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Legislative Reorganization Act of 1970 (P.L. 91-510). OMB Circular A-11.

As required by the Congressional Budget Act of 1974, GAO has assisted both authorizing and appropriations committees by providing leadership and assistance in: meeting their recurring needs for program and budget information; developing systems for authorizing committees' oversight and budget activities; using information generated by the evaluative approach of title VII of the Congressional Budget Act of 1974 to assist committees in their budget as well as oversight activities; and facilitating the future congressional use of zero-base budgeting information. Findings/Conclusions: During the past year GAO developed an automated data base for providing program authorization and budgetary information obtained from executive agencies to authorizing committees. The data base contains information on Federal programs and activities authorized by legislation and has been substantially developed for most committees. GAO has continued working to identify needs for information at the program level and recommended improved structures for reporting information in budget justifications, the budget appendix, and other documents. GAO is working on improving budget practices; the focus is on the methods of financing now being used and those proposed for Federal programs and on the related effectiveness of the congressional control they provide. GAO is also working toward improving standard classifications to best satisfy congressional information needs. However, the Office of Management and Budget has resisted change in several areas. GAO publishes three sourcebooks useful to the Congress. (Author/SC)

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03114



REPORT TO THE CONGRESS

*BY THE COMPTROLLER GENERAL
OF THE UNITED STATES*

Progress In Improving Program And Budget Information For Congressional Use

This is GAO's fourth annual report on improving fiscal, budgetary, and program-related information for the Congress under the Congressional Budget Act of 1974.

As the new budget process has been implemented, GAO has identified congressional needs and has worked with agencies to help them meet those needs. However, improvement is still needed in existing information and its presentation to the Congress. The long process of improving information has begun and will continue.



COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

B-115398

To the President of the Senate and the
Speaker of the House of Representatives

This fourth report is submitted to the Congress in accordance with section 202(e) of the Legislative Reorganization Act of 1970, as amended by title VIII of the Congressional Budget Act of 1974. This section requires us to report to the Congress annually on the progress and results of our continuing program to improve the usefulness of fiscal, budgetary, and program-related information to congressional users.

We have made considerable progress during the past year in defining and developing information requirements of the Congress; however, this process will require much effort over a number of years. This report describes our progress in helping the Congress obtain the information it needs to better evaluate Federal programs and thus to improve its ability to assess resource requirements as they relate to national priorities and to recognize those opportunities to best achieve desired program results.

We are sending copies of this report to the Director, Office of Management and Budget; the Director, Congressional Budget Office; and the Secretary of the Treasury.

A handwritten signature in black ink, reading "Lemer B. Steels".

Comptroller General
of the United States

D I G E S T

As required by the Congressional Budget Act of 1974, GAO has assisted both authorizing and appropriations committees by providing leadership and assistance in

- meeting their recurring needs for program and budgetary information,
- developing systems for authorizing committees' oversight and budget activities,
- using information generated by the evaluative approach of title VII of the Congressional Budget Act of 1974 to assist committees in their budget as well as oversight activities, and
- facilitating the future congressional use of zero-base budgeting information.

This past year GAO developed an automated data base for providing program authorization and budgetary information obtained from executive agencies to authorizing committees. The data base contains information on Federal programs and activities authorized by legislation and has been substantially developed for most committees. (See ch. 2.)

GAO has continued working to identify needs for information at the program level and recommended improved structures for reporting information in budget justifications, the budget appendix, and other documents. These recommendations are made in information requirements documents which also contain reporting formats and cycles, and information elements and their definitions. Workload and performance indicators, as well as budgetary data, have been identified. (See ch. 2.)

GAO is working on improving budget practices. The focus is on the methods of financing now

being used and those proposed for Federal programs and on the related effectiveness of the congressional control they provide. (See ch. 3.)

GAO is also working toward improving standard classifications to best satisfy congressional information needs. However, the Office of Management and Budget has resisted change in several areas. (See ch. 3.)

GAO publishes three sourcebooks containing information useful to the Congress.

--"Requirements for Recurring Reports to the Congress, a Directory."

--"Federal Program Evaluations: A Directory for the Congress."

--"Federal Information Sources and Systems: A Directory for the Congress." (See ch. 4.)

