Total CFFR costs	$476,299	$252,741	$113,907	$83,927	$25,724

[a]Includes estimated costs.

[b]Includes operations support and general administration.

[c]Includes $28,818 for FESR.

[d]Includes $18,275 for FESR.

[e]Includes $7,343 for FESR.

[f]Includes $3,200 for FESR.

CFFR DATA COMPREHENSIVENESS

To determine the extent to which the CFFR reports all appropriate dollars, we

- --compared the CFFR total, category totals, and some program totals with federal budget figures;
- --assigned a dollar value to the items excluded from the CFFR; and
- --analyzed the effect on the CFFR of compiling data with different financial bases.

We used a variety of sources including the fiscal year 1985 federal budget documents to make these comparisons and perform the analysis. Fiscal year 1985 budget documents were used because fiscal year 1983 actual figures appear in these documents. We consulted OMB and Census officials for clarification and assistance when needed.

DATA COVERAGE

For fiscal year 1983, the CFFR reports $872.1 billion including federal government expenditures and obligations totaling $701.7 billion and other federal assistance in the form of contingent liabilities totaling $170.4 billion. Direct comparisons between the CFFR total and fiscal year 1983 total outlays of $796 billion[1] or total obligations of $1.2 trillion[2] could be misleading. Conceptual and structural differences between the CFFR and the budget make a total dollar for dollar comparison impossible without a complex reconciliation process.

Comparisons of CFFR category totals with the federal budget can be made for some categories by using OMB-prepared special budget analyses which array the budget data in activity or category groupings similar to those in the CFFR. The dollars in both the grants and direct payments for individuals categories, which comprise about 49 percent of the CFFR dollars, closely matched federal budget amounts for these same categories. However, meaningful comparisons with the budget were more difficult to make for the salaries and wages, procurement, and "other direct payments" category totals in the CFFR.

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[1]This figure is calculated by deducting the collections from government accounts and from transactions with the public from government disbursements. It does not include outlays of off-budget federal entities, whose transactions have been excluded from budget totals under provisions of law.

[2]This figure includes total obligations for off-budget federal entities.

APPENDIX III

To determine CFFR coverage, we assigned dollar values to domestic activities excluded from the CFFR, using the budget documents. We then compared the total exclusions to fiscal year 1983 total obligations shown in the fiscal year 1985 budget less international transactions and foreign payments. In our comparisons we found about 15 percent of the domestic budget is not included in the CFFR. Over half of this amount represents interest on the federal debt. We, therefore, concluded that about 85 percent of the domestic budget is reflected in the $701.7 billion in government expenditures and obligations reported by the CFFR.

The following table highlights the major domestic exclusions the Census Bureau pointed out in the publication and other exclusions identified in our analysis. To the extent possible, total obligations rather than outlay figures are used in the table for consistency because aggregate figures for some exclusions, such as travel, are only available as obligations. Although the list is not exhaustive, we believe it contains all exclusions that could be assigned a dollar value.

Table 4

Exclusions from Fiscal Year 1983 CFFR and Their Dollar Value

Exclusion	Dollar value (millions)
Off-budget federal entities[a]	$ 34,335
Interest on the federal debt	128,813
Travel[b]	4,482
Federal Deposit Insurance Corporation[c]	1,815
Legislative branch[d]	1,771
Federal Savings and Loan Insurance Corporation[c]	1,510
Judicial branch[d]	285
National Credit Union Administration[c]	282
Federal payment to Legal Services Corporation	241
National Endowment for the Arts (grants)	121
Some Unemployment Trust Fund transactions	3,529
Payment to the Postal Service Fund	789
Miscellaneous CFDA programs	1,154
Total	$ 179,127

[a]This figure does not include obligations for the Postal Service and other off-budget amounts in the CFFR.

[b]The CFFR includes travel costs covered by contractual agreements. The amount presented here is total travel obligations.

[c]Except salaries, wages, and procurement which are included in the CFFR.

[d]Except salaries and wages which are included in the CFFR.

DIFFERENT FINANCIAL REPORTING MEASURES

Census obtained data for the CFFR from designated data sources and additional agencies which use one or more different financial measures to report data. Table 5 shows a detailed financial measure breakdown based on an analysis of the CFFR technical notes and discussions with Census Bureau officials. As the table indicates, outlays comprise 67 percent of the CFFR direct expenditure or obligation category amounts while obligations make up the remaining 33 percent. Contingent liability represents 100 percent of the dollars the CFFR refers to as "other federal assistance."

Taking into account the limitations imposed by the data sources, using a variety of financial concepts can still reflect a picture of the overall flow of federal funds to state and local areas over a period of time. The data show the relative shares of dollars going to or committed to each geographic area. Although obligations made in one year may not result in outlays during the same year, they still provide a relative spending picture.

In the "other financial assistance" categories, the CFFR measures the contingent liability of the federal government. These data do not represent actual expenditures associated with the loan and insurance programs. Therefore, they are reported separately from outlays and obligations.

APPENDIX III

Table 5

Financial Reporting Measures
Used in the Fiscal Year 1983 CFFR

Direct expenditure or obligation categories	Financial measure dollar amount and percentage			
	Obligations	Outlays	Contingent liabilities	Total
	(billions)			
Salaries and wages	-	$102.6 (100%)	-	$102.6
Procurement	$158.5 (99.76%)	0.4[a] (.24%)	-	158.9
Grants	71.9 (70%)	31.1[b] (30%)	-	103.0
Direct payments for individuals	3.9[c] (1%)	322.0 (99%)	-	325.9
Other direct payments	-	11.3 (100%)	-	11.3
Total	$234.3 (33.4%)	$467.4 (66.6%)		$701.7 (100%)
Other federal assistance				
Direct loans	-	-	$ 16.2 (100%)	$ 16.2
Guaranteed/insured loans	-	-	48.4 (100%)	48.4
Insurance	-	-	105.9 (100%)	105.9
Total			$170.4 (100%)	$170.4[d] (100%)

[a]U.S. Postal Service.

[b]Medicaid, Revenue Sharing, and other programs.

[c]Education programs (CFD program numbers 84.001, 84.033, 84.038, and 84.063).

[d]Number rounds to $170.4 billion when adding actual figures.

