

**President's Management Agenda
Department of Commerce**

	Current Status (As of June 30, 2003)		Progress in Implementing the President's Management Agenda		Comments
Initiative					
Competitive Sourcing Agency Lead: Otto Wolff Edna Campbell	 Red	Status remains red <ul style="list-style-type: none"> Public-private or direct conversion competition for 5% of FTE on FAIR Act inventory not met by Q2 FY03. DOC has evaluated less than 2% of positions due to delays in some operating units. 	 Yellow	<u>Actions Taken Since March 31, 2003</u> <ul style="list-style-type: none"> At end of Q3 FY 2003, DOC has evaluated less than 2% of the positions. Census is in the process of evaluating bids on its cost comparison of 225 FTE, and expects to reach the decision point in June 2003. As part of the "Where We Would be Proud to Be" project during Q3 DOC provided new targets to be met by July 2004. <u>Planned Actions for Q4 FY 2003</u> <ul style="list-style-type: none"> Revisions to the DOC competitive sourcing manual are in progress and will be completed in Q4. Once the DOC manual has been updated to incorporate the revised OMB Circular A-76 released May 29, 2003, DOC will update the executive briefing seminar. DOC will submit to OMB a Management Plan for meeting the long-range 50% goal. DOC will continue to discuss scientific and technical positions with its bureaus after the FY 2003 FAIR Act inventory is analyzed. 	Progress remains yellow <ul style="list-style-type: none"> DOC has met less than 2% of target to date and did not meet its Q1 interim target of 5%. Therefore, the progress score remains yellow. We have encouraged DOC to further increase its FAIR Act inventory by looking beyond administrative positions (e.g., scientific and technical positions). DOC conveyed this guidance in its FY 2003 inventory call. During Q3 the CFO and Procurement Executive were briefed on a draft plan for reaching the 50% completion target. To improve to a green progress score, substantial progress toward the FY 2003 target needs to be demonstrated in Q4. Lack of necessary improvement will lead to a red progress score.

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Financial Performance Agency Lead: Otto Wolff James Taylor	 Red	Status remains red <ul style="list-style-type: none"> • Financial systems fail to fully meet requirements for a single, integrated financial management system under the Federal Managers' Financial Integrity Act and Federal Financial Management Improvement Act. • DOC is working on the implementation of the Commerce Administration Management System (CAMS) to fulfill this requirement. • DOC received unqualified opinions on its Consolidated Financial Statements for the last three years. Its only material weaknesses involve the financial management system and improved IT security. • DOC reported non-conformance with A-11 (fully funded capital leases) and A-25 (tradeshaw not fully reimbursed). 	 Green	<u>Actions Taken Since March 31, 2003</u> <ul style="list-style-type: none"> • The CAMS implementation schedule has been adjusted to reflect congressional cuts to FY 2002 CAMS funding. However, DOC still expects to meet its completion targets. Full implementation of CAMS is expected by October 2003. • DOC provides quarterly reports on CAMS to ensure implementation stays on schedule. • NOAA has implemented CAMS as its official system of record. With NOAA operating CAMS, 85% of DOC's budget authority is controlled by compliant financial management systems. <u>Planned Actions for Q4 FY 2003</u> <ul style="list-style-type: none"> • Implement consolidated reporting system to provide management with comprehensive financial data. • Complete NIST implementation of CAMS. • Complete corrective action plan to resolve audit findings regarding non-conformance with A-11 and A-25. • Complete consolidated risk assessment of erroneous payments and determine any necessary changes to current procedures. 	Progress remains green <ul style="list-style-type: none"> • DOC has had a few deliverables pushed back, however, CAMS overall remains on track. • DOC currently has a corporate database system that integrates all financial information for year-end reporting activities. It is working to develop systems that will tie financial reporting with program performance reporting requirements. • Both (i) full implementation of CAMS (scheduled 10/2003) and (ii) integration of performance information with financial reporting (in a manner that is effective for managers) are needed for a green status. • DOC will likely achieve a yellow status rating in the fall of 2003 if it stays on track to complete full implementation of CAMS and becomes compliant with A-11 and A-25 requirements.