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ABBREVIATIONS

DOD	Department of Defense
GAO	General Accounting Office
OMB	Office of Management and Budget
VA	Veterans Administration

CHAPTER 1

INTRODUCTION

This report on the progress in improving fiscal, budgetary, and program-related information for the Congress is required by title VIII of the Congressional Budget Act of 1974 (Public Law 93-344). Title VIII of that act amended the Legislative Reorganization Act of 1970 (Public Law 91-510) and assigned certain responsibilities to the Comptroller General of the United States, including

- developing, establishing, maintaining, and publishing standard terminology, definitions, classifications, and codes for Federal fiscal, budgetary, and program-related data and information (sec. 202(a)(1));
- conducting a continuing program to identify and specify the needs of the committees and Members of Congress for fiscal, budgetary, and program-related information (sec. 202(c)); and
- assisting committees in (1) developing their information needs, including such needs expressed in legislative requirements, (2) monitoring the various recurring reporting requirements of the Congress and committees, and (3) making recommendations to the Congress and committees for changes and improvements in their reporting requirements to meet congressional information needs ascertained by the Comptroller General, to enhance their usefulness to the congressional users, and to eliminate duplicate or unneeded reporting (sec. 202(d)).

Section 202(e) of the Legislative Reorganization Act of 1970, as amended, requiring this report states:

"On or before September 1, 1974, and each year thereafter, the Comptroller General shall report to the Congress on needs identified and specified under subsection (c); the relationship of these needs to the existing reporting requirements; the extent to which the executive branch reporting presently meets the identified needs; the specification of changes to standard classifications needed to meet congressional needs; the activities, progress and results of his activities under subsection (d); and the progress that the executive branch has made during the past year."

As the new budget process has been implemented, we have identified a number of needs generated by that process and have worked with agencies to help them meet those needs. Much improvement is needed in existing information and its presentation to the Congress. The long process of improving information has begun and will continue. Specific work during the past year to improve program and budget information for congressional use is discussed in this report.

CHAPTER 2

ASSISTANCE TO COMMITTEES

We have assisted both authorizing and appropriations committees in identifying and specifying information needs. Our objective in this work is to provide leadership and assistance in

- meeting recurring needs of authorizing and appropriations committees for program and budgetary information,
- developing systems for authorizing committees' oversight and budget activities,
- using information generated by the evaluative approach of title VII of the Congressional Budget Act of 1974 to assist committees in their budget as well as oversight activities, and
- facilitating the future congressional use of zero-base budgeting information.

COMMITTEES' VIEWS AND ESTIMATES

The Congressional Budget Act of 1974 established the Budget Committees and set up a new budget process. As a part of this process, the Congress adopts the first concurrent resolution on the budget setting forth, among other things, the appropriate levels of total budget authority and total outlays; an estimate of budget outlays and an appropriate level of new budget authority for each functional category; the level of revenues; the level of debt; and the appropriate amount of surplus or deficit in the budget. To assist in preparing the budget committee reports on the concurrent resolutions, each standing committee of the House of Representatives and the Senate is required to submit its views and estimates on matters to be contained in the concurrent resolution to the Committees on the Budget of their respective Houses. These views and estimates reports, due on or before March 15 of each year, set forth the committees' views and estimates with respect to matters within their jurisdiction or functions.

We reported last year that we had begun automating a data base to allow us to more effectively provide the program authorization and budgetary information we obtain from

the executive agencies to authorizing committees to assist them in preparing their March 15 views and estimates reports and to allow us to more easily respond to other requests for data. We have automated this data base which contains information on Federal programs and activities authorized by legislation and has been substantially developed for most committees. The following information is available in the automated system for each program:

1. Budget function and subfunction.
2. Names, titles, and sections of the public laws which authorize the program.
3. The name of the program, activity, or item.
4. The appropriation account number.
5. The administering agency.
6. The amounts authorized, if specified.
7. The expiration dates of the legislation or program.
8. The related budget authority, outlays, and obligations for the past, current, and budget year.

As a result of special information requirements of individual committees, we have obtained and included additional information for selected programs. These categories of information include outlays from current-year budget authority, outlays for State and local governments, first-quarter apportionments, loan levels, limitations, contract authority, and identification of regulatory programs.

We have updated data from over 70 agencies in this system to reflect the fiscal year 1978 budget figures. Information and analytical assistance was provided to a number of committees in support of the March 15, 1977, views and estimates reports.

We are working toward refining the data in this system and increasing the speed and flexibility with which reports can be produced. The information is available to any

requesting committee and will be available covering all agencies for use in preparing fiscal year 1979 views and estimates reports in 1978.