PASS-THROUGH PROGRAMS IN THE FISCAL YEAR 1983 CFFR

All Program Funds to State Governments

Program	CFDA[a] number	Amount (millions)
Payments to Agricultural Experiment Stations Under Hatch Act	10.203	$ 142
Food Stamps	10.551	11,061
Special Supplemental Food Program for Women, Infants, and Children	10.557	1,174
State Administrative Matching Grants for Food Stamp Program	10.561	1,438
Schools and Roads - Grants to States	10.665	133
Special Programs for the Aging - Title III, Parts A and B - Grants for Supportive Services and Senior Centers	13.633	300
Special Programs for the Aging - Title III, Part C - Nutrition Services	13.635	385
Child Welfare Services - State Grants	13.645	163
Work Incentive Program	13.646	157
Foster Care - Title IV-E	13.658	404
Community Services Block Grant	13.665	398
Social Services Block Grant	13.667	2,719
Child Support Enforcement	13.679	300
Medical Assistance Program	13.714	18,985
Assistance Payments - Maintenance Assistance	13.808	7,835
Refugee Assistance - State Administered Programs	13.814	496

[a]Catalog of Federal Domestic Assistance Program number.

Program	CFDA number	Amount (millions)
Low-Income Home Energy Assistance	13.818	$ 2,003
Social Security Payments to States for Determination of Disability	13.960	630
Alcohol and Drug Abuse and Mental Health Services Block Grant	13.992	557
Maternal and Child Health Services Block Grant	13.994	563
Community Development Block Grants/States' Program	14.228	848
Economic and Political Development of the Territories and the Trust Territory of the Pacific Islands	15.875	162
Employment Service	17.207	672
Unemployment Insurance	17.225	1,819
Employment and Training Assistance - Dislocated Workers	17.246	163
Highway Planning and Construction	20.205	12,763
Construction Management Assistance Grants	66.438	114
Program for Education of Handicapped Children in State Operated or Supported Schools	84.009	167
Educationally Deprived Children - Local Educational Agencies	84.010	2,845
Migrant Education - Basic State Formula Grant Program	84.011	237
Handicapped Preschool and School Programs	84.027	997
Vocational Education - Basic Grants to States	84.048	485

Program	CFDA number	Amount (millions)
Rehabilitation Services - Basic Support	84.126	$ 944
Improving School Programs - State Block Grants	84.151	456
Federal Payments for Unemployment Compensation	DO.200	6,662
Tennessee Valley Authority - payments in lieu of taxes	GG.100	166
Federal Government Annual Payment to the District of Columbia	GG.200	427
Federal Government Payments to Puerto Rico for Customs Service and IRS tax collections	GG.400	389
Interior Department Shared Revenues from Mineral Leases, Grazing Lands, and Other Bureau of Land Management Payments to State and Local Governments	GG.500	675
Total		$80,834

Partial Program Funds to State Governments

Program	CFDA number	Amount (millions)
Food Distribution	10.550	$ 258
School Breakfast Program	10.553	306
National School Lunch Program	10.555	2,404
Child Care Food Program	10.558	350
Family Planning Projects	13.217	124
Community Health Centers	13.224	441
Mental Health Research Grants	13.242	128

Program	CFDA number	Amount (millions)
Cancer Cause and Prevention Research	13.393	$ 250
Immunology, Allergic, and Immunologic Diseases Research	13.855	123
Microbiology and Infectious Diseases Research	13.856	173
Genetics Research	13.862	199
Cellular and Molecular Basis of Disease Research	13.863	167
Population Research	13.864	112
Research for Mothers and Children	13.865	182
Lower Income Housing Assistance Program	14.156	6,680
Community Development Block Grants/Small Cities Program	14.219	222
Abandoned Mine Land Reclamation Program	15.252	203
Outdoor Recreation - Acquisition, Development, and Planning	15.916	109
Comprehensive Employment and Training Programs	17.232	1,994
Senior Community Service Employment Program	17.235	315
Airport Improvement Program	20.106	537
Urban Mass Transportation Capital Improvement Grants	20.500	1,763
Urban Mass Transportation Capital and Operating Assistance Formula Grants	20.507	854
Engineering Grants	47.041	101
Construction Grants for Wastewater Treatment Works	66.418	3,011

Program	CFDA number	Amount
		(millions)
Weatherization Assistance for Low-Income Persons	81.042	$ 217
Energy Conservation for Institutional Buildings	81.052	117
Disaster Assistance	83.516	102
Bilingual Education	84.003	115
Higher Education Act Insured Loans	84.032	2,646
Total		$ 24,203

ORGANIZATIONS AND INDIVIDUALS CONTACTED

DURING USER SURVEY

THE CONGRESS

Three hundred and two questionnaires were sent to a random sample of congressional offices, including House and Senate members, committees and subcommittees, and joint committees and subcommittees.

CONGRESSIONALLY RELATED GROUPS

House Information Systems
Senate Computer Center
Congressional Research Service
Congressional Budget Office
Northeast/Midwest Coalition
Congressional Sunbelt Council
Rural Caucus

STATE OFFICIALS

Arizona
* California[1]
* Florida
* Illinois
* Massachusetts
Michigan
* Mississippi
New Jersey
* New Mexico
* New York[1]
North Carolina
North Dakota
Ohio
Oklahoma
Pennsylvania
Rhode Island
* Tennessee
* Texas[1]
* Virginia
Washington
Commonwealth of Puerto Rico[2]

* Local and regional government officials also consulted in these states.

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[1]Field visits.

[2]Puerto Rico is defined as a state under the CFFR Act.

APPENDIX V

STATE AND LOCAL GOVERNMENT INTEREST GROUPS

State Groups

National Governors Association
National Association of State Budget Officers
National Association of State Information Systems
National Conference of State Legislatures
Council of State Governments
American Association of State Highway and Transportation Officials
Academy for State and Local Government

Local and Regional Groups

Municipal Finance Officers Association
National League of Cities
International City Management Association
National Association of Towns and Townships
National Association of Counties
National Association of Regional Councils

OTHERS USERS

Academia

Tom Anton, Brown University
Roy Bahl, Syracuse University
Peggy Cuciti, University of Colorado, Denver
Paul Dommel, Cleveland State University
John Ellwood, Dartmouth University
Molly Freeman, University of California, Berkeley
John Gist, Virginia Polytechnical Institute
Richard Nathan, Princeton University
Seymour Sacks, Syracuse University
Alan Schick, University of Maryland
Robert Stein, Rice University
G. Ross Stephens, University of Missouri, Kansas City
Mahlon Strazheim, University of Maryland
John C. Thomas, University of Missouri, Kansas City

Federal Agencies

Office of Management and Budget
Department of the Treasury
Office of State and Local Finance

Department of Commerce
Bureau of the Census
Bureau of Economic Analysis
Department of Housing and Urban Development
Division of Economic Development and Public Finance
Division of Governmental Capacity Sharing
National Science Foundation
Department of Agriculture
Economic Research Service
Office of Rural Development Policy

Additional Users

Advisory Commission on Intergovernmental Relations
Citizens Research Council
Urban Institute
Urban and Regional Information Systems
Housing Assistance Council
Federal Statistics Users Conference
National Education Association
AFL-CIO
Rural America
Coalition of Northeastern Governors Policy Research Center, Inc.
Southern Growth Policy Board
Houston Chamber of Commerce
Ralph Tabor Associates
Pennsylvania Intergovernmental Council
Fiscal Planning Services, Inc.