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<p>E-Government</p> <p>Agency Lead: Tom Pyke</p> <p>Karen Hogan</p>	<p align="center"> Yellow</p> <p>Status remains yellow</p> <ul style="list-style-type: none"> • Commerce provided business cases for all major systems and 60 percent of its total IT investments. DOC revised business cases in response to OMB comments and continues to work with OMB on remaining issues. • DOC's information technology security was a material weakness under the Federal Managers' Financial Integrity Act in 2001, and remained so in 2002. • DOC is involved in several of the E-gov initiatives. DOC's International Trade Administration is the managing partner of the International Trade Process Streamlining initiative (ITPS), and NOAA and Census are actively involved in the Geospatial One-Stop initiative. DOC is also participating in the integrated project team of Project SAFECOM. 	<p align="center"> Yellow</p> <p><u>Actions Taken Since March 31, 2003</u></p> <ul style="list-style-type: none"> • IT review board performed an investment review of all DOC grants systems. Twelve grants systems have been reduced to four consolidated back-end grants systems and will be consolidated further in FY 2004 to 2 or 3 systems. All DOC systems are depending on the E-grants initiative for front-end capability, and are designed to interface to the E-grants portal. • Reviewed IT security certification and accreditation packages for over 200 IT systems. • DOC continues to demonstrate progress in remediating IT security weaknesses through their plans of action and milestones (POA&Ms). • DOC provided its next POA&M quarterly update, including performance against the IT security measures identified in OMB IT security guidance [to be sent 6/30/03, on schedule] • Completed improved IT security awareness training course and IT security handbook for new Commerce employees. • Deployed integrated Export.gov/BuyUSA web site as part of ITPS E-Gov initiative. <p><u>Planned Actions for Q4 FY 2003</u></p> <ul style="list-style-type: none"> • Complete prototype system to integrate and convert FAA radar data with NEXRAD imagery products to improve severe weather warnings. • Complete IT project management training for all project managers who need it. • Complete certification and accreditation for all national-critical, mission-critical, and classified IT systems. • IG to verify that DOC's IT Security PO&AM process is acceptable. • Complete implementation of DOC IT security awareness training using the E-training E-Gov initiative. 	<p>Progress remains yellow</p> <ul style="list-style-type: none"> • DOC continued to show progress in all areas in the third quarter. • Capital Planning and Investment Control (CPIC) and business case submissions were revised. • DOC is managing partner for ITPS and participates in other initiatives including Geospatial One-Stop, Recreation One-Stop, and Integrated Acquisition. <p>To achieve green status rating, DOC needs to:</p> <ul style="list-style-type: none"> • Stay within 110% of cost targets and meet at least 90% of performance targets. • Continue to meet projected completion dates for IT security weaknesses, as documented in the POAMS. • Continue to improve business cases. • Continue to migrate toward target enterprise architecture. • Meet E-Gov resource commitments.