RECURRING REQUIREMENTS FOR PROGRAM-LEVEL INFORMATION

We have worked with the Senate and House Committees on Appropriations and selected agencies to identify needs for information about programs in appropriation and fund accounts or account groups and have summarized our recommendations in information requirements documents. These documents contain proposals for improved program-oriented classification structures used to report information in budget justifications, the budget appendix, and other documents. They also contain proposed reporting formats and cycles and information elements and their definitions. The range of information includes workload and performance indicators, as well as basic budgetary information. This work has also been useful in assisting authorizing committees.

Since our last report, we have completed requirements documents for accounts of the Commodity Futures Trading Commission and of the Food and Nutrition Service, Department of Agriculture. Following is a brief discussion of some of the recommendations in those documents and their implementation in the fiscal year 1978 budget justifications.

Commodity Futures Trading Commission

The classification structure used by the Commission before the fiscal year 1978 budget contained only one entry for the entire account: "Administration of the Commodity Futures Trading Commission Act." We recommended a more detailed structure to provide separate visibility for the Commission's five major programs. These structures follow.

EXHIBIT I

Column A
FY 1977 structure

Administration of the Commodity
Futures Trading Commission Act

Column B
GAO-proposed structure

Daily market surveillance
Research and education
Registration, audits, and
contract market review
Enforcement
Centralized management and
services, hearings, and
apportionments

With only minor changes in terminology, the new structure was implemented in the 1978 justifications; however, the 1978 budget appendix still displayed only one entry rather than the more definitive structure we proposed. Workload and performance information was improved in the justifications as we recommended.

Food and Nutrition Service

We completed six requirements documents in which we made recommendations and delivered them to the Subcommittees on Agriculture and Related Agencies, House and Senate Appropriations Committees, to be sent to the Department of Agriculture. These recommendations were not implemented in the fiscal year 1978 justifications. The documents have been discussed with Agriculture officials and Subcommittees staffs, and substantial implementation is expected in fiscal year 1979.

Other recommendations

Earlier recommendations implemented in the fiscal year 1978 justifications by the Farmers Home Administration included:

- Providing a loan delinquency rate table.
- Providing loan repayment aging information.
- Providing information on collateral acquired, sold, and in inventory. (Since the data was for only 1

month, it was not adequate for analytical purposes, but it demonstrated the ability to supply such information in the future.)

--Providing improved salary and expense information. (Additional workload and staff-year information was expected as supplemental submissions to the fiscal year 1978 budget justifications, but it was not received.)

In February 1976 work was completed on six Soil Conservation Service accounts. Recommended classification structures were implemented for four of those accounts in justification material and the 1978 budget appendix: Conservation Operations, Watershed Planning, Great Plains Conservation Program, and Resource Conservation and Development. The structures for River Basin Surveys and Investigations and Watershed and Flood Prevention Operations were partially implemented.

Recommendations in two information requirements documents on Veterans Administration (VA) programs were partially implemented in the 1978 budget justifications. Recommended information not yet provided for the Loan Guaranty Revolving Fund includes a special report on loan defaults with an aging analysis. VA officials have stated that, although they have been limited in providing such information in the past, a new computer-generated report has recently been developed which will show an aging of loans in default. By fiscal year 1979, enough data will have become available through this reporting system to begin supplying loan default information in justifications.

Requirements documents are in process for additional VA accounts.

Other GAO reports

In addition to the recommendations in the information requirements documents, recommendations for improving information provided to the Congress are included as a part of our reports dealing primarily with other matters. Some examples follow.

--On October 20, 1976, we sent a letter report (PAD-77-3) responding to a request that we study the timeliness of statistics of income data. This letter suggested possible ways to improve this data for congressional and other users.

- On January 27, 1977, we transmitted a report to the Congress entitled "Improved Reporting Needed on National Aeronautics and Space Administration Projects" (PSAD-77-54). This report dealt with the National Aeronautics and Space Administration's status reports on the cost, schedule, and technical aspects of selected projects. It stated that the status reports should be broadened to include information on (1) why the projects are needed, (2) the contributions of other organizations, (3) effects of total cost and funding, and (4) more perspective on progress, problems, and pending decisions.
- On February 23, 1977, we transmitted a report to the Senate Committee on Agriculture, Nutrition, and Forestry entitled "How to Improve U.S. Forest Service Reports on Forest Resources" (PAD-77-29). This report discusses how certain required planning documents could be better organized and include more analytical material useful to the Congress.
- On June 3, 1977, we transmitted a report to the Congress entitled "Review of the Impoundment Control Act of 1974 After 2 Years" (OGC-77-20). This report recommended further improvements in the quality of impoundment reports.
- On June 28, 1977, we transmitted a report to the Congress entitled "Dredging America's Waterways and Harbors--More Information Needed on Environmental and Economic Issues" (CED-77-74). The report stated that additional information should be included in the Corps' budget justifications on the costs and environmental effects of alternative disposal practices for those projects which the Environmental Protection Agency questions or objects to.
- On July 27, 1977, we transmitted a report to the Congress entitled "Mission Budgeting: Discussion and Illustration of the Concept in Research and Development Programs" (PSAD-77-124). This report discussed reorganizing budget data to increase its usefulness to the Congress.