SUMMARY OF CONGRESSIONAL SURVEY RESULTS

The survey determined the anticipated use of the Consolidated Federal Funds Report (CFFR) in congressional offices by examining their need for and use of federal geographic funding data. This appendix summarizes the results of our survey and provides detailed information on the questionnaire. (See questionnaire beginning on page 72.)

METHODOLOGY

The survey participants were selected by using a statistical formula to obtain a stratified random sample of 302 of 890, or approximately 33 percent, of Senate and House member offices, committees, and subcommittees. However, all joint committees and joint subcommittees were sent the questionnaire because of the small number of offices in each of these groups. Instructions provided with the questionnaire requested that it be completed to provide information which reflected the various needs and views of all the staff within an office.

"Other" responses

The questionnaire was designed to allow offices which thought our predefined choices were not sufficient to write up to two of their choices in an "other" category for the six questions where "other" responses were considered possible. Some offices provided "other" responses; however, we found them to be unique to that office and of insufficient numbers to justify analysis.

Filters

In the questionnaire, screening or filtering was used on questions 1, 2, and 4 as a method of ensuring that only valid responses were considered when analyzing the data. All offices which responded "no" to question 1, indicating they do not have a need for these data during a typical year, were instructed not to respond to any further questions. For question 2, all offices which responded that the data were not "moderately important or greater" for the six general purposes listed were asked to omit questions 3 through 7 and to proceed to questions 8 through 13. For question 4, all offices which did not indicate it was "moderately important or greater" to have the data at the various geographic coverage levels listed were asked to skip to questions 8 through 13.

Sampling error

Statistical sampling enables us to draw conclusions about a universe on the basis of information found in a random sample. However, the results from a statistical sample are subject to

some uncertainty because only a portion of the universe is selected for analysis. To account for these uncertainties, a sampling error, consisting of two parts, confidence level and the interval, is computed. The confidence level is the degree of confidence that can be placed in the estimates derived from the sample. The interval is the upper and lower limit between which the actual universe value will be found. The sampling error is the maximum amount by which the estimate obtained can be expected to differ from the true characteristic we are estimating.

For example, 242 of the 302 randomly selected congressional offices sent questionnaires actually responded, for a response rate of about 80 percent. However, when we project to the universe of 890 congressional offices, we must account for the error due to sampling. Using a sampling error formula with a 95 percent confidence level, the true percentage of congressional offices responding to the questionnaire would be within plus or minus 4 percent of the sample results. Thus, if all the congressional offices were sent questionnaires, chances are 95 out of 100 (confidence level) that the actual percent of respondents would be between 76 (80-4) and 84 (80+4) percent. The upper and lower limits (interval) for all estimates at the 95 percent confidence level are presented throughout the appendix. Table 6 shows the universe, sample, and responses received from congressional offices.

Table 6

Universe, Sample, and Responses Received from Congressional Offices

Universe group	Universe size	Sample size (questionnaires sent)	Responses received (number)	Responses received (percent)
House members	439	145	113	78
Senate members	100	33	25	76
House committees	48	16	15	94
Senate comm.	39	13	11	85
House subcomm.	147	49	43	88
Senate subcomm.	107	36	27	75
Joint committees	4	4	4	100
Joint subcomm.	6	6	4	67
Totals	890	302	242	80

The responses to the survey were weighted so that we could project to the universe. The estimates (expressed as percentages) are representative of the results that would have been obtained if all congressional offices had been surveyed. The weights used were the ratio of the size of the universe to the sample size. Because of a non-response rate of 20 percent, we do not know how approximately 177 of the 890 offices in the universe would have responded to our survey. Therefore, following common statistical practice, we took them out of the total universe of 890 and used an adjusted universe of 713.

SURVEY RESULTS

The following discussion presents the summarized results of our analysis of the questionnaire responses. The survey was sent to congressional offices prior to the March 28, 1984, issuance date of the CFFR printed copy and tape and the companion document, the Federal Expenditures by State Report. Therefore, questions 10 through 12 were prospective in nature when offices completed the questionnaire.

Need for federal geographic funding data

Based on our survey results, we estimate that about 540 (76 percent) of the congressional offices, in the adjusted universe of 713, have a need for data on the geographic distribution of federal funds to state or substate units. Table 7 shows the need for federal geographic funding data by congressional offices.

Table 7

Need for Federal Geographic Funding Data by Congressional Offices

Universe group	Congressional offices (number)	Need for federal geographic funding data (number)	(percent)	Sampling error (percent)
House members	342	294	86	± 8
Senate members	76	76	100	±16
House committees	45	30	67	±21
Senate committees	33	24	73	±26
House subcommittees	129	72	56	±13
Senate subcommittees	80	41	51	±17
Joint committees	4	0	0	± 0
Joint subcommittee	4	3	75	± 0
Total	713	540	76	± 6

Importance of funding data

The offices which indicated they had a need for geographic funding data were asked how important, if at all, these data were for the six general purpose categories--debates and speeches, constituent responses, congressional oversight, legislative initiatives, policy analyses, and planning. Based on our survey results, which are illustrated in table 8, we estimate that about 57 to 72 percent of the 540 congressional offices with a need for geographic funding data consider such data either "moderately important," "very important," or "essential" for the six general purposes mentioned above.

Table 8

Importance of Geographic Funding Data for Various Purposes

General purposes	Offices that feel funding data are moderately important or greater (number)	(percent)	Sampling errors (percent)
Debates and speeches	331	61	±7
Constituent responses	310	57	±7
Congressional oversight	363	67	±7
Legislative initiatives	375	69	±7
Policy analyses	389	72	±7
Planning	311	58	±7

The table shows that use of the data is fairly evenly distributed among the general purposes; however, the data are most important for congressional oversight, legislative initiatives, and policy analyses.

Feasibility of using estimates rather than actual data

Actual funding data are expensive and somewhat difficult to obtain. During our survey, we asked those offices which indicated that funding data are of "moderate or greater importance" how adequate, if at all, estimated amounts were, rather than actual amounts, for the six general purpose categories. Based on our survey results, we estimate that 59 to 80 percent of the offices that have a "moderately important or greater" need for data for the general purposes consider estimates "marginally adequate," "adequate, "or "more than adequate" for the six general purpose categories. This is shown in table 9.

Table 9

Estimates are Adequate for General Purposes

General purposes	Funding data moderately important or greater (number)	Estimates are marginally adequate or greater (number)	(percent)	Sampling error (percent)
Debates and speeches	331	265	80	±11
Constituent responses	310	243	78	±12
Congressional oversight	363	216	60	±10
Legislative initiatives	375	223	59	± 9
Policy analyses	389	259	66	±10
Planning	311	239	76	±12

Importance of funding data at geographic levels

There were an estimated 492 offices which indicated it was "moderately important," "very important," or "essential" to receive geographic funding data for one or more of the various general purposes. They were then asked how important, if at all, it was to receive such data at various geographic levels.