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<p>Budget & Performance Integration</p> <p>Agency Lead: Otto Wolff</p> <p>Barbara Retzlaff</p>	<p align="center"> Yellow</p> <p>Status remains yellow</p> <ul style="list-style-type: none"> • DOC submitted an FY 2004 budget request to OMB in which performance measures were an integral part of the Bureau budgets. • Performance measures warrant improvement in some areas and strategies for meeting performance goals need to be presented more explicitly. • DOC's budget process is closely tied to its strategic planning, enterprise architecture, acquisition, and capital planning and investment control processes. 	<p align="center"> Green</p> <p><u>Actions Taken Since March 31, 2002</u></p> <ul style="list-style-type: none"> • DOC is participating in the OMB-led Budget Alignment Network. • DOC revised its strategic plan and submitted it to OMB. DOC will review OMB comments. • DOC submitted nine draft Program Assessment Rating Tools (PARTs) to OMB for the FY 2005 President's Budget. <p><u>Planned Actions for Q4 FY 2003</u></p> <ul style="list-style-type: none"> • Develop improved performance measures in several areas, in response to OMB interest. • DOC will continue using program activity lines to indicate the budgetary resources going to each goal. • DOC will make minor revisions to its revised strategic plan. DOC will then provide stakeholders an opportunity to review and comment on the plan. • DOC will complete the nine PARTs for the FY 2005 Budget. • DOC will submit a fully integrated performance budget, structured according to the strategic plan, for FY 2005. 	<p>Progress remains green</p> <ul style="list-style-type: none"> • DOC should develop improved unit-cost data as part of its performance reporting for programs where such measures can be usefully reported. • DOC and OMB continue to work closely on the Program Assessment Rating Tools (PARTs). • The revised strategic plan is a significant improvement and addresses many concerns raised by OMB. • Minor adjustments are needed to make the strategic objectives more outcome-oriented and more clearly link them to annual performance goals. • A fully integrated FY 2005 performance budget is required to retain a green progress score in Q4.

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Initiative Human Capital Agency Lead: Otto Wolff Deborah Jefferson	 Yellow Status remains yellow <ul style="list-style-type: none"> Commerce (DOC) is implementing an HC plan that establishes goals and investments; reflects how HC supports mission accomplishments; addresses all HC standards for success; and is tied to an implementation plan. DOC has developed a workforce plan that evaluates mission needs, customer expectations, and workload; identifies workforce competencies; uses strategies to obtain, develop, and retain skills; and fills gaps. DOC is reducing excess organizational layers and redundancies. DOC is systematically addressing leadership gaps and providing for a merit-based selection process and leadership development. DOC is beginning implementation of a performance management system for all employees that links individual performance to strategic goals; differentiates between high and low performance; and ties rewards to mission success. DOC is addressing under representation through a documented, systematic process to sustain a diverse workforce. DOC is executing a systematic way to gauge HC results with performance measures. 	 Green <u>Actions Taken Since March 31, 2003</u> <ul style="list-style-type: none"> Reassessed/reconciled supervisory and organizational layers against government-wide performance. Submitted revised Department Workforce Restructuring Plan, updating accomplishments/goals through FY08. Refined workforce competency requirements and learning gap analysis based on revised Workforce Restructuring Plan. Completed the Foreign Commercial Service HR accountability review, provided recommendations, and completed fact finding for the compensation and staffing flexibilities reviews. Developed a business case and strategies for acquiring additional Department-wide HC flexibilities. Addressed results of Federal HC Survey with appropriate action plans. <u>Planned Actions for Q4 FY 2003</u> <ul style="list-style-type: none"> Review bureau HC strategies linking agency missions and goals and provide feedback. Continue benchmarking and evaluating government models in preparation for delayering, reorganizing, redeploying, competitive sourcing, and E-Gov. Complete plan to streamline administrative functions Establish training plan for FY04 that will close workforce competency and learning gaps in line with workforce restructuring plan and align competency needs. Develop standardized supervisory element(s) linked to GPRA targets. Continue and expand outreach programs at diverse colleges and universities. 	Progress remains green <ul style="list-style-type: none"> Completed all planned Q3 actions. Completed an in-depth analysis of the results of the DOC component 2002 FHCS. Overall responses were positive; however, DOC developed an action plan to strengthen strategic alignment, leadership, learning, and knowledge management and several areas in work and family balance. DOC's health and safety Case Incidence Rate is down 10 percent from FY 2001, and down 21 percent from FY 2000. In order to improve status to green, DOC needs to meet the criteria outlined in the Standards for Success, particularly to show results in delayering and leveraging E-government and competitive sourcing. DOC expects to have a yellow status in July 2004. It expects to be substantially along in its restructuring, but not complete by 7/04. All SES performance will be linked to performance goals, but DOC cannot commit to fully meeting the 60% (green) target for all staff. Substantial work will be completed on diversity, but DOC has concerns about the standard and has not committed to meeting it.