OVERSIGHT INFORMATION REQUIREMENTS

We are seeking to assist committees to strengthen the oversight of Federal programs under their jurisdiction.

Much of this work is done in response to congressional requests and involves defining and developing information and reporting requirements. Committees receive a large volume of information. However, it is frequently deficient in content, relevance, and quality. Often there is not a cohesive flow of information, which decreases its utility. One way to improve this situation is to plan for evaluation information and insure that legislation contains adequate evaluation and reporting requirements. Our objectives are to insure advance planning for oversight information needs and improve executive information and evaluation capabilities to make sure the needed information is available. Some examples of work underway to improve oversight follow.

Senate Human Resources Committee

This Committee (formerly the Senate Committee on Labor and Public Welfare) requested that we advise and assist it in specifying and developing its overall information requirements in order to fully participate in the new congressional budget process and to strengthen its oversight function. We have worked directly with the Committee staff and the executive agencies on selected programs during the past year and have developed several approaches for trial use by the Committee. However, fulfilling all the Committee's requirements will need continued work for some time. A number of other committees have subsequently made similar requests. Many of the basic information needs of the authorizing committees are similar, and the experience gained in work for this Committee will be applied to future work for other committees.

On December 18, 1975, we provided the Committee with an initial document (Discussion of Information Needs, Senate Committee on Labor and Public Welfare (OPA-76-57)) which identified the type of information the Committee needed in broad terms. We then began work on two information systems models to satisfy some of these needs.

The first model resulted in (1) providing the basic system to annually support the Committee in its data requirements for the development of the March 15 views and estimates reports and (2) describing the conceptual outline for a system to track budget-related congressional actions on the Committee's programs. We will continue to operate the basic system to support the March 15 views and estimates requirements and will provide the structure and initial data for the tracking system being developed by

the Senate Computer Center. The initial proposal for implementing the tracking system is being reviewed and analyzed.

The second model being developed contains program planning, execution and performance information to support oversight responsibilities. Information to be used in developing this system is being collected from executive agencies. Proposed formats for information collection were published in a three-part document entitled "Proposed Formats for Information Collection from Selected Agencies of the Department of Health, Education and Welfare: Part I, Office of Education; Part II, the National Institutes of Health; and Part III, the Center for Disease Control, the National Institute for Occupational Safety" (PAD-76-33).

Selected education programs are currently being analyzed as to their potential for supplying information for measuring accomplishments against legislative, judicial, and executive operating objectives. The information being collected includes program overview and budget execution information, as well as performance and impact indicators. From this base of information, we are analyzing requirements and classifying them as (1) easily filled, (2) filled with some additional effort, and (3) requirements needing long-range development to fill the information gaps. Basic information requirements of general application to most programs, as well as requirements applicable to specific program types, will be identified. Health, welfare, and labor programs will be analyzed later. We plan to publish a report discussing our work on education programs in 1978.

The Committee also requested that we assist it in specifying and developing an operational system of social indicators. Social indicators related to employment were chosen for this work.

We have reviewed the available employment data series suggested as social indicators. These included employment and unemployment statistics, wage and salary data, working conditions and benefit data, new job satisfaction measures, and worker health and safety data. We were able to describe the strengths and weaknesses of the data as social indicators. We found that these employment concerns were represented in several budget functions and many programs to varying degrees.

We examined the current state of the art for systems of social indicators and found that the indicators were not

systematically related to particular programs or budget functions. Presently, the only operational system is a list of descriptive statistics. It is difficult to specify the contents of a list as being complete because a theory has not been developed which can measure social well-being in employment. We are working with the Committee staff to determine how to set up an operational system of employment indicators to improve oversight and to assist it in the budgetary decisions.