Based on our survey results, we estimate that 65 to 86 percent of the 492 congressional offices consider it "moderately important or greater" to receive funding data at the state, county, subcounty, or congressional district levels. (See table 10.)

APPENDIX VI

Table 10

Funding Data at Geographic Levels

Geographic level	Geographic coverage moderately important or greater (number)	(percent)	Sampling error (percent)
State level	425	86	±8
County level	373	76	±8
Subcounty level	321	65	±8
Congressional district level	382	78	±8

As stated in the methodology section, most data in this appendix are projected to the entire universe. However, for this question we believe it is important to show the responses by groups since there is an appreciable difference among them. For example, congressional district data are important to 78 percent of the entire universe, but as seen in table 10A, 98 percent of the House members indicated a need for these data as opposed to only 22 percent of the Senate members.

APPENDIX VI

Table 10A

Geographic Coverage Levels by Group

Universe group	Number of respondents	State			County			Subcounty			Congressional district		
			%	SE		%	SE		%	SE		%	SE
House members	272	222	82	±11	232	85	±11	221	81	±11	266	98	±11
Senate members	67	63	94	±20	60	90	±20	36	54	±20	15	22	±15
House committees	24	24	100	±40	6	25	±26	12	50	±35	21	88	±40
Senate committees	24	24	100	±35	15	63	±35	9	38	±30	9	38	±30
House subcommittees	63	54	86	±26	36	57	±23	27	43	±21	48	76	±25
Senate subcommittees	39	36	92	±34	21	54	±29	15	38	±20	21	54	±29
Joint subcommittees	3	3	100	± 0	2	67	± 0	1	34	± 0	2	67	± 0
Totals	492	426	87	±18	372	76	± 8	321	65	± 8	382	78	± 8

Note: Totals may not match table 10 due to rounding when individual groups are used instead of the total universe. Also, sampling errors are higher for the individual groups than for the total universe.

There were 489 estimated offices which consider data for one or more geographic levels as "moderately important or greater," and an estimated 286 of these offices, or 58 percent (±8 percent sampling error), find it "moderately difficult or greater" to obtain these data.

The use of estimates rather than actual data at geographic levels

Offices which indicated funding data were of "moderate or greater importance" for each of the four geographic levels were asked how adequate, if at all, estimates are rather than actual amounts.

Based on our survey results, we estimate that 58 to 76 percent of the offices that indicated a "moderately important or greater" need for geographic level data also consider estimates "marginally adequate," "adequate," or "more than adequate" for the four geographic levels. (See table 11.)

Table 11

Estimates are Adequate at Geographic Coverage Levels

Geographic level	Geographic coverage moderately important or greater (number)	Estimates are marginally adequate or greater (number)	(percent)	Sampling error (percent)
State level	425	284	67	± 9
County level	373	283	76	±10
Subcounty level	321	216	67	±11
Congressional district	382	223	58	± 9

Importance of funding data categories

The estimated 489 offices that indicated funding data are of "moderate or greater importance" for the six general purpose categories, and at various geographic coverage levels, were also asked how important, if at all, it is to have funding data by agency, program, functional, and general fund categories.

Based on our survey results, we estimate that 72 to 81 percent of the 489 offices consider the four categories of funding data moderately important or greater. (See table 12.)

APPENDIX VI

Table 12

Categories of Funding Data

	Categories of funding data moderately important or greater (number)	(percent)	Sampling error (percent)
Individual agencies	354	72	±8
Individual programs	396	81	±8
General functional areas	372	76	±8
General fund categories	351	72	±8

Table 12A shows that 81 percent of the congressional offices need program data and at least 75 percent of the offices in each group consider program level data "moderately important or greater."

Table 12A

Categories of Funding Data by Group

Universe group	Number of respondents	Agencies			Programs			Functional areas			General fund categories		
			%	SE		%	SE		%	SE		%	SE
House members	272	185	68	±11	209	77	±11	215	79	±11	200	74	±11
Senate members	67	58	87	±21	64	96	±20	58	87	±21	55	82	±21
House committees	24	21	88	±40	21	88	±40	18	75	±39	9	38	±31
Senate committees	24	18	75	±36	21	88	±36	9	38	±30	12	50	±33
House subcommittees	60	39	65	±25	45	75	±26	42	70	±25	39	65	±25
Senate subcommittees	39	30	77	±33	33	85	±34	27	69	±32	33	85	±34
Joint subcommittees	3	3	100	± 0	3	100	± 0	3	100	± 0	3	100	± 0
Total	489	354	72	± 8	396	81	± 8	372	76	± 8	351	72	± 8

Note: Sampling errors are higher for the individual groups than for the total universe.

There were 465 estimated offices which considered one or more categories of funding data as "moderately important or greater," and an estimated 277, or 60 percent (±10 percent sampling error), of these offices find it "moderately difficult or greater" to obtain these data.

Sources used to obtain geographic funding data

Various sources and reports provide geographic funding data. During our survey we asked those offices that indicated a need for federal geographic data if their office used data from any of the eight sources we listed. Based on our survey results, the most popular source was the Congressional Research Service (83 percent). Table 13 shows the number and percentage of the estimated 540 offices that used each of the eight sources.

Table 13

Sources Used to Obtain Federal Geographic Funding Data

Funding data source	Offices using other sources (number)	(percent)	Sampling error (percent)
Available composite reports			
Federal Expenditures by State Report (Census Bureau)	372	69	± 8.7
Federal Aid to States Report (Treasury)	310	57	± 8.5
Geographic Distribution of Federal Funds Report (Community Services Administration)	270	50	± 8.3
Government Finances Report (Census Bureau)	194	36	± 7.2
Appropriate federal agencies			
For example: OMB, HUD, Education	266	49	± 8.3
Servicing agents			
Congressional Research Service	450	83	± 8.9
House Information Systems	294	54	± 8.5
Senate Computer Center	89	16	± 5.4

Table 13A shows the percentage of House and Senate members' offices which use servicing agents.

Table 13A

Use of Servicing Agents to Obtain Geographic Funding Data

Universe group	Number of respondents	CRS			HIS			SCC		
			%	SE		%	SE		%	SE
House members	294	257	87	±10	203	69	±10	3	1	± 2
Senate members	76	64	84	±18	15	20	±13	48	63	±18

Usefulness of the Federal Expenditures by State Report

Pursuant to Public Law 97-326, the Census Bureau published the FESR for fiscal years 1981 and 1982. The report provided information by state and territory for several categories of data. The survey participants were asked, in general, how useful, if at all, the FESR was. From the survey data, we estimate that 51 percent of 540 offices with a need for geographic data considered the FESR "moderately useful or greater" as shown in table 14 below.

Table 14

Usefulness of the Federal Expenditures by State Report

	Responses (number)	Responses (percent)	Sampling error (percent)
Did not use	119	22	± 5
Of little use	133	25	± 5
Moderately useful or greater	276	51	± 7
No response	12	2	± 2
Total	540	100	

Expected use of the fiscal year 1983 FESR

The offices were then asked if their staffs expected to use the fiscal year 1983 FESR, a companion document to the CFFR. Based on our survey results, of the estimated 540 offices which need federal funding data, 356 or 66 percent (±7 percent sampling error) would use the FESR, 21 or 4 percent would not use it, 157 or 29 percent (±6 percent sampling error) were not sure, and 6 or 1 percent did not respond.

Format preference of CFFR data

The CFFR provides aggregrated data for each state, county, and municipality by the following categories of federal funds: grants, loans, direct payments for individuals, salaries and wages, procurements, and insurance. Data are not aggregrated for individual congressional districts. However, the district(s) included in a county or municipality are listed.

A printed copy and computer tape of the CFFR were produced. The printed copy contains no program data. The computer tape, however, contains data by individual programs under each federal fund category. The survey participants were asked whether they expected the printed copy and/or the computer tape copy of the CFFR would adequately meet their data needs. Fifty-nine percent of the 540 offices expected that the printed copy would meet their needs while 36 percent of the 540 offices expected that the computer tape would meet their needs. Table 15 indicates the preference of the 540 offices which need geographic funding data.

Table 15

Format Preferences of CFFR Data

	Printed copy			Computer tape copy		
	(number)	(percent)	SE	(number)	(percent)	SE
No	87	16	±4	135	25	±5
Undecided	125	23	±5	146	27	±6
Yes	319	59	±7	194	36	±6
No response	9	2	±2	65	12	±4
Totals	540	100		540	100	

Budgetary reporting concept

The CFFR consolidates data from four existing data systems using different budgetary reporting concepts. Because of this, the CFFR contains a mix of obligation and outlay data. For example, grants are reported as obligations (i.e., payments

which have not been made but will be required at some future date) while salaries and wages are reported as outlays (i.e., payments which have been made for the obligations incurred).

The offices were asked which budgetary reporting concept is acceptable overall for their funding data needs. Based on our survey results, we estimate that of the 540 offices who need geographic data, 410 or 76 percent (±8 percent sampling error) would accept a mix of obligations and outlays, 100 or 19 percent (±5 percent sampling error) chose outlays only, 24 or 4 percent chose obligations only, and six or 1 percent did not respond.

APPENDIX VI

U.S. GENERAL ACCOUNTING OFFICE

SURVEY OF USE AND USERS OF THE CONSOLIDATED FEDERAL FUNDS REPORT

INSTRUCTIONS

The U.S. General Accounting Office is required by Section 10 of the Consolidated Federal Funds Report Act of 1982 (P.L. 97-326) to conduct a review of the use and primary users of the Consolidated Federal Funds Report (CFFR).

Since the CFFR is a new report to be issued on April 1, 1984, we are conducting this survey to determine your need for and use of federal geographic funding data. The information obtained from this survey will help us determine the anticipated use of the CFFR.

Please complete the questionnaire and return it in the pre-addressed envelope within 10 days. If you have any questions please call Marsha Boals (275-6187) or Belva McFarlin (275-4797).

Since we are surveying a random sample of several different types of congressional offices, please report only for the office to which this survey is addressed. To the extent possible, provide information which reflects the needs and views of all the staff with this office.

In the event the envelope is misplaced, the return address is:

U.S. General Accounting Office
Room 6015
441 G Street, N.W.
Washington, D.C. 20548

Thank you for your help.

PLEASE NOTE: Throughout this questionnaire the terms "federal geographic funding data" and "funding data" are used synonymously.

- Name and telephone number of person completing this questionnaire: _____

_____

- Title of person completing questionnaire:

_____

_____

☐☐☐☐☐ (1-5)

1. During a typical year does anyone in your office need data on the geographic distribution of federal funds to state or substate units? *(Check one.)* (6)

   1. ☐ Yes *(CONTINUE)*
   2. ☐ No *(STOP. PLEASE RETURN YOUR QUESTIONNAIRE IN THE ENCLOSED ENVELOPE.)*

APPENDIX VI

2. For your office during a typical year, how important, if at all, are geographic funding data for each of the general purposes listed below? *(Check one column for each purpose.)*

General Purposes	1 Of little or no importance	2 Somewhat important	3 Moderately important	4 Very important	5 Essential	6 Does not apply	
1. Debates and speeches							(7)
2. Constituent responses							(8)
3. Congressional oversight							(9)
4. Legislative initiatives							(10)
5. Policy analyses							(11)
6. Planning							(12)
7. Other *(Specify)* _____							(13)
8. Other *(Specify)* _____							(14)

CONTINUE IF YOU CHECKED ANY OF THE ABOVE AS OF MODERATE OR GREATER IMPORTANCE. OTHERWISE, *GO TO QUESTION 8.*

3. Actual funding data are expensive and somewhat difficult to obtain. In general, for funding data that are of moderate or greater importance *(Checked 3, 4, or 5 in Question 2)*, how adequate, if at all, are estimated amounts rather than actual amounts for the purposes listed below?

(Note: In some instances, estimated amounts may be based on statistical formulas. For example, formulas may be used to estimate funds passed through states to local governments.)

(Check one column for each purpose marked 3, 4, or 5 in Question 2.)

General Purposes	1 Estimates are more than adequate	2 Estimates are adequate	3 Estimates are marginally adequate	4 Estimates are inadequate	5 Estimates are very inadequate	
1. Debates and speeches						(15)
2. Constituent responses						(16)
3. Congressional oversight						(17)
4. Legislative initiatives						(18)
5. Policy analyses						(19)
6. Planning						(20)
7. Other (Specify) _____						(21)
8. Other (Specify) _____						(22)

4. Consider the purposes for which funding data are of moderate or greater importance *(Checked 3, 4 or 5 in Question 2)*. In general, how important, if at all, is it to have the data available for your use at each of the following geographic levels?

(Check one column for each level of geographic coverage.)

Geographic Coverage	1 Of little or no importance	2 Somewhat important	3 Moderately important	4 Very important	5 Essential	6 Does not apply	
1. State level							(23)
2. County level							(24)
3. Subcounty level (municipality)							(25)
4. Congressional district level							(26)
5. Other *(Specify)* _____							(27)
6. Other *(Specify)* _____							(28)

CONTINUE IF YOU CHECKED ANY OF THE ABOVE AS OF MODERATE OR GREATER IMPORTANCE. OTHERWISE, *GO TO QUESTION 8.*

APPENDIX VI

5. Again, actual funding data are expensive and sometimes difficult to obtain. In general, for the geographic coverage levels that are of moderate or greater importance *(Checked 3, 4 or 5 in Question 4)*, how adequate, if at all, are estimated amounts rather than actual amounts?