Evaluative approach

Program evaluation covers a wide range of activities in the Federal Government. A good evaluation can provide managers with information on a program's progress toward achieving desired goals. Ideally, evaluations should also aid in congressional oversight by facilitating assessment of whether laws are competently administered and are achieving intended purposes.

Titles VII and VIII of the Congressional Budget Act of 1974 strengthened our role in the area of program evaluation. We are working to improve the quality and usefulness of the evaluative information provided to the congress by

- developing and refining ways for the Congress to plan for evaluation and to perform oversight,
- appraising the effectiveness of executive agency evaluation systems,
- developing new methodologies for analyzing Federal programs and identifying their impact for the Congress, and
- publishing sourcebooks of agency evaluations and evaluation-related data.

We have completed development of an oversight process that could be used by the Congress when it desires to systematically monitor the effectiveness with which programs are carried out by the executive branch. This approach was developed at the request of Senator Patrick Leahy, and our upcoming report on the process is entitled "Finding Out How Programs Are Working: Suggestions for Congressional Oversight" (PAD-77-10). That report is proposing a process that could be used by congressional committees to keep track of programs as they are carried out or changed in response

to legislation. Our process is designed to avoid the pitfalls common in making program evaluations, such as determining adequate measures of program effectiveness, establishing cause and effect links, and analyzing program side effects.

Another effort underway deals with integrating evaluation information on multiple programs with similar objectives into the oversight process. This work is being done for the Senate Committee on Agriculture, Nutrition, and Forestry and focuses on Department of Agriculture programs associated with water and soil conservation. We are attempting to identify programs or activities which have similar objectives and to oversee the development of an Agriculture evaluation plan which will eventually provide the committee with evaluations that answer basic oversight questions on water and soil conservation issues.

Zero-base budgeting

Zero-base budgeting is being implemented in the Federal Government. We have completed a pilot study of how zero-base budget information can be integrated into the appropriations process and made useful for congressional budgetary decisionmaking. The study was done at the request of Representative Max S. Baucus who asked the National Aeronautics and Space Administration and the Consumer Product Safety Commission to submit portions of their budgets in the zero-base format. The Congressional Budget Office was asked to review the results, and we analyzed the process and reported in a letter report information identified which could be useful to committees. (PAD-77-60, June 10, 1977.) This information includes priority ranking of programs and analysis of program objectives, alternatives, and budget options. We are continuing to research the theory and practice of zero-base budgeting with the goal of assessing its impact on and uses for the congressional budget process.

CHAPTER 3

STANDARD TERMINOLOGY, DEFINITIONS,

CLASSIFICATIONS, AND CODES

Section 202(a)(1) of the Legislative Reorganization Act of 1970, as amended, requires the Comptroller General of the United States, in cooperation with the Secretary of the Treasury; the Director, Office of Management and Budget (OMB); and the Director, Congressional Budget Office, to develop, establish, maintain, and publish standard terminology, definitions, classifications, and codes for Federal fiscal, budgetary, and program-related data and information.

BUDGET CONCEPTS AND PRACTICES

We are focusing on the methods of financing now being used and those proposed for Federal programs and on the related effectiveness of the congressional control they provide. This work is carried out through

- maintaining the GAO glossary of budgetary, economic, and program terms used in the budget process;
- performing studies that focus on particular budget concepts and practices, such as the use of revolving funds; and
- assisting executive agencies in implementing recommended concepts.

Standard terminology and definitions

In November 1975 we published a glossary entitled "Budgetary Definitions" (OPA-76-8) which included our initial standard terminology and definitions relating to formulating and enacting the Federal budget. We distributed over 7,000 copies of the glossary, with circulation to all Federal agencies, congressional committees, Members of Congress, and many other interested organizations and individuals.

In July 1977 we issued a revised edition of the glossary entitled "Terms Used in the Budgetary Process" (PAD-77-9). This glossary is a compilation of those terms previously published and additional terms that have been suggested by various users of our first glossary.

Additional terms include terms and definitions applicable to zero-base budgeting that were developed by OMB and economic terms used in connection with the Federal budget, especially in discussions of the economic assumptions underlying the budget proposals and estimates.

As in the first glossary, the terms and definitions in the revised glossary (except for the zero-base budget terms) were developed in coordination with the Department of the Treasury, OMB, and the Congressional Budget Office. Suggestions and assistance were also obtained from various congressional committees and Federal agencies.