(Note: In some instances, estimated amounts may be based on statistical formulas. For example, formulas may be used to estimate funds passed through states to local governments).

(Check one column for each geographic level marked 3, 4 or 5 in Question 4.)

Geographic Coverage	Estimates are more than adequate 1	Estimates are adequate 2	Estimates are marginally adequate 3	Estimates are inadequate 4	Estimates are very inadequate 5	
1. State level						(29)
2. County level						(30)
3. Subcounty level (municipality)						(31)
4. Congressional district level						(32)
5. Other *(Specify)* _____						(33)
6. Other *(Specify)* _____						(34)

6. Consider only the geographic coverage levels that are of moderate or greater importance *(Checked 3, 4 or 5 in Question 4)*. In general, for these geographic coverage levels, how important, if at all, is it to have the categories of funding data listed below?

(Check one column for each data category.)

Funding Data Categories	Of little or no importance 1	Somewhat important 2	Moderately important 3	Very important 4	Essential 5	
1. Individual agencies						(35)
2. Individual programs						(36)
3. General functional areas (e.g., transportation, energy)						(37)
4. General fund categories (e.g., grants, loans)						(38)
5. Other *(Specify)* _____						(39)
6. Other *(Specify)* _____						(40)

7. In general, to what extent, if at all, does your office have a problem in obtaining needed information by the geographic coverage levels (e.g., state level) and data categories (e.g., individual agencies) you identified in Question 4 and Question 6?

(Check one column for each row.)

	To little or no extent 1	To some extent 2	To a moderate extent 3	To a great extent 4	To a very great extent 5	
1. Geographic coverage level						(41)
2. Data category level						(42)

APPENDIX VI

8. During a typical year, has your office used federal geographic funding data from any of the following sources? *(Check yes or no for each data source.)*

Funding Data Source	Yes	No	
AVAILABLE COMPOSITE REPORTS			
1. Federal Aid to States Report (FAS) (Treasury)	☐	☐	(43)
2. Federal Expenditures by State Report (Census Bureau)	☐	☐	(44)
3. Geographic Distribution of Federal Funds Report (GDFF) (Community Services Administration)	☐	☐	(45)
4. Government Finances Report (Census Bureau)	☐	☐	(46)
5. Other *(Specify)* _____	☐	☐	(47)
6. Other *(Specify)* _____	☐	☐	(48)
7. **APPROPRIATE FEDERAL AGENCIES** (e.g., OMB, HUD, Education)	☐	☐	(49)
SERVICING AGENTS			
8. House Information Systems	☐	☐	(50)
9. Senate Computer Center	☐	☐	(51)
10. Congressional Research Service	☐	☐	(52)
11. Other *(Specify)* _____	☐	☐	(53)
12. Other *(Specify)* _____	☐	☐	(54)

9. Pursuant to P.L. 97-326, the Census Bureau published the Federal Expenditures by State Report for fiscal years 1981 and 1982. The report provided information by state and territory for the following categories: grants to state and local governments, salaries and wages, procurements, direct payments to individuals, and selected major programs. The Census Bureau plans to publish a fiscal year 1983 report as a companion document to the Consolidated Federal Funds Report (CFFR).

In general, how useful, if at all, was the Federal Expenditures by State Report? *(Check one. If this report was never used, check box 6.)* (55)

1. ☐ Of little or no use
2. ☐ Somewhat useful
3. ☐ Moderately useful
4. ☐ Very useful
5. ☐ Of very great use
6. ☐ Did not use

10. Does your office expect to use the Federal Expenditures by State Report for fiscal year 1983? *(Check one.)* (56)

1. ☐ Yes
2. ☐ No
3. ☐ Not sure

11. The Consolidated Federal Funds Report (CFFR) will be produced in both a printed copy and a computer tape version. The data will be aggregated for each state, county, and municipality by the following categories of federal funds: grants, loans, direct payments for individuals, salaries and wages, procurements, and insurance. Data will not be aggregated for individual congressional districts. However, the district(s) included in a county or municipality will be listed.

There will be no program data in the printed copy. The computer tape, however, will provide data by individual programs under each federal fund category. *(See enclosed background information.)*

As described above, do you expect the printed copy and/or the computer tape copy of the CFFR will adequately meet your data needs?

(Check one column for each row.)

	Definitely no	Probably no	Uncertain	Probably yes	Definitely yes	
	1	2	3	4	5	
1. Printed copy	☐	☐	☐	☐	☐	(57)
2. Computer tape copy	☐	☐	☐	☐	☐	(58)

12. The CFFR consolidates data from four existing data systems utilizing different budgetary reporting concepts. Because of this the CFFR will contain a mix of obligation and outlay data. For example, grants will be reported as obligations (i.e, payments have not been made but will be required at some future date) while salaries and wages will be reported as outlays (i.e, payments have been made for the obligations incurred).

Overall, for your funding data needs, which budgetary reporting concept is preferred? *(Check one.)* (59)

1. ☐ Obligations only
2. ☐ Outlays only
3. ☐ Mix of obligation and outlay data

13. If you have additional comments about the use of geographic funding data, please use either the space provided below or attach an additional sheet. (60)

RELATED REPORTS BY THE GENERAL ACCOUNTING OFFICE

Action Needed to Eliminate Delays in Processing Civil Service Retirement Claims, June 28, 1983, AFMD-83-19.

Action Needed to Reduce, Account for, and Collect Overpayments to Federal Retirees, July 20, 1981, FPCD-81-40.

Analysis of Internal Control Systems to Ensure the Accuracy, Completeness, and Timeliness of Federal Procurement Data, September 23, 1982, PLRD-82-119.

Inadequate Internal Controls Affect Quality and Reliability of the Civil Service Retirement System's Annual Report, October 22, 1982, AFMD-83-3.

Less Sole Source, More Competition Needed on Federal Civil Agencies' Contracting, April 7, 1982, PLRD-82-40.

Review of the Office of Personnel Management's Macon, Georgia, Computer System, April 21, 1981, AFMD-81-55.

Some Civil Service Retirees Subject to "Catch 62" Are Not Being Identified, April 22, 1980, FPCD-80-47.

The Federal Procurement Data System Could Be an Effective Tool for Congressional Surveillance, October 1, 1979, PSAD-79-109.

The Federal Procurement Data System -- Making It Work Better, April 18, 1980, PSAD-80-33.

Public Law 97-326
97th Congress

An Act

To require the Director of the Office of Management and Budget to prepare an annual report consolidating the available data on the geographic distribution of Federal funds, and for other purposes.

Oct. 15, 1982
[S. 2386]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Consolidated Federal Funds Report Act of 1982.
31 USC 6102 note.

SECTION 1. This Act may be cited as the "Consolidated Federal Funds Report Act of 1982."

Definitions.
31 USC 6102 note.

SEC. 2. As used in this Act, the term—

(1) "Director" means the Director of the Office of Management and Budget;

(2) "State" means any State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Government of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands; and

(3) "municipality" means any subcounty unit of local government that received Federal assistance under the State and Local Fiscal Assistance Act of 1972 (31 U.S.C. 1221) for the appropriate fiscal year.

Report.
31 USC 6102 note.

SEC. 3. (a) For fiscal years 1983, 1984, and 1985, not later than one hundred and eighty days after the end of each fiscal year, the Director shall prepare a Consolidated Federal Funds Report presenting the total amount of Federal funds that were obligated for expenditure in or expended in each State, county or parish, congressional district, and municipality of the United States in appropriate general categories of Federal funds during the preceding fiscal year. The report shall be in the form described in subsection (b) and shall be based on the data referred to in subsection (c).

Contents.

(b) The Director shall include in each report required by subsection (a)—

(1) the total amount of Federal funds that were reported obligated for expenditure in each State, county or parish, congressional district, and municipality of the United States in appropriate general categories of Federal funds in the fiscal year preceding the fiscal year in which the report is made; or

(2) the total amount of Federal funds that were reported actually expended in each State, county or parish, congressional district, and municipality of the United States in appropriate categories in the fiscal year preceding the fiscal year in which the report is made.

(c) The report required by subsection (a) shall be based on the data included in—

(1) the Federal assistance awards data system established as a result of the study referred to in the first sentence of section 8;

(2) the Federal procurement data system referred to in section 6(d)(5) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(d)(5));

(3) the appropriate data file of the Office of Personnel Management; and

11-139 O - 82 (359)

(4) the records of the Office of the Secretary of Defense.

(d) For the purposes of subsection (b), the general categories of Federal funds presented in each report required by subsection (a) shall include data with respect to grants, loans, purchases and contracts, cooperative agreements, direct Federal payments to individuals, pay of civilian employees of the Government, military pay, annuities, retirement pay, pensions, and disability compensation.

Report. 31 USC 6102 note.

SEC. 4. (a) The Director shall prepare a report setting forth the total amount of Federal funds that were obligated for expenditure in or expended in each State in appropriate general categories of Federal funds during each of the fiscal years 1981 and 1982. The report shall be in the form described in subsection (b).

Contents.

(b) The Director shall include in each report required by subsection (a)—

(1) the total amount of Federal funds that were reported obligated for expenditure in each State in appropriate general categories of Federal funds in the fiscal year preceding the fiscal year in which the report is made; or

(2) the total amount of Federal funds that were reported actually expended in each State in appropriate general categories in the fiscal year preceding the fiscal year in which the report is made.

(c) For the purposes of subsection (b), the general categories of Federal funds presented in each report required by subsection (a) shall include data with respect to grants, loans, purchases and contracts, direct Federal payments to individuals, pay of civilian employees of the Government, military pay, annuities, retirement pay, pensions, disability compensation, and other large programs or categories where data are available such as the National Aeronautics and Space Administration and the Army Corps of Engineers.

(d) The reports required by subsection (a) shall be available no later than one hundred and twenty days after the end of fiscal year 1982.

Report, copies and computer tapes. 31 USC 6102 note.

SEC. 5. (a)(1) The Director shall—

(A) prepare—

(i) printed copies of each of the reports required by this Act; and

(ii) computer tapes of such reports; and

(B) make the printed copies of the reports and the computer tapes available to the public for purchase at a price fixed under subsection (b).

Free copies to congressional committees and depository libraries.

(2) The Director shall transmit free of charge one of each of the printed copies of the reports required by this Act to—

(A) each Federal regional depository library;

(B) the Committees on Government Operations, the Budget, and Appropriations of the House of Representatives; and

(C) the Committees on Governmental Affairs, the Budget, and Appropriations of the Senate.

(3) The Director shall also promptly transmit, free of charge, one computer tape of the report required by section 3 annually and of the data in the system required by section 8 quarterly to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives.

Waiver.

(4) Subject to subsection (b), the Director may, at his discretion, waive all or part of the fee required by subsection (a)(1)(B) of this section.

(b) In carrying out subsection (a)(1)(B), the Director shall, based on the estimates made under paragraphs (1) and (2) of this subsection, fix the price of each printed copy and each computer tape of the report so that the aggregate revenues obtained in each fiscal year under subsection (a) will cover as much of the incremental costs incurred in making these reports and tapes available for purchase by the public as is feasible. In computing these costs the Director shall not consider the costs of the activities set forth in sections 7, 8, and 10, but shall consider— Price fixing.

(1) the cost of compiling the reports required by this Act; preparing the printed copies and computer tapes under subsection (a); and distributing the printed copies and the computer tapes of the report for each fiscal year; and

(2) the number of printed copies and the number of computer tapes of the report that will be purchased.

SEC. 6. In order to carry out sections 3, 4, and 5 of this Act, the Director may delegate to any authority of the executive branch of the Federal Government the responsibility for carrying out such sections. The Director shall oversee the activities of any authority to which responsibilities are delegated under this section and shall monitor the compliance of each authority with respect to the requirements set forth in section 7. 31 USC 6102 note.

SEC. 7. Each head of any authority of the Government having custody of the data files and systems referred to in section 3(c) shall make available to the Director or other authority to which the Director has delegated the responsibility to carry out such section, such information, administrative services, equipment, personnel, and facilities as the Director or such authority requires to carry out such section. 31 USC 6102 note.

SEC. 8. (a) The Director shall operate and maintain, and update on a quarterly basis, the Federal assistance awards data system established as a result of the study conducted by the Director under section 9 of the Federal Program Information Act (31 U.S.C. 1701 note). Federal assistance awards data system, maintenance.

(b) In order to carry out subsection (a), the Director— 31 USC 6102 note.

(1) may delegate to any authority of the executive branch of the Federal Government the responsibility for carrying out subsection (a), and

(2) shall review any reports submitted to him by Federal agencies in the process of carrying out subsection (a) and may validate, by appropriate means, the processes by which Federal agencies prepared such reports.

SEC. 9. The Director shall designate a single organizational unit to provide for data consistency and uniform reporting of data elements. 31 USC 6102 note.