Funding practices studies

Underlying the definitions are concepts and precedents in budgeting, authorizing, and appropriating. Therefore, we are examining past and current practices for selected funding methods as they relate to congressional controllability. This work is closely coordinated with the work of other legislative branch studies of controllability. We also address the usage of terms and funding methods in commenting on bills and in response to specific requests for our views by committees.

Revolving funds

We recently published the first report dealing with our budget concepts work--"Revolving Funds: Full Disclosure Needed for Better Congressional Control" (PAD-77-25). That report discussed the current practices and trends in the use of revolving funds and implications for congressional budget control. One of the major issues raised in the report concerned the budget treatment of Public Enterprise Revolving Funds. We recommended in that report that public enterprise funds be reported in the budget on a gross basis so that the Congress is made aware of the total level of Federal activities and has the information necessary to select and implement the appropriate form of control over those activities. The current net treatment of Public Enterprise Revolving Funds understates the Federal budget totals by about \$28 billion in the fiscal year 1978 budget. Changing to a gross budget treatment would increase the budget receipt and outlay totals and the functional totals used in the concurrent resolutions. The budget deficit would not be affected.

There appears to be an inconsistent application of revolving fund criteria among Federal accounts resulting in questionable classification of some accounts as revolving

funds. Moreover, in some instances revolving funds have been established by the Congress where this financing mechanism might be considered inappropriate or unnecessary. We recommended also that common criteria be established and that accounts be reviewed to determine whether they meet this criteria.

The contents of the report were discussed with relevant executive and congressional agencies, and their comments were considered in preparing it. Agency comments on the report noted that, if these recommendations were adopted, it would require coordination between concerned entities to implement changes. We are willing to join in such an effort.

Federal Financing Bank

In an August 3, 1977, report to the Congress entitled "Government Agency Transactions with the Federal Financing Bank Should Be Included on the Budget" (PAD-77-70), we concluded that the effects of the off-budget status of the bank and other undesirable budget practices resulted in:

- An inaccurate depiction of some Federal credit assistance.
- A dilution of the meaning of Federal outlays and deficits.
- The potential for poor design of credit assistance devices and poor choices between credit assistance devices and other Federal assistance devices.

We recommended that, to adequately reflect the Federal credit assistance activity going through the Federal Financing Bank, the Congress require that

- the receipts and disbursements of the Federal Financing Bank be included in the budget totals,
- the receipts and disbursements of all off-budget Federal agencies that borrow from the bank be included in the budget totals, and
- Certificates of Beneficial Ownership be treated in the budget as borrowing rather than as the sale of an asset.

The report also discussed the implications of Federal Financing Bank operations for debt management and monetary policy.

Review of Defense Department's unexpended balances

During July 1977 we were requested in two separate letters, one from the Chairman of the House Budget Committee's Task Force on National Security (Congressman Robert L. Legett) and one from Senator Ernest F. Hollings (a member of both the Senate Appropriations and Budget Committees), to review unexpended balances of the Department of Defense (DOD).

The Comptroller General was also requested to develop:

- Historical data concerning recent trends in the DOD unexpended balances of obligational authority.
- Descriptions of the budget management processes pertaining to unexpended balances.
- Explanations of the growth in unexpended balances.
- Conclusions concerning certain budget implications (congressional control, etc.).

DOD's reported unexpended balances at the end of the year (including foreign military sales balances) have increased in recent years: fiscal year 1973, \$48.1 billion; fiscal year 1976, \$77.3 billion. The fiscal year 1973 balance represented 39 percent of total funds that were available for expenditures in that fiscal year; fiscal year 1976 amount represented 47 percent of total available funds.

This request will require coordinating the work with DOD, OMB, and the House and Senate Appropriations and authorizing committees. We will complete the work so we can send the results to these committees by January 15, 1978.

STANDARD CLASSIFICATIONS FOR BUDGET INFORMATION

We are continuing our efforts to improve classifications to best satisfy congressional information needs. The Congress is making program-related decisions within a number of frameworks.

- Budget functions (currently 17 Government-wide categories which serve as a framework for the Congress in setting spending limits of the concurrent resolution).

- Appropriations bills and line items (13 regular bills in which most of the 1,400 appropriation and fund accounts appear as line items).
- Authorizing legislation (about 4,300 programs and activities identified to separate segments of law).
- Congressional committee jurisdiction.
- Executive organization.