SEC. 10. The Comptroller General shall conduct a review of the data systems and reports required by this Act. This review shall include a determination of the accuracy of the data contained within the report required by section 3 and the costs of data collection, report preparation, and dissemination of such data and report. The review shall also include an analysis of the use and primary users of the data. In making this review, the Comptroller General shall consult with Members of Congress, the Congressional Budget Office, the Office of Management and Budget, the Committee on Rules and Administration of the Senate, the Committee on House Administration of the House of Representatives, the Census Bureau, representatives of State and local governments, and any other persons he deems appropriate. This review shall be submitted to the Committee Review. 31 USC 6102 note. Submittal to congressional committees.

on Governmental Affairs of the Senate and the Committee on Operations of the House of Representatives no later than October 1, 1984.

Data, submittal to congressional committees. 31 USC 6102 note.

SEC. 11. (a) Each head of any executive department or establishment that has compiled or can readily compile data that would have been included in the reports entitled "the Geographic Distribution of Federal Funds" for fiscal year 1981 or fiscal year 1982, or both, shall forward a copy of such to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives. Delivery of such shall be made within sixty days after enactment of this Act for fiscal year 1981 and within one hundred and twenty days of the close of the fiscal year for fiscal year 1982.

Failure to submit data, statement.

(b) Each head of any executive department or establishment who does not forward a copy of data as required by subsection (a) for fiscal year 1981 or fiscal year 1982 shall submit a statement to that effect, along with a statement of the reasons for the failure, to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives.

Approved October 15, 1982.

LEGISLATIVE HISTORY—S. 2386 (H.R. 7096):

HOUSE REPORT No. 97-878 accompanying H.R. 7096 (Comm. on Government Operations).
SENATE REPORT No. 97-473 (Comm. on Governmental Affairs).
CONGRESSIONAL RECORD, Vol. 128 (1982):
July 29, considered and passed Senate.
Sept. 28, H.R. 7096, considered and passed House; S. 2386, amended, passed in lieu.
Oct. 1, Senate concurred in House amendments.

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APPENDIX IX

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

SEP 13 1984

Mr. Frederick D. Wolf
Director, Accounting and Financial
Management Division
U. S. General Accounting Office
441 G Street, N.W. - Room 6001
Washington, D.C. 20548

Dear Mr. Wolf:

We have completed our review of the General Accounting Office's draft (GAO/AFMD-85-1) of the proposed report on the "Accuracy, Cost, and Users of the Consolidated Federal Funds Report" (CFFR). In our opinion the report is accurate and well written.

The report makes three specific recommendations to the Director of OMB which we endorse. As a matter of fact, we have already taken action to increase the visibility of data on the pass-through funds at the county level and to work more closely with user groups to identify their data needs. These are already included in the OMB/Census workplan for the FY 1984 CFFR. Also, we will include your recommendation on availability of computer tape services into the workplan.

In addition to the above, we have increased our efforts to involve the major public interest groups in CFFR enhancements efforts.

My staff has been very complimentary about the thorough, professional manner in which the GAO staff conducted this review. We value this cooperative relationship which is vital to the continued improvement of the overall program.

We appreciate the opportunity to respond to your draft report and look forward to working with your staff during the coming year.

Sincerely,

Arlene Triplett

Arlene Triplett
Associate Director
for Management

APPENDIX IX

UNITED STATES DEPARTMENT OF COMMERCE
The Assistant Secretary for Administration
Washington, D.C. 20230

SEP 11 1984

Mr. J. Dexter Peach
Director, Resources, Community, and
Economic Development Division
United States General
Accounting Office
Washington, D.C. 20548

Dear Mr. Peach:

This is in reply to GAO's letter of August 24, 1984, requesting comments on the draft report entitled "Accuracy, Cost, and Users of the Consolidated Federal Funds Report."

We have reviewed the enclosed comments of the Director, Bureau of the Census and believe they are responsive to the matters discussed in the report.

Sincerely,

Kay Bulow

Kay Bulow
Assistant Secretary
for Administration

Enclosure

APPENDIX IX

UNITED STATES DEPARTMENT OF COMMERCE
Bureau of the Census
Washington, D.C. 20233

OFFICE OF THE DIRECTOR

AUG 30 1984

Mr. J. Dexter Peach
Director, Resources, Community, and
Economic Development Division
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Peach:

Thank you for the opportunity to review the draft report entitled "Accuracy, Cost, and Users of the Consolidated Federal Funds Report (CFFR)."

We are in complete agreement with the recommendations described in page ix of the Digest. Specifically, we are undertaking major involvement with various user groups to identify desired improvements in the fiscal year 1984 reports. Your suggestion that we maintain and publish information in future CFFR volumes on organizations through which users can access the computer tape and obtain software is an excellent one. We intend to include such a listing, particularly covering State Data Centers, in the fiscal year 1984 reports.

Further, we intend to take the actions recommended in your report to overcome the substate data limitations experienced by reporting all Federal pass through funds at the state capitals. For the fiscal year 1984 report, we will attempt to distribute below the state level the pass through funds covering about a dozen of the larger programs. These include but are not limited to Medicaid, Highway Trust Fund, Low Income Home Energy Assistance, Aid to Families with Dependent Children, Child Support Enforcement, and the Food Stamp Programs. Since these programs represent a major portion of the pass through funds, we believe this action will increase the value of the substate grant data.

We have found the information from the users survey conducted by your staff to be invaluable in helping us to plan for changes that we can recommend to the Office of Management and Budget for whom we act as Executive Agent in administering the CFFR program.

We are eager to do whatever we can to make the CFFR program as accurate and useful as possible for those organizations and individuals that wish to know where the Federal dollars are being spent.

Sincerely,

JOHN G. KEANE
Director
Bureau of the Census

APPENDIX IX

General Services Administration Washington, DC 20405

SEP 14 1984

Honorable Charles A. Bowsher
Comptroller General of the United States
U.S. General Accounting Office
Washington, DC 20548

Dear Mr. Bowsher:

Thank you for the opportunity to comment on the draft audit report of the General Accounting Office (GAO), entitled "Accuracy, Cost, and Users of the Consolidated Federal Funds Report."

The information pertaining to the Federal Procurement Data Center, as presented in the audit report, is factual. The Office of Federal Procurement Policy (OFPP), Office of Management and Budget (OMB), is the system owner and, as such, is responsible for any policy decisions regarding proposed changes to the system. GSA will coordinate with OFPP and implement any modifications approved for the data base.

Sincerely,

APPENDIX IX

United States
Office of
Personnel Management

Washington, D.C. 20415

In Reply Refer To

Your Reference

SEP 24 1984

Mr. William J. Anderson
Director, General Government Division
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Anderson:

Thank you for the draft report entitled, "Accuracy, Cost, and Users of the Consolidated Federal Funds Report." We have reviewed the draft and found that it accurately describes this agency's input into the Consolidated Federal Funds Report. We have no further comments on the report.

Sincerely,

James W. Morrison, Jr.
Associate Director
for Compensation

(972916)

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