Budget functions

We are continuing our efforts to improve the standard functional classification structure to best satisfy congressional information needs. Last year we proposed changes to the existing functional structure in our report entitled "Standard Budget Classification--Proposed Functions and Subfunctions." (PAD-76-49, Aug. 20, 1976.) The report recommended that OMB supplement the regular fiscal year 1978 budget documents with a presentation of the budget using our proposed classification structure. OMB disagreed with the recommendation and did not prepare the supplementary presentation. We prepared a revised presentation of the fiscal year 1978 budget in the GAO-proposed functions and subfunctions, to show the usefulness of the proposed structure. This information is available from us in a staff study.

Since we have the lead responsibility for developing, establishing, maintaining, and publishing standard classifications, we have continued to coordinate the work and consult with the various committees and agencies involved in the budget process to evolve a classification structure well suited to the new budget process. In May 1977 we convened an informal meeting attended by staff members from the House and Senate Budget Committees; the House Appropriations, Senate Governmental Affairs, House Government Operations, and Senate Rules Committees; the Congressional Budget Office; OMB; the Congressional Research Service of the Library of Congress; and the Treasury Department. The meeting provided a forum for discussing opinions and concerns regarding the adequacy of the present information flow in the congressional budget process. Participants discussed the need to tailor the form and quantity of information to fit the Congress unique decision-making processes. However, some participants expressed reluctance to change the functional structure. We plan to continue these dialogues as we work to improve the functional and sub-functional classification structures of the budget. We are

reviewing an OMB staff paper on the functional classifications in the 1979 budget.

Authorizing legislation

We have developed a list of programs defined in authorizing legislation for use in preparing views and estimates reports. (See ch. 2.) This list consists of about 4,300 programs and activities identified to separate segments of law. Congressional committee jurisdiction and executive agency responsibility have been identified for these programs. This program structure is being used as a decisionmaking framework in preparation of views and estimates reports.

Standard data codes

Section 202(a)(1) requires standardization of the codes used for Federal fiscal, budgetary, and program-related data. In our report last year, we supported the adoption by OMB and the Department of the Treasury of a standard 11-digit code for use in the executive budget and fiscal information systems and in the documents and tapes sent to the Congress. After some experience with using this code, we have recognized a continuing need for the OMB 4-digit agency and bureau identifier. Although this code no longer appears in the budget appendix, OMB has maintained the code on the budget tapes. We find that we still use the number to achieve bureau level sorts; also the appendix is more difficult to use without this number. The Congressional Budget Office expressed the same problem in its comments to OMB on Circular A-11 submitted in March 1977. However, OMB does not plan to print the codes in the appendix.

The Civil Service Commission, in connection with the development of the Federal Personnel Management Information System, is developing a standard organization code to satisfy personnel and other functional Federal agency information requirements involving standard Federal organization designations. We are monitoring this work and will comment on the standard code proposed. Adoption of a standard by all parties, if that code provides the sorting capabilities needed, would make information exchange among agencies easier.

Special-use classifications

A number of special-use classifications have been developed.

Government-wide classification structure for research and development information

We developed a unified objective-oriented classification structure for use in presenting Federal research and development budgetary data to provide Government-wide information in a manner that will facilitate analysis, coordination, and oversight. This structure was discussed in our last annual report on progress under title VIII of the Congressional Budget Act of 1974. We issued a report to the Congress (PAD-77-14, dated Mar. 3, 1977) entitled "Need for a Government-Wide Budget Classification Structure for Federal Research and Development Information" recommending implementation of the structure. OMB objects to implementing the structure. Although a partial test of the structure demonstrated its feasibility, the structure has not been implemented. However, we continue to support the need for such a presentation.

Regulatory programs

The Subcommittee on Intergovernmental Relations, Senate Committee on Governmental Affairs, requested information on regulatory agencies for consideration during hearings on the Regulatory Reform Act of 1977 (S. 600). We used the data base compiled for the views and estimates reporting as a starting point for developing this classification. The Subcommittee requested data on which agencies in the Federal Government have regulatory authority, the sections of public law which authorize that authority, the substantive areas into which that regulatory authority falls, and the committees of both Houses of Congress with jurisdiction over those agencies. Because the public law and committee jurisdiction information was available in the automated system, we were able to fulfill the request in the short time in which it was required. We will include the identification of regulatory programs in the data base for future use.

Drug abuse programs

The Chairman, House Select Committee on Narcotics and Drug Abuse Control, requested our assistance in developing a congressional resource guide to assist the Congress in its review of the Federal drug abuse programs. We have been requested to provide material on agency mandates and expenditures for narcotics abuse and control programs.

CHAPTER 4

REPORTS MONITORING AND SOURCEBOOKS

Section 202(d) of the Legislative Reorganization Act of 1970, as amended, states that the Comptroller General shall assist committees in developing their information needs, including such needs expressed in legislative requirements, and shall monitor the various recurring reporting requirements of the Congress and committees. It further states that the Comptroller General will make recommendations to the Congress and committees for changes and improvements in their reporting requirements to meet congressional information needs, to enhance their usefulness to the congressional users, and to eliminate duplicative or unneeded reporting.

As a part of our work in this area, we have collected data from Federal agencies about requirements for recurring reports to the Congress. This information is maintained on a computerized file and published annually in one of the three volumes of the congressional sourcebook series. The most recent report is "Requirements for Recurring Reports to the Congress, a Directory" (PAD-77-61); it provides a comprehensive compilation of congressionally required recurring reports. In addition to reports required by law, the directory includes numerous nonstatutory reports, such as those requested in hearings, in committee reports, or in letters or telephone requests from committee chairmen or members. It also includes reports identified as voluntary recurring submissions by the preparing agencies. The reports were identified from information provided by 254 Federal departments, agencies, boards, commissions, and federally chartered corporations.

The inventory is maintained and updated through our research and identification of new reporting requirements from new legislation and requests for information from Federal agencies. The computer-based file can provide specialized lists of recurring reporting requirements of the Congress. The data in this file can be retrieved by key word, recipient, statute, due date, submitting agency, or other designation. Statistical analyses can also be generated.

We are preparing an information document on reports for each standing congressional committee which contains

- a list of requirements for reports which each committee should be receiving,
- the subject matter of each report,
- the due date for each report,
- the frequency of submission for each report,
- the authority for each report,
- the Federal agency or federally chartered corporation responsible for submitting the report, and
- identification of requirements for reports which the submitting agency believes are duplicative or unneeded.

The information document on reports has two purposes: (1) to inform each congressional committee of the current status of requirements for recurring reports for which the committee has oversight responsibilities and (2) to solicit each committee's opinion about possible elimination of requirements. This work will help us to assist committees in developing language for specifying new reporting requirements in proposed legislation and drafting legislation to eliminate or modify statutory reporting requirements.

SOURCEBOOKS

In addition to our sourcebook on recurring reports, we published two other directories which make up the sourcebook series.

--"Federal Program Evaluations: A Directory for the Congress."

--"Federal Information Sources and Systems: A Directory for the Congress."

"Federal Program Evaluations: A Directory for the Congress" (PAD-77-5) provides an indexed guide to program evaluation reports produced by or for the Government. It contains an inventory of about 1,700 evaluation reports produced by and for 18 selected Federal agencies, including GAO evaluation reports that relate to the programs of those agencies.

"Federal Information Sources and Systems: A Directory for the Congress" (OPA-76-23) provides an indexed guide to Federal information sources and systems which contain budgetary, fiscal, and program-related data. It describes about 1,000 Federal sources and information systems maintained by 63 executive agencies.

We are continuing to improve the three directories which are published annually by adding information to increase their usefulness, by increasing coverage to include all executive agencies and the legislative branch, and by making the computerized data readily available. A common online data base for congressional analysts will be available through the Congressional Research Service's system (SCORPIO). We are also beginning the development and publishing of special studies related to problems of identification and access to information.

CHAPTER 5

EXECUTIVE BRANCH PROGRESS

During the past year, we have received good cooperation from most agencies. We have developed close and beneficial working relationships with OMB and agency budget staffs. However, OMB has been resistive to change in a number of areas. We recognize that the requirements of zero-base budgeting have overshadowed other concerns. Lack of staff resources has been one of the stated reasons for reluctance to implement our recommendations. There is no indication that resources will increase.

The extent to which zero-base budgeting might help to meet future congressional information needs is not yet clear. Since it includes some program measurement and future orientation, it is a potentially useful source. If the decision units used in the zero-base budgeting procedure were made to correspond or easily link to programs defined in terms of authorizing legislation, information developed would have maximum utility and wasteful duplication of effort would be minimized. Guidance in OMB's Circular No. A-11 on preparation and submission of budget estimates does not provide assurance that this will be the case. We would encourage the executive branch to make every effort to insure that zero-base budget information can be easily linked to congressional decision structures.